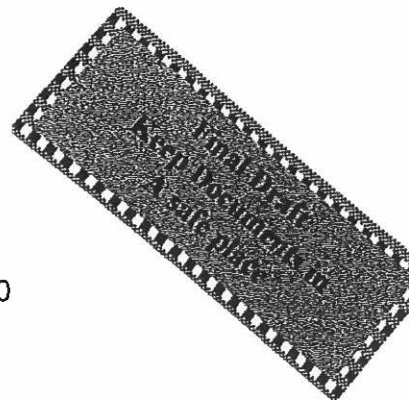


BY LAWS  
OF  
TUSSEY VIEW CONDOMINIUMS  
Changes Approved by majority vote on March 16, 2000



ARTICLE I  
Introductory Provisions

1.1. Applicability. These By-Laws provide for the governance of the Association pursuant to the requirements of Section 3306 of the Act with respect to the Condominium created by the recording of the Declaration in and amount land records of the office of Recorder of Deeds of Centre County in Deed Book at Page , and as the same may be amended from time to time.

1.2. Definitions. Terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these By-Laws pertain or, if not defined therein, the meanings specified or used for such terms in the Act.

1.3. Compliance. Pursuant to the provisions of the Act, every Unit Owner and all persons entitled to occupy a Unit shall comply with these By-Laws.

1.4. Office. *The properly managers office, the Association, the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.*

1.5. Copies. *Copies of the By-Laws, Declaration and other Tussey View Condominium Association documents should be on file in property managers office and available only to unit owners.*

ARTICLE II  
Executive Board

2.1. Number and Qualifications. The affairs of Tussey View Condominium Association, a Non-Profit Corporation, (hereinafter "Association") shall be governed by an Executive Board. The initial Executive Board shall consist of five (5) persons who

shall be designated from time to time by the Declarant. The initial Executive Board members shall be named by the Declarant prior to the recording of the first deed of conveyance of a Unit, and said Board Members shall serve until their replacements are elected in accordance with the time set out in Article XI of the Declaration. *Thereafter, the Executive Board shall be composed of five (5) person, all of whom shall be Unit Owners ant at lease three (3) of whom shall reside in the Condominium at the time of election.* Any officer of a corporate Unit Owner shall be eligible to serve on the Executive Board. All of the Members of the Executive Board except the Initial Executive Board shall be elected by the Association.

2.2. Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts or things except as by the Declaration or by these By-Laws may not be delegated to the Executive Board by the Association. Such powers and duties of the Executive Board shall include but shall not be limited to the following:

(a) Operation, care, upkeep and maintenance of the Common Elements.

(b) Determination of the Common Expenses and Limited Common Expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property. After notice and hearing in accordance with Rules adopted by the Executive Board, the Executive Board shall have the right to make a final determination of any claim or dispute by a Unit Owner as to whether any charge or expense applies against the Unit Owner rather than the Common Elements or Limited Common Elements, and such determination shall be final, conclusive and binding.

(c) Collection of Common Expenses and Limited Common Expenses from the Unit Owners, including without limitation, an amount for working capital of the Condominium, for a general operation reserve, for a reserve fund for replacements, and to make up any deficit in such funds for any prior year. The Executive Board may designate an agent for the purpose of collecting such expenses and for the purpose of making disbursements there from on behalf of the Executive Board.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements and Limited Common Elements.

(e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of Property including, without limitation, minimum standards for floor covering and standards governing draperies, blinds and curtains on the windows.

(f) Making of repairs, additions, and improvements to or alterations of the Property and repairs to and restoration of the Property, in accordance with other provisions of these By-Laws after damage or destruction by fire or other casualty or as a result of eminent domain proceedings.

(g) The Executive Board shall have the power to enforce obligations of the Association, to allocate expenses and surpluses, and to do anything and everything else necessary and proper for the sound management of the Condominium, including the right (after notice and hearing in accordance with Rules adopted by the Executive Board) to levy fines, bring lawsuits to enforce the provisions of the Declaration, the By-laws, and the Rules and Regulations promulgated by the Executive Board. Any Unit Owner determined to be in violation of the Declaration, the By-Laws or the Rules and Regulations promulgated by the Executive Board, shall pay all attorney's fees and costs incurred by the Executive Board in the enforcement of the same against the Unit Owner and any fine levied by the Executive Board, provided that the fine for a single violation may not, under any circumstances, exceed \$50.00. For each day a violation continues after notice it shall be considered a separate violation. Any fine so levied is to be considered as a Limited Common Expense to be levied against the particular Unit Owner involved, and collection may be enforced by the Executive Board in the same manner as the Executive Board is entitled to enforce collection of Common Expenses.

(h) The Executive Board may employ a managing agent and/or manager for the Condominium at a compensation to be established by the Executive Board, to perform such duties and services as the Executive Board shall authorize, including but not limited to the duties granted to the Executive Board as set forth above. The

Executive Board may delegate to the manager or managing agent such powers as may be necessary to carry out the functions of the Executive Board.

(I) The Executive Board shall have the right to establish rules and regulations governing the use of all parking and storage areas.

*G) No lawsuit (other than for collection of monies due and owing from a Unit Owner or to enforce restrictions created herein) or administrative proceeding may be brought by the Executive Board without the approval of 65% of Unit Owners. Notwithstanding other provisions regarding amendment of the By-Laws, this sub paragraph cannot be amended without the approval of 65% of the Unit Owners.*

2.3. Election and Term of Office. The election of the Executive Board and the terms of office of the Executive Board members shall be in accordance with the following:

(a) The first meeting of the Association shall be held on call by the Executive Board no more than (i) sixty (60) days after twenty-five (25%) percent of the Units have been sold, paid for and title closed, or (ii) no later than one (1) year after the date of the recording of the Declaration, whichever shall first occur. Said meeting shall be considered to be the first annual meeting of the Association.

(b) When the term of the appointed Executive Board members terminates in accordance with the provisions of Article II, Section 2.1 of these By-Laws, five (5) members of the Executive Board shall be elected by the Unit Owners. All members shall be elected by the Unit Owners. All members shall be elected for one-year terms. At each subsequent annual meeting of the Association five (5) directors shall be elected for one-year terms. The members of the Executive Board shall hold office until their respective successors have been elected by the Unit Owners. The Executive Board members appointed by the Declarant and any replacement or substitute members appointed by the Declarant, at her discretion, shall serve until the election has taken place at the first annual meeting. Cumulative voting shall be utilized in all such elections.

(c) At any vote for membership on the Executive Board, each Unit Owner,

including the Declarant, to the extent that the Declarant is still a Unit Owner, shall vote for each position to be filled in accordance with the provisions of Article 111 of these By-laws. At any meeting for election of membership to the Executive Board, any eligible person may be nominated. If more than twice the number of candidates to be elected at such meeting are nominated, then and in such event there shall be two ballots. At the end of the first ballot, the field of nominees shall be reduced so that there are no more than twice as many candidates running, as there are positions to be filled, with those candidates receiving the fewest number of votes being eliminated. A second ballot shall be held, and the candidates receiving the greatest number of votes shall serve on the Executive Board.

2.4. Removal of Members of the Executive Board. At any duly held regular or special meeting of the Association, any one or more members of the Executive Board may be removed with or without cause by a majority of all Unit Owners, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Executive Board whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. This provision shall not apply to Executive Board members appointed by the Declarant under Article II, Section 2.1, herein, the Article XI of the Declaration.

2.5. Temporary Vacancies. Temporary vacancies on the Executive Board caused by any reason shall be filled by a majority of the votes of the four (4) remaining members of the Executive Board at a special meeting of the Executive Board held for that purpose promptly after the occurrence of any such vacancy. The person so elected shall be a member of the Executive Board for the remainder of the term of the member whose vacancy he is filling or until his successor shall be elected.

2.6. Meeting of the Executive Board.

A. *Regular meetings of the Executive Board may be held at such times and places as shall be determined from time to time by a majority of the members of the Executive Board, but at least two (2) meetings shall be held each year. Notice of all meetings of the Executive Board shall be given to each member of the Executive Board*

by mail or delivery to the Unit at least (10) calendar days prior to the day of the meeting.

B. Special meetings of the Executive Board may be called by the President on two (2) days' notice, or upon a shorter time if reasonable, in the event of an emergency, to each member of the Executive Board given by mail or delivery to the Unit, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or the Secretary in like manner and on like notice on the written request of at least one member of the Executive Board. Any member of the Executive Board may, at any time, waive notice of any meeting of the Executive Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a member of the Executive Board at any meeting of the Executive Board shall constitute a waiver of notice of the time and place thereof.

C. All meetings of the Executive Board shall be open to all Unit Owners, but Unit Owners other than members of the Executive Board may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a member of the Executive Board. In such case, the President may limit the time any Unit Owner may speak. The foregoing notwithstanding, meetings of the Executive Board or portions of meetings of the Executive Board, which deal with litigation, personnel, or other confidential matters, shall not be open to Unit Owners.

2.7. Quorum of the Executive Board. At meetings of the Executive Board, three (3) members must be present to constitute a quorum for the transaction of business. A majority vote of the members of the Executive Board is necessary in order to constitute valid action. If, at any meeting of the Executive Board, there shall be less than a quorum present, they shall adjourn the meeting to a new date. At any such reconvened meeting at which a quorum is present, any business, which may have been transacted at the adjourned meeting, may be transacted without further notice.

2.8. Election, Duties of Officers. Officers of the Executive Board shall be elected and shall have duties in accordance with the following:

(a) At each annual organizational meeting of the Executive Board, the

Executive Board shall elect a President, a Secretary and a Treasurer of the Association. The Secretary need not be member of the Executive Board but may be appointed by the Executive Board.

(b) The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and the Executive Board, and shall have general powers and duties which are incident to the office of the president of a not-stock corporation, including, but not limited to, the power to appoint such committees from among the Unit Owner from time to time as he may in his discretion decide are appropriate to assist in the affairs of the Association.

(c) The Secretary shall keep the minutes of all meetings of the Association and the Executive Board, and shall have charge of such books and records as the Executive Board may direct. The Secretary shall, in general, perform all of the duties incident to the office of a secretary of a non-stock corporation.

(d) The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for the keeping of full accurate records and books of accounts.

(e) All agreements, contracts, leases, deeds, checks and other instruments of the Association shall be executed by any two officers or by such other person or persons as may be designated by the Executive Board.

(f) All payment vouchers of the Executive Board shall be approved by the President or Treasurer of the Executive Board.

(g) Upon the affirmative vote of a majority of votes of the members of the Executive Board, any officer may be removed either with or without cause, and his successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for such purpose.

(h) Upon death or resignation of an officer, his successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for such purpose.

2.9. Compensation of Executive Board Members and Officers. The President

shall not receive any compensation for his services, except reimbursement of out-of-pocket expenses, but he may be compensate for services rendered in any other capacity. The Secretary and Treasurer may be reimbursed for out-of-pocket expenses and also may be compensated for their serviced if the Executive Board determined that such compensation is appropriate. With the exception of the foregoing, no member of the Executive Board shall receive compensation for serving on the Executive Board.

### **ARTICLE III**

#### **Association**

3.1. Composition. The Association has been organized and incorporated under the Pennsylvania Nonprofit Corporation Law of 1972 (15 P.S. Section 7301). The members of the Association shall consist of all of the Unit Owners acting as a group in accordance with the Act, the Declaration and these By-Laws. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act, the Declaration and these By-laws. The foregoing responsibilities shall be performed by the Executive Board as more particularly set forth in these By-Laws.

3.2. Annual Meetings. After the first meeting is held in accordance with Article II, Section 2.3, succeeding annual meetings of the Association shall be held during the same month in each succeeding year.

3.3. Place of Meeting. The meetings of the Association shall be held at the principal office of the Association or at such other suitable place as may be designated by the Executive Board.

3.4. Special Meetings. *It shall be the duty of the President to call a special meeting of he Association, if so directed by a resolution of the Executive Board or upon a petition signed and presented to the Secretary by one third of Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the*



purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

3.5. Notice of Meetings. The Secretary shall give notice for each annual or special meeting of the Association at least seven (7) but not more than twenty (20) calendar days prior to such meeting, stating the purpose thereof, as well as the time and place where it is to be held. Said notice shall be mailed to or delivered to each Unit Owner of record at the Unit address or at any other address that such Unit Owner shall have designated by notice in writing to the Secretary. The mailing or delivery of notice of meeting in the manner herein provided shall be considered service of notice.

3.6. Quorum - Proxies. *Except as otherwise provided herein, the presence in person or by proxy of two-thirds of Unit Owners shall constitute a quorum of all meetings of the Association.* If at any meeting of the Association there is not a quorum present, a majority in interest of the Association who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the date on which the original meeting was called. At any such reconvened meeting at which a quorum is present, any business, which may have been transacted at the adjourned meeting, may be transacted without further notice.

3.7. Conduct of Meeting. The order of business at the annual meeting of the Association or at any special meeting, as far as practicable, and in accordance with Section 3.3 of Article III of these By-Laws shall be:

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Receiving report of officers.
- (e) Receiving report of committees.
- (f) Election of inspector of elections, if necessary.
- (g) Election of directors, if necessary.
- (h) Old business.
- (i) New business.

(j)Adjournment.

3.8. Allocation of Votes and Eligibility. *All elections, whenever required for any purpose, shall be conducted by allocating one vote to each Unit Owner.* Any Unit Owner who is delinquent in the payment of Common Expenses or is in default in any manner of the requirements of a Unit Owner shall be ineligible to vote. At all meetings of the Association or of the Executive Board, Robert's Rules of Order (Revised) shall be followed.

3.9. Voting by Corporate Unit Owners. Duly un authorized officers of corporate Unit Owners shall be entitled to vote.

3.10. Majority of Votes. A vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum is present shall be binding upon all Unit Owners for all purposes except wherein by the Declaration, these By-Laws, or by law, a higher percentage of votes is required. The Secretary of the Association shall certify the vote tabulation of any hand or ballot vote; which certification shall be valid and binding.

## ARTICLE IV

### Common Expenses; Budget

4.1. Fiscal Year. *The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board.*

4.2. Preparation and Approval of Budget.

4.2.1. On or before the first day of November of each year (or sixty (60) days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and Limited Common Elements including the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses and Limited Common Expenses by the Act, the Declaration, these By-Laws or a

resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. Such budget shall also include such reasonable amounts, as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and reserves for repair and replacements. The budget shall segregate Common Expenses and Limited Common Expenses.

4.2.2. On or before the next succeeding fifth day of November (or fifty-five days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the Association office and shall send to each Unit Owner a copy of the budget in a reasonably itemized form. Such budget shall constitute the basis for determining each Unit Owner's assessments for Common Expenses and Limited Common Expenses of the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 4.8 below.

4.2.3. The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

#### 4.3. Assessment and Payment of Common Expenses.

4.3.1. Common Expenses. *The Executive Board shall calculate the monthly assessments for Common Expenses against each Unit Owner by (a) estimating the amount of funds required for the operation of the Common Elements set forth in the budget adopted by the Executive Board for the fiscal year in question less any income expected to be received from sources other than Common Expense Assessments or from the operation of the Common Elements to which the Common Expenses pertain and (b) divide the estimated expenses by the number of units and then by the number of months in the fiscal year. Such assessments shall be deemed to have been adopted and assessed against the Unit Owners on a monthly basis and not on an annual basis and shall be payable in monthly installments, to be due and payable on the first day of*

each calendar month and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within ninety (90) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a mortgage on a Unit who has registered an address with the Secretary, an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. *Any expected cash shortage with regard to Common Expenses, after application of such reserves as the Executive Board may determine, shall be cured by a prompt assessment against the Unit Owners, and shall be payable in one (1) or more monthly assessments, as the Executive Board may determine.*

4.3.2. Limited Common Expenses. *The Executive Board shall calculate the monthly assessments for Limited Common Expenses against each Unit Owner obligated to pay Limited Common Expenses by estimating the total amount of funds required for Limited Common Expenses set forth in the budget adopted by the Executive Board for the fiscal year in question after deducting any income expected to be received from the operation of the Limited Common Elements to which the Limited Common Expenses pertain other than Limited Common Expense assessments. The share of Limited Common Expenses shall be allocated to each Unit Owner(s) involved. Divide the estimated share of expenses by the number of calendar months in the fiscal year. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each calendar month and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within ninety (90) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a mortgage on a Unit who has registered an address with the Secretary an itemized accounting of the Limited Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any expected cash shortage with regard to Limited Common Expenses, after application of such reserves as the Executive Board*

may determine, shall be cured by prompt assessment against the Unit Owners obligated to pay Limited Common Expenses in accordance with their allocable share of Limited Common Expenses and shall be payable in one or more monthly assessments, as the Executive Board may determine.

4.3.3. Reserves. The Executive Board may build up and maintain reasonable reserves for working capital with respect to the Common Elements and Limited Common Elements. Extraordinary Common Expenses and Limited Common Expenses not originally included in the annual budget, which may become necessary during the fiscal year may be charged first against such reserves. *If the reserves are deemed to be inadequate for any reason, the Executive Board may at any time levy further assessments against the Unit Owners for the Common Expenses and Limited Common Expenses and shall be payable in one or more monthly assessments as the Executive Board may determine.*

4.4. Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to Sections 4.3.1 through 4.3.3 or otherwise as permitted or required by the Act, the Declaration and these By-Laws by a statement in writing giving the amount and reasons therefore, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections 4.3.1 through 4.3.3.

4.5. Initial Budget. At or prior to the time assessment of Common Expenses and Limited Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determined that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Units during such period as is provided in Section 4.4 above.

4.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the

Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Expenses, as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, the budget for the previous fiscal year shall become the budget and each Unit Owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

4.7. Attestation of Books and Records. All books and records of the Association shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once each year by an independent account retained by the Executive Board.

4.8. Rejection of Budget; Limitations on Expenditures. Anything herein to the contrary notwithstanding, the Association, by majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive Board. Subsequent to the passage of a budget, the power of the Executive Board to incur expenses on behalf of the Association is subject to the requirement that the consent of all Unit Owners entitled to cast at least a majority of the votes in the Association must be obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws to incur expenses which would cause the total amount of all expenses in the budget to be exceeded by more than 5% of the budgeted amount, and in such case to further assess the Unit Owners therefore.

4.9. Limitations on Borrowing. The power of the Executive Board to borrow money on behalf of the Association is subject to the requirement that the consent of all Unit Owners entitled to cast at least a majority of the votes in the Association must be obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-laws.

4.10. Payment on Common Expenses and Limited Common Expenses. Each Unit Owner shall pay the Expenses assessed or billed by the Executive Board pursuant of the provisions of this Article IV. No Unit Owner may exempt himself from liability for

his contribution toward such Expenses by waiver of the use or enjoyment of any of the Common Elements, or Limited Common Elements, or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the expenses assessed or billed against his Unit subsequent to the date of recordation of a conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments or billings assessed or billed against the selling Unit Owner's Unit up to the time of such recordation, without prejudice to the purchaser's right to recover from the Selling Unit Owner amounts paid by the purchaser therefore. Any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments or billings against the selling Unit Owner within five days following a written request therefore to the Executive Board or Managing Agent.

Subject to Section 3315 (b) (2) of the Act, each record holder of a mortgage on a Unit who comes into possession of a Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments, billings or charges against such Unit which accrue prior to the time such holder comes into possession thereof, except for claims for a pro rata share of such assessments, billings or charges resulting from a pro rata reallocation of such assessments, billings or charges to all Units including the mortgaged Unit.

4.11. Collection of Assessments. The Executive Board or the Managing Agent, at the request of the Executive Board, shall take prompt action to collect any assessments or bills for Expenses, due from any Unit Owner, which remain unpaid for more than thirty days from the date for payment thereof. Any assessment or bill not paid within five days after its due date shall accrue a late charge in the amount of 5% of the overdue assessment or bill in addition to interest at the rate of 15% per annum or such other rate as may be determined by the Executive Board.

4.12. Statement of Common Expenses and Limited Common Expenses. The Executive Board shall promptly provide any Unit Owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all

unpaid assessments of bills for Common Expenses and Limited Common Expenses due from such Unit Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

4.13. *Initial Contribution.* Each purchaser of a Unit (and specifically excepting Declarant at the time of purchase, shall make a contribution equal to five (5) months' assessments for such Unit purchased toward a reserve fund of the Association. Such contribution shall be non-refundable and shall be made by a purchaser each time a Unit is purchased.

## **ARTICLE V**

### **Compliance and Default**

5.1. Relief- Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these By-Laws, the Rules and Regulations and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, acting through its Executive Board or through the Managing Agent, to the following relief:

a. Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or the act, neglect or carelessness of his tenants, guests, invitees or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Unit or appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

b. Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be determined



by the court.

c. **No Waiver of Rights.** The failure of the Association, the Executive Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these By-Laws, the Executive Board Rules and Regulations of the Act shall not constitute a waiver of the right of the Association, the Executive Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association; the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these By-Laws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these By-Laws, the Rules and Regulations or the Act or at law or in equity.

d. **Abating and Enjoining Violations by Unit Owners.** The violation of any of the Executive Board Rules and Regulations adopted by the Executive Board, the breach of any By-Law contained herein or the breach of any provision of the Declaration or the Act shall have the Executive Board the right, in addition to any other rights: (a) to enter the Unit in which, as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; of (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

## **ARTICLE VI**

### **Amendments**

6.1. **Amendments to By-Laws.** *These By-Laws may be modified or amended only by vote of Unit Owners entitled to cast a majority of the votes in the Association, except as otherwise expressly set forth herein. Additionally, if any amendment is*

necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these By-Laws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

6.2. Approval of Mortgagees. These By-Laws contain provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions in these By-Laws are to be construed as covenants for the protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these By-Laws impairing or affecting such rights, priorities, remedies or interests of such a holder shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.

6.3. Amendments to the Declaration. *A majority of the Executive Board members of the Association may prepare, execute and certify the adoption and record amendments to the Declaration on behalf of the Association.*

## **ARTICLE VII**

### **Alterations, Decorating, Maintenance and Repair**

7.1. Responsibility for Maintenance of Units. Unless covered by the insurance provided in accordance with Article VIII, below, each Unit Owner shall furnish and be responsible for and at his expense, all of the maintenance, repairs and replacements within his Unit and Limited Common Elements as defined in the Declaration: provided, however, that such maintenance, repairs and replacements as may be required for the bringing of water and electricity by the Unit, (but not within the Unit) shall be furnished by the Executive Board as part of the Common Expenses. Maintenance repairs and replacements of the refrigerators, ranges, dishwashers and other kitchen appliances

and lighting fixtures, and other electrical appliances of any Unit Owner shall be at the expense of such Unit Owner. Each Unit Owner shall be responsible for the repair and replacement of all windows, window parts and doors of his Unit.

7.2. Damage by Negligent Acts. If due to the negligent act or omission of a Unit Owner or of a Resident or of a member of the family or household pet or of a guest or invites of such Unit Owner or Resident, damage shall be caused to the Common Elements or Limited Common Elements, or to a Unit or Units owned by others, or maintenance, repairs and replacements shall be required which would otherwise be a Common Expense or Limited Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined after Notice and Hearing by the Executive Board.

7.3. Maintenance of Equipment, Fixtures, Etc. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities or fixtures affecting or serving other Units, the Common Elements or Limited Commercial Elements, then the use thereof by the individual Unit Owners shall be subject to the control of the Executive Board. The authorized representatives of the Executive Board, or of the manager or managing agent for the Building, shall be entitled to reasonable access to the individual Units as may be required in connection with maintenance, repairs or replacements of or to the Common Elements or Limited Common Elements, or any equipment, facilities or fixtures affecting or serving other Units or the Common Elements or Limited Common Elements.

7.4. Decorating and Maintenance of Units and Common Elements. Each Unit Owner shall furnish and be responsible for and at his own expense, all of the decorating within his own Unit, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings, which constitute the exterior boundaries of his Unit, and such Unit Owner shall maintain the interior surfaces in good condition at his sole expense as may be required from time to time, which said

maintenance and use shall be subject to the control of the Executive Board. The interior surface of all windows forming part of the perimeter wall of a Unit shall be cleaned or washed at the expense of each respective Unit Owner. The use of and the covering of the interior surfaces of such windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the control of the Executive Board in accordance with Article II, Section 2.2(e) of these By-Laws.

Decorating of the Common Elements or Limited Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements or Limited Common Elements by the Executive shall be furnished by the Executive Board as part of the Common Expenses or Limited Common Expenses, as the case may be.

7.5. Alterations. No alterations of any Common Elements or Limited Common Elements of any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Executive Board. In addition, (a) plans prepared and certified by an Architect or Professional Engineer duly registered or licensed in Pennsylvania must be provided to the Executive Board for such work. Such plans must demonstrate to the satisfaction of the Executive Board that such alterations, additions or improvements will not diminish the structural integrity of the building in any way whatsoever. The plans shall be otherwise subject to the approval of the Executive Board, not to be unreasonably withheld, (b) any Unit Owner causing work to be done and his contractor doing said work must produce evidence of adequate liability and property insurance for the protection of the Association, including but not limited to the following:

- (I) Claims under Workers' or Workmen's Compensation, disability benefit and other similar employee benefit acts;

- (ii) Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees;

- (iii) Claims for damages because of bodily injury, sickness or disease, or

death of any person other than his employees;

(iv) Claims for damages insured by usual personal liability coverage, which are sustained by (a) any person as a result of an offense directly or indirectly related to the employment of such person by the contractor, or (b) by any other persons;

(v) Claims for damages, other than to the work itself because of injury to or destruction of tangible property, including loss of use resulting there from; and

(vi) Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle.

(c) All contracts for such work must be done subject to the filing of a properly executed "stipulation against liens", and

(d) All necessary permits must be obtained. All the above terms must be submitted by the Executive Board prior to undertaking such work in accordance with Section 7.6 hereof. The work must be carried out expeditiously and in a reasonable manner to minimize noise and interference with the use and enjoyment of the Building and the Common Elements by the Unit Owners and Residents of the Condominium. The Executive Board shall have the right to require the Unit owner and/or a contractor to furnish bonds covering the faithful performance of the contract and the payment of all obligations arising there under.

The requirements set forth in this section shall also apply to Sections 3.4 and 7.1 (l) of the Declaration and Section 7.6 of these By-Laws.

7.6. Additions, Alterations and Improvements by the Unit Owners. No Unit Owner shall make any structural addition, structural partition or wall change, or structural alteration or improvement in or to his Unit without prior written consent of the Executive Board and the mortgagee of said Unit except as otherwise expressly permitted hereby as to the combination of Units, as provided in the Declaration. The Unit Owner shall also comply with the additional requirements set forth in detail in Section 7.5 above. The Executive Board shall have the obligation to answer any

written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within thirty (30) days after such request.

## **ARTICLE VIII**

### **Insurance**

8.1. Insurance provided by the Executive Board. The Executive Board, for the benefit of and on behalf of the Unit Owners, shall contract for, shall pay the premiums therefore as Common Expenses, and shall maintain at all times the following insurance:

(a) Fire insurance in an amount equal to the full insurable replacement cost of the Property without deduction for depreciation, with an endorsement for extended coverage, or such other fire and casualty insurance as the Executive Board may maintain providing equal or greater protection for the Unit Owners and their mortgagee, if any. In the event the net proceeds of such insurance do not exceed One Hundred Thousand Dollars (\$100,000.00), such net proceeds shall be payable to the Executive Board on behalf of all Unit Owners and their respective mortgagees. In the event the net proceeds of such insurance exceeds One Hundred Thousand Dollars (\$100,000.00), such net proceeds shall be payable to any trustee of any successor trustee appointed by the Executive Board and approved by the holders of five (5) or more mortgages permitted hereunder (hereinafter referred to as the "Insurance Trustee"). All such insurance shall include a separate loss payment endorsement, in favor of the holders of any mortgages permitted hereunder modified to make the loss payable provisions in favor of such holders of mortgages subject and subordinate to the loss payment provisions in favor of the Executive Board, or the Insurance Trustee under an appropriate agreement. Said Agreement shall provide that the Executive Board or Insurance Trustee shall hold and disburse all payments received on account of loss or damage covered by such policy for repairs and restoration as provided in the Pennsylvania Uniform Condominium Act and in this Article. Said insurance may, in the discretion of the Executive Board, contain a "deductible" provision in an amount determined by the Executive Board but not to exceed Five Thousand Dollars

(\$5,000.00). The Executive Board shall periodically order an appraisal of the Property to be made for the purpose of determining the current insurable replacement cost of the Property, and the scope and amount of all fire insurance policies shall be reviewed yearly and may be increased in its discretion in order to maintain coverage in the amount of the current full insurable replacement cost of the Property as hereinabove required.

(b) Comprehensive liability insurance insuring Unit Owners (in their capacity as Unit Owners), members of the Executive Board and any manager of the Property against any liability to the public or to the Unit Owners, Residents or invitees, relating in any way to the ownership and/or use of the Property and any part thereof. Limits of liability shall be for at least a combined single limit of One Million (\$1,000,000.00) Dollars. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Executive Board and may be increased in its discretion.

(c) Such Worker's Compensation insurance as applicable laws may require.

(d) Such other insurance as the Executive Board in its discretion may deem to be desirable.

8.2. Specifications for Insurance. All insurance shall be obtained in accordance with the following provisions:

(a) All policies shall be written with insurance carrier licensed to do business in the Commonwealth of Pennsylvania and holding a rating of "B+" or higher as rated by Best's Insurance Reports, or by an equivalent rating agency in the event Best's Insurance Reports cease to be issued.

(b) Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the Executive Board or its authorized representatives.

(c) In no event shall the insurance coverage obtained and maintained by the Executive Board hereunder be brought into contribution with insurance maintained by individual Unit Owners on their mortgagees.

(d) Each Unit Owner may maintain additional insurance at his own expense; provided, however, that (i) such policies shall contain waivers of subrogation, and (ii) no Unit Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the proceeds which the Executive Board, on behalf of the Association, may realize under any insurance policy which the Executive Board may have in force on the Property at any particular time.

(e) Each Unit Owner shall be required to notify the Executive Board of all alterations, additions and improvements made by him to his Unit or Limited Common Elements, the value of which is in excess of Two Thousand Five Hundred Dollars (2,500.00).

(f) The Executive Board shall have the power to require all Unit Owners to maintain such types of insurance as the Executive Board may reasonably require with the type of insurance companies specified otherwise.

(g) Any Unit Owner who maintains individual insurance policies covering any portion of the Property other than personal property belonging to such Unit Owner shall be required to file a copy of such individual policy or policies with the Executive Board within thirty (30) days after purchase of such insurance.

(h) The Executive Board shall be required to make every *effort* to secure and maintain insurance policies covering the Property that will provide the following:

(i) A waiver of subrogation by the insurer as to any claims against the Executive Board, any manager of the Property, the Unit Owners and their respective servants, agents and guests;

(ii) That the insurance policies issued to the Executive Board on behalf of the Unit Owners and covering the Property cannot be canceled, invalidated or suspended owing to the conduct of any one or more Unit Owners and in no event can cancellation, invalidation or suspension for any reason be effected without at least thirty (30) days' prior written notice to each Unit Owner and all mortgage holders;

(iii) That all policies covering the Property cannot be canceled, invalidated or suspended owing to the conduct of any officer, member or employee of



the Executive Board or any manager of the Property without prior demand in writing that the Executive Board cure the defect within a reasonable period of time; and

(iv) That any "no other insurance" clause in the Executive Board insurance policies exclude individual Unit Owners' policies from consideration.

(I) The periodic and annual insurance reviews which the Executive Board is required to conduct, as provided hereinabove, shall include a determination of the replacement cost of the improvements to the Property performed in a suitable manner.

## ARTICLE IX

### Repair. of Reconstruction

#### 9..1. Damage or Destruction.

(a) Repair. Except as otherwise provided by law, in the Declaration or herein, damage to or destruction of the Building or any other improvements constructed on the Property shall be promptly repaired and restored by the Executive Board using the insurance proceeds received by the Executive Board or the Insurance Trustee for such purpose. *The Unit Owners directly affected thereby shall be liable for any deficiency in such proceeds in equal proportion, except that if and to the extent that such deficiency exists solely by reason of a "deductible" provision in the insurance policy or policies held by the Executive Board, such deficiency shall be borne by all of the Unit Owners as a Common Expense.* Unit Owners may apply the proceeds from their individual fire insurance policies, if any, to the share of such Expense for which they are liable. The Executive Board shall be responsible only for restoring the Building to substantially the same condition as it was immediately prior to the damage or destruction, and each Unit Owner shall personally assume the additional expense of any improvements to his Unit, which he desired to restore beyond such condition. If any changes are made in the basic construction of any restored Unit, the Limited Common Elements or Common Elements, the Executive Board shall record an amended Declaration Plan reflecting such changes.

(b) Notwithstanding anything contained in this Article to the contrary, if

there is substantially total destruction of the Building (both structures) as determined by a vote of a majority in interest of the Unit Owners, and Unit Owners directly entitled to cast eighty (80%) percent in interest of the votes of all Unit Owners thereby duly resolve, within sixty (60) days after receipt of at least three (3) contractors' bids and the final insurance adjustment, not to proceed with repair or restoration, then, in such event, the salvage value of the Property shall be subject to petition at the suit of any Unit Owners, in which event the net proceeds of sale, together with the net proceeds of insurance policies held by the Executive Board or the Insurance Trustee, *shall be considered as one fund and shall be divided among all the Unit Owners in proportion to their respective square footage, after discharging, out of the respective shares of Unit Owners, to the extent sufficient for the purpose, all liens against the Units of such Unit Owners.*

9.2. Eminent Domain. A taking of, injury to, or destruction of part or all of the Property by the power, or a power in the nature, of eminent domain or by an action or deed in lieu of condemnation, shall be considered to be included in the term "damage or discretion" for purposes of this Article, and the proceeds of the eminent domain taking shall be treated in the same manner as insurance proceeds and shall be distributed in accordance with Section 3107 of the Act. Whenever all or part of the Common Elements or Limited Common Elements shall be taken, injured or destroyed by eminent domain, each Unit Owner so affected shall be entitled to notice thereof and shall participate in the proceedings incident thereto, but in any proceedings for the determination of damages, damage for such taking of, injury to or destruction of the Condominium as a whole shall be determined and a separate determination of damage to each Unit Owner's interest shall not be made.

## ARTICLE X

### Common Expenses

10.1. Payment of Common Expenses and Limited Common Expenses. All Unit Owners shall be obligated to pay, on a monthly basis, the Common Expenses and Limited Common Expenses assessed by the Executive Board pursuant to the authority granted to the Executive Board under these By-laws. At its option, the Executive Board may authorize the Common Expenses and Limited Common Expenses to be collected by a mortgagee of one or more Units or by any other servicing agent.

10.2. Collection of Assessments. The Executive Board shall take prompt action to collect any Common Expenses and Limited Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from due date of payment thereof.

10.3. Default in Payment of Common Expenses or Limited Common Expenses. Any assessment of bill not paid within five days after its due date shall accrue a late charge in the amount of five (5%) percent of the amount overdue in addition to interest at the rate of fifteen (15%) percent per annum or such other rate as may be determined by the Executive Board, together with all expenses including reasonable attorney's fees incurred in collecting said unpaid Common Expenses and Limited Common Expenses. The Executive Board shall have the right and duty to recover such expenses, together with such interest and costs in an action to recover the same brought against the Unit Owner as provided in the Pennsylvania Uniform Condominium Act.

## **ARTICLE XI**

### **Additions, Alterations or Improvements by the Executive Board**

11.1. Common Elements. Whenever, in the judgment of the Executive Board, Common Elements or Limited Common Elements shall require additions, alterations or improvements costing in excess of Five Thousand Dollars (\$5,000.00), said alterations or improvements shall not be made unless they have been approved by a majority of the Unit Owners present and voting at a meeting at which a quorum is present, and in the case of Limited Common Elements, said alterations or improvements shall not be made unless they have been approved by a majority of the Unit Owners who own an

interest in the Limited Common Elements in question, and who are present and voting at a meeting at which a quorum is present. When said approval has been obtained, all Unit Owners shall be liable for the cost thereof as a Common Expense. In the event of any emergency which could cause damage to the Building or part thereof, the Executive Board may expend such sums as it determined are reasonably necessary to protect the Building or a part thereof, the Executive may expend such sums as it determines are reasonably necessary to protect the Building or a part thereof from significant damage, and the judgment of the Executive Board shall be final, conclusive and binding.

## **ARTICLE XII**

### **Right of Access**

12.1. Right of Access. Each Unit Owner shall grant a right of access to his Unit to the manager and/or the managing agent and/or any other person authorized by the Executive Board for the purpose of making inspections and for the purpose of correcting any condition originating in his Unit and threatening another Unit or Common Element, Limited Commercial Element or Limited Residential Element or for the purpose of performing necessary installations, alterations or repairs to the utility or mechanical services in his Unit or elsewhere in the Building within which the Unit is located. In accordance with the Declaration requests for entry are to be made in advance, and such entry is to be at a time reasonably convenience to the Unit Owner, and in case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

## **ARTICLE XIII**

### **Payment of Utilities**

13.1. Payment for Utilities. Electricity shall be supplied to the Condominium by the public utility servicing the area. Each Unit shall be separately metered and separately billed for electricity consumed in lighting the Unit and in operating and

various machinery, appliances and devices located therein and in providing heating and cooling and for the heating of water for use in each Unit.

Electricity consumed in lighting the Common Elements and in operating the various machinery, appliances and devices located therein and in heating and cooling the Common Elements and for the heating of water therein shall be billed to the Association and treated as a Common Expense.

Water consumed in and the sewage charge for each Unit and in the Common Elements will be billed to the Association and treated as a Common Expense.

Telephone service provided to each Unit is to be billed to each Unit Owner. If a kiosk is located between the two main entrances to the Building, the operation and staffing of the kiosk, and the telephone utilized for intercommunication and security purposes shall be charged to the Association and treated as a Common Expense.

## **ARTICLE XIV**

### **Miscellaneous**

14.1. Notices. All notices, demands, bills, statements or other communications under these BY-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class mail, postage prepaid (or otherwise as the Act may permit), (i) if to a Unit Owner, at a single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owners, or (ii) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

14.2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.