

BY-LAWS OF
THE HAWTHORNE COMMONS HOMEOWNERS ASSOCIATION

A non-Profit corporation

ARTICLE 1

Name and Location

The name of the corporation is Hawthorne Commons Homeowners Association, Inc., hereinafter referred to as the "Association" or "Hawthorne Commons Homeowners Association, Inc." The official address of the Association is 201 Sycamore Drive, Seven Fields, Butler County, Pennsylvania 16046 but meetings of members may be held at places within Butler County or Allegheny County, Pennsylvania, as may be designated by the Board of Directors, and meetings of the Directors may be held at such places within the County of Butler, Commonwealth of Pennsylvania, as designated by the Board of Directors.

ARTICLE 2

Definitions

Section 1. "Association" shall mean and refer to Hawthorne Commons Homeowners Association, Inc., its successors and assigns.

Section 2. "Declaration" shall mean and be one document, identified as and so named as the Declaration of Covenants, Easements and Restrictions for Hawthorne Commons Homeowners Association, Inc. dated as of the 23rd day of May, 1997, and recorded in the Office of the Register and Recorder in Butler County, Pennsylvania as Document Number 200807010014915, which Declaration is incorporated herein by reference.

Section 3. "By-Laws" shall mean and be one document, identified as and so named as the By-Laws of the Hawthorne Commons Homeowners Association.

Section 4. "Rules and Regulations" shall mean and be one document, identified and so named as the Rules and Regulations of Hawthorne Commons Homeowners Association, Inc. and modified as determined appropriate by the Board of Directors.

Section 5. "Members" of the Association shall mean those individuals who are Unit owners and share in the ownership of Association properties. There may be several members residing within a unit, but in any and all Association balloting, each Unit shall have only one vote.

Section 6. All terms and words used herein these By-Laws shall have the same definitions and meanings as set forth in the Declaration and Rules and Regulations.

ARTICLE 3

Meeting of Members

Section 1. Annual Meetings. Regular annual meetings of members shall be held on the 4th Thursday of June each year, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday, provided the date for any regular annual meeting may be changed by a vote of the majority of membership.

Section 2. Special Meetings. Special meetings of the members may be called as expressly provided for herein or otherwise at any time by the president or by the Board of Directors, or upon written request of members, except for matters noted in Article 9 of the Declaration related to Budgets.

Section 3. Notice of Meetings. Written notice of each meeting, regular and/or special, of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such a meeting, to each member, addressed to the member's address last appearing on the books for the Association or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast not less than twenty percent (20%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present at any meeting, the members entitled to vote there shall have power to reconvene the meeting from time to time, without notice other than announcement of the meeting, until a quorum as aforesaid shall be present.

Section 5. Voting - Proxies. Within any and all Association balloting, each unit shall have only one vote. At all meetings of members in which votes are cast by the membership, each member may vote in person or by written ballot sent to a representative approved by the Board or by proxy. All proxies shall be held by Unit Owners, shall be in writing and filed with the secretary or Board designee prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Unit or at adjournment of the meeting for which the proxy was declared with the secretary. No individual Unit Owner may vote more than one (1) proxy. No proxy may be voted by a person not eligible to vote. Officers or agents of corporate owners may vote and vote proxies.

ARTICLE 4

Board of Directors; Election; Terms of Office

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors, who shall be members of the Association. The number of members of the Board shall be a minimum of three (3) Directors and a maximum of seven (7) to manage these affairs.

Section 2. Board Membership Term of Office. Members of the Board of Directors shall be elected to serve three-year (3) terms. To assure both continuity and fresh membership, at least two (2) Board of Directors positions will be voted on by Association members each and every year. Election of Directors will follow a rotation in which two (2) Directors' positions require election each of two (2) consecutive years and three (3) Directors' positions require election every third (3rd) year. This election rotation enables Association membership to maintain experience among a majority of Directors at all times or to elect a totally new Board of Directors over a three-year (3) period of time.

Section 3. Method of Voting. Election to the Board of Directors shall be by secret written ballot. Such secret written ballots may be submitted during a meeting in which voting is scheduled as announced in the meeting notice (see Article 3, Section 3) or mailed to a Board designee in a manner that maintains the secrecy of all ballots. A Unit Owner may opt to use a Proxy to cast that unit's secret written ballot(s) either at the meeting or by mail if the Unit Owner is unable to personally perform that activity and informs the Board secretary at least ten (10) days prior to the election. The proxy may represent the Unit Owner for a time period stated in writing to the secretary.

Section 4. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association present at a duly constituted meeting having a quorum present. In the event of death, resignation or removal of a director, that director's successor shall be selected by a majority vote of the remaining members of the Board and shall serve for the unexpired term of the predecessor.

Section 5. Compensation. No director shall receive compensation for any service he or she may render to the Association as a director. However, any director may be reimbursed for actual expenses incurred in the performance of Board duties.

Section 6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting by obtaining written approval -- print or electronic. These meetings may be face-to-face, telephonic or using electronic email technology. Any action so approved shall have the same effect as though taken at a meeting of the director.

ARTICLE 5

Nominating Committee

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of three (3) members. The Chair shall be selected by the Board of Directors. The Nominating Committee shall be appointed by the Chair of the Nominating Committee with the consent of the full Board at least sixty (60) days prior to each annual meeting of the members. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but not less than the number of vacancies that are to be filled. Such nominations are to be made from among members.

ARTICLE 6

Meetings of Directors

Section 1. Meetings. Regular meetings of the Board of Directors shall be held monthly without notice on such date at such place in Seven Fields Borough and such time as may be fixed from time to time by a resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board shall be called by the president or by any two (2) directors with no less than seven (7) days notice to each director. These special meeting may be face to face, telephonic or via email, so long as a quorum is met and represented by written documents confirming any Board action that occurs.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

ARTICLE 7

Powers and Duties of the Board of Directors

Section 1. Powers. The Hawthorne Commons Homeowners Association Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the operation and use of the facilities incidental thereto and the personal conduct of the members, residents (as the terms are defined in the Declaration), and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and the right to use Association property by any member or resident during any period in which such Unit shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published or posted rules and regulations;

(c) employ a manager, an independent contractor, or such other employees as the Board deems necessary, and to prescribe their duties;

(d) exercise for the Association all other rights, powers, duties and authority vested in or delegated to this Association and reserved to the membership by other provisions of these By-Laws, the Declaration or the laws of the Commonwealth of Pennsylvania.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and corporate affairs, to present a summary of the records to the members at the annual meeting of the members, and to make all records available, upon reasonable request, to members;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) determine, fix and levy upon each Unit the amount of the assessment for the operation, maintenance and improvement of the Common Facilities at least thirty (30) days in advance of each assessment period;

(ii) collect the assessment and any special assessments from the respective Unit Owners and to deposit the amount in the proper bank fund as hereinafter provided;

(iii) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the assessment.

(d) establish a separate and distinct Common Facilities Fund account with a banking or lending institution the accounts of which are insured by an agency of the United States of America in which shall be deposited all Common Facilities assessment amounts collected from members and from which the costs and expenses for operating, maintaining and improving the Common Facilities shall be paid;

(f) open, for an established Reserve Replacement Fund, a special trust account with a banking or lending institution the accounts of which are insured by an agency of the United States of America, or invest the amount paid to the Fund in the obligations of or fully guaranteed as to principal by the United States of America, or similar governmental agency, i.e. states or municipalities, consistent with prudent investor rules set forth by the Pennsylvania Legislature in 20 P.C.S.A. sec. 7203;

(g) issue, or cause an appropriate officer, or property manager, to issue, upon demand from any person, a certificate setting forth whether or not any assessment has been paid and the Unit complies with Association requirements. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(h) procure and maintain adequate liability and hazard insurance on property owned by

y the Association. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, partnership, joint venture, trust or other enterprise against liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this section;

(i) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(j) hire a manager, retain counsel and accountants for the Association and establish and pay salaries and fees for services rendered;

(k) in accordance with the Declaration, cause the Common Areas and building exteriors to be maintained, and enforce the covenants in the Declaration which require Unit owners to follow those covenants in maintaining their Units;

(l) generally take all action and to perform all duties and things required to be done by the directors set for in the Declaration in the manner provided therein, including, without limitation, actions relating to the use, care, upkeep and maintenance of the Property and the Recreation Areas and the enforcement of the rules, regulations, restrictions or requirements relating to members, residents and their guests.

ARTICLE 8

Officers and Duties

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create. All officers must be Members of the Board except the treasurer, the secretary and assistant secretaries, if any.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members. In the event more than one (1) person is nominated for election to an office, the person with the largest number of Member votes among Directors shall be elected.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may select such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. An officer may not be removed unless a majority of all the Directors vote for removal. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect ten (10) business days from the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer who is also a member of the Board of Directors and who resigns or is removed as an officer shall remain a director unless and until he resigns or is removed from the Board in accordance with the provisions of Article 4 hereof.

Section 6. Vacancies. A vacancy in any office may be filled by an election held by the Board. The officer elected to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of the any other offices except in the case of special offices created pursuant to Section 4 in this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) **President.** The president shall preside at all meetings of the Board or Directors; shall see that order and resolutions of the Board are carried out; shall cosign promissory notes.

(b) **Vice-President.** The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) **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 said seal; serve notice of the meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with the addresses, and shall perform such other duties as required by the Board.

(d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget for review by Board designees and a statement of income and expenditures to be presented annually to the membership.

(e) **Compensation.** The secretary and any assistant treasurer and the treasurer may be reasonably compensated for actual services rendered as may be determined by a vote of the Board. All officers may be compensated for out-of-pocket expenses.

ARTICLE 9

Committees

The president, with the consent of the directors, may appoint such committees as deemed appropriate in carrying out the purposes of the Association. All committees shall be responsible to the Board. Committee membership may be comprised of Owners, Occupants and non-Residents serving in consulting capacities. Only Owners may cast committee votes on actions going to the Board of Directors.

ARTICLE 10

Books and Records

The books, records and papers of the Association shall at all times, by appointment, be subject to inspection by any member. The Declaration, the By-Laws and the Rules and Regulations shall be available to all Owners at the time of their purchase of a Unit or upon changes made to an Association document. All documents shall be accessible for inspection by any member at the principal office of the Association, or in such other designated location, where copies may be purchased at a reasonable cost.

ARTICLE 11

Assessments

Section 1. Homeowners Assessment. All Members are obligated to pay to the Association regularly scheduled assessments relating to the Common Areas, Limited Common Areas and/or Buildings as provided for in the Declaration. Such assessments are secured by a continuing lien upon the Unit which the assessment is made.

Section 2. Nonpayment. As more fully provided in the Declaration and as set forth in Section 1 of this Article, any Common Facilities assessments which are not paid when due shall be delinquent. If an assessment is not paid within **sixty (60)** days after the due date, the assessment shall bear interest from the date of delinquency, as detailed within the Declaration. Said delinquent assessment shall be a lien continuing against that Unit, and the Association through directors may bring an action at law against the Unit Owner personally obligated to pay the same or foreclose the lien against the Unit, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of assessments. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any amenities or services or by abandonment of his Unit.

ARTICLE 12

Corporate Seal

The Association shall have a seal in a circular form having within its circumference the words: "Hawthorne Commons Homeowners Association, Inc."

ARTICLE 13

Amendments

Section 1. The By-Laws may be amended by a vote of the majority of members of the Association.

Section 2. In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE 14

Miscellaneous

Section 1. **Fiscal Year.** The fiscal year of the Association shall be the calendar year.

Section 2. **Indemnification.** The Association shall reimburse or indemnify each director, officer and employee of the Association, and each director, officer and employee of any other subcontractor or agent of the Association for or against all liabilities and expenses reasonably incurred by or imposed upon him in connection with or resulting from any claim, action, suit or proceeding (whether brought by or in the name of the Association or such other corporations or associations or otherwise), civil, criminal, administrative or investigative (hereinafter called "action"), in which he may become involved as a party or otherwise by reason of his being a director, officer or employee, or by reason of any action taken or not taken in such capacity, whether or not he continues to be such at the time such liabilities or expenses are incurred and whether or not such action or omission to act occurred before or after the adoption of these By-Laws, provided that (a) in respect of any action by or in the right of the Association or such other association, such person was not negligent or guilty of misconduct to the Association or such other association, and (b) in respect to all other actions such person acted in good faith in what he reasonably believed to be in the best interest of the Association or such other corporation or association and, in addition, in any criminal action had no reasonable cause to believe that his conduct was unlawful. The termination of any action, suit, plea of *nolo contendere* or its equivalent, shall not, of itself, in a manner which he reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.






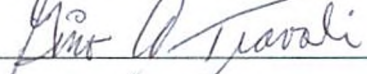

Section 3. **Liabilities and Expenses.** As used in these By-Laws, the terms "liabilities and expenses" shall include but not be limited to judgments, fines or penalties against, and amounts paid in settlement by a director, officer or employee, but shall not include amounts paid to the Association itself (or to such other corporation or association) unless approved by the court.

Section 4. Condition of Indemnification. Where such person has been wholly successful on the merits in such action, or where indemnification of such person has been awarded by a court, he shall be entitled to indemnification as of right; otherwise, including any instances where such action is terminated by a settlement, the Association shall reimburse or indemnify him only if it shall be determined that such a person has met the standards set forth in Section 2, either (a) by the Board of Directors, acting in quorum consisting of two (2) or more members of the Association other than those involved in the action, or (b) if there are not two (2) members then in office other than those involved in the action, by independent legal counsel, who shall deliver to the Association their written advice to such effect.

Section 5. Expenses. Expenses incurred with respect to any action may be advanced by the Association prior to the final disposition thereof, upon receipt of an undertaking by such person to repay any amounts for which it shall ultimately be determined that he is not entitled to indemnification.

Section 6. Right of Reimbursement. The foregoing right of reimbursement or indemnification shall not be impaired by reason of any officer, director or employee of the Association being an officer, employee or third party contractor to any developer and shall not be exclusive of other rights to which any such person may otherwise be entitled and in the event of death, shall extend to his legal representatives.

IN WITNESS WHEREOF, we being all the directors of the Hawthorne Commons Homeowners Association, Inc., have hereunto set our hands this 13th day of July 2008.

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AMENDMENT TO THE BYLAWS OF THE HAWTHORNE COMMONS
HOMEOWNERS ASSOCIATION

ADOPTED THIS 27TH DAY OF JUNE 2013

WHEREAS, Article 13 of the Bylaws of the Hawthorne Commons Homeowners Association permits the amendment of the said Bylaws by a majority of the members of the Association, and

WHEREAS, certain provisions of the Bylaws of the Hawthorne Commons Homeowners Association are no longer appropriate or adequately address the needs of the Association membership, specifically as they relate to the process of electing members to the Board of Directors of the Association.

NOW THEREFORE, the Bylaws of the Hawthorne Commons Homeowners Association are amended as follows:

1. Article 3, Section 5 is amended by striking the section and inserting the following in place thereof:
"Within any and all Association balloting, each unit shall have only one vote. At all meetings at which votes are cast by the membership, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary or Board designee prior to the meeting. Every proxy shall be revocable and shall terminate automatically upon conveyance by the member of his or her Unit or at adjournment of the meeting for which the proxy was declared with the secretary. No individual may vote more than one (1) proxy. A proxy may be voted by a Unit owner or by the resident of the Unit owned by the proxy grantor. Officers or agents of corporate owners may vote and vote proxies."
2. Article 4, Section 3 is amended by eliminating the section and inserting therefore the following new section:
"Election to the Board of Directors shall be by secret written ballot. Such secret written ballot may be submitted during a meeting in which voting is scheduled as announced in the meeting notice (see Article 3, Section 3). A Unit Owner may opt to use a Proxy to cast that unit's secret written ballot(s) at the meeting, if the Unit Owner is unable to personally attend that activity and informs the Board secretary at least ten (10) days prior to the election. The proxy may represent the Unit Owner for the time period stated in the writing to the Secretary."
3. Article 5, Section 1 is amended by eliminating the section and inserting therefore the following new section:
"Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting or by written additions to the official ballot. The Nominating committee shall consist of three members. The Chair shall be selected by the Board of Directors. The members of the Nominating Committee shall be selected by the Chair of the Nominating Committee with the consent of the full Board at least sixty (60) days prior to each annual meeting of the members. 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 to be filled. Such nominations are to be made from among members."