

BY LAWS OF WALDEN POND HOMEOWNERS ASSOCIATION, INC

*****PROPOSED*****

(a Pennsylvania not-for-profit corporation)

These By-Laws provide for the governance of Walden Pond PRD by the Walden Pond Homeowners Association which was created pursuant to the simultaneous recording herewith of the Declaration of Covenants, Conditions, and Restrictions Walden Pond PRD in the Office of the Recorder of Deeds of Butler County, Pennsylvania, as amended from time to time, pursuant to the requirements of the Pennsylvania Uniform Planned-Community Act, 68 P.S.A. §5101, et. seq.

ARTICLE 1 - DEFINITIONS

1.1 **Terms Defined.** All capitalized terms used herein shall have ascribed to them the following meanings, unless otherwise defined herein.

(a). “**Association**” means the Walden Pond Homeowners Association.

(b). “**Board of Directors**” means the Board of Directors of the Walden Pond Homeowners Association.

(c). “**Common Expenses**” means the expense of owning and maintaining the Common Grounds, including, but not limited to, any applicable taxes attributable to same, drainage and storm water detention facilities within or appurtenant to Walden Pond PRD, and of providing all common community services required or desired for the general use and benefit of all Lot Owners.

(d). “**Common Ground**” means the Common Ground as shown in Walden Pond PRD and all improvements thereto including, without limitation, parks, open spaces, lakes, streets, paths, walkaways, sanitary sewers, storm sewers, retention basins, stormwater drainage facilities, and other such facilities. The Common Ground, upon conveyance to the Walden Pond Homeowners Association, shall be the common facilities as defined in the Uniform Planned Community Act, 68 Pa. C. S. Section 5101, et seq.

(e). “**Declarant**” shall mean and refer to Walden Pond Development, Inc. a Pennsylvania corporation, and all successors and assigns, including, but not limited to, any builder or Developer who purchases vacant Lots in Walden Pond PRD for the purpose of building residences thereon for sale to third persons.

(f). “**Declaration**” shall mean and refer to the Declaration of Covenants, Reservations and Restrictions for Walden Pond PRD, recorded on October 2005, in the office of the Recorder of Deeds of Butler County, Pennsylvania, at Record Book Volume
, page .

(g). “**Development Plans**” means the plans approved by Cranberry Township for the development of Walden Pond PRD into lots and made a part hereof, as the same may be amended from time to time.

(h). “**Lot**” shall mean and refer to any of the twenty-four lots, as well as future lots due to the

subdivision of Lot A, with the exception of Common Ground, shown on the Record Plat of Walden Pond PRD.

(i). “**Lot Owner**” means the owner in fee simple of any Lot, but shall not include the Declarant, any builder taking title to any Lot or any person or persons purchasing a Lot under contract (until such contract is fully performed and legal title conveyed of record).

(j). “**Walden Pond PRD**” shall mean and refer to the real property consisting of Lots 1 through 23, as well as future lots due to the subdivision of Lot A, of Walden Pond PRD according to the plat thereof recorded in Plan Book 268 Page 5 of the Recorder of Deeds of Butler County, Pennsylvania.

ARTICLE 2 - OFFICES

2.1 **Registered Office.** The registered office of the Association in the Commonwealth of Pennsylvania shall be at 20930 Route 19, Cranberry Township, Pennsylvania 16066, or at such other place as may be determined by the Board of Directors by resolution from time to time.

ARTICLE 3 - MEMBERS

3.1 **Association Membership.** Each Lot Owner shall be a member of the Association. If a Lot is owned by more than one person, all co-owners shall be entitled to the rights and privileges of membership in the Association, subject to the restrictions on voting contained in Article IV, Section 8. The membership rights of a member who is a natural person may be exercised by such member or such member's spouse. The membership rights of a corporation, partnership or other legal entity (other than a natural person) shall be exercised by the individual designated by such member in writing to the Secretary of the Association from time to time as such member's representative.

ARTICLE 4 - MEETINGS OF MEMBERS

4.1 **Place of Meeting.** Each meeting of the members of the Association for the election of directors shall be held at the registered office of the Association or at such other place within Butler County, Pennsylvania as shall be fixed by the Board of Directors and specified in the notice or waiver of notice of said meeting. All other meetings of the members of the Association shall be held at such places within Butler County, Pennsylvania as shall be specified in the respective notices or waivers of notice thereof.

4.2 **Annual Meetings.** The annual meeting of the members of the Association for the election of directors and for the transaction of such other business as may come before the meeting shall be held during the first full week of April of each year.

4.3 **Special Meetings.** A special meeting of the members for any purpose or purposes permitted by applicable law, the Declaration, or these By-laws, may be called at any time by order of the Board of Directors or the President of the Association.

4.4 **Notice of Meetings.** Except as otherwise expressly required by law, notice of each meeting of members, whether annual or special, shall be given at least ten days before the date on which the meeting is to be held, to each member of record entitled to vote at such meeting, by delivering an electronic (e-mail), typewritten, or printed notice thereof to such member personally, or by mailing such notice in a postage prepaid envelope directed to such member at such member's address as it appears on the records of the Association.

Except when expressly required by law, no publication of any notice of a meeting of the members shall be required. Every notice of a special meeting of the members, besides stating the time and place of the meeting, shall state briefly the objects or purposes thereof. Notice of any meeting of members shall not be required to be given to any member who shall attend such meeting in person or by proxy; and, if any member shall, in person or by attorney thereunto authorized, in writing or by mail or by telegraph, waive notice of any meeting of the members, whether prior to or after such meeting, notice thereof need not be given to such member. Notice of any adjourned meeting of the members shall not be required to be given except where expressly required by law.

4.5 List of Members. It shall be a duty of the Secretary or other Officer of the Association who shall have charge of the membership ledger, either directly or through another Officer of the Association designated by the Secretary, to prepare, at least ten days before every meeting of members, a complete list of the members entitled to vote on membership matters, arranged in alphabetical order and showing the address of each member of the Association. Such list shall be on to the examination of any member, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, at the registered office of the Association. Such list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any member who is present.

4.6 Quorum. At each meeting of the members, the holders of record of at least sixty percent (60%) of the votes entitled to be cast at such meeting, present in person or by proxy, shall constitute a quorum for the transaction of business, except where otherwise provided by law. In the absence of a quorum, a majority interest of the members of the Association present in person or by proxy and entitled to vote, or in the based of any members entitled to vote, any officer entitled to preside at, or act as Secretary of, such meeting, shall have the power to adjourn the meeting from time to time until members holding the requisite amount of votes shall be present or represented. At any such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting as originally called.

4.7 Voting. At each meeting of members each Lot Owner shall be entitled to cast one vote for each Lot owned by such member in person or by proxy; provided, that, the Declarant shall have control of the Association until Cranberry Township permits occupancy for twelve residences to be occupied by the ultimate Lot Owners (i.e., excluding any conveyances or occupancies by builders). At all meetings of the members, a quorum being present, all matters shall be decided by the affirmative votes of the holders of record of a majority of the votes represented at such meeting, in person or by proxy. Unless demanded directed by the President of the meeting, the vote on any question need not be by ballot. Upon the direction of the President of the meeting, for a vote by ballot on any questions, such vote shall be taken on a vote by ballot, each ballot shall be signed by the member voting, or in such member's name by such member's proxy, if there be such proxy, and shall state the number of votes cast by such member.

4.8 Multiple Owners. The vote of the owners of a Lot owned by more than one natural person, as tenants in common, joint tenants, tenants by the entirety, a partnership, or any other association of natural persons, or by a corporation, a trust; or any other entity shall be cast or otherwise exercised, by one natural person designated by the owner of such Lot as the "Primary Occupant" thereof. In each instance where title to a Lot is proposed to be conveyed or is otherwise to become vested in more than one natural person, or a corporation, a trust; or any other entity, the prospective owners shall, by written instrument signed by all persons

and entities who will hold title to the Lot, designate one natural person as the Primary Occupant. The instrument designating the Primary Occupant shall be filed with the Association. The Primary Occupant of the Lot shall be the only person entitled to cast or exercise, in person or by proxy, the vote of the owners of such Lot at any meeting of members or in connection with any action concerning which members of the Association shall be required or allowed to vote or otherwise act.

4.9 **Member's Consent in Lieu of Meeting.** Any action requiring a vote of members may be taken without a meeting if all members of the Association entitled to vote at such meeting consent thereto in writing, and the writing or writings are filed with the minutes of the meetings of the members.

ARTICLE 5 - BOARD OF DIRECTORS

5.1 **General Powers.** The property, business and affairs of the Association shall be managed by the Board of Directors. Except as otherwise specifically required by applicable law, the Declaration, or these By-laws, the Board of Directors shall act in all instances on behalf of the Association. The Board of Directors may, by majority vote delegate its responsibilities in writing to the President.

5.2 **Number, Qualification and Term of Office.** The number of directors which shall constitute the whole Board shall be five directors. Each director shall be a Lot Owner. Each director shall hold office until the annual meeting of the members next following such director's election and until such director's successor shall have been elected and shall qualify, or until such director's earlier death, resignation or removal.

5.3 **Quorum and Manner of Acting.** Except as otherwise provided by law, the Declaration or by these By-laws, one-third of the total number of directors at the time in office, but not less than two, shall constitute a quorum for the transaction of business at any meeting. In the absence of a quorum, a majority of the directors present may adjourn the meeting from time to time until a quorum shall be present. Notice of any adjourned meeting need not be given. At all meetings of directors, a quorum being present; all matters except those the manner of deciding upon which is otherwise required by law, shall be decided by the affirmative votes of a majority of the directors present.

5.4 **Place of Meetings.** Except as otherwise specifically provided by law, the Board of Directors may hold its meetings, have one or more offices, and keep the books and records of the Association, at such place or places within Butler County, Pennsylvania, as the Board may from time to time determine.

5.5 **First Meeting After Election.** Immediately after each annual election of directors and on the same day, the Board of Directors may meet for the purpose of organization, the election of officers and the transaction of other business at the place where the meeting of the members was held. Notice of such meeting need not be given. Such meeting may be held at any other time or place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of a notice thereof signed by all the directors.

5.6 **Regular Meetings.** Regular meetings of the Board of Directors shall be held at such places and at such times as the Board shall determine. Notice of regular meetings need not be given.

5.7 **Special Meetings.** Special meetings of the Board of Directors shall be held whenever called by the President, the Vice President or any two of the directors. Notice of each such meeting shall be mailed to each director, addressed to each director at their residence or usual place of business, at least two days before the day on which the meeting is to be held, or shall be sent to each director at such place by e-mail, mail, overnight delivery or by facsimile, or be delivered personally or by telephone, not later than the day before the day on which such meeting is to be held. Each such notice shall state the time and place of the meeting but need not state the purpose thereof, except as otherwise herein expressly provided. Notice of any meeting of the Board need not be given to any director, however, if waived by such director in writing, whether before, during, or after such meeting be held, or if such director shall be present at such meeting, and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all the directors then in office shall be present.

5.8 **Resignation.** Any director of the Association may resign at any time by giving written notice to the President or the Secretary of the Association. The resignation of any director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.9 **Removal.** Subject to the provisions of Article VI any director may be removed at any time, either with or without cause, by the affirmative votes of the holders of record of a majority of the votes entitled to be cast at a meeting of the Association, given at a special meeting of the members called for that purpose; and the vacancy in the Board of Directors caused by any such removal may be filled by the members at such meeting, or, if the members shall fail to fill such vacancy, by the Board of Directors.

5.10 **Vacancies.** Any vacancy in the Board of Directors caused by death, resignation, disqualification, removal, an increase in the number of directors or any other cause may be filled by a majority of the remaining directors (though less than a quorum).

5.11 **Compensation of Directors.** Directors, as such shall not receive any stated salary for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at any regular or special meeting of the Board. Nothing herein contained shall be construed to preclude any director from serving the Association or any subsidiary thereof in any other capacity and receiving compensation therefore.

5.12 **Unanimous Director Consent in Lieu of Meeting.** Any corporate action requiring a vote of the Board may be taken without a meeting if all members of the Board consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board.

ARTICLE 6 - DECLARANT CONTROL

6.1 **Control.** Until Cranberry Township permits occupancy for twelve residences to be occupied by the ultimate Lot Owners (i.e., excluding any conveyances or occupancies by builders) the Declarant, or its designee, shall have the right to appoint and remove a majority of the directors and officers of the Board of Directors of the Association.

6.2 Election by Members Prior to Transfer by Declarant. Prior to the time when Cranberry Township permits occupancy for four residences to be occupied by the ultimate Lot Owners (i.e., excluding any conveyances or occupancies by builders) the Declarant shall have the right to elect all directors of the Association. Not later than thirty days after Cranberry Township permits occupancy for four residences to be occupied by the ultimate Lot Owners (i.e., excluding any conveyances or occupancies by builders) Lot Owners other than the Declarant shall have the right to elect one of the directors of the Association, who shall be a Lot Owner. Not later than thirty days after Cranberry Township permits occupancy for eight residences to be occupied by the ultimate Lot Owners (i.e., excluding any conveyances or occupancies by builders) Lot Owners other than the Declarant shall have the right to elect a second director of the Association, who shall be a Lot Owner. Not later than thirty days after Cranberry Township permits occupancy for twelve residences to be occupied by the ultimate Lot Owners (i.e., excluding any conveyances or occupancies by builders) the Lot Owners other than the Declarant shall have the right to elect the third and final directors of the Association, who shall be a Lot Owner.

ARTICLE 7 - OFFICERS

7.1 Number. Officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes.

7.2 Election, Term of Office and Qualifications. The officers of the Association shall be elected every 2 years by the Board of Directors and each shall hold office until the next election of officers and until such officer's successor shall have been duly chosen and shall qualify or until such offices earlier death, resignation or removal in the manner hereinafter provided. Each officer shall be a Lot Owner. Board member elections shall be staggered so that no more than three (3) board members will be introduced in any one year. It should be advised that the President, Secretary, and Co-Treasurer will be elected in the same time period and the Vice-President and the Treasurer will be elected in the year following the previously stated Board Members.

7.3 Removal. Any officer may be removed, either with or without cause, at any time by the Board.

7.4 Resignations and Vacancies. Any officer may resign at any time by giving written notice to the President or to the Secretary. Any such resignation shall take effect upon 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. A vacancy in any office because of death, resignation, removal, or any other cause whatever, shall be filled for the unexpired portion of the term in the manner prescribed in these By-laws for election or appointment to such office.

7.5 President. The President shall be elected from among Board members. The President shall preside at all meetings of the members and Board of Directors, but can delegate this task to the Vice President. The President shall be ex-officio a member and chairman of all standing committees. The President shall be the medium of communication to the Board and to the standing committees of all matters presented for their consideration, and have general charge of the affairs and business of the Association. The Board of Directors may, by majority vote delegate responsibilities to the President of the Walden Pond Homeowners Association to perform such powers and duties as from time to time may be assigned or

delegated to the President by the Board of Directors.

7.6 Vice President. The Vice President shall be elected from among Board members. The Vice President shall assist the President in delegation of Board duties and possibly stand-in for the President, if needed, at any Board meetings or for any Board decisions.

7.7 Treasurer. The Treasurer shall have charge of all monies and securities belonging to the Association. The Treasurer shall deposit all monies received by such officer in the name and to the credit of the Association, in such bank or other place or places of deposit as the Board of Directors shall from time to time designate; and for that purpose shall have power to endorse for collection or payment all checks or other negotiable paper drawn payable to the order of the Treasurer or the Association. The Treasurer shall disburse the monies of the Association as directed by the Board, by checks which shall bear the signature of the President the Treasurer, or that of an Assistant Treasurer, or some other person designated by name, in writing, by the Treasurer. The Treasurer may designate by name, in writing, one or more other persons, each of whom may sign checks for the Treasurer on his behalf, and funds in any such account may be withdrawn or disbursed by checks bearing the single signature of a person so designated, or bearing the Treasurers facsimile signature by a check-signing machine if authorized by the Treasurer in writing. The Board of Directors may authorize the establishment of disbursing, petty cash and other accounts in such banks or other place or places of deposit as the Board of Directors may from time to time designate, and monies of the Association may be deposited in such accounts by checks signed as above provided in this paragraph.

7.8 Secretary. The Secretary shall be elected from among Board members. The Secretary, if present, shall act as secretary at all meetings of the Board and of the members and keep the minutes thereof in a book or books to be provided for that purpose; shall see that all notices required to be given by the Association are duly given and served; shall be custodian of the seal of the Association and shall affix the seal or cause it to be affixed on all documents the execution of which on behalf of the Association under its seal shall be duly authorized in accordance with the provisions of these By-laws; shall have charge of the records of the Association; may sign, with any other proper officer of the Association thereunto authorized, certificates, contracts, obligations and other instruments of the Association; and in general, shall perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or the Board.

7.9 Compensation of Officers. Officers of the Board, as such shall not receive any stated salary for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at any regular or special meeting of the Board. Nothing herein contained shall be construed to preclude any officer from serving the Association or any subsidiary thereof in any other capacity and receiving compensation therefore.

ARTICLE 8 - ASSESSMENTS AND BUDGETS

8.1 Assessment Roll. The Board shall maintain an assessment roll in which there shall be an account for each Lot. Such account shall designate the name and mailing address of the Lot Owners) of each Lot the amount of each assessment against the Lot, the due date thereof, all amounts paid, and the balance due upon each assessment

8.2 Budgets. The Board shall adopt for, and in advance of, each calendar year, a budget showing the estimated costs of performing all of the functions of the Association for such calendar year. Each budget shall show the total estimated expenses of the Association for such year and shall contain an itemized breakdown of the Common Expenses. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the Lot Owners of each Lot and the due dates and amounts of installments thereof. The Association shall provide each member of the Association a written notice that a copy of the budget is available upon request at no charge to such member. Nothing herein contained shall be construed to limit the power of the Board to impose additional assessments if a budget originally adopted shall appear insufficient to pay costs and expenses of operation and management; or due to emergencies.

8.3 Notice of Meetings to Consider Assessments. No assessment may be levied at a Board meeting unless notice of the meeting includes a statement that assessments will be considered at such meeting and unless the nature of such assessments is described. If a proposed budget is to be considered at a Board meeting, the Association shall provide each member of the Association a written notice that a copy of such proposed budget is available at no charge to such member. Such meeting of the Board shall be open to all members of the Association.

8.4 Copies of Budgets. Upon adoption of a budget, the Board shall cause a written notice to each member of the Association that a copy of the budget is available upon request at no charge to such member. Assessments shall be made against the Lots pursuant to procedures established by the Board, and in accordance with the terms of the Declaration.

ARTICLE 9 - CONTRACTS, LOANS, BANK ACCOUNTS

9.1 Execution of Contracts. The Board may authorize any officer or officers, agent or agents, attorney or attorneys, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and, unless so authorized by the Board or expressly authorized by these By-Laws, no officer, agent or employee other than the President shall have any power or authority to bind the Association by any contract or other engagement or to pledge its credit or to render it liable pecuniary for any purpose or in any amount.

9.2 Loans. No loan shall be contracted on behalf of the Association, and no negotiable paper shall be issued in its name, unless authorized by the Board.

9.3 Checks. Unless otherwise provided by resolution adopted by the Board, drafts, bills, notes and other negotiable instruments and orders for the payment of money issued in the name of the Association, shall be signed by such officer or officers, employee or employees, agent or agents, of the Association and in such manner as shall from time to time be specified in these By-laws or determined by resolution of the Board.

9.4 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may designate. For the purpose of deposit and for the purpose of collection, checks, drafts and other orders for the payment of money which are payable to the order of the Association shall be endorsed, assigned and delivered by such officer or officers or agent or agents as may from time to time be specified in these By-laws or designated by the Board.

9.5 **General and Special Bank Accounts.** The Board may from time to time authorize the opening and keeping of general and special bank accounts with such banks, trust companies or other depositories as it may designate. The Board may make such special rules and regulations with respect to such bank accounts, not inconsistent with the provisions of these By-laws, as it may deem expedient

ARTICLE 10 - INSURANCE; INDEMNIFICATION

10.1 **Insurance.** The Association shall procure such insurance as is required by law, and, in addition, if determined to be appropriate by the Board, shall carry officers and directors liability insurance in such amounts as the Board shall determine.

10.2 **Indemnification.** The Association shall indemnify, defend and hold harmless the officers and directors of the Association for claims, damages, and legal costs and expenses asserted against or incurred by such officers and directors in their capacities as officers and directors of the Association.

ARTICLE 11 - MISCELLANEOUS PROVISIONS

11.1 **Corporate Seal.** The Board shall provide a corporate seal, which shall be in the form of a circle and shall bear the name of the Association, the year in which the Association was incorporated and the words "CORPORATE SEAL PENNSYLVANIA."

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

ARTICLE 12 - AMENDMENTS

12.1 **Proposal of Amendments.** Amendments to these By-laws may be proposed by the Board, acting upon vote of a majority of the Directors, or by Lot Owners owning a majority of the Lots subject to the Declaration.

12.2 **Meeting to Consider Amendments.** Upon any amendment or amendments to these By-laws being proposed by the Board or Lot Owners, a meeting of the Board of Directors shall be called for a date not sooner than twenty days and not later than sixty days from the date on which such amendments were proposed, and notice of such meeting shall be given to the members of the Association in accordance with Article IV.

12.3 **Adoption of Amendments.** In order for such amendments to become effective, the same must be approved by an affirmative vote of a majority of the Board of Directors. Thereupon, such amendments to these By-laws shall be transcribed, certified by the President and Secretary of the Association, and maintained with the official records of the Association.