

BY-LAWS
OF
HICKORY HILLS OWNERS ASSOCIATION PHASE I

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**BY-LAWS
OF
THE HICKORY HILLS OWNERS ASSOCIATION, PHASE I**

**ARTICLE I
The Association**

1.1 Composition.

The Association shall mean the Hickory Hills Owners Association Phase I, a Pennsylvania Non-Profit Corporation. The Association was enacted pursuant to a Declaration of Covenants, Conditions and Restrictions dated April 11, 1975, and recorded with the Allegheny County Recorder of Deeds Office at Deed Book Volume 5467, Page 401. The Association shall consist of all of the Unit Owners acting as a group in accordance with Pennsylvania law, the Declaration and these By-Laws. The Association shall have the responsibility of administering the planned community, establishing the means and methods of collecting assessments and charges, arranging for the management of the community and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Governing Documents and Pennsylvania law. The foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in the Declaration and these By-Laws.

1.2 Annual Meeting.

The annual meetings of the Association shall be held in October of each year, or at such a time as may be determined by the Board of Directors. At such annual meeting, the Board of Directors shall be elected by ballot of the Unit Owners in accordance with the requirements set forth in these By-Laws and such other business as may properly come before the meeting may be transacted.

1.3 Place of Meeting.

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

1.4 Special Meetings.

The President may call a special meeting of the Association at any time or shall call such a meeting if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least thirty-three (33%) percent of the votes in the Association. A notice of any special meeting shall state the time, place and purpose thereof. Such meetings shall be held within forty-five (45) days after receipt by the Secretary of such resolution or petition; provided, however, if the purpose includes the consideration or rejection of a budget or capital expenditure pursuant to these By-Laws, such

meeting shall be held within fifteen (15) days after receipt by the Secretary of such resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

1.5 Notice of Meetings.

The Secretary shall mail to each Unit Owner a notice of each annual or special meeting of the Association, at least ten (10) but not more than sixty (60) days prior to such meeting, stating the time, place and purpose thereof, including, without limitation, any proposed budget or assessment changes, the general nature of any proposed amendment to the By-Laws or Declaration, and any proposal to remove a member of the Board of Directors or Officer. The giving of a Notice of Meeting in the manner provided in this Section and as otherwise provided by these By-Laws, shall be considered service of notice.

1.6 Adjournment of Meetings.

If at any meeting of the Association a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time at least forty-eight (48) hours but not more than sixty (60) days after the time for which the original meeting was called.

1.7 Voting.

Except as may otherwise be provided in the Declaration, each Owner shall have one (1) vote per Lot owned by such Owner. Where more than one (1) Person owns a Lot, the vote attached to the Lot shall be voted as an undivided single vote, but all such individuals shall be entitled to attend meetings, and with the limitation of having the vote among them, to participate therein. Except where a greater number is required by law, the Declaration, or these By-Laws, the Unit Owners constituting fifty (50%) percent of the votes entitled to be cast at such meeting is required to adopt decisions at any meeting of the Association.

1.8 Proxies.

A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner or the Secretary. Proxies shall be duly executed in writing, shall be valid for only the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the Person presiding over the meeting of written notice of revocation from the Grantor(s) of the proxy. No proxy shall be valid for a period in excess of sixty (60) days after the execution thereof. A proxy is void if it is not dated.

1.9 Quorum.

Except as set forth below, the presence in person or by proxy of Unit Owners constituting fifty-one (51%) percent or more of the aggregate number of all Unit Owners at the commencement of all meetings shall constitute a quorum at all meetings of the Unit Owners

Association. If a meeting is adjourned pursuant to Section 1.6 above, the quorum at such second meeting shall be deemed present throughout said meeting of the Association if persons entitled to cast twenty-five (25%) percent of the votes are present in person or by proxy.

1.10 Conduct of Meetings

The President (or in the President's absence, the Vice-President) shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat. The President may appoint a person to serve as Parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these By-Laws or Pennsylvania law.

ARTICLE II **Board of Directors**

2.1 Number and Qualifications.

The affairs of the Association shall be governed by a Board of Directors. The Board of Directors shall be composed of a minimum of five (5) Board Members, all of whom shall be Unit Owners or the spouse of a Unit Owner. In addition, to qualify for election as a Board Member, each nominee must be in good standing with the Association, i.e. not delinquent in paying his/her Association dues/fees and not in violation of any of the Association's Governing Documents.

2.2 Delegation of Powers; Managing Agent.

The Board of Directors may employ for the community a "Managing Agent" at a compensation established by the Board of Directors. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, all of the duties provided by law, the Declaration and these By-Laws; provided, however, where a Managing Agent does not have the power to act by law, or pursuant to the Declaration or these By-Laws, such duties shall be performed as advisory to the Board of Directors. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by law, the Declaration and these By-Laws, other than the following powers:

2.2.1 To adopt the annual budget and any amendment thereto and to assess any common expenses;

2.2.2 To adopt, repeal or amend Rules and Regulations;

2.2.3 To designate signatories on Association bank accounts;

2.2.4 To borrow money on behalf of the Association; and

2.2.5 To acquire and mortgage Units.

2.3 Election and Term of Office.

2.3.1 At the annual meeting of the Association, the election of the members of the Board of Directors shall be held. Each Board Member shall be elected to a three (3) year term. The members of the Board of Directors shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. Any Board Member who remains in good standing with the Association shall be eligible to stand for re-election at the end of his/her elected term. Members of the Board of Directors may serve an unlimited number of terms and may succeed himself/herself.

2.3.2 Persons qualified to be members of the Board of Directors may be nominated for election as follows:

(a) Nominations shall be accepted by the Secretary and posted on the Square's community bulletin board, or other location designated by the Board from time to time prior to the Annual Meeting; and

(b) Nominations may be submitted from the floor at the meeting at which the election is held.

2.3.3 All votes for the election of Board Members will be cast by paper ballot. The results of the election shall be announced at the conclusion of the annual meeting.

~~Handwritten mark~~ Any proxy ballot shall remain anonymous as all other paper ballots submitted for vote.

2.4 Removal or Resignation of Members of the Board of Directors.

At any regular or special meeting of the Association duly called, any one (1) or more of the members of the Board of Directors may be removed, with or without cause, by Unit Owners entitled to cast a majority of all votes in the Association. Any Unit Owner proposing removal of a Board Member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten (10) days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Board of Director may resign at any time and shall be deemed to have resigned upon transfer of title to his/her Unit.

2.5 Vacancies.

Vacancies in the Board of Directors caused by any reason may be filled by a vote of a majority of the remaining Board of Directors at a special meeting of the Board of Directors

held for such purpose promptly after the occurrence of any such vacancy, even though the members at such a meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced.

2.6 Regular Meetings.

Regular meetings of the Board of Directors shall be held bi-monthly unless all Board members vote to dismiss one (1) meeting. The proposed agenda, location, date and time of all regular Board Meetings shall be posted on the Square's community bulletin board or other location designated by the Board from time to time.

2.7 Special Meetings.

Special meetings of the Board of Directors may be called by the President on at least three business days' notice to each Board member, given by mail, facsimile or e-mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two members of the Board of Directors.

2.8 Waiver of Notice.

Any Board member may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board of Directors shall constitute a waiver of notice by him/her of the time, place and purpose of such meeting. If all members are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

2.9 Quorum of the Board of Directors.

At all meetings of the Board of Directors a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Board of Directors may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

2.10 Compensation.

No member of the Board of Directors shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his/her duties.

2.11 Conduct of Meetings.

The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors' meetings, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors if and to the extent not in conflict with the Declaration, or these By-Laws. Minutes of the Meetings of the Board of Directors shall be available to any Unit Owner upon request.

2.12 Action Without Meeting.

Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

ARTICLE III
Officers

3.1 Designation.

The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The President and Vice President shall be Unit Owners and members of the Board of Directors. An officer other than the President may hold more than one office.

3.2 Election of Officers.

The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

3.3 Removal of Officers.

Upon the affirmative vote of a majority of all members of the Board of Directors, any officer may be removed, either with or without cause. The Board of Directors may declare

the office of a member vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

3.4 President.

The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Board of Directors and have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws of Pennsylvania including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as the President ceases to be a member of the Board of Directors.

3.5 Vice President.

The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated or assigned to the Vice President by the Board of Directors or by the President. The Vice President shall cease holding such office at such time as the Vice President ceases to be a member of the Board of Directors.

3.6 Secretary.

The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors, have charge of such books and papers as the Board of Directors may direct, maintain a register setting forth the place to which all notices to Unit Owners shall be delivered and, in general, perform all the duties incident to the office of secretary of a corporation organized under the laws of Pennsylvania. The Secretary shall, upon request, provide any Person, or cause to be provided to any Person entitled thereto a written statement or certification of the information required to be provided by the Association pursuant law.

3.7 Treasurer.

The Treasurer shall have the responsibility for the safekeeping of Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data and be responsible for the deposit of all monies in the name of the Association in such depositories as may from time to time be designated by the Board of Directors and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania.

ARTICLE IV
Common Expenses; Budgets

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

4.2 Preparation and Approval of Budget.

4.2.1 At least thirty (30) days before its annual meeting, the Association shall prepare a budget covering estimated costs of the Association during the coming year. The Association shall, in addition, fix the date of commencement and amount of assessment attributable to each Owner and prepare a list of assessments. The Association shall cause a copy of the budget and assessment to be delivered to each Owner at least thirty (30) days before the annual meeting. The Association shall obtain qualified bids for services to be supplied to the Association and shall accept such bids as the Association deems appropriate.

4.2.2 The Board of Directors 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 or the responsible to satisfy assessments.

4.3 Delivery of Approved Budget and Notice of Capital Expenditure; Effect of Failure to Prepare or Adopt Budget.

The Board of Directors shall deliver to all Unit Owners copies of each budget approved by the Board of Directors and notice of any capital expenditure approved by the Board of Directors promptly after each such approval. The failure or delay of the Board of Directors 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 such Unit Owner's allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

4.4 Accounts; Audits.

All sums collected by the Board of Directors with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices.

4.5 Payment of Common Expenses.

Each Unit Owner shall pay his share of the Common Expenses assessed by the Board of Directors pursuant to the provisions of the Declaration. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or

enjoyment of any of the Common Elements or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed 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 against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice for the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within five days following a written request therefor to the Board of Directors or Managing Agent and such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments with respect to the time period covered by such statement, in excess of the amount therein set forth.

4.6 Statement of Common Expenses.

The Board of Directors shall promptly provide any Unit Owner, contact purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner.

4.7 Fiscal Year-End Balance in Reserve Account. At fiscal year-end, the reserve account shall contain a balance of no less than Twenty Thousand (\$20,000.00) Dollars. If at fiscal year-end, the reserve account balance is less than \$20,000.00, written notification must be mailed to each Unit Owner on or before January 15th of that year.

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 Pennsylvania law, as any of the same may be amended from time to time. In addition to the remedies provided in the Declaration, a default by a Unit Owner shall entitle the Association, acting through its Board of Directors or through the Managing Agent, to the following relief:

5.0.1. 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. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Units or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

5.0.2. Costs and Attorney's Fees. In any proceeding 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.

5.0.3. No Waiver of Rights. The failure of the Association, the Board of Directors or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these By-Laws, the Board of Directors' Rules and Regulations or Pennsylvania law shall not constitute a waiver of the right of the Association, the Board of Directors 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 Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these By-Laws, the Rules and Regulations 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 by Pennsylvania law.

5.0.4. Fines. The Board of Directors shall have the authority to levy reasonable fines for the violations of the Declaration, these By-Laws or Rules and Regulations adopted by the Board as amended from time to time. Said fines shall be levied only after written notice of the alleged violation and an opportunity to be heard.

5.0.5. Suspension of Voting Rights. The Board of Directors shall have the authority, at its sole discretion, to suspend the voting rights of any Unit Owner during any period in which such member shall be in default in the payment of any assessment levied by the Association, or has committed any infraction of published rules and regulations. Such rights may only be suspended after notice and an opportunity to be heard. The suspension of rights shall not exceed sixty (60) days for an infraction of published rules and regulations. Notice as used in this section shall mean notice sent by registered mail to the address of the Unit Owner as stated on the books of the Association. Such notice shall state the charges and/or claims against the member and shall be sent no later than fifteen (15) days before any scheduled hearing. A hearing or opportunity to be heard shall mean a proceeding before the Board of Directors, at which time the member shall have such due process rights. Any two (2) members of the Executive Board, or any three unit owners may make a written complaint as to a violation of the rules and regulations and notice and hearing shall thereafter be set.

ARTICLE VI Amendments

6.1 Amendments to By-Laws.

(a) Amendment. These By-Laws may be modified or amended only by vote of a majority of the Unit Owners casting vote at any meeting duly called for the purpose of amending these By-Laws.

(b) Corrective Amendments. Additionally, if any amendment is necessary in the judgment of the Board of Directors 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 Declaration, then at any time and from time to time the Board of Directors 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 Board of Directors of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

ARTICLE VII **Miscellaneous**

7.1 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 registered or certified mail, return receipt, postage prepaid (or otherwise as the law may permit), (i) if to a Unit Owner, at the 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 Owner, or (ii) if to the Association, the Board of Directors 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 an address in writing to the Secretary shall be entitled to receive all notices hereunder.

7.2 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.

7.3 Definitions.

The terms used herein 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 by applicable Pennsylvania law.

7.4 Conflicts.

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

These By-Laws have been duly adopted by the Hickory Hills Owners Association Phase I
this 23 day of January, 2008

Hickory Hills Owners Association Phase I
Board of Directors:

Connie Siskovic

with

Kimberly Paulson

John Janner

Walter E. Krumm

Jack Andrews

CERTIFICATE

We, MATT KRESOCK, the President of the Hickory Hills Owners Association Phase I and CONNIE SANKOVIC, the Secretary of Hickory Hills Owners Association Phase I, certify that the foregoing By-Laws have been adopted by a majority of the Unit Owners entitled to cast a vote at the Hickory Hills Owners Association Phase I this 23 day of JANUARY, 2008.

Matt Kresock
President

Connie Sankovic
Secretary

ACKNOWLEDGEMENT

Commonwealth of Pennsylvania
County of Allegheny

On this 23 day of JANUARY, 2008, before me, the undersigned officer, personally appeared MATT KRESOCK, the President of the Hickory Hills Owners Association Phase I and CONNIE SANKOVIC, the Secretary of Hickory Hills Owners Association Phase I, both known to me (or satisfactorily proven) who acknowledged that they executed this instrument for the purposes stated therein.

[Signature]
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Rinaldo A. Acri, Notary Public
West View Boro, Allegheny County
My Commission Expires Aug. 11, 2009
Member, Pennsylvania Association of Notaries