

**BYLAWS  
OF  
FOUR SEASONS AT FARMINGTON  
CONDOMINIUM ASSOCIATION**

**ARTICLE 1  
Introductory Provisions**

1.1. Applicability. These Bylaws provide for the governance of the Association pursuant to the requirements of Section 3306 of the Condominium Act with respect to the Condominium known as Four Seasons at Farmington, a Condominium, created by the recording of the Declaration in the Office of the Recorder of Deeds in and for Lehigh County at Document ID No. 7085040 et seq.

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

(a) "Association" means Four Seasons at Farmington Condominium Association.

(b) "Declarant" means Frederick J. Jaindl, his heirs, personal representatives, successors and assigns.

(c) "Director" means a member of the Board of Directors.

(d) "Builder" means K. Hovnanian at Lower Macungie Township II, L.L.C.

1.3 Compliance. Pursuant to the provisions of the Condominium Act, every Unit Owner and all tenants, guests, licensees, agents, employees, and any and all other persons that shall be permitted to use the facilities of the Condominium and/or any Unit shall comply with these Bylaws.

1.4 Principal Office. The principal office of the Condominium, the Association, and the Board shall be located at the Property or at such other place as may be designated from time to time by the Board.

1.5 Incorporation of Statutory Law. Except as expressly provided herein, in the Declaration, or in the Condominium Act, the Association shall be governed by the provisions of the Non-Profit Corporation Law of 1988 of the Commonwealth of Pennsylvania, 15 Pa. C.S.A.

§5101 et seq., as it may be amended from time to time. The "Board of Directors" described therein shall be referred to herein as the "Board."

## ARTICLE 2 The Association

2.1 Membership. The Association is hereby organized on the date hereof as an incorporated non-profit condominium association. The Association shall consist of all of the Unit Owners acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws. A person shall automatically become a member of the Association when he acquires legal title to a Unit. A Unit Owner cannot resign from membership or transfer membership except appurtenant to transfer of title to his Unit. Transfer of membership shall be automatic upon transfer of title, but the Association may treat the prior Unit Owner as the member until satisfactory evidence of the recording of the instrument transferring title is presented to the Secretary.

2.1.1 If a Unit Owner leases or permits others to occupy his Unit, the tenant or occupant and not the Unit Owner (except as a guest) shall be permitted to exercise the right of the Unit Owner to enjoy the Recreation Area and any other amenities of the Condominium. However, regardless of the existence of any leases or occupancy by others, only Unit Owners shall be members of the Association and only Unit Owners may vote in Association affairs.

2.2 Purpose and Powers. 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 Condominium Act and the Declaration. The foregoing responsibilities shall be performed by the Board or Managing Agent as more particularly set forth in these Bylaws.

2.3 Annual Meetings. The annual meetings of the Association shall be held within the first 10 days of May of each year unless such date shall occur on a holiday, in which event the meetings shall be held on the succeeding Monday.. At such annual meetings the Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 3.3 of these Bylaws (subject to Paragraph 14.00 of the Declaration) and such other business as may properly come before the meeting may be transacted.

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

2.5 Special Meetings.



2.5.1 The President shall call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least thirty-three and one-third (33 1/3 %) percent of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within forty-five (45) days after receipt by the President of such resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 5.8 below, such meeting shall be held within fifteen (15) days after receipt by the President of such resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

2.5.2 Within sixty (60) days after conveyance of twenty-five (25%) percent of the Units to Unit Owners other than a declarant (i.e., either the Declarant or the Builder, or another successor declarant), a special meeting of the Association shall be held at which two of the seven members of the Board designated by the Declarant shall resign (such members to be selected by the Declarant), and the Unit Owners, excluding any declarants who are Unit Owners, shall thereupon elect a successor member of the Board to act in the place and stead of each member resigning. Such successor members shall serve until the election of a successor pursuant to Section 2.5.4 below. The Builder is a declarant (by virtue of being a special declarant).

2.5.3 Within sixty (60) days after conveyance of fifty (50%) percent of the Units to Unit Owners other than a declarant (i.e., either the Declarant or the Builder, or another successor declarant), a special meeting of the Association shall be held at which one more of the five remaining members of the Board designated by the Declarant shall resign (such member to be selected by the Declarant), and the Unit Owners, excluding any declarants who are Unit Owners, shall thereupon elect a successor member of the Board to act in the place and stead of the member resigning. Such successor member shall serve until the election of a successor pursuant to Section 2.5.4 below.

2.5.4 Within sixty (60) days immediately preceding the date by which all Declarant or Builder (or successor declarant) appointed members of the Board must resign pursuant to Paragraph 14.00(d) of the Declaration, a special meeting of the Association shall be held at which all of the members of the Board shall resign, and the Unit Owners, including the Declarant, successor declarant, or Builder if each or any owns one or more Units, shall thereupon elect successor members of the Board to act in the place and stead of those resigning. The two (2) successor members receiving the highest number of votes shall serve until the third annual meeting of the Association following the date of the election provided for by this subsection, the two (2) successor members receiving the next highest number of votes shall serve until the second annual meeting of the Association following the date of the election provided for by this subsection, and the three (3) successor members receiving the next highest number of votes shall serve until the first annual meeting of the Association following the date of the election provided for by this subsection.



2.5.5 Notwithstanding the foregoing, if any meeting required pursuant to Sections 2.5.2, 2.5.3, or 2.5.4 above could be held on the date an annual meeting of the Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

2.6 Notice of Meetings. The Secretary shall give to each Unit Owner a notice of each annual or regularly-scheduled meeting of the Association at least ten (10) but not more than sixty (60) days, and of each special meeting of the Unit Owners at least ten (10) but not more than forty-five (45) days, prior to such meeting, stating the time, place and purpose thereof, including, without limitation, the general nature of any proposed amendment to the Bylaws or Declaration, any proposed budget or assessment changes, and any proposal to remove a Board member elected by the Unit Owners or an officer chosen by a Board that had been elected by the Unit Owners. The giving of a notice of meeting in the manner provided in this Section and Section 9.1 of these Bylaws shall be considered service of notice.

2.7 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 not less than forty-eight (48) hours after the time for which the original meeting was called.

2.8 Voting.

2.8.1 Each Unit shall be entitled to one vote. The vote assigned to a Unit shall not be divisible. If the owner of a Unit is a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for such unit shall be the natural person named in a certificate executed by such entity pursuant to its governing documents. If the owner of a Unit is a trust, the trustee or trustees shall be deemed to be the owner for voting purposes. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting, the natural person who shall be entitled to cast the vote of such Unit shall be the natural person owning such Unit who is present. If more than one of the multiple Owners is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 3310(a) of the Condominium Act. There shall be deemed to be unanimous agreement if any one of the multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Subject to the requirements of the Condominium Act, wherever the approval or disapproval of a Unit Owner is required by the Condominium Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the natural person who would be entitled to cast the vote of such Unit at any meeting of the Association.

2.8.2 Except with respect to election of members of the Board and except where a greater number is required by the Condominium Act, the Declaration or these Bylaws, the



owners of more than fifty (50%) percent of the aggregate Percentage Interests in the Condominium voting in person or by proxy at one time at a duly convened meeting at which a quorum is present is required to adopt decisions at any meeting of the Association. Any specified percentage of the Unit Owners means the Unit Owners owning such Percentage Interests in the aggregate. In all elections for Board members, each Unit Owner shall be entitled to cast the number of votes allocated to the Unit or Units owned by such Unit Owner as provided in the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected and, if Board members are being elected to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms. Except as set forth in Section 2.5.2 and 2.5.3, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No votes allocated to a Unit owned by the Association may be cast. There shall be no cumulative or class voting.

2.9 Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one person, each owner of the Unit may participate pursuant to Section 2.8.1 in the casting of the Unit's vote or register protest to the participation in the casting of votes by the other owners of the Unit through a duly executed proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, Eligible Mortgage Holder, or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary at least two (2) calendar days 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 one (1) year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice. The validity or invalidity of each proxy shall be determined by the Board in its sole discretion.

2.10 Quorum. Except as set forth below, the presence in person or by proxy of Unit Owners of thirty (30%) percent or more of the aggregate Percentage Interests at the commencement of all meetings shall constitute a quorum at all meetings of the Association. If a meeting is adjourned pursuant to Section 2.7 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if persons entitled to cast twenty (20%) percent of the votes which may be cast for the election of the Board are present in person or by proxy at the beginning of the meeting.

2.11 Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting 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. All votes shall be tallied by tellers appointed by the President. The order of business at all annual meetings of the Members and at special meetings, so far as practicable, will be:

- (A) Calling of the roll and certifying of proxies;
- (B) Proof of notice of meeting or waiver;
- (C) Reading of minutes of preceding meeting;
- (D) Reports of officers;
- (E) Reports of committees;
- (F) Appointment of inspectors of election;
- (G) Election of Board;
- (H) Unfinished business;
- (I) New business;
- (J) Election of officers.

2.12 Documents and Records. Copies of the Declaration, Bylaws, Rules and Regulations, contracts to which the Association is a party, and all books, records and financial statements of the Association, including the minutes of the Board and Association meetings, shall be available for inspection in the offices of the Association during normal business hours upon the request of any Unit Owner or Eligible Mortgage Holder.

2.13 List of Members and Other Records. The Secretary shall compile and keep up-to-date at the principal office of the Association, a complete list of the members of the Association and their last known post office addresses. Such lists shall also show opposite each member's name the number of Units owned by such person. This list shall be open to inspection by all members of the Association and other persons lawfully entitled to inspect the same at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the minute book of the Association containing the minutes of all annual and special meetings of the Association and the Board, and all resolutions of the Board.

### ARTICLE 3 Board of Directors

3.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of seven (7) natural persons, all of whom shall be at least eighteen (18) years of age and Unit Owners or designees of the Declarant.

3.2 Delegation of Powers; Managing Agent. The Board may employ for the Condominium a "Managing Agent" at a compensation established by the Board. The Managing Agent shall perform such duties and services as the Board shall authorize, including, but not limited to, all of the duties listed in the Condominium Act, the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Condominium Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Board. The Board may delegate to the Managing Agent all of the powers granted to the Board by the Condominium Act, the Declaration and these Bylaws other than the following powers:



- 3.2.1 to adopt the annual budget and any amendment thereto or to assess any Common Expenses;
- 3.2.2 to adopt, repeal or amend Rules and Regulations;
- 3.2.3 to designate signatories on Association bank accounts;
- 3.2.4 to borrow money on behalf of the Association;
- 3.2.5 to acquire and mortgage Units;
- 3.2.6 to allocate Limited Common Elements, if any.

Any contract with the Managing Agent must provide that it may be terminated with or without cause on no more than ninety (90) days' written notice. The term of any such contract may not exceed one (1) year. In addition, the Board shall impose appropriate standards of performance upon the Managing Agent.

3.3 Election and Term of Office. Subject to Paragraph 14.00 of the Declaration, the election of members of the Board shall be held at the annual meeting of the Association. The term of office of any Board member to be elected (except as set forth in Sections 2.5.2, 2.5.3, 2.5.4 and 3.5 hereof) shall be fixed at three (3) years. The members of the Board shall hold office until the earlier to occur of the election and qualification of their respective successors or their death, adjudication of incapacity, removal, or resignation. A Board member may serve an unlimited number of terms and may succeed himself.

3.4 Removal or Resignation of Members of the Board. Except with respect to members designated by the Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Board may be removed with cause by Unit Owners entitled to cast two-thirds of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any Director 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 Director may resign at any time by giving written notice to the President or the Secretary, and the resignation shall take effect upon receipt or at any later time specified therein. A member of the Board shall be deemed to have resigned upon transfer of title to his Unit. The Declarant shall have the right to remove and replace any or all Directors appointed by the Declarant at any time and from time to time until the required resignation date specified in Paragraph 14.00 of the Declaration and Sections 2.5.2 through 2.5.4 of these Bylaws.

3.5 Vacancies. Except as set forth in Section 3.4 above with respect to members of the Board appointed by the Declarant, vacancies in the Board caused by any reason other than the removal of a member by a vote of Unit Owners shall be filled by a vote of a majority of the

remaining members of the Board at a special meeting of the Board held for such purpose promptly after the occurrence of any such vacancy, even though the members of the Board present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his predecessor. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

3.6 Organization Meeting. The first meeting of the Board following each annual meeting of the Association shall be held within ten (10) days thereafter at such time and place as shall be fixed by the President (even if he is the outgoing President) at the meeting at which such Board shall have been elected, and no notice shall be necessary to the newly elected members of the Board in order legally to constitute such meeting, if a majority of the entire Board shall be present at such meeting.

3.7 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Board. Notice of regular meetings of the Board shall be given to each Director, by mail or confirmed facsimile, at least ten (10) calendar days prior to the day named for such meeting, and shall state the time, place and purpose of the meeting.

3.8 Special Meetings. Special meetings of the Board may be called by the President on at least three (3) business days' notice to each member of the Board, given by telephone, mail or confirmed facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board.

3.9 Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting of the Board shall constitute a waiver of notice by him of the time, place and purpose of such meeting, except where a member of the Board attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. If all members of the Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

3.10 Quorum of the Board. At all meetings of the Board a majority of the members of the Board 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. If at any meeting of the Board 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 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 recognize and hear each other.

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

3.12 Conduct of Meetings. The President shall preside over all meetings of the Board and the Secretary shall keep a minute book of the Board meetings, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. Except for the meeting to adopt the budget, Unit Owners who are not Board members shall have no right to attend Board meetings unless the Board decides otherwise. All Unit Owners may attend and be heard at the meeting in which the budget shall be reviewed by the Board for adoption, but may not vote at such meeting unless the Unit Owner is a Board member. The Secretary shall give Unit Owners notice of such meeting.

3.13 Action Without Meeting. Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board 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.

3.14 Validity of Contracts with Interested Board Members. No contract or other transaction between the Association and one or more of its Board members, or between the Association and any corporation, firm or association in which one or more of the Board members are directors or officers, or are financially interested, shall be void or voidable because such Board member or members are present at any meeting of the Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subsections exist:

3.14.1 The fact that a Board member is also such a director or officer or has such financial interest is disclosed or known to the Board and is noted in the minutes thereof, and the Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Board member or members; or

3.14.2 The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

3.15 Inclusion of Interested Board Members in the Quorum. Any Board member holding such director or officer position or having such financial interest in another corporation, firm or association shall be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.14 hereof.

3.16 Committees. The Board may appoint committees deemed appropriate to assist in carrying out its purposes. The committees will perform such functions and have such duties, power and authority as the Board in its discretion may provide by resolution. The Board may relieve any committee of any of its duties, powers, and/or authority either generally or on a case by case basis. The committees must function in compliance with the Governing Documents and all Board resolutions.

The committees may include but are not limited to the following:

(1) Recreation Committee, which will advise the Board on all matters pertaining to the recreational program and activities of the Association.

(2) Grounds and Maintenance Committee, which will advise the Board on all matters pertaining to the maintenance, repair or improvement of the Common Elements and any other property which the Association must maintain as set forth in the Declaration.

(3) Architectural Control Committee, which will consider requests by Unit Owners for modifications to any Common Elements, and establish guidelines and procedures for review of such requests consistent with the Declaration and Bylaws, and make recommendations to the Board as to what action should be taken on such requests.

(4) Covenants Committee, which will consist of five persons appointed by the Board, all of whom shall be Unit Owners. The Covenants Committee shall regulate the external design, appearance, use and maintenance of the Common Elements. This committee will assure that the Condominium will always be maintained in a manner that:

- (a) provides for visual harmony and soundness of repair;
- (b) avoids activities deleterious to the Condominium's aesthetic and property values;
- (c) furthers the comfort of Unit Owners; their guests, invitees and lessees; and
- (d) promotes the Condominium community's health, general welfare and safety.

#### **ARTICLE 4** **Officers**

4.1 Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Board. The Board may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. The President shall be a member of the Board. No other officers must be members of the Board. Except for those who have been appointed by the Declarant, all officers shall be Unit Owners.



4.2 Election of Officers. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

4.3 Removal or Resignation of Officers. Upon the affirmative vote of a majority of all members of the Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Board called for such purpose. An officer may resign at any time by giving written notice to the President or the Secretary, and shall take effect upon receipt or at any later time specified therein. Except for those who have been appointed by the Declarant, an officer shall cease holding such office at the time such officer ceases to be a Unit Owner.

4.4 President. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Board 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 and such other duties as from time to time may be assigned to him by the Board. The President shall cease holding such office at such time as the President ceases to be a member of the Board.

4.5 Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board, have charge of such books and papers as the Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and Eligible Mortgage Holders hereunder 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 have custody of the corporate seal and, when authorized by the Board, affix the seal to any instrument requiring it and attest the same when appropriate. 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 to Sections 3315(g), 3407(a) and 3407(b) of the Condominium Act and Sections 5.6 and 5.11 below.

4.6 Treasurer. The Treasurer shall be responsible for the safekeeping of Association funds and securities, for keeping full and accurate financial records and books of account in books belonging to the Association showing all receipts and disbursements, for the preparation of all required financial data, and for the deposit of all monies in the name of the Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Board and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania. The Treasurer shall render to the President and to the Board, at the regular meetings of the Board and whenever they or either of them shall require, an account of the Treasurer's transactions and of the financial condition of the Association.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$5,000 shall be executed by the President or any two other officer of the Association. All such instruments for

expenditures or obligations of \$5,000 or less shall be executed by the President or any other officer of the Association.

4.8 Compensation of Officers. No officer shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing such officer's duties.

4.9 Fidelity Bonds. The Board in its discretion may require any or all of the officers and employees of the Association who handle or are responsible for funds in the Association's possession or under its control to furnish adequate fidelity bonds in a form which includes penalties and corporate surety satisfactory to the Board. The premium on those bonds shall be Common Expenses.

## ARTICLE 5 Common Expenses; Budgets

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

5.2 Preparation and Approval of Budget.

5.2.1 On or before the first day of November of each year, the 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 the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Board 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 Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements.

5.2.2 On or before the next succeeding fifth day of November, the 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 that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit Owner's assessments for Common Expenses for the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.8 below.

5.2.3 Within thirty (30) days after the creation of Units on any Convertible Real Estate or on any Additional Real Estate or the expiration or elimination of any right of the Declarant to withdraw Withdrawable Real Estate, the Board shall revise the budget to reflect changes in Common Expenses resulting from such addition, conversion or expiration or termination of rights to withdraw Withdrawable Real Estate and to reflect the proportionate



liability of all Units for Common Expenses for the remainder of the fiscal year in which such events occur. The amount of assessments attributable to each Unit thereafter shall be the amount specified in the adjusted budget, until a new budget shall have been adopted by the Board.

5.2.4 The 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.

### 5.3 Assessment and Payment of Common Expenses.

5.3.1 Common Expenses. The Board shall calculate the monthly assessments for Common Expenses against each Unit by multiplying (a) the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Board for the fiscal year in question, by (b) the Percentage Interest (expressed in decimal form) allocated to such Unit, and dividing the resultant product by (c) the number of calendar months in such fiscal year. Such assessments shall be deemed to have been adopted and assessed 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 Condominium Act and the Declaration. Within ninety days (90) after the end of each fiscal year, or as soon thereafter as possible, the Board shall prepare and deliver to each Unit Owner and to each Eligible Mortgage Holder an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to Common Expenses, after application of such reserves as the Board may determine, shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Board may determine.

5.3.2 Reserves. The Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit Owner's assessments, the Board may at any time levy further assessments for any Common Expense which shall be assessed against the Unit Owners according to their respective Percentage Interests with regard to Common Expenses, and shall be payable in one or more monthly assessments as the Board may determine.

5.4 Further Assessments. The Board shall serve notice on all Unit Owners of any further assessments pursuant to Sections 5.3.1 or otherwise as permitted or required by the Condominium Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is due more than ten (10) days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Section 5.3.1.



5.5 Initial Budget. At or prior to the time assessment of Common Expenses commences, the Board shall adopt the budget, as described in this Article, for the period commencing on the date the Board determines 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 Unit Owners during such period as is provided in Section 5.3.1 above. Sections 5.2 through 5.4 and 5.6 through 5.11 of this Article shall be effective only after the first assessment of Common Expenses occurs.

5.6 Delivery of Approved Budget and Notice of Capital Expenditure; Effect of Failure to Prepare or Adopt Budget. The Board shall deliver to all Unit Owners copies of each budget approved by the Board and notice of any capital expenditure approved by the Board promptly after each such approval. The failure or delay of the 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 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.

5.7 Accounts; Audits.

5.7.1 All sums collected by the Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single account or placed in such other accounts as required by the Board. The Board shall establish accounts for the funds of the Association as the Board deems appropriate from time to time and as may be consistent with good accounting and fiscal management practices. The signatures of two Directors shall be required for withdrawals from any accounts of the Association.

5.7.2 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 accountant retained by the Board.

5.8 Rejection of Budget; Limitations on Expenditures and Borrowing. 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 Board, within thirty (30) days after approval by the Board. In addition, the power of the Board to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that the consent of Unit Owners entitled to cast at least two-thirds of the votes at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws shall be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than ten (10%) percent of such aggregate amount after taking into account any projected increases in income, and (ii) to borrow money so that loans of the Association then outstanding would exceed ten (10%) percent of such aggregate amount.



5.9 Payment of Common Expenses. Each Unit Owner shall pay the Common Expenses assessed by the Board pursuant to the provisions of this Article. No Unit Owner may exempt himself from his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit or in any other manner. Payment by the Unit Owner of his or her percent share of the Common Expenses is an absolute obligation of each Unit Owner regardless of any use or benefit to the Unit Owner from the Common Elements or such Common Expenses. 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 to 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 (5) days following a written request therefor to the Board 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; and, provided further that, subject to Section 3315(b)(2) of the Condominium 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 any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments 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 or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit.

5.10 Collection of Assessments. The Board or the Managing Agent, at the request of the Board, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than ten (10) days from the due date for payment thereof. Any assessment not paid within five (5) days after its due date shall accrue a late charge in the amount of five (5%) percent of the overdue assessment in addition to interest at the rate of fifteen (15%) percent per annum or such other rate as may be determined by the Board and permitted by law. The Association may accelerate the payment of assessments and foreclosure on the lien for such assessments, and exercise such other remedies, as provided for in Paragraph 5.12 of the Declaration regarding non-payment of assessments.

5.11 Statement of Common Expenses. The 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 for Common Expenses due from such Unit Owner. The 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 Condominium Act.



## ARTICLE 6

### Default

6.1 Relief. In addition to the remedies provided in the Condominium Act and the Declaration, a default by a Unit Owner in compliance with the Governing Documents shall entitle the Association to the following relief:

6.1.1. Suspension of Rights. The voting rights and rights to hold elected office in the Association of any Unit Owner, and the rights of any Unit Owner to utilize the Recreation Area, may be suspended by the Board for any period during which an assessment against the Unit to which his membership is appurtenant remains unpaid; but upon payment of such assessments, and any interest accrued thereon, whether by check or cash, his rights and privileges shall be immediately and automatically restored. Further, the rights and privileges of any person who violates any provision of the Governing Documents regarding the use of the Common Elements or the Units may be suspended at the discretion of the Board for a period not to exceed thirty (30) days for any single non-continuous violation. If the violation is of a continuing nature, such rights and privileges may be suspended indefinitely until such time as the violation is abated. No suspension of rights and privileges related to violations involving the use of the Common Elements or the Units shall be taken by the Board until the Unit Owner is afforded an opportunity for a hearing in accordance with the hearing procedures of Article 10 of these Bylaws.

6.1.2. Escrow of Deposit. For non payment of assessment or fine levied on a Unit, the Board in its sole discretion may require the owners of such Unit to deposit with the Association, in escrow, a sum not to exceed three months of the then-current annual Common Expense assessment or maintenance fee for the Unit. Any such escrow deposit will be held by the Association in an interest-bearing account which will not be combined with other assets of the Association, with the interest accruing to the benefit of the Association. Said escrow deposit, by Board resolution, may be applied and drawn upon in the event of a default of the Unit Owner for the payment of any assessment, fine, fees or other charges levied by the Board or its committees against the Unit of that Unit Owner. The Board may further order the Unit Owner to replenish any amounts so drawn upon. Upon the sale of any such Unit, any escrow monies will be refunded or assigned, without interest, to the extent that the deposit has not been applied against the obligations of the Unit Owner and Unit to the Association. The Board's rights under this subsection are in addition to its other rights.

6.1.3 Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, omission, neglect, carelessness or misuse or the act, omission, neglect, carelessness, or misuse by a member of his family or household pet, guest, occupant, visitor or tenant (whether authorized or unauthorized by the Unit Owner). Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Units or its appurtenances.



6.1.4 Costs and Attorney's Fees. In any proceeding in court 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 attorneys' fees as may be determined by the court.

6.1.5 No Waiver of Rights. The failure of the Association, the Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Governing Documents or the Condominium Act shall not constitute a waiver of the right of the Association, the 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 Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Governing Documents or the Condominium 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 Governing Documents or the Condominium Act or at law or in equity.

6.2 Abating and Enjoining Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration or the Condominium Act shall give the Board the right, in addition to any other rights: (a) to enter the Unit in which, or 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 Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

6.3 Replacement, Sale, or Termination. All decisions concerning the obsolescence of any of the Common Elements, the sale of Condominium property, and the demolition and/or replacement of the same shall be determined in accordance with the Condominium Act, and by way of example and not limitation, Sections 3220 (regarding termination) and 3318 (regarding conveyance or encumbrance of common elements) of the Condominium Act. The percentage of Unit Owners required to vote in favor of such decision shall be ninety (90%) percent of the votes allocated to Units not owned by a declarant.

6.4 Leases and Assignment of Lease and Rents. All leases shall be subject to and include the following terms:

"The owner (or landlord, as applicable) assigns to Four Seasons at Farmington Condominium Association in which the owner is a member (the "Association"), all right, title and interest in, to and under the lease together with all rents or other monies payable to the owner by the tenant up to the amount of common expense or other assessments or other obligations due from the owner to the Association. Despite this assignment, the owner is free to collect all rents or other monies due from the tenant unless and until the owner is delinquent in payment of assessments or other obligations owed to the Association. If the owner is delinquent in payments



or his other obligations, and his delinquency continues for ten or more days after the owner's receipt of written notice from the Association to cure the delinquency, the Association is authorized to notify the tenant in writing of the owner's delinquency, the terms of this rent assignment, and the Association's exercise of its right to collect in the owner's name as assignee any rents accrued and unpaid, and the rents thereafter accruing and becoming payable, until the owner is no longer delinquent and the Association notifies the owner and the tenant of same in writing.

"Upon receipt of written demand from the Association under this provision, every tenant must remit the rent due under their lease to the Association and the rents thereafter accruing. The tenant will not be obligated to determine whether the owner is in fact delinquent in the payment of assessments or other obligations to the Association. The owner agrees that all payments made by the tenant to the Association under this provision shall fully and completely discharge the obligations of the tenant to the owner under the lease. THE OWNER AGREES THAT THE ASSOCIATION IS NOT RESPONSIBLE FOR THE CONTROL, CARE OR MANAGEMENT OF THE UNIT OR FOR CARRYING OUT ANY OF THE OWNER'S DUTIES AS LANDLORD AS SET FORTH OR IMPLIED FROM THE LEASE OR IMPOSED BY LAW. THE OWNER ALSO AGREES THAT THE ASSOCIATION AND ITS OFFICERS, SERVANTS, AGENTS AND EMPLOYEES WILL NOT BE LIABLE TO THE TENANT OR OTHERS BY REASON OF ANY LOSS, INJURY OR DAMAGE SUSTAINED BECAUSE OF ANY DANGEROUS CONDITION EXISTING IN THE UNIT OR THE ASSOCIATION'S EXERCISE OF ITS RIGHTS UNDER THIS PROVISION.

"By exercising its rights under this provision, the Association does not become a 'mortgagee in possession' in contemplation of law. The Board of Directors of the Association may, on a case by case basis, agree to subordinate its rent assignment rights to an institutional mortgagee upon request by that mortgagee."

If such terms do not comply with any laws in effect in Pennsylvania regarding the use of "plain language" in a lease of residential property, the terms shall be modified in language but not in content to comply with such laws. In addition, each Unit Owner who leases his Unit shall deliver to the Association a copy of that lease and every renewal lease within ten (10) days after the Unit Owner's signing of that lease.

## **ARTICLE 7**

### **Indemnification and Liability**

7.1 Indemnification of Officers and Directors. The Association shall indemnify every member of the Board of Directors and officer, their heirs, executors and administrators, successors and assigns, against all loss, costs and expenses, including counsel fees, reasonably incurred in connection with any action, suit or proceeding to which such Director or officer may



be made a party by reason of being or having been a member of the Board of Directors or officer of the Association, except as to matters as to which such Director or officer shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated by the Association as Common Expenses, provided, however, that nothing contained in this Article shall be deemed to obligate the Association to indemnify any Unit Owner who is a member of the Association because of such status as a Unit Owner.

7.2 Limitation of Personal Liability. No Director shall be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless the Director breached or failed to perform the duties of his office and the breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness. This section shall not apply, however, to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to federal, state, or local law.

## **ARTICLE 8**

### **Amendments**

8.1 Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Unit Owners entitled to cast sixty-seven (67%) percent of the votes in the Association, except as otherwise expressly set forth herein, in the Declaration, or in the Condominium Act; provided, however, if any amendment would have a material effect upon any rights, privileges, powers and/or options of the Declarant, such amendment shall require the written approval of the Declarant. Additionally, if any amendment is necessary in the judgment of the Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Condominium Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects (and such amendment will not alter the rights of Declarant or the Unit Owners, or alter any right in the Recreation Area), then at any time and from time to time the 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 Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

8.2 Approval of Mortgagees. The approval of amendments by Eligible Mortgage Holders shall be obtained in accordance with subparagraphs 9.01, 9.02, and 9.05 of the Declaration.

8.3 Amendments to the Declaration. The President and any other officer of the Association may prepare, execute, certify and record other amendments to the Declaration on behalf of the Association provided such amendments are in accordance with the terms of Paragraphs 9.00 and 12.00 of the Declaration.

## **ARTICLE 9**

### **Miscellaneous**

9.1 Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by certified mail, return receipt, postage prepaid (or otherwise as the Condominium Act 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 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.

9.2 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 Bylaws or the intent of any provision thereof.

9.3 Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

## **ARTICLE 10**

### **Due Process Procedures**

10.1 Introduction. These Bylaws authorize the Association to exercise all powers, duties and authority necessary for the proper conduct and administration of the affairs of the Association. The Board hereby establishes a procedure that may be utilized by the Board to provide for due process in cases where there is a question of a Unit Owner's compliance, other than payment of amounts owed by the Unit Owner, with the terms of the Governing Documents. This process is intended to minimize the need to seek redress through the court system.

"Due process" refers to the following items:



- (1) Written charges will be given to the Respondent.
- (2) A hearing will be held at which witnesses may appear and may be cross-examined and in which evidence may be introduced.
- (3) The basic principles of fairness will be applied.
- (4) A reasonable review of the pertinent facts and findings is to be made by the Board in case of an appeal.

10.02 Actions Before Initiation of Formal Complaints. Any Unit Owner, officer or agent of the Association has the right to request a Unit Owner to cease or correct any act or omission which appears to be in violation of the Governing Documents. This informal request shall be made before the formal complaint process is begun.

The Association may make initial attempts to secure compliance through correspondence with the Unit Owner or other Unit occupant which, to the extent known, will state the time, place, date, and nature of the violation as well as the time period in which the violation must be corrected. Copies of that correspondence must be maintained in the Covenants Committee's or the Association's files. A copy may be sent to the Association's legal counsel.

Where the alleged violation relates to the use of any Common Elements or violation of any covenant or duty that may endanger persons, property or the equity of the Association, and a verbal request to cease has not been complied with, an officer of the Association, may, without further notice, suspend for a period of not more than 72 hours the right of any Unit Owner or other Unit occupant to use such common facility.

10.03 Written Complaints. If the attempts to secure compliance described in Section 10.02 above are unsuccessful, the formal complaint process may be initiated by the filing of a written complaint with the Association by any Unit Owner, officer, Director or agent of the Association. All complaints must contain a written statement of charges setting forth in ordinary and concise language the acts or omissions with which the Unit Owner ("Respondent") is charged. The complaint must specify the specific provisions of the Governing Documents that the Respondent is alleged to have violated, and shall contain supporting facts as to each such charge. The complaint must be as specific as possible about times, dates, places and persons involved in sufficient detail so that the Respondent can prepare a defense.

10.04 Preliminary Investigation. After receipt and consideration of a written complaint, the Board may request that the Managing Agent or other agent make a preliminary investigation as to its validity and to promptly report the findings to the Board. If the conditions complained about have been corrected or if the complaint is for any other reason not valid, the Board will dismiss the complaint and notify the complainant in writing about this action. If the preliminary investigation indicates the need for further action, the Board may proceed as appropriate with the steps set forth below.

10.05 Service of the Complaint. If the preliminary investigation indicates that further action is necessary, the Board shall serve a copy of the complaint on the Respondent. Service shall be made by certified mail, return receipt, postage prepaid. The complaint must be accompanied by the written forms described in Sections 10.06 and 10.07 below. No decision adversely affecting the rights of the Respondent may be made in any case unless the Respondent has been served as provided herein.

10.06 Notice of Hearing. Along with service of the complaint, the Board must cause a Notice of Hearing, as provided herein, to be served upon the Respondent at least thirty (30) days before the date scheduled for the initial hearing. The Notice of Hearing will be substantially in the following form, but may include other information:

"You are hereby notified that a hearing will be held before the Covenants Committee of the Association at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_ at the hour of \_\_\_\_\_ upon the charges made in the attached complaint hereby served upon you. You: may be present at the hearing; may, but need not, be represented by counsel; and may present relevant documentary or testimonial evidence. You will be given full opportunity to cross-examine all witnesses who testify against you. You are entitled to request the attendance of witnesses and the production of books, documents, or other items to be used against you by the complainant by applying to the Covenants Committee of the Association.

"Article 10 of the Association's Bylaws governs the dispute resolution process and the rights of all participants in it. You must be familiar with them. If you do not follow the procedures outlined, the Covenants Committee may conclude that you have waived your legal rights."

If any parties can promptly show good cause as to why they cannot attend the hearing on the date set and indicate the dates and times on which they will be available, the Covenants Committee may adjourn the hearing and promptly deliver to the complainant and the Respondent a notice of the new hearing date.

10.07 Notice of Defense. Along with service of the complaint, the Board must cause a Notice of Defense, as provided herein, to be served upon the Respondent. The Notice of Hearing must be in the following form:

" As a Respondent you may:

- (1) attend any hearing held by the Covenants Committee on the complaint,
- (2) object to the complaint because it does not state the acts or omissions or the relevant sections of the Governing Documents that you are alleged to have violated and upon which the Covenants Committee may proceed,



- (3) object because the complaint is so indefinite or uncertain that you cannot properly prepare a defense,
- (4) admit to the complaint in whole or in part, and in such event, the Covenants Committee will meet to determine appropriate action or penalty, if any.

"Article 10 of the Association's Bylaws governs the dispute resolution process and the rights of all participants in it. You must be familiar with them. If you do not follow the procedures outlined, the Covenants Committee may conclude that you have waived your legal rights."

The Covenants Committee shall consider any objections to the form or substance of the complaint within forty-five (45) days after receipt of the objections. The Covenants Committee must make its determination and notify all parties in writing by the end of the forty-five (45) day period. If the complaint is found to be insufficient, the complaining party has fifteen (15) days in which to amend the complaint to make it sufficient. The same procedure set forth above will be followed with respect to any amended complaint. If the Covenants Committee determines that the complaint is still insufficient they may dismiss the matter.

**10.08 Cease and Desist Request.** The Board may, at its own discretion, issue a cease and desist request along with the complaint. The cease and desist request must be in the following form:

"The Board of Directors has received the attached complaint and hereby requests that you cease and desist such acts or actions unless and until permitted by a ruling of the Covenants Committee or Board of Directors or a Court properly vested with jurisdiction. Failure to comply may result in penalties greater than those which would have been imposed for a single violation.

"Article 10 of the Association's Bylaws governs the dispute resolution process and the rights of all participants in it. You must be familiar with them. If you do not follow the procedures outlined, the Covenants Committee may conclude that you have waived your legal rights."

**10.09 Amended Complaints.** At any time before the initial hearing date, an amended complaint may be filed by the complainant. All parties must be notified in the manner herein provided of the content of same. If the amended complaint contains new charges, the Covenants Committee must afford the Respondent a reasonable opportunity to prepare a defense.

**10.10 Discovery.** On written request to the other party, made before the initial hearing date and within fifteen (15) days after service of the Complaint or within ten (10) days after service of any amended Complaint, either party is entitled to obtain from the other party the names and addresses of witnesses to be used by that other party at the hearing, and to inspect and make copies of any statements, writings, photographs, and investigative reports relevant to the subject matter of the hearing. Nothing herein, however, authorizes the inspection or copying of any writing or other

thing that is privileged from disclosure by law or otherwise made confidential or protected, as, for example, an attorney's work product. Any disputes regarding requests for information or responses to those requests may be presented to the Covenants Committee who will then make a determination and issue a written decision on the matter. The Covenants Committee may establish a timetable for the exchange of discovery materials and information.

10.11 Constraints on the Covenants Committee. Each Covenants Committee member must make a determination as to whether that member is able to function in a disinterested and objective manner in consideration of each matter before it. Any member incapable of such objective consideration on any matter must disclose that determination to the parties, withdraw from participation in the proceedings, and place in the minutes of the Covenants Committee that he has withdrawn from the matter. Any Covenants Committee member has the right to challenge any other member who is alleged to be unable to function in a disinterested and objective manner.

Before any hearing, the complainant and Respondent may challenge any Covenants Committee member for any valid legal reasons so as to cause that member to be disqualified from consideration of the matter. If a challenged Covenants Committee member does not voluntarily disqualify himself from consideration of the matter, the Board must meet within thirty-five (35) days to determine the sufficiency of the challenge. If the Board sustains the challenge, the challenged member is disqualified and the remaining Covenants Committee members shall participate in the hearing and decision. All decisions of the Board regarding eligibility of Covenants Committee members are made in its sole discretion and are final.

10.12 Hearing. The Covenants Committee shall determine the procedure for all hearings. The hearing shall not be conducted using any technical rules relating to evidence and witnesses. The Covenants Committee selects a person to service as hearing officer and to preside over the hearing. A hearing officer need not be a Unit Owner or a member of the Covenants Committee. Counsel for the Association may, at the discretion of the Board, be present at hearings and may serve as hearing officer. Upon the commencement of the hearing, the hearing officer will explain the procedures that will be followed during the hearing. Neither the complainant nor the Respondent must be in attendance at any hearing.

Each party has the right to do the following, but may waive any or all of the right to:

- (1) make a brief opening statement,
- (2) introduce evidence, testimony and witnesses,
- (3) cross-examine opposing witnesses,
- (4) rebut evidence and testimony by presenting testimony and witnesses,
- (5) make a closing statement before the Covenants Committee closes the hearing.

If the complainant or Respondent does not testify on his own behalf, each may still be called and questioned. In such event the party called to testify may avail themselves of whatever Constitutional rights apply to the situation.



If a Covenants Committee member is disqualified after the Covenants Committee has begun to hear a matter but before the final determination is made, the remaining Covenants Committee members will continue to hear the matter. In the case of any tie votes, the hearing officer must cast a vote to break the tie.

Oral evidence must only be given under oath or affirmation taken by the witness and administered by a Covenants Committee member or the hearing officer.

**10.13 Disposition of Complaint.** On the conclusion of hearings on a matter, the Covenants Committee must make its decision and notify all parties of that decision in writing within thirty (30) days after the hearings are closed. The decision shall briefly state the reasons to support same. If the Covenants Committee finds that there has been a material violation of any restrictive provision in the Governing Documents, it may impose the penalties authorized in the Governing Documents including, but not limited to, the suspension of privileges of membership in the Association and right to use the Common Elements, recreation and other facilities of the Association; and/or the imposition of fines or other remedies to the extent that the Board is permitted to do so by the Governing Documents and applicable law.

**10.14 Appeal to Board.** Any Respondent found by the Covenants Committee to have committed a material violation of any restrictive provision of the Governing Documents has the right to appeal the decision to the Board. Any such appeal must be in writing and filed with the Secretary within thirty (30) days after the decision of the Covenants Committee is rendered. The Board may, by at least a 75 percent vote of its entire membership, reverse or modify such decision or the penalty imposed after reviewing written grounds for the appeal presented by the Respondent when he files his appeal and a written response to same filed by the Covenants Committee, which is to be prepared and filed with the Board within thirty (30) days after the appeal is forwarded to the Covenants Committee. In addition, the Board has the right to consider other matters of record and to hear oral argument as may be appropriate for it to render its decision. The Board will dispose of any appeal by written decision within sixty (60) days after it receives the Covenants Committee's response. Any Board determination is rendered in its sole and absolute discretion and is final. However, any such determination is not binding upon an appellant who has the right to take action in a court of competent jurisdiction. Any such appeal must be commenced by the filing of the appropriate pleading with the clerk of the applicable court within thirty (30) days of the date of the written decision of the Board.

**10.15 Intent.** The procedures herein are to serve as a protection to Unit Owners, to provide for due process in an adversarial proceeding, and to be guidelines for the Board and the Covenants Committee discharging their duties to enforce the Governing Documents. The Board and the Covenants Committee, as appropriate, may determine the specific way the procedures will be applied to and implemented by each of those bodies respectively, provided that at all times the due process rights of the participants are protected.

Any inadvertent omission or failure to conduct an adversary hearing in exact conformity with this Article does not invalidate the results of any proceeding, as long as a prudent and reasonable attempt was made to insure due process according to the general steps set forth herein.

-THE END-

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**FOUR SEASONS AT FARMINGTON CONDOMINIUM ASSOCIATION  
RESOLUTION TO AMEND THE BYLAWS**

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**WHEREAS**, Four Seasons at Farmington Condominium Association is a condominium organized pursuant to a Declaration of Condominium as filed with the Recorder of Deeds of Lehigh County; and

**WHEREAS**, Four Seasons at Farmington Condominium Association is the condominium association that administers the Condominium and the affairs of the Unit Owners; and

**WHEREAS**, the Board of Directors has recommended that it is in the best interest of the Association to amend the Bylaws to provide for simplification of the process for sending notices; and

**NOW, THEREFORE, BE IT RESOLVED,**

Article 9, section 9.1, of the Bylaws of the Four Seasons at Farmington Condominium Association is amended to read as follows:

9.1 Notices. The Association shall use reasonable measures to ensure that all Unit Owners are kept reasonably apprised of the affairs of the Association and that all Unit Owners receive advance notice of meetings of the Association. The Association shall encourage liberal use of communications media to provide notice of Association business to the Unit Owners.

9.1.1. All written notices that may be required shall be deemed to have been duly given if delivered personally or sent by United States mail postage prepaid and properly addressed or otherwise as the Nonprofit Corporation Laws or the Pennsylvania Condominium Laws may permit. If given to a Unit Owner, such notice shall be sent to the single address which the Unit Owner may designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Owner. If given to the Association, the Board or to the Managing Agent, such notice shall be sent to 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.

9.1.2. In addition to any address designated pursuant to section 9.1.1., a Unit Owner may file a written election with the Association to send any and all notices to an email address for such Unit Owner.

9.1.3. Notwithstanding any other provision of these Bylaws, notice of any Annual Meeting of the Association or any meeting of the Board of Directors may be given by posting on the Association website and at the entrance to the Clubhouse.

I certify that the forgoing Resolution was adopted by a vote of the Unit Owners of the Four Seasons at Farmington Condominium Association at a meeting of the Unit Owners that was duly convened pursuant to the Bylaws of the Association on the 10<sup>th</sup> day of September 2012.

**ATTEST:**

Edwin Schattauska

Name: Edwin Schattauska  
Title: Secretary

**BOARD OF DIRECTORS**

Four Seasons at Farmington Condominium Association

Marilyn H. Rendoritis

Name: Marilyn H. Rendoritis  
Title: President