

**BY-LAWS  
OF  
VILLAS AT SAGEWICKE  
HOMEOWNERS ASSOCIATION**

**ARTICLE I**

**AUTHORITY**

**Section 1.** These By-Laws provide for the governance of the Villas at Sagewicke Homeowners' Association, Inc. (hereinafter referred to as "The Association") pursuant to the requirements of Section 5306 of the Planned Community Act and the recording of Villas at Sagewicke, a Planned Residential Community, Declaration of the Covenants and Restrictions ("Declaration") among the land records of Dauphin County in Record Book \_\_\_\_\_, Page \_\_\_\_\_.

**Section 2.** To the extent these By-Laws conflict with said Act, or have omitted any matters therein, said Act and Non-Profit Corporation Law of 1988 shall govern.

**ARTICLE II**

**PLACE OF BUSINESS**

**Section 1.** The principal place of business of the VILLAS AT SAGEWICKE ASSOCIATION is 7464 Linglestown Road, Harrisburg, Dauphin County, Pennsylvania.

**Section 2.** The registered office of the Association shall be 7464 Linglestown Road, Harrisburg, Pennsylvania 17112, and it may be changed at any time by a majority vote of the members of the executive board in accordance with the Non-Profit Corporation Law of 1988 of the Commonwealth of Pennsylvania, its amendments and supplements, to any other place within or without the Commonwealth of Pennsylvania.

### **ARTICLE III**

#### **COMPLIANCE**

**Section 1. Compliance.** Pursuant to the provisions of the Act, every Owner and all Persons entitled to occupy a Dwelling Unit shall comply with these By-Laws.

### **ARTICLE IV**

#### **DEFINITIONS**

**Section 1. Terms.** The following terms as used in these By-Laws shall be defined as follows, unless the context clearly indicates otherwise.

“ACT or “PLANNED COMMUNITY ACT” shall mean and refer to those portions of the Uniform Planned Community Act of Pennsylvania (1996, December 19, P.L. 1336, No. 180, 68 Pa. C.S.A. Section 5101 et. seq.) as defined in Article I of the Declaration.

“ASSOCIATION” means Villas at Sagewicke Homeowners Association, Inc., a Pennsylvania non-profit corporation, its successors and assigns.

“BOARD” means the Board of Directors of the Association as formed pursuant to the provisions of the Declaration and of these By-Laws.

“COMMON ELEMENTS” means all portions of the Planned Community other than single-family dwelling units and shall include certain storm water facilities and open space as more specifically described on the plats and plans. Title to the designated Common Elements shall be conveyed to the Association subject to this Declaration, plats and plans. The common elements for this area shall include the financial liabilities for the operation, insurance, maintenance, repair, replacement, administration thereof and all other charges deemed appropriate by the Association and the Developer.

“DEVELOPER” shall mean and refer to Gary L. Houck and his assigns, t/a Houck Properties, its successors or assigns.

“DECLARATION” means the original Declaration of Covenants and Restrictions dated \_\_\_\_\_, \_\_\_\_\_ made by the Developer and recorded in the office of the Recorder of Deeds in and for Dauphin County at Book \_\_\_\_\_, Page \_\_\_\_\_, setting forth certain restrictive covenants and easements with respect to the Properties, as the same may be supplemented from time to time.

“FINAL PLAN” means the final Subdivision Plan for Sagewicke Phase IV and Annex as submitted to and approved by the authorities of West Hanover Township, Dauphin County and recorded in Dauphin County, and any supplements or amendments thereto.

“FISCAL YEAR” means the twelve-(12) month period selected by the Association for use in budgeting, assessment and providing for payment of Common Expenses.

“INSURANCE TRUST AGREEMENT” means that certain agreement between the Association and the Insurance Trustee providing for the management and disbursement of insurance proceeds.

“INSURANCE TRUSTEE” means that certain entity responsible for the management of insurance proceeds pursuant to the Insurance Trust Agreement, which entity’s deposits are insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation and another federally constituted body serving an equivalent function.

“VILLAS AT SAGEWICKE” means the planned residential community which is being developed and constructed on the Properties by Developer, by subdivision of Lots, by construction of residential dwellings thereon and other improvements, including roads, utility

facilities and such other improvements deemed necessary or desirable by Developer.

“LIVING UNIT” means and refers to any portion of a building situated upon the properties designed and intended for use and occupancy as a residence by a single family.

“LOT” means any plot or land shown upon any recorded subdivision plan of the Properties.

“MAINTENANCE” means collectively and separately all maintenance, repair work, restoration work, reconstruction work, improvements, replacement, painting, landscaping, paving, cleaning, trash collection and any other general maintenance upkeep required to maintain a lot or the Common Expense Area in a good, sanitary condition and repair.

“MEMBER” means and refers to all those Owners who are members of the Association as provided in Article V, Section 1 hereof.

“OWNER” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Dwelling Unit situated upon the Properties, but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagees unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

“PROPERTIES” means any and all property, real, personal or mixed, made subject to the Declaration, as referenced in Article I thereof, and additional real estate, if any, made subject to the Declaration by any supplemental declaration and including all Lots and Common Expense Area described in the Declaration or in any supplement thereto, together with any additions, improvements, or other property referenced in or made subject to the Declaration.

“STREETS” means any and all of the real property designated on a Final Plan as a street, roadway, parking area, pedestrian path, walkway or any right-of-way for road or access purposes including related drainage facilities, and including any improvements thereto which have not been dedicated to any public authorities, but not including any streets designated on the Final Plan for any section of the Villas at Sagewicke Community which has been dedicated to public authorities.

## **ARTICLE V**

### **ASSOCIATION MEMBERSHIP AND VOTING RIGHTS**

**Section 1. Membership.** Every person or entity who is a record Owner of a fee or undivided fee in any Lot which is subject by covenants or record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

**Section 2. Classes of Voting Members.** There shall be two classes of voting members of the Association as follows:

Class A. (1) All Owners of residential Lots with the exception of the Developer, shall be Class A voting members in the Association and shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Developer shall be the Class B member in the Association and shall be entitled to two (2) votes for each Lot in which it holds the interest required for membership

by Section 1. The Class B membership will cease and be converted to Class A membership on the happening of the earlier of the following events:

- (i) When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or
- (ii) twenty (20) years from the date hereof.

From and after the happening of these events, whichever occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one (1) vote for each lot or living unit, in which it holds the interest required for membership under Section 1.

**Section 3. Suspension of Voting Rights.** The Board may suspend the voting rights and any other rights of any Member for:

- (a) Any period during which any Association assessment or other obligation, as provided in the Declaration, remains unpaid;
- (b) The period of any continuing violation by such Member of provisions of the Declaration after the existence thereof shall have been declared by the Board, and
- (c) A period to be determined by the Board, for repeated violations of the By-Laws or of the rules and regulations of the Association.

## **ARTICLE VI**

### **EVIDENCE OF MEMBERSHIP AND TRANSFER**

**Section 1. Membership Records.** The Association shall maintain at the office of the Association up-to-date records showing the names of the members of the Association and the dates of membership. Whenever any Lot or Lots are transferred to new Owners, which transfer gives rise to membership in the Association, the owner shall be responsible for and shall notify the Association of the name, address and phone number of the new

Owner(s), and the Association shall promptly revise the membership list to reflect the change.

**Section 2. Membership Termination.** When a member ceases to be an Owner, such person's membership shall cease, but such person shall remain liable for all Association assessments or other obligations incurred pursuant to provisions of the Declaration prior to termination of such ownership and written notice to the Association that such person is no longer an Owner.

## **ARTICLE VII**

### **MEETING OF ASSOCIATION**

**Section 1. Meeting Location.** Any meeting of the members of the Association shall be held in the Commonwealth of Pennsylvania at such place therein as may be stated in the notice of such meeting.

**Section 2. First Annual Meeting.** The first annual meeting of the Association will be held one year after the conveyance of the first Lot to an Owner other than the Declarant, if not a legal holiday and, if a legal holiday, then on the next business day following. In addition to the election of Directors at said first meeting, the Association may transact such other business as may properly come before it.

**Section 3. Regular Annual Meeting.** Regular annual meetings subsequent to the first meeting shall be held within thirty (30) days of the same day of the same month of each year thereafter, at an hour set by the Board. Subject to the foregoing, the annual meeting of the Association will be held at a date and time as set by the Board of Directors.

**Section 4. Special Meetings.** Special meetings of the Association may be called by the Board at any time in the manner herein provided. A special meeting may also be

called upon the written petition of members of the Association holding at least twenty (20%) percent of the votes entitled to be cast at such meeting. Such petition shall set forth the purpose of the special meeting. Written notice of a special meeting of the Association stating the time, place and purpose shall be served upon or mailed to each person entitled to vote at such address as appears on the books of the Association at least seven (7) days before such meeting.

**Section 5. Meeting Notice.** Written notice of the place, date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered by the Secretary not less than ten (10) days nor more than sixty (60) days before the date of the meeting, unless otherwise provided in the Declaration. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage prepaid; or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

**Section 6. Quorum.** A quorum at either a special meeting or the annual meeting shall be members of the Association or authorized representatives thereof holding at least thirty (30%) percent of the votes entitled to be cast at such meeting in person or by proxy, unless otherwise provided in the Declaration. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required hereby, by the Declaration or by law. If, however, such quorum shall not be present or represented at any meeting of the Association, the persons entitled to vote who are present at said meeting,



in person or represented by written proxy, shall have the power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

**Section 7. Voting List.** At least fourteen (14) days before every election of Directors, a complete list of those persons entitled to vote at said election shall be prepared by the Secretary. Such list shall be produced and kept for said fourteen (14) days and throughout the election at the office of the Association and shall be open to examination by any person entitled to vote throughout such time.

**Section 8. Right to Vote.**

(a) Members who are delinquent in the payment of Assessments shall not be entitled to vote nor shall any person on said Member's behalf be entitled to vote at any meeting of the Association, annual or special, for so long as any such assessments remain delinquent.

(b) All proxies must be in writing, signed by the person entitled to vote granting the proxy and filed with the Secretary prior to the meeting, annual or special, for which said proxy is granted. The proxy shall be valid only for such meeting or meetings subsequently held pursuant to an adjournment of that meeting. Proxies may be given only to a voting member or person authorized to vote on his behalf.

**Section 9. Waiver and Consent.** Whenever the vote of Members or persons on their behalf at a meeting is required or permitted by any provision of the laws of the Commonwealth of Pennsylvania, the Declaration, the Articles of Incorporation, or these By-

Laws in connection with any action of the Association, the meeting and vote of Members or persons entitled to vote on their behalf may be dispensed with if all such persons who would have been entitled to vote upon the action of such meeting, if such meeting were held, shall consent in writing to such action being taken.

**Section 10. Order of Business.** The order of business at annual Member's meetings, and as far as practical, at other Member's meetings will be:

- (a) Election of Chairman.
- (b) Roll Call.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading of minutes of prior meeting.
- (e) Officers' reports.
- (f) Committee reports.
- (g) Elections.
- (h) Unfinished business
- (i) New business.
- (j) Adjournment.

## **ARTICLE VIII**

### **BOARD OF DIRECTORS**

**Section 1. Number and Term.** The number of directors ("Directors") which shall constitute the Association's Board of Directors shall be not less than three (3) nor more than seven (7), and in no event an even number of persons. Until succeeded by Directors elected by members other than the Developer ("Members"), Directors need not be Members of the Association, but, thereafter, all Directors, except for those Directors elected by the

Developer, shall be Members of the Association. Within the limits above specified, the number of Directors shall be elected to serve for staggered terms of three years or until his successor shall be elected and shall qualify. The first election by Members shall be for one director for a term of one year, one director for a term of two years, and one director for a term of three years. The first Board of Directors shall have three (3) Members. The election of Director by Members shall be by majority vote of each class with each Member entitled to vote as set forth in Article V hereof and cumulative voting shall be permitted.

**Section 2. Validity of Contracts with Interested Executive Board Members.** No contract or other transaction between The Association and one or more of its Executive Board members or between The Association and any corporation, firm, or association in which one or more of the Executive Board members of the Association are directors or officers, employee of Developer or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive 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 subparagraphs exists:

(a) The fact that an Executive Board member is also such a director or officer, or is an employee of Developer or has such financial interest is disclosed or known to the Executive Board prior to the authorization, approval or ratification and which is noted in the minutes thereof, and the Executive 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 Executive Board members; or

(b) 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.

**Section 3. Vacancy and Replacement.** If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors who shall hold office for the unexpired portion of the term of the vacated office. Notwithstanding the foregoing, the Developer is authorized to replace any Director elected by the Developer.

**Section 4. Removal.** Any member of the Board of Directors may be removed from office with or without cause by the vote or agreement in writing of holders of a majority of the total votes of the Members. A special meeting of the Members of the Association to remove a member or members of the Board of Directors may be called by holders of ten percent (10%) of the total votes of Members giving notice of the meeting as required for a meeting of Members and the notice shall state the purpose of the meeting. No director shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever. The above provisions shall not be applicable to Directors elected or appointed by the Developer. If any director fails to pay any Assessment levied against him by the Board of Directors, whether regular or special Assessment, within thirty (30) days after its due date, he shall automatically be removed as a Director, and the remaining Directors shall select a successor to serve the unexpired portion of the term of said removed Director.

**Section 5. Powers.** The property and business of the Association shall be managed by the Board of Directors, which may exercise all corporate powers not specifically prohibited by the laws of the Commonwealth of Pennsylvania, the Articles of Incorporation or

the Declaration. The powers of the Board of Directors shall specifically include, but not be limited to, the following:

(a) To levy and collect annual and individual assessments, except that the Board of Directors may not cause the Association to contribute more than ten percent (10%) of its receipts from annual assessments to reserve for (i) major rehabilitation or major repairs, and (ii) emergency repairs required as a result of storm, fire, natural disaster or other casualty loss without the approval of sixty-six percent (66%) of the votes of each class of members of the Association who are voting at a meeting called for the aforementioned purposes.

(b) To use and expend the assessments collected to acquire, maintain, operate, lease, care for and preserve the Properties.

(c) To purchase the necessary equipment required in the maintenance, care and preservation referred to above.

(d) To enter into and upon the Lots when necessary, with as little inconvenience to the Owners as possible, in connection with said maintenance, care and preservation.

(e) To insure and keep insured the Common Expense Area against loss from fire and/or other casualty and the Owners against public liability, and to purchase such other insurance as the Board of Directors may deem advisable.

(f) To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the Members for violations of these By-Laws, the Articles of Incorporation, the Declaration, and the rules and regulations promulgated by the Board of Directors.

(g) To employ and compensate such personnel as may be required for the maintenance and preservation of the Properties.

(h) To make reasonable rules and regulations and sanctions for noncompliance therewith, applicable to all members.

(i) To contract for the management of the Properties and to delegate to such other party all powers and duties of the Association except those specifically required by the Declaration to have the specific approval of the Boards of Directors or membership.

(j) To carry out the obligations of the Association under any easements, restrictions or covenants running with any land subject to the Declaration.

(k) To perform the services authorized or required of the Association pursuant to the Declaration or the Articles of Incorporation.

(l) To designate a banking institution or institutions as depository for the Association's funds; and the officer or officers authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.

(m) To perform other acts, the authority for which has been granted herein by the Declaration or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper corporate purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber the Association property, if any, as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.

(n) To adopt reasonable rules of order for the conduct of the meetings of the Association.

(o) Elect the officers of the Association. It may establish committees of the Association and appoint the members thereof. It may assign committees such responsibilities and duties not inconsistent with the provisions of the Declaration, these By-Laws or with law as it may deem appropriate.

(p) The Board shall, prior to the annual meeting of the Association, adopt an operating budget to be presented to the members at such annual meeting, and upon consideration of any other source of income of the Association, establish and levy the annual assessment for the following year, in accordance with the Declaration.

**Section 6. Compensation.** Neither Directors nor officers shall receive compensation for their services as such.

**Section 7. Meetings.** Meetings of the Board of Directors shall be held in accordance with the following:

(a) The first meeting of each Board of Directors newly elected by the Members shall be held immediately upon adjournment of the annual meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the Members' meeting and immediately after the adjournment of same.

(b) Special meetings shall be held whenever called by the present or a majority of the Board. The secretary shall give notice of each special meeting either personally or in writing by mail, or electronically by e-mail, at least three (3) days before the date of such meeting, but the Directors may waive notice of the calling of the meeting.

(c) Meetings of the Board of Directors shall be open to all Members and, except in cases of emergency, notices of such meeting shall be given as provided herein at least forty-eight (48) hours in advance of such meeting.

(d) A majority of the Board shall be necessary at all meetings to constitute a quorum for the transaction of business and the act of a majority present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting, the Directors then present may adjourn the meeting until a quorum shall be present.

(e) Nominations for Directors may be filed with the Board, in writing, by any Member in good standing at least forty-five (45) days prior to the annual meeting.

**Section 8. 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 at any meeting of the Board shall constitute a waiver of notice by him of the time, place and purpose of the meeting.

**Section 9. Order of Business.** The order of business at all meetings of the Board shall be as follows:

- (a) Roll call.
- (b) Reading of minutes of the last meeting.
- (c) Consideration of communications.
- (d) Resignations and elections.
- (e) Reports of officers and employees.
- (f) Reports of committees.
- (g) Unfinished business.
- (h) Original resolutions and new business.
- (i) Adjournment.



**Section 10. Proxy.** Every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such member or his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless the person executing it specifies therein the length of time for which such proxy is to continue in force, which in no event shall exceed three (3) years from the date of its execution.

**Section 11. Consent in lieu of Meetings.** Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in a written consent signed by all of the directors who would be entitled to vote upon said action at a meeting and filed with the Secretary of the Association.

## **ARTICLE IX**

### **THE OFFICERS**

**Section 1. Officers.** The officers of the Association shall be the president, one or more vice-presidents, the secretary, the treasurer and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

**Section 2. President.** The president shall be the general managerial officer of the Association, except as otherwise determined by the Board, and he shall be vested with the powers and duties generally incident to the office of President of a nonprofit corporation, except as otherwise determined by the Board, or as may be otherwise set forth in these By-

Laws. He need not be a Director. The President is authorized on behalf of The Association to prepare, execute, certify and record amendments to the Declaration.

**Section 3. Vice President.** In the absence of the President, or in the event of his inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the powers and duties of the President. In the event that there is more than one Vice-President, the Board shall establish the order in which they serve and their respective duties.

**Section 4. Secretary.** The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board which records shall be retained for a period of not less than seven (7) years. He shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the custody of the corporate seal, if any, and records and maintain a list of the members and their addresses and perform all other duties incident to the office of Secretary.

**Section 5. Treasurer.** The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its fund, and perform such other duties as are incident to the office of Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require, the cost of any such bond to be paid by the Association.

**Section 6. Removal.** Any officers may be removed at any time at the discretion of the Board.

**Section 7. Vacancies.** If the office of the President, Vice-President, Secretary, Treasurer, or any other office established by the Board of Directors becomes vacant by reason of death, resignation, disqualification or otherwise, the Directors, by a majority vote of

the Board of Directors, may choose a successor or successors who shall hold office for the unexpired portion of the term of the vacated office.

**Section 8. Resignations.** Any Director or officer may resign his office at any time, in writing, which resignation shall take effect from time of its receipt by the Association, unless some later time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

## **ARTICLE X**

### **COMMITTEES**

**Section 1. Standing Committees.** Standing committees of the Association shall be:

- (a) The Architectural Control Committee; and
- (b) Such other committees as shall be established from time to time by the

Board. Unless otherwise provided herein or by the Board, each Committee shall consist of a Chairman and two or more members and shall include a member of the Board.

Appointments to standing committees shall be made annually prior to each annual meeting of the members of the Association to serve from the close of such annual meeting to the next annual meeting.

**Section 2. Removal.** Committee members shall serve at the pleasure of the Board and may be removed or replaced at any time at the discretion of the Board.

**Section 3. Architectural Control Committee.** The Architectural Control Committee shall perform the duties specified in the Declaration and shall advise the Board on matters relating to the general environment of The Villas at Sagewicke and enforcement

of provisions of the Declaration. The initial Board shall constitute the Architectural Control Committee until the Board deems the Association membership is sufficient to augment the committees with other members prepared to fulfill the required duties.

**Section 4. Subcommittees.** Each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

## **ARTICLE XI**

### **INSURANCE**

**Section 1. Power of Attorney.** The Association is hereby irrevocably appointed as attorney-in-fact for each Owner and for each holder or insurer of a mortgage or other lien upon a Dwelling Unit and for each owner of any other interest in the Property for the purpose of purchasing and maintaining insurance as set forth in Section 3 below including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

**Section 2. Insurance Trustee.** The Executive Board shall have the option, in its sole discretion, of naming as an insured, on behalf of The Association, an Insurance Trustee which whom the Association has entered into an Insurance Trust Agreement. The duty of the Insurance Trustee shall be to receive, hold or otherwise properly dispose of, in accordance with Section 5312 of the Act, proceeds of insurance designated in the Insurance Trust Agreement in trust for Owners and their Mortgagees as their interests may appear.

**Section 3. Types and Amounts.** Commencing no later than the time of the conveyance of the first Lot to a person other than the Developer, The Association shall, to the extent reasonably available, obtain and maintain the types and amounts of insurance set forth in the Declaration. Except as otherwise provided, the premiums for all such insurance policies shall be a Common Expense.

## **ARTICLE XII**

### **INDEMNIFICATION**

The Executive Board members and the Officers of The Association shall have the liabilities and be entitled to indemnification, as provided in the Pennsylvania Corporation Not-For-Profit Code, the provisions of which are hereby incorporated by reference and made a part hereof.

## **ARTICLE XIII**

### **DEVELOPER CONTROL OF ASSOCIATION**

Notwithstanding anything herein to the contrary, until such time as the Developer shall cease to own any portion of the Properties or an earlier date as the Developer may decide, the Developer shall be entitled to votes in accordance with Developer's Class B membership, as set forth in the Declaration, providing it with a majority of the votes of the membership. Upon expiration of the stated period, the Developer shall continue to possess certain voting rights as a Class A Member as provided by the Declaration.

## **ARTICLE XIV**

### **ACCOUNTING RECORDS**

The Association shall maintain accounting records according to generally accepted principles of accounting, consistently applied, which shall be open to inspection by Members or their authorized representatives at a reasonable time and written summaries of which shall be supplied at least annually to Members or their authorized representatives. Such records shall include, but are not limited to, a record of all receipts and expenditures and an account for each Unit, which account shall designate the name and address of the Owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due.

## **ARTICLE XV**

### **CORPORATE SEAL**

The Association shall have no corporate seal.

## **ARTICLE XVI**

### **AMENDMENTS**

**Section 1. Amendments.** These By-Laws may be amended by a majority vote of the Board, subject to applicable law; provided that any matter governed by the Declaration may not be amended except as provided in said Declaration.

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

## **ARTICLE XVII**

### **FINANCES**

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

**Section 2. Checks.** All checks or demands for money and notes of the Association shall be signed by any one (1) of the following officers: President, Vice-President, Secretary or Treasurer, or by such officer or officers or such other person or persons as the Executive Board may from time to time designate. The Executive Board by resolution, may require more than one (1) signature.

**Section 3. Fidelity Bonds for Officers.** The Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association, any contractor handling or responsible for Association funds may be bonded in such amount as may be determined by the Executive Board. The premiums on such bonds shall be paid by the Association. The bond shall be in an amount sufficient to equal the monies an Individual handles or in which he has control via signature or bank account or other depository account; however, notwithstanding the foregoing, the management firm, if any, under the terms of a management agreement, as to funds in its possession and/or control, shall determine, in its sole discretion, the amount of the bond and who is to be bonded, if any, among its employees.

## **ARTICLE XVIII**

### **NOTICES**

**Section 1. Definition.** Whenever, under the provisions of the laws of the Commonwealth of Pennsylvania, the Declaration, the Articles of Incorporation or these By-Laws notice is required to be given to any Director, Officer or member, it shall not be

construed to mean only personal notice, but such notice may be given in writing by mail by depositing the same in a post office or letter box in a postpaid, sealed envelope, addressed as appears on the books of the Association. Any such notice and any notice of any meeting of the Members, annual or special, need not be sent by certified mail, except as otherwise provided by statute, the Articles of Incorporation, these BY-LAWS or the Declaration.

**Section 2. Service of Notice - Waiver.** Whenever any notice is required to be given under the provisions of the laws of the Commonwealth of Pennsylvania, the Declaration, the Articles of Incorporation or these By-Laws, a waiver thereof, in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

**Section 3. Address.** The address for notice to the Association is 7464 Linglestown Road, Harrisburg, Pennsylvania 17112, or at such other place as may subsequently be designated by the Board of Directors.

## **ARTICLE XIX**

### **DECLARATION INCORPORATED BY REFERENCE**

The Declaration, in its entirety and not only to the extent specifically referred to in these By-Laws, is hereby incorporated into and made a part of these By-Laws of the Association.

## **ARTICLE XX**

### **CONSTRUCTION**

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to include the masculine, feminine or neuter, singular or plural, wherever the context so requires.



Should any of the provisions of these By-Laws be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect. The foregoing were adopted as the By-Laws of the Villas at Sagewicke Homeowners Association at the first meeting of its Board of Directors.

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(Assistant) Secretary

APPROVED:

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(Vice) President

98463/98077  
02/03/2006