

BY-LAWS  
OF  
ABBOTSFORD HOMEOWNER'S ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the Corporation is ABBOTSFORD HOMEOWNER'S ASSOCIATION, hereinafter referred to as the "Corporation". The principal office of the Corporation is located in New Castle County, Delaware, but meetings of members and directors may be held within the State of Delaware, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Corporation" shall mean and refer to ABBOTSFORD HOMEOWNER'S ASSOCIATION, its successors and assigns.

Section 2. "The Parcel" shall mean and refer to that certain real property identified in the Certificate of Incorporation for the Corporation and the Declaration of Restrictions for the Development of Abbotsford recorded in Land Records of New Castle County, Delaware in Book\_\_\_\_, Page\_\_\_\_, and such additions thereto as may hereafter be brought within the jurisdiction of the Corporation.

Section 3. "Lots" shall mean and refer to any residential lot of land situate within the Development of Abbotsford.

Section 4. "Member" shall mean and refer to every person or entity who holds a membership in the Corporation.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Parcel, including contract sellers, but excluding the Declarant and those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to ABBOTSFORD HOMEOWNER'S ASSOCIATION, its successors and assigns.

Section 7. "Declaration" shall mean and refer to the Declaration applicable to the Parcel recorded in the Office for the Recorder of Deeds, New Castle County, Delaware, in \_\_\_\_\_.

## ARTICLE III

### MEMBERSHIP

Section 1. Membership. Every person or entity, who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Corporation, including contract sellers, shall be a member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Corporation. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Corporation, the voting rights of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights or a member may also be suspended, after notice and hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the Board of Directors.

## ARTICLE IV

### BOARD OF DIRECTORS

#### SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of this Corporation shall be managed by a Board of Directors, who must be members of the Corporation.

Section 2. Election. At the first annual meeting the members shall elect all three (3) directors for a term of one year; and the members shall elect all three (3) directors at each successive annual meeting, for a term of one year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Corporation. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Corporation.

However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE V

### MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Corporation, or by two (2) directors, after not less than three (3) days notice to each director.

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

## ARTICLE VI

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Corporation. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its sole discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power;

(a) To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration; and to adopt and publish rules and regulations incident to the exercise of such powers, duties and authority;

(b) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(c) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, which such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

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

(c) To issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for issuance of these certificates. Such certificates shall be conclusive evidence of any assessment therein stated to have been paid;

(d) To procure and maintain adequate liability insurance, and to procure adequate hazard insurance on property owner by the

Corporation;

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

(f) To cause the common areas in the Parcel to be maintained in accordance with the Declaration.

## ARTICLE VIII

### COMMITTEES

Section 1. The Corporation shall appoint a Nominating Committee as provided in these By-Laws. If the Corporation does not appoint such committee, the Board of Directors shall constitute such committee. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose such as:

1. A Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, upkeep and repair of the common areas and shall perform such other functions as the Board, in its discretion, determines;

2. An Audit Committee which shall supervise the annual audit of the Corporation's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting as provided in Article X, Section 8 (d). The Treasurer shall be an ex officio member of this Committee.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving the Corporation's functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Corporation as is further concerned with the matter presented.

## ARTICLE IX

### MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within 1 year from the date of incorporation of the Corporation and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 P.M. If the day for the annual meeting of the members is a Sunday or legal holiday, the meeting will be held at the same hour on the first day following

which is not a Sunday or a legal holiday.

Section 2. Special Meeting. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members, except as provided in Article XI, Section 4, shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering or mailing a copy of such notice, postage prepaid, at least fifteen days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Corporation, or supplied by such member to the Corporation for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

## ARTICLE X

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Corporation shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt for such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

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

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

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that order and resolutions of Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

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

Secretary

(c) The Secretary shall record the votes and keep the minutes

of all meetings and proceedings of the Board and of the members; keep the corporation seal of the Corporation and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Corporation together with their addresses, and shall perform such other duties as required by the Board.

#### Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Corporation; keep proper books of account; cause an annual audit of the Corporation books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members and shall send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period.

### ARTICLE XI

#### ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration each member is deemed to covenant and agree to pay to the Corporation: (1) annual assessments or charges, and (2) special assessments for capital improvements. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Corporation shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents and in particular for the maintenance and repair of the common areas in the Parcel.

Section 3. Basis of Annual Assessments. Annual assessments shall be set by the affirmative vote of a majority of the Board of Directors.

Section 4. Special Assessments for Capital Improvements. In



addition to the annual assessments authorized above, the Corporation may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement, if any, for the common areas, provided that any such assessments shall have the assent of the holders of at least two-thirds of the aggregate votes of all members. If a special meeting is called for this purpose, written notice shall be given to all members not less than thirty days nor more than sixty days in advance to the meeting setting forth the purpose of the meeting.

Section 5. Uniform Rate. Both annual and special assessments must be fixed at a uniform rate for all Lots.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as established by Board of Directors. Written notice of the annual assessment shall be sent to every Owner. The due dates shall be established by the Board of Directors. The Corporation shall upon demand at any time furnish a certificate in writing, signed by an officer of the Corporation, setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Non-Payment of Assessments: Remedies of the Corporation. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty days after the due date, the assessment shall bear interest from the date of delinquency at the legal rate of interest, and the Corporation may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonably attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

## ARTICLE XII

### CORPORATE SEAL

The Corporation shall have a seal in circular form in a form to be adopted by the Board of Directors.

## ARTICLE XIII

### AMENDMENTS

Section 1. The By-Laws may be amended, at a regular meeting or special meeting of the members, by the holders of two thirds (2/3) of the votes of the members of the Association present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XIII to the contrary notwithstanding, the Association shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these By-Laws, all as from time to time amended or supplemented.

However, in the event financing is acquired from either the Veterans Administration or the Federal Housing Administration, this unilateral right, power and authority of the Association may be exercised only if either the Veterans Administration or the Federal Housing Administration or any successor agencies thereto shall require such action as a condition precedent to the approval by such agency of the United States of the property or any part thereof or any Lots thereon for federally approved mortgage financing purposes under applicable Veterans Administration, Federal Housing Administration, similar programs, or its successors or assigns, whether public or private. If the Veterans Administration or the Federal Housing Administration or any successor agencies thereto approve the property of any part thereof or any Lot therein for federally approved mortgage financing purposes, any amendments to these By-Laws made during any period of time when there are Class B members of the Association shall also require the prior consent of the agency giving such approval.

Section 2. In 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 XIV

### MISCELLANEOUS

The fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, I, being the Incorporator of ABBOTSFORD  
HOMEOWNER'S ASSOCIATION, have hereunto set my hand this  
\_\_\_\_\_ day of \_\_\_\_\_, 1991.

\_\_\_\_\_(SEAL)  
Bruce Hubbard, Esquire

**ABBOTSFORD**  
**HOMEOWNERS ASSOCIATION**

**Proposed Amendments to By-Laws**

**By-Laws Committee:**

Scott Bowling

Vivian Ginn

Chris Long

Charlotta Sedgley

## **Article IV:**

**Section 2. Election.** ~~At the first annual meeting the members shall elect all three (3) directors for a term of one year; and the members shall elect all three (3) directors at each successive annual meeting, for a term of one year.~~

### ***Proposed Amendment:***

**Election.** THE MEMBERS SHALL ELECT ALL FIVE (5) DIRECTORS IN NOV. FOR A TERM OF ONE YEAR.

## **Article VI:**

**Section 1. Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Corporation. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its sole discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members of non-members.

### ***Proposed Amendment:***

**Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the **SEPTEMBER MEETING, OR IN WRITING TO THE CHAIRMAN OF THE NOMINATING COMMITTEE BY OCTOBER 15.** The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Corporation. No candidate for Board of Directors shall be permitted to serve on the Nominating Committee. The Nominating Committee shall be appointed by the Board of Directors prior to each **ELECTION.** The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its sole discretion determine, but not less than the number of vacancies that are to be filled.

## **Article VI:**

### **Section 2. Election.**

Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

### ***Proposed Amendment***

#### **Election.**

Election to the Board of Directors shall be by secret written ballot ***TO BE MAILED TO EACH MEMBER OF THE CORPORATION AFTER THE CLOSE OF NOMINATIONS AND NO LATER THAN OCTOBER 30.*** At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the declaration. The persons receiving the largest number of votes shall be elected. ***EACH OFFICIAL BALLOT SHALL HAVE THE OFFICIAL SEAL OF THE CORPORATION AFFIXED THEREON.*** Cumulative voting is not permitted.

## **Article VIII:**

**Section 1.** Committees. The ~~Corporation~~ shall appoint a Nominating Committee as provided in these By-Laws. If the ~~Corporation~~ does not appoint such committee, the Board of Directors shall constitute such committee. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose such as:

2. An Audit Committee which shall supervise the annual audit of the Corporation's books and approve the annual budget and statement of income and expenditures to be presented to the membership at it's regular ~~annual~~ meeting as provided in Article X, Section 8 (d). The Treasurer shall be an ex officio member of this committee.

### ***Proposed Amendment***

**Section 1.** Committees. The **BOARD OF DIRECTORS** shall appoint a Nominating Committee as provided in these By-Laws, **AND SUCH COMMITTEES AS PROVIDED IN THE DECLARATIONS.** If the **BOARD OF DIRECTORS** does not appoint such committee, the Board of Directors shall constitute such committee. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose such as:

2. An Audit Committee which shall supervise the annual audit of the Corporation's books and approve the annual budget and statement of income and expenditures to be presented to the membership at it's **FIRST** regular meeting as provided in Article X, Section 8 (d). The Treasurer shall be an ex officio member of this committee.



## **Article IX:**

**Section 1. Annual Meetings.** ~~The first annual meeting of the members shall be held within 1 year from the date of incorporation of the Corporation and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 P.M. If the day of the annual meeting of the members is a Sunday or legal holiday, the meeting will be held at the same hour on the first day following which is not a Sunday or legal holiday.~~

**Section 4. Quorum.** The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the declaration, or these By-Laws. If, however, such quorum shall not be present or represented at the meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

### ***Proposed Amendments***

**Section 1. REGULAR MEETINGS OF THE CORPORATION SHALL BE HELD IN THE MONTHS OF FEBRUARY, MAY, AND SEPTEMBER. THE TIME, DATE, AND LOCATION OF SUCH MEETINGS SHALL BE DETERMINED BY THE BOARD OF DIRECTORS AND COMMUNICATED TO ALL MEMBERS IN ACCORDANCE WITH SECTION 3 OF THIS ARTICLE.**

**Section 4. Quorum.** The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the declaration, or these By-Laws. If, however, such quorum shall not be present or represented at the meeting, the members entitled to vote thereat shall have the power to adjourn the meeting without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. ***IF NO ADJOURNMENT IS REQUESTED BY THE MEMBERSHIP, THAN ALL ACTIONS TAKEN AT SUCH MEETING SHALL BE CONSIDERED BINDING.***

## **Article X:**

**Section 2. Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following ~~each annual~~ meeting of the members.

**Section 6. Vacancies.** A vacancy in any office may be filled in the manner prescribed for ~~regular election~~. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

**Section 8(b).** The Vice President shall act in the place ~~and~~ ~~stead~~ of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

### ***Proposed Amendments***

**Section 2. Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following ***THE SEPTEMBER*** meeting of the members.

**Section 6. Vacancies.** A vacancy in any office may be filled in the manner prescribed for ***IN ARTICLE X SECTIONS II, AND VIII (B)***. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

**Section 8(b).** The Vice President shall act in the place of the President in the event of his absence, inability, ***RESIGNATION***, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.