



Village of Valleybrook

Bylaws As Amended

TABLE OF CONTENTS

ARTICLE ONE: INTRODUCTORY	3
ARTICLE TWO: OFFICES AND AGENCY	3
ARTICLE THREE: MEMBERSHIP	4
ARTICLE FOUR: DIRECTORS	6
ARTICLE FIVE: OFFICERS	8
ARTICLE SIX: INFORMAL ACTION	9
ARTICLE SEVEN: COMMITTEES	9
ARTICLE EIGHT: OPERATIONS	11
ARTICLE NINE: AMENDMENT	12
ADOPTION OF BYLAWS:	12

VALLEYBROOK HOMEOWNERS' ASSOCIATION, INC.
POST OFFICE BOX 394
CHESTER HEIGHTS, PENNSYLVANIA 19017

VILLAGE OF VALLEYBROOK
BYLAWS OF VALLEYBROOK HOMEOWNERS' ASSOCIATION, INC. (as amended)
A NONPROFIT CORPORATION

ARTICLE ONE: INTRODUCTORY

- 1.01 **Definition of Bylaws:** These Bylaws constitute the code of rules adopted by VALLEYBROOK HOMEOWNERS' ASSOCIATION, INC. (VBHA), a Nonprofit corporation, for the regulation and management of its affairs.
- 1.02 **Terms Defined by Reference:** The terms "Association", "Developer", "Properties", "Common Properties", "Lot", "Living Unit", "Owner", and "Member" which are defined in the Village of Valleybrook Easements, Covenants, and Restrictions are used in these bylaws as therein defined.
- 1.03 **Purposes and Powers:** This Association will have the purposes or powers as may be stated in its Articles of Incorporation, and such powers as are now or may be granted hereafter by the Nonprofit Corporation Law of 1972 of the Commonwealth of Pennsylvania, or any successor legislation.
The primary purpose of this Association is to provide for the management, protection, preservation and development of:
All of the real property (including such improvements as are or will hereafter be erected thereon), situate in the Borough of Chester Heights, Delaware County, Pennsylvania, that is subject to a certain declaration entitled "Village of Valley Brook Declaration of Easements, Covenants and Restrictions" dated October 8, 1974, and recorded in the Office of the Recorder of Deeds of Delaware County, Pennsylvania, on November 4, 1974, in Deed Book 2519 at page 933, as amended and supplemented by that declaration entitled "Village of Valley Brook Supplemental and Amendatory Declaration of Easements, Covenants and Restrictions", dated October 8, 1974 and recorded in the Office of the Recorder of Deeds of Delaware County, on November 4, 1974, in Deed Book 2519 at page 954, as said declaration may from time to time be further amended and supplemented pursuant to the terms thereof (hereinafter called "the Declaration") (hereinafter called "the Property") and referred to in such Declaration and generally known as, Valley Brook Homeowners' Association, Inc. (VBHA), and to promote the Health, Safety and Welfare of the residents thereof.

ARTICLE TWO: OFFICES AND AGENCY

- 2.01 **Principal and Branch Offices:** The principal place of business of this Association in Pennsylvania will be located at The Clubhouse at Valley Brook, Chester Heights, Pennsylvania. In addition, the Association may maintain other offices either within or without the Commonwealth of Pennsylvania as its business requires.
- 2.02 **Location of Registered Office:** The location of the registered office of this Association is stated in the Articles of Incorporation. Such office will be continuously maintained in the Commonwealth of Pennsylvania for the duration of this Association. The Board of Directors may from time to time change the address of its registered office by duly adopted resolution and amend its Articles or file the appropriate statement with the Department of State.

ARTICLE THREE: MEMBERSHIP

- 3.01 Definition of Membership: The Members of this Association are those persons having membership rights in accordance with the provisions of these bylaws and of the Village of Valley Brook Declaration of Easements, Covenants and Restrictions dated October 8, 1974 and recorded in Deed Book 2519, page 933 as supplemented and amended by agreement dated October 8, 1974 and recorded in Deed Book 2519, Page 954 (which declaration as amended is hereinafter called "The Declaration"). Members shall notify the Secretary in writing within five (5) days of a change in ownership of any units.
- 3.02 Classes of Members: This Association will have two (2) classes of Members which are designated as Class A and Class C. Class B membership as described in the Declaration no longer exists as the Developer defined therein has no further ownership of the Property or any part thereof. Class C membership as described in the Declaration is currently suspended as the holders of the Deferred Association Installment Obligations have been resolved.
- 3.03 Qualifications of Members: The qualifications and rights of the Members of the membership classes of this association are as follows:
- (1) Class A Members must be record title owners of the fee simple title to any portion of a multi-family structure situated upon the Property designed and intended for use and occupancy as a residence by a single family located in the community of Valley Brook, Pennsylvania, and shall not include the mortgagee of any unit unless and until such mortgagee has acquired title pursuant to foreclosure or proceeding in lieu of foreclosure.
 - (2) Class C Membership (currently suspended in accordance with Article 3, paragraph 3.02) shall consist of and be limited solely to, the holder or holders of the Deferred Association Installment Obligations described in paragraph 2 of that certain Facilities Acquisition and Management Contract dated October 8, 1974, by and among Community Concepts, Valley Brook Management Co. and the Association (a true and correct copy of which, bearing the initials of the parties, is on file in the Association offices).
- 3.04 Assessments: General and Special Assessments shall be made in accordance with the terms of the Declaration.
- 3.05 Place of Members' Meeting: Meetings of Members will be held at the registered office of this Association in the Commonwealth of Pennsylvania or at any other place within or without the Commonwealth as determined by the Board of Directors.
- 3.06 Annual Members' Meeting: The annual meeting of the Members will be held at 7:30 P.M. on the 4th Tuesday in October of each year.
- 3.07 Special Members' Meeting: Special meetings of the members may be called by any of the following:
- (1) The Board of Directors
 - (2) The President
 - (3) Members having at least ten percent (10%) of the votes which all Class A members are entitled to cast at such meetings.
- 3.08 Notice of Members' Meetings: Written or printed notice, stating the place, day, and hour of the meeting must be delivered not less than ten (10) nor more than sixty (60) days before the date of the members' meeting, either personally, by first class mail, or by telegram by or at the direction of the President, Secretary, or the officers or other persons or Members calling the meeting, to each Member entitled to vote at such meeting. If mailed, the notice will be deemed to be 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 prepaid postage.

3.09 Notice of Special Members Meetings: Written or printed notice, stating the place, day, hour, and the purpose or purposes of the Special Members Meeting for which the meeting is called, must be delivered not less than ten (10) nor more than sixty (60) days before the date of the members' meeting, either personally, by first class mail, or by telegram by or at the direction of the President, Secretary, or the officers or other persons or Members calling the meeting, to each Member entitled to vote at such meeting. If mailed, the notice will be deemed to be 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 prepaid postage.

3.10 Voting Rights of Members:

(1) Each member of the A Class of membership will be entitled to one vote on each matter submitted to a vote of Members except as set forth in Section 3.04; provided, however, that there shall only be one vote per lot with a living unit thereon as such lots are shown on any recorded subdivision map of the property.

(2) Each member of the C Class of membership (currently suspended in accordance with Article 3, paragraph 3.02) shall be entitled to a fraction of the sum of the total number of votes held by the Class A membership plus one, which fraction shall have one as its numerator and the total number of members in the C Class as its denominator with regard to votes on the following matters:

- (a) In the event of a default by Association under a Deferred Association Installment Obligation herein-before referred to, on any issue;
- (b) At any other time, on any issue that may adversely affect the rights of the holder of said Deferred Association Installment Obligation (an "Installment Obligation Holder Issue") including without limitation, any proposed change in the method or manner of assessment or other amendment of the Declaration, any modification of the Association Articles of Incorporation or Bylaws or any proposed sale, transfer, encumbrance or other disposition of the assets or facilities of the Association, other than in the ordinary course of business.

(3) The voting rights of members shall be subject to the following exceptions and conditions:

- (a) If a Class A member owns more than one Lot or Living Unit, such member, subject to the provisions of this section, shall be entitled to one vote for each such Lot or Living Unit;
- (b) When any Lot or Living Unit is owned by more than one Class A member as tenants by the entireties, or in joint tenancy in common or any other manner of joint or common ownership or interest, such members shall collectively be entitled to only one vote relative to such Lot or Living Unit, and if such members cannot jointly agree as to how that vote should be cast, no vote shall be allowed with respect to such Lot or Living Unit.

Class C Members shall not be entitled to vote on any other matters, including election of the Board of Directors.

3.11 Members' Methods of Voting: A Member may vote either in person, by returning the ballot by United States Mail to the Association or by delivery of the ballot to the Clubhouse. (Amended 9/9/03)

3.12 Quorum of Members: Except as set forth in Section 3.04 where the required percentage constituting a quorum is provided in the Declaration, a quorum at a meeting of Members will be eligible Members either attending the meeting in person or having cast a vote by returning the ballot by U.S. Mail to the Association or by delivery of the ballot to the Clubhouse at or before the meeting in a number constituting ten percent of eligible Members. An eligible Member is a Member whose membership is not terminated or suspended pursuant to Section 3.14 or 3.15. The vote of a majority of the votes cast by eligible Members at a meeting at which a quorum is present as provided herein is necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Declaration or any provision of these Bylaws; provided, however, that the Members elected to the Board of Directors

will be those receiving the highest number of votes regardless of whether such number constitutes a majority. (Amended 6/12/2007)

- 3.13 Transferability of Membership: Membership in this Association is nontransferable and nonassignable.
- 3.14 Termination of Membership: Membership will terminate in this Association on any of the following events, and for no other reason:
- (1) Receipt by the Board of Directors of the written resignation of a Member, executed by such Member or his duly authorized attorney-in-fact.
 - (2) The Death of a Member.
 - (3) The failure of a Member to pay his annual maintenance assessment in twelve (12) equal installments on or before their due date, currently the first day of the month.
 - (4) For cause, inconsistent with membership, after notice, trial, or conviction.
- However, a member whose membership status is being terminated for reasons other than (2) above may be completely and automatically reinstated by correcting the cause of termination before formal adoption by the Board of Directors of a resolution acknowledging such termination.
- 3.15 Suspension of Membership: Membership may be suspended for a period(s) of up to thirty (30) days for failure of a Member to comply with the Declaration, Bylaws, Rules and Regulations and /or any other resolution that may be adopted in accordance with the documents previously mentioned or for cause as outlined in paragraph 3.14(4) above.

ARTICLE FOUR: DIRECTORS

- 4.01 Definition of Board of Directors: The Board of Directors is that group of persons vested with the management of the business and affairs of this Association, including the power to oversee the general well being of the community and its development; assure that all committee's duties are carried out; select an auditor; select an attorney; procure adequate hazard and liability insurance for common properties; establish sound financial policy and record keeping procedures; approve budgets and assessment rates; establish, publicize, and enforce community rules and penalties; recruit and hire a manager; establish sound and effective communications with homeowners; adopt policy resolutions; bond all directors and employees with fiscal responsibilities; and carry out the duties and obligations of the Association as set forth in the Declaration.
- 4.02 Structure of Board: The Board of Directors of this Association will be divided into two (2) classes, the names and functions of which are designated as follows:
- (1) At Large Directors
 - (2) Regional Directors
- 4.03 Election of Directors:
- (1) At Large Directors shall be elected in accordance with the provisions of Article Three (3) of these Bylaws.
 - (2) Regional Directors shall be elected in accordance with the provisions of Article Three (3) of these Bylaws except that the only Members entitled to vote for the Regional Director from Section A shall be the owners of Units 1-78, and 259-264, and the only Members entitled to vote for the Regional Director from Section B shall be the owners of Units 79-135, and 226-258, and the only Members entitled to vote for the Regional Director from Section C shall be the owners of Units 136-225. If there are no candidates for Regional Director for any given Section, then and in that event a Director may be elected from anywhere within the Village of Valleybrook.
 - (3) In the event of a tie vote, there shall be a run-off election between or among the candidates who tied for the most votes to be held at a members' meeting two weeks later. Notice shall be provided to those members entitled to vote in accordance with Article Three (3) of these Bylaws. (Amended 01/19/99 by board vote)

- 4.04 Qualifications of Directors: The qualifications for becoming and remaining a Director of this Association are as follows:
- (1) Directors must be Class A Members of this Association and
 - (2) Directors must be residents of the Village of Valleybrook and
 - (3) Directors must not have been delinquent, ie. Thirty days late in payment Of maintenance assessments for the last six months and
 - (4) Directors must not be or have been a party adverse to the Association in Litigation for the last six months. (Amended 10/24/06 by board vote)
- 4.05 Number of Directors: The number of Directors of this Association will not be less than five (5), nor more than nine (9) . There will be three (3) Regional Directors, one from each region as described in 4.03(2), and the remaining Directors shall be elected at large. (Amended 2/10/04)
- 4.06 Terms of Directors: Directors elected in the years through and including 2003, will be for a term of two (2) years. Directors elected in the years 2004 and thereafter will be for a term of three (3) years. Directors appointed by reason of the increase in the number of Directors from seven (7) to nine (9) will be for a term to run until the 2006 elections. Each Director will hold office for the term for which elected and until a successor has been selected and qualified. (Amended 2/10/04)
- 4.07 Vacancies on the Board: Any vacancy occurring in the Board of Directors, and any directorship to be filled by reason of an increase in the number of Directors, will be filled by appointment by a majority of the remaining Board of Directors; provided , however, that if the vacancy is for the office of a Regional Director, the Board must announce a vacancy, by mail, within the affected geographical section, accept nominations, and select a replacement. Having expired all reasonable alternatives, the Board of Directors may select and appoint to fill any Regional Director vacancy from outside the geographical location of the previous Regional Director. The new Director appointed to fill the vacancy will serve for the unexpired term of the predecessor in office, except for the first Director appointed to fill a vacancy of one of the four Directors elected in 2003 whose term shall run until the 2006 elections. This change is to effectuate a nine member Board of Directors with three Directors to be elected every year beginning in 2004 all for a term of three years. (Amended 2/10/04)
- 4.08 Place of Directors' Meetings: Meetings of the Board of Directors, regular or special, will be held at the registered office of this Association or at any other place within or without the Commonwealth of Pennsylvania, as provided, or such place or places as the Board of Directors designates by resolution duly adopted.
- 4.09 Regular Directors' Meetings: Regular meetings of the Board of Directors will be held at 7:00 P.M. on the second Tuesday of each month. Should any such day in any year constitute a legal holiday for all businesses in Pennsylvania, then the meeting will be held on the second Wednesday of each month. This provision of the Bylaws constitutes notice to all Directors of regular meetings for all years and instances, and no further notice shall be given. (Amended 8/8/06)
- 4.10 Notice of Special Directors' Meetings: Written or printed notice stating the place, day, and hour of any special meeting of the Board of Directors will be delivered to each Director not less than two (2) days nor more than five (5) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, or the Secretary, or the Directors calling the meeting. If mailed, such notice will be deemed to be delivered when deposited in the United States mail addressed to the Director at his address as it appears on the records of this Association, with postage prepaid. Such notice need not state the business to be transacted at, nor the purpose of, such meeting.
- 4.11 Call of Special Board Meetings: A special meeting of the Board of Directors may be called by either:
- (1) The President.

- (2) The Vice President.
- (3) A number constituting a quorum of the Board of Directors.
- 4.12 Waiver of Notice: Attendance of a Director at any meeting of the Board of Directors will constitute a waiver of notice of such meeting except where such Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.
- 4.13 Quorum of Directors: A majority of the whole Board of Directors will constitute a quorum. The act of a majority of the Board of Directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater number is required under the provisions of the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Association, or any provision of these Bylaws.
- 4.14 Removal of Directors: Any Director may be removed from office as follows:
 - (1) The Board of Directors may remove any of its members for failure to attend two (2) or more consecutive meetings without excuse.
 - (2) The Board of Directors may remove any of its members for failure to attend two-thirds (2/3) of all scheduled meetings, within a six (6) month period, regardless of excuse.
 - (3) The Board of Directors may remove any of its members for cause. Cause is defined as any action(s) inconsistent with membership, after notice, trial, or conviction.
 - (4) The voting body may remove any Director for cause by a majority vote, the accused being ineligible to vote.
- 4.15 Hold Harmless: The Association shall save and hold harmless the Board of Directors and/or any individual member thereof from and against any and all liability, damage, loss, claims, demands and actions which arise out of or are connected with, or are claimed to arise out of or to be connected with, the performance of any duty relating to the Association or the Board of Directors unless the Board of Directors and/or any individual member thereof has breached or failed to perform duties constituting self-dealing, willful misconduct or recklessness.

ARTICLE FIVE: OFFICERS

- 5.01 Roster of Officers: The Officers of this Association will consist of the following personnel:
 - (1) A President
 - (2) A Vice President
 - (3) A Secretary
 - (4) A Treasurer
 - (5) Such other officers as the Board of Directors may deem advisable
- 5.02 Selection of Officers: The President, Vice President, Secretary, and Treasurer of this Association will be elected annually by the Board of Directors. The remaining Officers of this Association will be appointed annually by the President. Each Officer will remain in office until a successor to such office has been selected and qualified. Such election will take place at the first regular meeting of the Board of Directors taking place after the election of the Board.
- 5.03 Multiple Officeholders: In any election of Officers, the Board of Directors may elect and appoint a single person to any two or more offices simultaneously, except that the offices of the President and Secretary must be held by separate individuals. Having been elected by the Board of Directors, the Treasurer cannot hold any other Office, simultaneously or otherwise, while performing said duties of this Association.
- 5.04 President: The President will be the Chief Executive Officer of this Association and will preside at all meetings, regular and special, serve as an ex-officio member of all committees and will, subject to the control of the Board of Directors or Directoral Committees, appoint all Committee Chairmen, the Teller of Elections who shall not be a member of the Board of Directors nor of the

Nominating Committee nor shall he be a candidate and may not be a Member, and supervise and control the manager and the affairs of the Association. The President will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors.

- 5.05 Vice President: The Vice President will perform all duties and exercise all powers of the President when the President is absent or is otherwise unable to act, will assume the chair of any committee whose regular chairperson is unable to perform her or his duties, and will serve as the official liaison between the Association and the Borough of Chester Heights.
- 5.06 Secretary: The Secretary will keep minutes of all meetings of Members and of the Board of Directors, will be the custodian of the corporate records, will give all notices as are required by law or by these Bylaws, and generally, will perform all duties incident to the office of the Secretary, will serve as Chairman of the Communications Committee, and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors.
- 5.07 Treasurer: The Treasurer will have charge and custody of all funds of this Association, will deposit the funds as required by the Board of Directors, will keep and maintain adequate and correct accounts of the Association's properties and business transactions, will supervise and review the manager's accounting records on a bi-monthly basis, will serve as Chairman of the Finance and Insurance Committee, will render reports and accountings to the Directors or to the Members as required by the Board of Directors or Members or by law, will act as liaison with an independent certified public accountant who is not a member, and will perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors.
- 5.08 Removal of Officers: Any Officer elected or appointed to office may be removed by the persons authorized under these Bylaws to elect or appoint such Officers whenever in their judgment the best interests of this Association will be served. However, such removal will be without prejudice to any contract rights of the Officer so removed.

ARTICLE SIX: INFORMAL ACTION

- 6.01 Waiver of Notice: Whenever any notice whatever is required to be given under the provisions of the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Association, or these Bylaws, a waiver of such notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in such waiver, will be deemed equivalent to the giving of such notice. Such waiver must, in the case of a special meeting of Members, specify the general nature of the business to be transacted.
- 6.02 Action by Consent: Any action required by law or under the Articles of Incorporation of this Association or these Bylaws, or any action which otherwise may be taken at a meeting of either the Members or Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons entitled to vote with respect to the subject matter of such consent, or all Directors in office, and filed with the Secretary of the Association.

ARTICLE SEVEN: COMMITTEES

- 7.01 Definition of Directoral Committees: This Association may have certain committees, each of which will consist of one (1) or more Directors, which Directoral Committees will have and exercise some prescribed authority of the Board of Directors in the management of this

Association. However, no such Committee will have the authority of the Board in reference to affecting any of the following:

- (1) Submission to Members of any action requiring approval of Members under the Nonprofit Corporation Law of 1972.
- (2) Filling of vacancies in the Board.
- (3) Adoption, amendment, or repeal of Bylaws.
- (4) Amendment or repeal of any resolution of the Board.
- (5) Action on matters committed by the Bylaws or resolutions of the Board to another Committee of the Board.

7.02 Appointment of Committees: The Board of Directors, by resolution duly adopted by a majority of the Directors in Office may designate and appoint one or more Directoral Committees and delegate to such Committees specific and prescribed authority of the Board of Directors to exercise in the management of this Association. However, the creation of such Directoral Committees will not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on each personnel otherwise by law.

7.03 Functionary Committees: The Board of Directors, by resolution may designate and appoint certain Functionary Committees designed to transact certain ministerial business of the Association or to advise the Board of Directors. Such Committees will be chaired by an Officer or Director as appointed by the President with the approval of the Board of Directors. The Chairman will report all committee activities together with recommendations to the Board of Directors at their regularly scheduled meeting. The Chairman will proceed to select the remaining members of the Committee from the Members of the Association up to the number set by the Board or terminate such memberships or appoint successors in such Chairman's discretion. The Board may terminate any such Committee by resolution.

7.04 Standing Functionary Committees: The Association will have the following Standing Functionary Committees, each of which will be chaired by a Director or Officer appointed by the President, with the approval of the Board of Directors, except for the Chairman of the Finance and Insurance and Communications Committees, and may consist of any other Members or personnel of the Association appointed by such Chairman. The Chairman will report all Committee activities together with recommendations to the Board of Directors at their regularly scheduled meeting. The Board may terminate any such Committee by resolution.

- (1) Facilities Committee - shall have responsibilities for causing all common property (buildings, grounds, sewage treatment plant, roads, lights, sidewalks, and recreational facilities) to be maintained in good repair; shall oversee the daily maintenance and operation of all recreational facilities including the pool, tennis courts, clubhouse, tot lot and basketball court; shall work with the Board of Directors to maintain current information for projected maintenance needs, and to investigate and recommend suppliers for contracts such as sewage plant, lawn care, and snow removal to final Board presentation and shall be responsible to work with the finance committee for budget preparation in the areas of maintenance and creation of appropriate reserve accounts for capital improvements or repairs.
- (2) Communications Committee - shall oversee preparation and distribution of a monthly newsletter; shall prepare publicity for activities of the Social Committee and make residents aware of any special events or meetings; shall be responsible for creating a letterhead and facilitate all printing needs; shall oversee reproduction and distribution of an Annual Report and Budget to Members; shall prepare a Welcome Wagon package and distribute it to new Members; and shall maintain a current mailing list of all residents.
- (3) Recreational Committee - shall determine guidelines for the proper use of all recreational facilities and make recommendations to the Board of Directors for changes to the Rules and Regulations concerning these facilities as needed; and shall supervise the activities of a Social - Sub Committee of the Recreational Committee to sponsor a minimum of four (4) activities each year.

- (4) Architectural Control and Compliance Committee - consisting of from three to five members shall recommend approval or disapproval in writing of any written request for a waiver or variance to any rule contained in Section 2, General Rules and Regulations, Village of Valleybrook Rules and Regulations, within sixty (60) days of a completed request having been received by the Committee.
- (a) Any request for an addition, change or alteration to a building exterior or proposing the erection or maintenance of a structure shall include the plans and specifications showing the nature, kind, shape, height, materials and location of the same.
 - (b) Approval of such request shall be consistent with the harmony of external design and location in relation to surrounding structures and topography.
 - (c) The Board shall act upon the recommendation of the committee at its next regularly scheduled meeting.
- (5) Finance and Insurance Committee - shall be responsible to investigate and make recommendations to the Board of Directors in all areas of financial policies; long-range planning; and insurance coverage's necessary to protect property values and liability exposures in the Village as follows:
- (a) With respect to financial policies, the Committee shall:
 - (i) prepare an annual budget for the Association, and in the process recommend priorities for annual spending projects. In the course of this process this Committee shall meet with all other Committees and receive input for the Annual Budget. This budget shall also recommend the monthly assessment levels for homeowners for the ensuing year.
 - (b) With respect to insurance needs, the Committee shall:
 - (i) determine insurance requirements for coverage pertaining to:
 - all common property - real property coverage
 - Association liability coverage in all areas
 - Association personal property - coverage of personal property items owned by the Association
 - Directors' errors and Omissions
 - (ii) Receive proposals from several carriers and determine the best value consistent with adequate coverage
 - (iii) Recommend an appropriate carrier with acceptable coverage for Board approval
 - (c) With respect to long - range planning, the Committee shall:
 - (i) Receive input from residents concerning long-range improvements during an annual open meeting.
 - (ii) Recommend priorities for a permanent list of long-range goals. These goals should include projects and specific funding plans; the establishment of reserves for either general or specific needs; and preparation of a financial disaster plan for implementation in the event of a general depression or major facility outage.
- (6) Nominations Committee - shall be responsible for presenting a ballot at the regularly scheduled Homeowners' meeting preceding the month in which elections are held. Nominations from the floor will be accepted after being consented to by the proposed nominee.

ARTICLE EIGHT: OPERATIONS

- 8.01 Fiscal Year: The Fiscal year of this Association will commence March 1 of each year, or as defined by the Treasurer, and duly authorized by the Board of Directors.
- 8.02 Execution of Documents: Except as otherwise provided by law checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of this Association will be signed by the Treasurer and countersigned by the President. Contracts, leases, or other

instruments executed in the name of and on behalf of the Association will be signed by the Secretary and countersigned by the President, and will have attached copies of the resolutions of the Board of Directors certified by the Secretary authorizing their execution.

- 8.03 Books and Records: This Association will keep correct and complete books and records of account, and will also keep minutes of the proceedings of its Members, Board of Directors, and Directoral Committees. The Association will keep at its registered office a membership register giving the names, addresses, and showing classes and other details of the membership of each, and the original or a copy of its Bylaws including amendments to date certified by the Secretary of the Association.
- 8.04 Inspection of Books and Records: All books and records of this Association may be inspected by any Member, or his agent or attorney, for any proper purpose at any reasonable time on written demand under oath stating such purpose.
- 8.05 Nonprofit Operations: This Association will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Association will be distributed to its Members, Directors, or Officers. However, the Association may pay compensation in a reasonable amount to Members, Officers, or Directors for services rendered.
- 8.06 Loans to Management: This Association will make no loans to any of its Directors or Officers or to any of its key management or other personnel.

ARTICLE NINE: AMENDMENT

- 9.01 Modification of Bylaws:
- (1) These Bylaws may be amended or repealed, or new Bylaws may be adopted, at any annual or special meeting of the Members, by a majority of the total votes of the Class A Members present in person or represented by proxy and entitled to vote on such action, provided, however, that the notice of such meeting shall have been given as provided in these Bylaws. Subject to the provisions of statute, these Bylaws may also be amended or repealed or new Bylaws may be adopted, by unanimous vote of the current Board in place at the time when the vote is taken, at any meeting thereof, provided, however, that notice of such meeting shall have been given as provided in these Bylaws; and further provided, that Bylaws adopted by the Board may be amended or repealed by the members as hereinabove provided, by certified petition.
 - (2) These Bylaws may not be amended or repealed nor may any new Bylaws be adopted which creates a conflict or inconsistency with the Village of Valley Brook Community Restrictions. Any such Bylaw which is enacted shall be deemed null and void and of no force and effect.

ADOPTION OF BYLAWS:

The above Bylaws are adopted, as amended, by the Members of the Village of Valleybrook Board of Directors, by resolution and vote of Six (6) for, to One (1) against on 8 July, 1997, at Chester Heights, Pennsylvania.

Directors Approving:
George Patti, President
Chuck Pancoast, Treasurer
Maureen Mascioli
Eileen Vella, Secretary
Scott Reynolds, Vice President
H. Fred Hamel
Directors Dissenting:
Michael Harrison