

**BY-LAWS OF THE GRAYSDALE HOMEOWNERS ASSOCIATION
A NONPROFIT CORPORATION**

ARTICLE ONE
INTRODUCTION

Definition of By-Laws

1.01. These By-Laws constitute the code of rules adopted by Graysdale Homeowners Association for the regulation and management of its affairs.

Purpose and Powers

1.02. This Corporation shall 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 Homeowners Association is to receive and maintain a fund or funds of real or personal property, or both, and subject to the restrictions and limitations herein-after set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for the preservation of common facilities in Graysdale Subdivision designed for storm water management or directional information, including detention basin, storm water easements, entryway, including lighting directional signs, entry structures and fencing, such that it shall be an organization not organized for profit but operating exclusively for the promotion of social welfare in accordance with Internal Revenue Code Section 501 (c) (3).

ARTICLE TWO
OFFICES AND AGENCY

Principal and Branch Offices

2.01. ~~The principal place of business of this Corporation in Pennsylvania will be 325 W. Aaron Drive, State College, Centre County, Pennsylvania 16803. In addition, the~~

~~Corporation may maintain other offices either within or without the Commonwealth of Pennsylvania as its business requires. (Original wording)~~

2.01. The principal place of business of this Corporation in Pennsylvania will be the home of the treasurer. (Revised May 2000)

Location of Registered Office

~~2.02. The location of the registered office of this Corporation is stated in the Articles of Incorporation. Such office will be continuously maintained in the Commonwealth of Pennsylvania for the duration of this Corporation. 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. (Original wording)~~

2.02. The registered office of this Corporation will be the home of the current Treasurer. (Revised May 2000)

ARTICLE THREE MEMBERSHIP

Definition of Membership

3.01. The Members of this Corporation are those persons having membership rights in accordance with the provisions of these By-Laws.

Class of Members

3.02. This Corporation will have one class of Members.

Qualification of Members

3.03. The qualifications of the Members of the Corporation are as follows:
All owners of fee simple title to any lot in Graysdale Subdivision located in Patton Township, Centre County, Pennsylvania.

Members' Dues

~~3.04. The annual dues payable to the Corporation by Members will be in such amount as many be determined from time to time by resolution of the Board of Directors. Initially, each lot owner shall pay a Fifty (\$50.00) Dollar initial homeowner's fee upon request of the Corporation or at purchase of a lot. Initially, annual dues shall be Twenty-Five (\$25.00) Dollars per year subject to change as herein set forth. (Original wording)~~

3.04. The annual dues payable to the Corporation by Members will be in such amount as may be determined by resolution of the Board of Directors. Initially, each lot owner shall pay a Fifty (\$50.00) Dollar initial homeowner's fee upon request of the Corporation or at the purchase of a lot. Annual dues shall be Fifty (\$50.00) Dollars per calendar year subject to change as set forth in the bylaws. (Revised May 2000)

Assessments

3.05. Memberships will be subject to assessment by the Board of Directors on a per lot basis.

Place of Members' Meetings

3.06. Meetings of Members will be held at the registered office of this Corporation in the Commonwealth of Pennsylvania or at any other place within or without the Commonwealth as provided.

Annual Members' Meetings

~~3.07. The annual meeting of the Members will be held at 7:30 p.m. on the first Monday of the second week of January each year at such place as designated for the convenience of the Members. (Original wording)~~

~~3.07. The annual meeting of the Members will be held in the evening (after 5:30 PM) on the second Tuesday of April each year at such place as designated for the convenience of the Members. (Revised May 2000)~~

3.07. The annual meeting of the Members will be held in the evening (after 5:30 PM) in April each year at such place designated for the convenience of the Members. (Revised May 2008)

Special Members' Meetings

3.08. 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 twenty-five (25%) percent of the votes which all Members are entitled to cast at such meeting.

Notice of Members' Meetings

~~3.09. Written or printed notice stating the place, day and hour of the meeting and in the case of a special meeting the purpose or purposes for which the meeting is called must be delivered not less than thirty (30) days nor more than sixty (60) days before the date of the Members' meeting either personally, by first class mail or at the direction of the President, the 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 Corporation with postage prepaid. (Original wording)~~

~~3.09. Written or printed notice stating the place, day, purpose or purposes for which the meeting is called must be delivered not less than fifteen (15) days nor more than sixty (60) days before the date of the Members' meeting either personally, by first class mail or at the direction of the President, the 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 Corporation with postage prepaid. (Revised May 2000)~~

3.09. Written or printed notice stating the place, day, purpose or purposes for which the meeting is called must be delivered not less than fifteen (15) days nor more than sixty (60) days before the date of the Members' meeting either personally, electronically, or by first class mail at the direction of the President, the 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 Corporation with postage prepaid. (Revised May 2008)

Voting Rights of Members

~~3.10. Each Member will be entitled to one (1) vote on each matter submitted to a vote of Members. (Original wording)~~

3.10. Each Member Household will be entitled to one (1) vote on each matter submitted to a vote of Members. (Revised May 2000)

Cumulative Voting Rights

3.11. In all elections for directors each Member entitled to vote will have the right to cumulate such vote and to give one candidate a number of votes equal to such vote multiplied by the number of directors to be elected, or to distribute the multiple votes on the same principle among as many candidates as the Member may think fit.

Members' Proxy Voting

3.12. A Member may vote either in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy will be recognized as valid after eleven (11) months from the date of its execution unless expressly provided otherwise in the proxy.

Quorum of Members

~~3.13. The number or percentage of Members entitled to vote, represented in person or by proxy, which constitutes three-quarters (3/4) of the votes entitled to be cast in such manner shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum is present is necessary for the adoption of any matter voted on by the Members unless a greater proportion is required by the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Corporation, or any provision of these By-Laws. (Original wording)~~

3.13 The number or percentage of Members entitled to vote, represented in person or by proxy, which constitutes three-quarters (3/4) of the votes entitled to be cast in such

manner shall constitute a quorum. The vote of a relative majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum is present is necessary for the adoption of any matter voted on by the Members unless a greater proportion is required by the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Corporation, or any provision of these By-Laws. (Revised May 2008)

Transferability of Membership

3.14. Membership in this Corporation is nontransferable and nonassignable except to the extent that each owner of a lot shall automatically become a Member.

Termination of Membership

3.15. Membership will terminate in this Corporation on any of the following events and for no other reason:

1. Sale of a lot by the Member.
2. The death of a Member.
3. The failure of a Member to pay his annual dues on or before their due date.

ARTICLE FOUR

DIRECTORS

Definition of Board of Directors

4.01. The Board of Directors is that group of persons vested with the management of the business and affairs of this Corporation.

Qualifications of Directors

4.02. The qualifications for becoming and remaining a Director of this Corporation are as follows:

1. Directors must be residents of the Commonwealth of Pennsylvania.

2. Directors must be Members of this Corporation except that the first Directors shall be Daniel R. Hawbaker, Nancy L. Ring and [sic]

Number of Directors

~~4.03. The number of Directors of this Corporation will not be less than three (3) at any time. Until further amendment of these By Laws the number of Directors presently will be three (3). (Original wording)~~

4.03. The number of directors will not be less than three (3) at any time. The directors will consist of all elected officers, immediate past officers, plus heads of any committees as deemed necessary by the president. (Revised May 2000)

Terms of Directors

~~4.04. The Directors constituting the first Board of Directors will hold office until December 31, 1995. Thereafter, Directors will be elected for a term of four (4) years each. (Original wording)~~

4.04. Directors will serve the time of their office as follows. Officers will serve 2 year terms followed by 1 year as immediate past officer members of the board of directors. Committee heads will serve as long as the committees exist and on a schedule deemed appropriate by the committee and/or the President. (Revised May 2000)

Vacancies on the Board

4.05. 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 of the President. The new Director appointed to fill the vacancy will serve for the unexpired term of the predecessor in office.

Place of Directors' Meetings

4.06. Meetings of the Board of Directors, regular or special, will be held at the registered office of this Corporation or at any other place within or without the Commonwealth of Pennsylvania, as provided, or such place or places as the Board of Directors designate by resolution duly adopted.

Regular Directors' Meetings

~~4.07. Regular meetings of the Board of Directors will be held at 7:30 p.m. on the first Thursday of the first month of each calendar quarter. Should any such day in any year constitute a legal holiday for all businesses in Pennsylvania, then the meeting will be held instead in such instance the Thursday immediately following. (Original wording)~~

4.07. Meetings of the Board of Directors will be held as necessary and may be called by any member of the Board. (Revised May 2000)

Notice of Special Directors' Meetings

~~4.08. 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) 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 as his address as it appears on the records of this Corporation with postage prepaid. Such notice need not state the business to be transacted nor the purpose of such meeting. (Original wording)~~

4.08. 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) nor more than five (5) days before the date of the meeting either personally, electronically, or by first class mail 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 as his address as it appears on the records of this Corporation with postage prepaid. Such notice need not state the business to be transacted for the purpose of such meeting. (Revised May 2008)

Call of Special Board Meeting

4.09. A special meeting of the Board of Directors may be called by the President.

Waiver of Notice

4.10. 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.

Quorum of Directors

4.11. A majority of the whole Board of Directors will constitute a quorum. The act of a majority of the Directors 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 Corporation or any provision of these By-Laws.

ARTICLE FIVE OFFICERS

Roster of Officers

5.01. The Officers of this Corporation will consist of the following personnel:

1. A President
2. A Vice-President
3. A Secretary
4. A Treasurer

Selection of Officers

~~5.02. Each of the Officers of this Corporation will be elected and appointed annually by the Board of Directors. Each Officer will remain in office until a successor to such office has been selected and qualified. Such election will take place at the regular meeting of the Board of Directors taking place on the first calendar quarter of each year.~~
(Original wording)

5.02. Each of the Officers of this Corporation will be elected by the general membership at the annual meeting in April for two (2) year terms. (Revised May 2000)

Multiple Officeholders

~~5.03. 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 President and Secretary must be held by separate individuals.~~ (Original wording)

5.03. In any election of Officers, a single person may serve any two or more offices simultaneously except that the offices of President and Secretary must be held by separate individuals. (Revised May 2000)

President

5.04. The President will be the Chief Executive Officer of this Corporate and will, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation. The President will perform all duties incident to such office and such other duties as may be provided in these By-Laws or as may be prescribed from time to time by the Board of Directors.

Vice President

5.05. 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. The Vice President will perform such other duties as may be prescribed from time to time by the Board of Directors.

Secretary

5.06. 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 By-Laws, and generally will perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these By-Laws or which may be assigned from time to time by the Board of Directors.

Treasurer

5.07. The Treasurer will have charge and custody of all funds of this Corporation, will deposit the funds as required by the Boar of Directors, will keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, will render reports and accountings to the Directors and to the Members as required by the Board of Directors or Members or by law and will perform in general all duties incident to the office of Treasurer and such other duties as may be require by law, by the Articles of Incorporation or by these By-Laws or which may be assigned from time to time by the Board of Directors.

Removal of Officers

5.08. Any Officer elected or appointed to office by be removed by the persons authorized under these By-Laws to elect or appoint such Officers whenever in their judgment the best interests of this Corporation will be served. However, such removal will be without prejudice to any contract rights of the Officer so removed.

ARTICLE SIX INFORMAL ACTION

Waiver of Notice

6.01. Whenever any notice whatsoever is required to be given under the provisions of the Nonprofit Corporation Law of 1972, or these By-Laws, 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.

Action of Consent

6.02 Any action required by law or under the Articles of Incorporation of this Corporation or these By-Laws or any action which otherwise may be taken without a meeting shall be valid if a consent in writing setting forth the action so taken is signed by

all of the persons entitled to vote with the respect to the subject matter of such consent or all Directors in Office and filed with the Secretary of the Corporation.

ARTICLE SEVEN OPERATIONS

Fiscal Year

7.01. The fiscal year of this Corporation will be the calendar year.

Execution of Documents

~~7.02. Except as otherwise provided by law, checks, drafts, promissory notes, orders for the payment of money and other evidences of indebtedness of this Corporation 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 corporation 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. (Original wording)~~

7.02. Except as otherwise provided by law, checks, drafts, promissory notes, orders for payment of money and other evidences of indebtedness of this Corporation will be signed by two officers. Contracts, leases or other instruments executed in the name of and on behalf of the Corporation will be signed by two officers and will have attached copies of the resolutions of the Board of Directors certified by the Secretary authorizing their execution. (Revised May 2000)

Books and Records

7.03. This Corporation will keep correct and complete books and records of account and will also keep minutes of the proceedings of its Members and Board of Directors. The Corporation 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 By-Laws including amendments to date certified by the Secretary of the Corporation.

Inspection of Books and Records

7.04. All books and records of this Corporation 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.

Nonprofit Operations

7.05. This Corporation will not have or issue shares of stock. No dividend will be paid and no part of the income of this Corporation will be distributed to its Members, Directors or Officers. However, the Corporation may pay compensation in a reasonable amount to Members, Officers or Directors for services rendered.

Loan to Management

7.06. This Corporation will make no loan to any of its Directors or Officers.

ARTICLE EIGHT

Modification of By-Laws

8.01. The power to alter, amend or repeal these By-Laws or to adopt new By-Laws insofar as is allowed by law is vested in the Board of Directors except with respect to the following: Levying dues or assessments per Member per year in an amount greater than \$500.00, the adoption of which amendment to these By-Laws calls for a vote of seventy-five (75%) percent of all Members entitled to vote. All capital expenditures with the exception of maintenance of existing facilities will require seventy-five (75%) percent affirmative vote of lot owners. Annual dues assessment for maintenance expenses shall be as established by the Board of Directors.

ARTICLE NINE

Specific Maintenance Obligations

~~9.01. The Graysdale Homeowners Association shall have responsibility for, but not limited to, the following matters:~~

- ~~1. Maintenance of the detention basin, drainage easements or other drainage structures outside the street right-of-ways as shown on the Final Subdivision Plan for Graysdale Replot and Phase I Subdivision, including maintenance of pipes and outlet structures.~~
- ~~2. Maintenance of entry designation sign, entry plantings, including cost of gas service to entry lamps as constructed by developer at the intersection of _____ and _____~~
- ~~3. General maintenance of the Subdivision as the Homeowners Association deems appropriate.~~

(Original wording)

9.0.1 The Graysdale Homeowners Association shall have responsibility for, but not limited to, the following matters.

1. Maintenance of the detention basin, drainage easements or other drainage structures outside the street right-of-ways as shown on the Final Subdivision Plan for Graysdale Replot and Phase I, Phase II, and Phase III Subdivisions, including maintenance of pipes and outlet structures.
2. Maintenance of entry designation sign, entry plantings, including cost of electric service to entry lights as constructed by developer at the intersection of Scotia Road and Grays Woods Boulevard.
3. General maintenance of the Subdivision as the Homeowners Association deems appropriate. (Revised May 2008)

ARTICLE TEN

Payment and Collection of Membership Dues and Assessments

~~10.01. Any Member who fails to pay annual dues or assessments duly imposed by the Board of Directors shall automatically be subject to the imposition of penalties as follows:~~

- ~~1. Nonpayment for thirty (30) days after due: Interest at the rate of two (2%) percent per month on the unpaid balance.~~
- ~~2. Nonpayment for sixty (60) days: Membership in the Homeowners Association shall be suspended, Member's voting privileges shall be suspended and Homeowners Association may proceed to collect the unpaid balance by an action at law or equity filed with a court of competent jurisdiction.~~

(Original wording)

~~10.0.1 Dues are due by April 15 of each calendar year. Any Member who fails to pay annual dues or assessments duly imposed by the Board of Directors shall automatically be subject to the imposition of penalties as follows:~~

- ~~1. Nonpayment for thirty (30) days after due: Late fee of Twenty-five (\$25) Dollars shall be added to the unpaid balance.~~
- ~~2. Nonpayment for sixty (60) days: Membership in the Homeowners Association shall be suspended, Member's voting privileges shall be suspended and Homeowners Association may proceed to collect the unpaid balance by an action at law or equity filed with a court of competent jurisdiction.~~

(Revised May 2000)

10.0.1. Dues are paid in advance and are due by December 15 of each calendar year. Any Member who fails to pay annual dues or assessments duly imposed by the Board of Directors shall automatically be subject to the imposition of penalties as follows:

1. Nonpayment for thirty (30) days after due: Late fee of Twenty-five (\$25) Dollars shall be added to the unpaid balance.

2. Nonpayment for sixty (60) days: Membership in the Homeowners Association shall be suspended, Member's voting privileges shall be suspended and Homeowners Association may proceed to collect the unpaid balance by an action at law or equity filed with a court of competent jurisdiction.

(Revised May 2008)

ARTICLE ELEVEN

Adoption of By-Laws

Adopted by the Incorporator on __18__ day of December, 1992, at State College, Centre County, Pennsylvania.

[signed]

Daniel R. Hawbaker, Incorporator

Revised May 2008:

Bryan Walaschek, President _____

Melissa Gundrum, Vice-President _____

Christina Fetzer, Treasurer _____

Ann Taylor, Secretary _____