

BY-LAWS
BOWMAN'S TOWER FARM II HOMEOWNERS' ASSOCIATION

ARTICLE I

NAME AND ADDRESS

SECTION 1. The name of this corporation shall be BOWMAN'S TOWER FARM II HOMEOWNERS' ASSOCIATION, hereinafter referred to as "Association."

SECTION 2. The registered office of the Association shall be at the place designated in the Articles of Incorporation, subject to transfer upon notice to the Secretary of the Commonwealth as may be permitted by law.

ARTICLE II

SECTION 1. The purpose of this Association is to own, maintain, regulate and administer certain private community facilities for the use, benefit and enjoyment of the owners and lawful occupiers of the land in the development known as Bowman's Tower Farm II. In addition thereto, the Association is to provide for the collection of such revenue as is necessary to effectuate the maintenance of common areas, storm water management facilities, boulevard grass areas, entrance, cul-de-sac islands, bus stop, entrance signs, open space lots and other such facilities as may be established for the convenience and comfort of homeowners. The Association does not contemplate pecuniary gain or profit to its members.

ARTICLE III

APPLICABILITY, MEMBERS, MEMBERSHIP AND DEFINITIONS

SECTION 1. These By-Laws shall be applicable to the Bowman's Tower Farm II Homeowners' Association, a non-profit corporation of the Commonwealth of Pennsylvania, hereinafter referred to as "Association," to the community facilities owned by the Association and to the common areas which are now or may hereafter be created known as Bowman's Tower Farm II, Upper Makefield Township, Bucks County, Pennsylvania, hereinafter referred to as "Bowman's Tower Farm II."

SECTION 2. All present and future owners and tenants, their guests, licensees, servants, agents, employees and

any other person or persons that shall be permitted to use the facilities of the Association, shall be subject to these By-Laws and to rules and regulations issued by the Association to govern the conduct of its members. Ownership, rental or occupancy of any of the homes in Bowman's Tower Farm II shall be conclusively deemed to mean that said owner, tenant or occupant has accepted and ratified these By-Laws and the rules and regulations of the Association and will comply with them.

SECTION 3. Unless it is plainly evident from the context that a different meaning is intended as used throughout these By-Laws:

(a) "Association" shall mean and refer to the Bowman's Tower Farm II Homeowners' Association, its successors and assigns.

(b) "Charges" shall mean those levies, assessments or sums payable by the owners in Bowman's Tower Farm II from time to time upon notification by the Association, as provided herein, the obligation to pay such charges to be deemed to be a covenant running with the land. Each assessment shall be separate and payable by the owner thereof.

(c) "Community Facilities" shall mean the open space, storm water management facilities, boulevard entrance grass areas, cul-de-sac islands, bus stop, entrance signs and open space lots and such other facilities as the Association may construct or acquire hereafter.

(d) "Community Manager" shall mean one or more persons duly authorized by the Board of Directors of the Association to act as its duly authorized representative for its specific purposes.

(e) "Declarant" shall mean Samuel Morton, Johanna Morton, Brud Hutchinson and Nancy J. M. Hutchinson and George Parry Construction, Inc., a Pennsylvania partnership, its successors and assigns.

(f) " Dwelling Unit " shall mean a building designed and occupied exclusively as a residence and located in Bowman's Tower Farm II and subject to these By-Laws. For the purpose of this document, each separate lot is subject to all of the rights, privileges and duties as if each was separately owned, irrespective of whether this is so in fact or not.

(g) "Lot" shall mean and refer to any building lot shown upon any recorded map or plat of Bowman's Tower Farm II with the exception of Lot 44, Lot 45 and Lot 20, all being part of Bucks County Tax Parcel No. 47-7-21.

(h) "Majority of Members" shall mean more than fifty percent (50%) of the membership of the Association entitled to vote at an annual or special meeting of the Association.

(i) "Member" shall mean the owner or co-owners of a Lot in Bowman's Tower Farm II.

(j) "Open Space" shall mean the space intended to be owned by the Association, unobstructed to the sky.

(k) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to a Lot in Bowman's Tower Farm II. Ownership of more than one Lot shall subject the owner to separate rights, privileges and duties with respect to each Lot.

(l) "Plan" shall mean the map or plat of Bowman's Tower Farm II given final approval by the Supervisors of Upper Makefield Township.

(m) "Single-Family Dwelling" shall mean a building designed and occupied exclusively as a residence for one (1) family.

(n) "Township" shall mean the Township of Upper Makefield, County of Bucks, Commonwealth of Pennsylvania.

SECTION 4. Except as otherwise provided, membership in the Association shall be limited to the owners or co-owners of Lots in Bowman's Tower Farm II.

In the event that a member shall lease or permit another to occupy his Lot, the tenant or occupant shall be permitted to enjoy the facilities of the Association, but shall not vote in the affairs of the Association except as the member shall permit the tenant or occupant to exercise the proxy vote of the member. Use of the facilities of the Association shall be limited to occupants of Lots and their guests.

Every lawful transfer of title to the member's Lot shall include membership in the Association and upon making such transfer the previous owner's membership shall automatically terminate.

Except as provided above, membership in the Association may not be assigned or transferred and any attempted assignment or transfer thereof shall be void and of no effect.

SECTION 5. Evidence of membership and ownership in the Association shall be issued to each member of the Association. In the event there is more than one owner of a particular dwelling, the vote for that unit may be voted by any one of such co-owners. Membership identification shall be surrendered to the Manager of the Association whenever ownership of the Lot designated thereon shall terminate.

SECTION 6. Charges shall be established by the Board of Directors, except that the original fee shall be fixed by the Declarant.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

SECTION 1. "Membership" Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

SECTION 2. "Voting Rights" The Association shall have two (2) classes of voting membership:

(a) Class A - Class A members shall be all Owners, with the exception of the Declarant. Class A members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by SECTION 1. When more than one (1) person holds an interest or interests in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they, among themselves determined, but in no event shall more than one (1) vote be cast with respect to any such Lot.

(b) Class B - Class B members shall be the Declarant. Class B members shall be entitled to three (3) votes for each lot owned, provided that the Class B membership shall cease and become converted to a Class A membership on the happening of any of the following events, whichever occurs earlier:

(i) When the total votes outstanding in Class A membership equals the total votes outstanding in Class B membership; or

(ii) Five (5) years from the recording of the Declaration of Restrictions and Covenants or sooner if Declarant agrees thereto.

From and after the happening of these events, whichever comes earlier, the Class B member shall be deemed to be a Class A member entitled to one (1) vote for each Lot it owns.

SECTION 3. All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenient place as may be permitted by law, and from time to time fixed by the directors and designated in the notices of such meetings.

SECTION 4. "Annual Meetings" At each annual meeting there shall be elected by a ballot of a majority of the members entitled to vote, the directors of the Association, in accordance with the provisions of ARTICLE VI, SECTION 4, of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

The first annual meeting of the members shall be held within one (1) years from the date of incorporation of the Association or not later than thirty (30) days after fifty-one (51) percent of the Lots have been sold, whichever occurs first. Subsequent regular annual meetings of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

SECTION 5. "Notice - Annual Meeting" The Secretary shall mail notices of annual meetings to each member of the Association directed to his last known post office address as shown on the records of the Association, by uncertified mail, postage prepaid. Such notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date of such meeting, and shall state the date, time and place of the meeting and the purpose or purposes thereof. In lieu of mailing notice as herein provided, such notice may be delivered by hand to the members or left at their residence in their absence.

SECTION 6. "Special Meetings" It shall be the duty of the President to call a special meeting of the members of the Association whenever he is directed to do so by

resolution of the Directors or upon presentation to the Secretary of a petition signed by fifty (50) percent of the members entitled to vote at such meeting.

SECTION 7. "Notice - Special Meeting" The Secretary shall mail notice of such special meeting to each member of the Association in the manner provided in SECTION 5 of this Article, except that notice of such special meeting shall be mailed not less than five (5) days nor more than twenty (20) days before the date fixed for such meeting. In lieu of mailing notice as herein provided, such notice may be delivered by hand to the members or left at their residence in their absence. No business shall be transacted at any special meeting except as stated in the notice thereof unless by consent of two-thirds (2/3) of the members present, either in person or by proxy.

SECTION 8. "Membership List" Not less than thirty (30) days prior to the date of any annual or special meeting of the Association, the Secretary shall compile and maintain at the principal office of the Association, an updated list of members and their last known post office addresses. Such list shall also show opposite each member's name the number of the Lot owned by him. This list shall be open to inspection by all members and other persons lawfully entitled to inspect the same at reasonable hours during regular business days up to the date of such annual or special meeting. The Secretary shall also keep current and retain custody of the Minute Book of the Association containing the minutes of all annual and special meetings of the Association and all resolutions of the directors.

SECTION 9. "Cumulative Voting" Cumulative voting shall not be permitted.

SECTION 10. "Entitled to Vote" A member shall be deemed to be "in good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, he shall have fully paid all charges made or levied against him and his Lot by the Association as hereinafter provided, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him and against his Lot, at least three (3) days prior to the date fixed for such annual or special meeting.

SECTION 11. "Quorum" Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the members of the Association shall constitute

a quorum at any annual or special meeting of members. If any meeting of members cannot be organized because a quorum has not attended, the members present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight(48) hours from the time the original meeting was called. In the event of any such adjourned meeting, no further notice of the adjourned date need be given to any of the members. At the subsequent meeting, one-half ($\frac{1}{2}$) of the required quorum at the preceding meeting shall be required to create a quorum for the adjourned meeting.

SECTION 12. "Proxy" Votes may be cast either in person or by proxy. Proxies must be in writing on forms prescribed by the Secretary and filed with the Secretary not later than the time appointed for each meeting in the notice thereof.

SECTION 13. All decisions shall require for passage, the affirmative vote of at least a majority of the members in good standing and entitled to vote in attendance at that meeting.

SECTION 14. "Order of Business" The order of business at all meetings of the members of the Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers and committees.
- (e) Election of directors.
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

ARTICLE V

MAINTENANCE CHARGES - OBLIGATION OF MEMBERS

SECTION 1. Each Owner of any Lot, by acceptance of the deed thereof, whether or not it shall be so expressed

in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual charges or assessments; (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual charges 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 such charge is made. Each such charge, together with such interest thereon, and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the Owner who was the Owner of such Lot at the time when the assessment became due.

SECTION 2. Each Owner shall be obligated to reimburse the Association for any expenses incurred by it in repairing or replacing any part or parts of the Community Facilities damaged solely by his negligence or by the negligence of his tenants, agents, guests or licensees, promptly upon receipt of the Association's statement thereof.

SECTION 3. Each Owner is bound to contribute to the common expenses of administration and of maintenance, replacement and repair of the Community Facilities of Bowman's Tower Farm II to the expenses of administering and maintaining the Association and all of its real and personal property. Such charges shall be calculated in such a manner as to reasonably reflect the cost of services. No Owner may exempt himself from contributing toward such expenses by waiver of the use or enjoyment of the Community Facilities of the Association or by abandonment of the Lot owned by him.

SECTION 4. Payment by the Owner of his share of the expenses aforesaid may be made monthly, or as determined by the Board of Directors.

SECTION 5. All charges and expenses chargeable to any Lot shall constitute a lien against said Lot in favor of the Association, which lien shall be prior to all other liens except (a) assessments, liens and charges for taxes past due and unpaid on the Lot; (b) a bona fide mortgage lien, if any, to which the dwelling unit is subject; and (c) any other lien recorded prior to recording the claim of lien. Such lien shall be effective from and after the time of recording in the public records of Bucks County of a claim of lien stating the description of the Lot, the name of the record owner, the amount due and the date

when due. Such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by the lien and a preparation fee, the party making payment shall be entitled to a recordable satisfaction of lien to be recorded at his sole expense.

Liens for unpaid assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. The Association shall have the power to bid in the suit at foreclosure sale and to acquire, hold, lease, mortgage and convey. A suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same. The title acquired by any purchaser following any such foreclosure sale shall be subject to all of the provisions of this instrument, the By-Laws and rules and regulations of the Association, and by so acquiring title to the Lot, said purchaser covenants and agrees to abide and be bound thereby.

AS A MEANS OF ENFORCING THE OBLIGATION OF THE OWNERS TO PAY ALL ASSESSMENTS LEVIED PURSUANT TO THIS DECLARATION, THE BOARD OF DIRECTORS SHALL HAVE THE RIGHT AND POWER TO OBTAIN A JUDGMENT OR JUDGMENTS FOR DELINQUENT ASSESSMENTS BY CONFESSION AGAINST THE OWNER AGAINST WHOM SUCH DELINQUENT ASSESSMENTS HAVE BEEN LEVIED. ACCORDINGLY, EACH OWNER, BY HIS ACCEPTANCE OF THE DEED TO A LOT OR UNIT, SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE MEMBERS OF THE BOARD OF DIRECTORS (DURING HIS TERM OF OFFICE) THE ATTORNEY-IN-FACT FOR SUCH OWNER TO CONFESS JUDGMENT AGAINST SUCH OWNER IN ANY COURT OF COMPETENT JURISDICTION IN THE COMMONWEALTH OF PENNSYLVANIA FOR ANY DELINQUENT CAPITAL CONTRIBUTION OR ASSESSMENT, FOR THE PURPOSE OF WHICH A COPY OF THIS SECTION AND A COPY OF THE OWNER'S DEED TO HIS LOT OR UNIT (BOTH VERIFIED BY THE AFFIDAVIT OF ANY MEMBER OF THE BOARD OF DIRECTORS) SHALL BE SUFFICIENT WARRANT. THE AUTHORITY HEREIN GRANTED TO CONFESS JUDGMENT SHALL BE NOT EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE AND BE EFFECTIVE AT ALL TIMES WITH RESPECT TO EACH AND EVERY DELINQUENT CAPITAL CONTRIBUTION OR ASSESSMENT. SUCH AUTHORITY TO CONFESS JUDGMENT AND THE AFORESAID APPOINTMENT OF ATTORNEYS-IN-FACT, BEING FOR SECURITY, SHALL BE IRREVOCABLE.

SECTION 6. Upon any voluntary conveyance of a Lot, the owner of such Lot shall be liable for all unpaid charges pertaining to such Lot duly made by the Association or accrued up to the date of such conveyance. Any Owner

or any purchaser of a Lot prior to completion of a voluntary sale may require from the Association a certificate showing the amount of unpaid charges pertaining to such Lot, and the Association shall provide such certificate within ten (10) days after request therefor. The holder of a mortgage or other lien on any Lot may request a similar certificate with respect to such Lot. Any person other than the Owner at the time of issuance of any such certificate who relies upon such certificate shall be entitled to rely thereon and his liability shall be limited to the amounts set forth in such certificate.

SECTION 7. Each Owner shall comply strictly with these By-Laws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth herein or in the deed to his Lot or any other recorded document pertaining to such Lot. Failure to comply with any of the same shall be grounds for a civil action to recover sums due, for damages or injunctive relief, or both, maintainable by the Association on behalf of the Owners.

SECTION 8. In the event that the Association fails to maintain the Community Facilities, or any successor organization shall at any time fail to maintain the Community Facilities in reasonable order and condition, the Township may demand that such deficiencies of maintenance be corrected pursuant to the provisions contained in the Pennsylvania municipalities Planning Code, 53 P.S. Section 10101 et seq. and any other applicable statute of the Commonwealth of Pennsylvania.

ARTICLE VI

BOARD OF DIRECTORS

SECTION 1. The affairs of the Association shall be governed by the Board of Directors consisting of five (5) persons, each of whom, other than those directors nominated by the Declarant pursuant to this Section, shall be a member of the Association. The initial directors or their successors shall serve until the first annual meeting.

SECTION 2. At the first annual meeting of the members of the Association after the expiration of the terms of the initial directors or their successors, two (2) directors shall be elected to serve for a term of three (3) years,

three (3) shall be elected to serve for a term of two (2) years. At the expiration of the initial term of each director, his successor shall be elected to serve for a term of two (2) years, provided that each director shall continue to hold office until his successor is elected. Directors shall serve without compensation.

SECTION 3. If the office of any director shall become vacant by reason of his death, resignation, retirement, disqualification, removal from office or otherwise, the remaining directors, at a special meeting duly called for such purpose, shall choose a successor who shall hold office until the next annual meeting of the members and his re-election or the election of his successor at such meeting. The person so elected shall serve for the unexpired term in respect to which such vacancy occurred.

SECTION 4. Except as provided for in SECTION 1 of this ARTICLE, members of the Association may be nominated for election to the Board of Directors in one of the following ways:

(a) In the event that an Association member has previously been appointed or elected as a director in accordance with SECTION 3 of this Article, he shall be deemed to have been nominated for re-election to that position by his signifying his intention to seek re-election in writing addressed to the Board of Directors.

(b) In the event that an Association member who has not previously held the position of director desires to run for election to that position, he shall be deemed to have been nominated for election as a director upon his filing with the Board of Directors of a written petition of nomination bearing the genuine signatures of not less than five (5) members of the Association.

SECTION 5. Subject to the right of the Declarant to nominate and elect members of the Board of Directors as set forth in SECTION 1 of this Article, directors may be removed with or without cause, by the affirmative vote of fifty-one percent (51%) of the membership at any annual or special meeting of owners duly called for such purpose.

SECTION 6. The first or organizational meeting of each newly elected Board of Directors shall be held not later than twenty (20) days from the date of the annual meeting at which they were elected.

SECTION 7. Regular meetings of the Board of Directors may be held at such time and place permitted by law as from time to time may be determined by the directors. Notice of regular meetings of the Board shall be given to each director personally, by telegram, telephone or by United States mail, with postage prepaid, directed to him at his last known post office address as the same appears on the records of the Association, at least five (5) days before the date appointed for such meeting. Such notice shall state the date, time and place of such meeting and the purpose thereof.

SECTION 8. Special meetings of the Board of Directors may be called by the President of the Association on three (3) days' written notice to each director, given in the same manner as provided in SECTION 7 of this Article. Special meetings of the Board shall be called by the President or the Secretary in like manner upon the written request of any three (3) directors.

SECTION 9. Before any meeting of the Board of Directors, whether regular or special, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall likewise constitute a waiver by him of such notice. If all directors are present at any meeting of the Board, no notice of such meeting shall be required and any business may be transacted at such meeting except as prohibited by law or these By-Laws.

SECTION 10. Any action by the Board of Directors may be taken without a meeting if all of the members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

SECTION 11. At all duly convened meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, except as otherwise expressly provided in these By-Laws or by law, and the acts of the majority of the directors present at such meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, the director or directors present may adjourn the meeting from time to time, and at such adjourned meeting

at which a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice to any director.

SECTION 12. The Board of Directors shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association and the operation and maintenance of Bowman's Tower Farm II, and may do or cause to be done all such other lawful acts and things as are not by law, by these By-Laws or otherwise, directed or required to be done or exercised by members of the Association or by others. In the performance of its duties as the administering body of the Association and of Bowman's Tower Farm II, the Board of Directors shall have powers and duties including, but not limited to, the following:

(a) The operation, maintenance, cleaning, sanitation, renewal, replacement, care, upkeep, protection and surveillance of the Community Facilities and all other property, real or personal, of the Association.

(b) Consistent with the law, to fix the common expenses and assess the same against the Owners in fair amounts as shall from time to time be deemed necessary to the proper functioning of the Association to include the power to establish a sinking fund for the replacement of any Community Facilities.

(c) By majority vote of the Board, to adjust or increase the amount of any such common expense charges.

(d) To use and expend any sums collected from such charges or assessments for the operation, maintenance, renewal, care, upkeep, surveillance and protection of the Community Facilities of the Association and all of its real and personal property.

(e) To pay all taxes and assessments levied or assessed against any property of the Association, exclusive of any taxes or assessments levied against any Owner or otherwise properly chargeable to the Owner.

(f) To employ and dismiss such clerks, stenographers, workman, janitors, gardeners, watchmen and other personnel and to purchase or arrange for such services, machinery, equipment tools, materials and supplies, as in the opinion of the Board of Directors may from time to time be necessary for the proper operation and maintenance of the Community Facilities of the Association.

(g) To collect delinquent charges or assessments made by the Association through the Board of Directors against any Lot and the Owner thereof, together with such cost and expenses incurred in connection therewith, including, but not limited to, court costs and attorney's fees, whether by suit or otherwise, to abate nuisances and enforce observance of the rules and regulations relating to Bowman's Tower Farm II by injunction or such other legal action or means as the Board of Directors may deem necessary or appropriate.

(h) To employ or retain such counsel and consultants as may be deemed necessary by the Board for any proper purposes of the Association, and to fix their compensation for professional advice or services such as, but not limited to, those hereinbefore or hereinafter referred to in these By-Laws.

(i) To cause such operating accounts and escrow and other accounts, if any, to be established and opened as the Board of Directors may deem appropriate from time to time as may be consistent with generally accepted accounting practices.

(j) To cause a complete audit of the books and accounts of the Association to be made by a competent independent public accountant at the end of each fiscal year, and at such other time or times as may be deemed necessary.

(k) To maintain accounting records in accordance with generally accepted accounting principles.

(l) To make and enforce compliance with such reasonable rules and regulations relative to the operation, use and occupancy of the Community Facilities, and to amend the same from time to time as when approved by appropriate resolutions shall be binding on the Owners and occupants of dwelling units, their successors in title and assigns. A copy of such rules and regulations and copies of any amendments thereof shall be delivered or mailed to each Owner or occupant of a dwelling unit promptly upon the adoption thereof.

(m) The Board of Directors shall keep the Community Facilities, fixtures, equipment and personal property owned by the Association, insured for the benefit and protection of the Association in amounts equal to their maximum insurable values, excluding foundation and excavation costs, as determined annually by the insurance carrier or carriers, against the following hazards, casualties or contingencies:

(i) Loss or damage by fire and other casualties covered by a standard extended coverage endorsement.\

(ii) Such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other buildings, fixtures and equipment similar in construction, design, use and location to the building and other property hereinbefore mentioned. All such policies shall provide that in the event of loss or damage, the proceeds shall be payable to the Association. The Association shall pay the premiums on such policies as common expenses.

(n) Borrow and repay monies, giving notes, mortgages or other security upon such term or terms as is deemed necessary, provided that said monies shall not exceed FIVE THOUSAND DOLLARS (\$5,000.00); otherwise the approval of sixty-six and two-thirds percent (66 2/3%) of the membership shall be required; and, to provide the rights of any mortgagees or lender shall be subordinate to or superior to the use rights of the Owners.

(o) Additional land may be purchased, annexed or acquired by the Association, if at any time in the future, it deems it to be proper and consistent with the terms hereof to do so, provided that sixty-six and two-thirds percent (66 2/3%) of the members approve such acquisition or Declarant elects to add such land at no expense to the Association for acquisition.

(p) Acquire by purchase, gift, bequest, devise, sale or lease additional land to protect the Open Space or additional Open Space upon such terms or term as the Association deems necessary and proper; to accept such additional lands and property from the Declarant, subject to such liens, encumbrances and conditions as may be then imposed.

(q) Employ professional counsel and receive advise from such persons and firms or corporations, such as, but not limited to, landscape architects, recreation experts, architects, planners, biologists, lawyers and accountants.

The Board of Directors shall also maintain public liability insurance insuring the Association and its members against liability for any negligent act or commission or omission attributable to the Association or any of its members and which occurs on or in any of the Open Space or the Community Facilities of the Association.

ARTICLE VII

OBSOLESCENCE

SECTION 1. In the event that the Board of Directors shall determine that any Community Facilities or any other real or personal property of the Association are obsolete, the Board, at any regular or special meeting of the members of the Association, may call for a vote by the Association membership to determine whether or not the said property should be demolished or replaced. In the event sixty-six and two-thirds (66 2/3) percent of the Association membership shall determine that the said property should be demolished and replaced, the costs thereof shall be assessed against all of the members of the Association equally, in proportion to their then current charges. In no event shall any Community Facilities be demolished, abandoned or transferred without the express consent of the Township.

SECTION 2. In no event shall the Association be permitted to erect any building on the Community Facilities which has not been approved by the Upper Makefield Township Board of Supervisors.

ARTICLE VIII

OFFICERS

SECTION 1. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Secretary may also hold the office of Treasurer. The President, Vice President and Secretary shall be members of the Board of Directors. An Assistant Secretary may be appointed by the Board of Directors, who need not be a member of the Board of Directors.

SECTION 2. The officers of the Association shall be elected annually by the Board of Directors at the organization of each new Board and shall hold office until their successors are elected or appointed by the Board and qualify, provided that each officer hold office at the pleasure of the Board of Directors and may be removed either with or without cause, and his successor elected at any annual or special meeting of the Board called for such purpose, upon the affirmative vote of a majority of the members of the Board. The Board of Directors may, from time to time, appoint such other officers as in its judgment are necessary.

SECTION 3. "President" The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors. He shall have the general powers and duties usually vested in the office of President of an association, including, but not limited to, the power to appoint committees from among the members from time to time as he may deem appropriate to assist in the conduct of the affairs of the Association. He shall execute such deeds, contracts and other instruments, in the name and on behalf of the Association and under its corporate seal when a seal is required, except when such documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be delegated by the Board of Directors to another officer or agent of the Association.

SECTION 4. "Secretary" The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and record all votes and the minutes of all meetings and proceedings, including resolutions, in a minute book to be kept for that purpose and shall perform the duties for any committees, when required. He shall have charge of the minute book and such records and papers as the Board shall direct, and perform all duties incident to the office of Secretary, including the sending of notice of meetings to the members, the Board of Directors and committees, and such other duties as may be prescribed by these By-Laws or by the Board of Directors or the President. He shall also have custody of the corporate seal, and when authorized by the Board, affix the same to any instrument requiring it and attest the same when appropriate.

SECTION 5. "Treasurer" The Treasurer shall have the responsibility for the Association's funds and securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies, checks and other valuable effects in the name and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors. He shall disburse the funds of the Association as may from time to time be ordered by the Board or by the President, and shall render to the President and directors at the regular meetings of the Board, or whenever they or either of them shall require, an account of his transactions as Treasurer and of the financial condition of the Association.

SECTION 6. "Compensation" The officers of the Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

ARTICLE IX

COMMITTEES

SECTION 1. The standing committees of the Association shall be the Maintenance Committee and the Audit Committee. Unless otherwise provided herein, each committee shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors for Board contact. The committees shall be appointed by the Board of Directors prior to each annual meeting, 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 such annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

SECTION 2. "Maintenance" The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the open space and Community Facilities of the Association and shall perform such other functions as the Board, in its discretion, determines.

SECTION 3. "Audit" The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The Treasurer shall be an ex officio member of the Committee.

SECTION 4. It shall be the duty of each Committee to receive complaints from members on any matter involving the Association 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 Association as further concerned with the matter presented.

SECTION 5. "Arbitration" No owner shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be enacted except in the manner provided herein. Prior to the commencement of any suit or action at law or in equity, the Owner shall first make known his objection in writing and directed

to the appropriate committee or Board of Directors by registered or certified mail, return receipt requested, or by an equivalent class of service of the United States Post Office, stating with particularity the objection made and the relief, change or difference sought. It shall be signed legibly by the person objecting, giving their address, and be written in the English language. If specific dwelling units or Owners are involved, these shall be identified by name and address or with such sufficient particularity as to be easily capable of ascertainment. The Board of Directors or Committee shall have the right to schedule a hearing on the merits of the aforesaid claim or objection within twenty (20) days of the receipt of the notice of claim or objection and within ten (10) days after the close of the hearing, or continued hearing or hearings, the Board of Directors or Committee, as the case may be, shall notify the owner of its decision in writing. Unless such internal remedy shall be voluntarily waived by the Association, or the Association fails or refuses to act, no action at law or in equity shall be commenced by any Owner until such internal remedy is pursued to exhaustion. Any action by an Owner against any other Owner arising out of any term, covenant or condition contained in these By-Laws or any other instruction thereof, any rule or regulation made pursuant thereto, use or non-use, shall be subject to the same procedures. In such hearings, all parties shall be entitled to be represented by counsel. In any claim or objection, the Association may appoint counsel to the Association, or any other person or persons, one of whom shall be learned in the law, to act as a hearing officer and make recommendations or findings, or both, to the Association. In such event, an additional five (5) days shall be permitted for forwarding any decision to the Owner.

ARTICLE X

INDEMNIFICATION OF OFFICERS AND DIRECTORS

SECTION 1. The Association shall indemnify every director and officer, his heirs, executors and administrators, against all loss, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be

provided only in connection with such matter covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions, shall be treated by the Association as common expenses; provided, however, that nothing in this Article contained shall be deemed to obligate the Association to indemnify any Owner of a dwelling unit, who is or has been a director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of his membership in the Association or as an Owner of a dwelling unit.

ARTICLE XI

CORPORATE SEAL

SECTION 1. The corporate seal of the Association shall consist of two concentric circles between the circumference of which shall be inscribed the name Bowman's Tower Farm II Homeowners' Association and within the circumference of the inner circle the words, "Incorporated, Pennsylvania" and the year of incorporation.

ARTICLE XII

AMENDMENTS TO BY-LAWS

SECTION 1. These By-Laws and the form of administration set forth herein may be amended from time to time by the affirmative vote of the members representing two-thirds (2/3) of the Association membership entitled to vote at such meeting where amendments to these By-Laws are being considered within the limitations prescribed by law. Any amendment which affects the Community Facilities or open space and the use or maintenance thereof shall require the prior written consent of the Township of Upper Makefield for enactment.

ARTICLE XIII

DISSOLUTION

SECTION 1. In the event it shall be deemed advisable and for the benefit of the members that the Association should be dissolved, the procedures concerning the dissolution set forth in Chapter 1, Section 8001 of Title 15 of Purdon's Pennsylvania Statutes, entitled "Nonprofit Corporation Law," shall be followed. No dissolution of the Association may be effected without the prior written consent of the Township of Upper Makefield Board of Supervisors.

SECTION 2. In the event of dissolution, the assets, including common surplus, if any, of the Association, after payment of all debts, including mortgages and other encumbrances, shall be distributed pursuant to the final decree of the Court.

ARTICLE XIV

MISCELLANEOUS

SECTION 1. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Directors, no officer, agent or other person shall have any power of authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

SECTION 2. The Association shall keep in its principal office the original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the member at all reasonable times during office hours.

SECTION 3. The membership register and minutes of proceedings of the members and directors shall be open to inspection upon demand of any member at any reasonable time during office hours, and for a purpose reasonably related to his interest as a member.

SECTION 4. The rules contained in Robert's Rules of Order Revised, shall govern all members' meetings and directors' meetings of the Association, except in instances

of conflict between said Rules of Order and the Articles or By-Laws of the Association or provisions of law.

SECTION 5. Number and gender as used in these By-Laws shall extend to and include both singular and plural and all genders as the context and construction requires.

(ref:C:bylawbt)