

**BY-LAWS OF ITHAN MILLS
ASSOCIATION**

version 6 / 02 / 09

(A Pennsylvania Nonprofit Corporation)

**ARTICLE I
DEFINITIONS**

Section 1. The Ithan Mills Community Restrictions.

"The Ithan Mills Community Covenants" shall mean the limitations, restrictions, covenants and conditions, set forth in "Declaration of Community Covenants, Restrictions and Easements" dated and recorded in the office of the Recorder of Deeds of Delaware County, Pennsylvania, on or about the 23rd day of August 1976 including any subsequent modifications to same.

Section 2. The Ithan Mills Development, Lot, Owner, Etc.

The terms "The Ithan Mills Development," "Lot," "Member" and "Owner" which are defined in The Ithan Mills Community Covenants are used in these By-Laws as therein defined.

Section 3. Ithan Mills Association.

The Ithan Mills Association, hereafter referred to as the "Association," was incorporated by the developer of the Ithan Mills Development as set forth in the above referenced Declaration of Community Covenants, Restrictions and Easements on or about the 23rd day of August, 1976.

**ARTICLE II
MEMBERS - QUALIFICATIONS AND MEETINGS**

Section 1. Qualifications. Each lot in Ithan Mills represents one Association membership. Lot owners, by virtue of ownership, shall own the membership inherent in their lot. Therefore each owner, by virtue of being an owner and until no longer an owner, shall be a member of the Association. No person other than an Owner may be a member of the Association. At its discretion the Association Board of Directors may request proof of ownership.

Section 2. Annual Association meeting. The annual meeting of the members of the Association shall be held at a date and time set by the Board. Members attending the annual meeting shall, by a majority vote of the lots represented at the meeting, elect a board of directors as specified in Article III below (hereinafter referred to as the "Board") and conduct such other business as may properly be brought before the meeting. The Board shall give members at least thirty (30) days notice of the Annual Meeting as set forth in Section 4.

Section 3. Special Association Meetings. Special meetings of the members may be called for any purpose or purposes at any time by the Board or the President or otherwise as prescribed by statute and can be coincidental with the Annual Meeting. As set forth in Ithan Mills Community Covenants, a change in annual dues or a special assessment for capital improvements shall require a quorum, in person or by proxy, of members in good standing entitled to cast sixty percent of all votes (57 votes) and approval of said assessment or dues changes shall require a two-thirds majority. If the quorum is not met at a first meeting for such purpose, a special meeting may be called subject to the notification requirements in Section 4 (not less than 5 nor more than 50 days prior), at which the required quorum shall be thirty percent (29 votes), provided that the subsequent meeting is held no more than (60) days following the preceding meeting.

Section 4. Notice of Association Meetings. All Association notices and messages to members, including notice of the place, date and time of the holding of each annual and special meeting of the members and the general nature of the business to be transacted, shall be distributed primarily by email. Members not able to receive email at home or place of business will receive printed notices personally or by U.S. Mail to their mailing address on file with the Association, provided they have notified the Association of this contingency. The annual meeting notice and any notice of special meetings to change annual dues, levy a special assessment for capital improvements, or amend the Association By-laws will be delivered at least 30 days prior as set forth in the Ithan Mills Community Covenants. All other Association meeting notices will be delivered not less than five nor more than fifty days prior.

Section 5. Place of Association meetings. Meetings of the members may be held at such place, within the commonwealth of Pennsylvania, as the Board or the officer calling the same shall specify in the notice of such meeting.

Section 6. Recording officer. At each meeting of the members, the secretary, or in his absence or inability to act, the Assistant Secretary or any person appointed by the chairman of the meeting, shall act as secretary of the meeting and keep the minutes thereof.

Section 7. Voting. Members in good standing – defined as those with no outstanding financial or other obligation to the Association – shall be entitled to vote at all meetings on all matters calling for an Association vote. One vote shall be cast per lot at the discretion of each lot's owner(s), either in person or by duly authorized proxy. Each member may authorize another person to act for him by proxy signed by such member as his attorney-in-fact. All such proxies shall be delivered to the secretary of the meeting at or prior to the time designated for the delivery of such proxies. Except as required by statute, these Bylaws, or the Declaration of Community Covenants, Restrictions and Easements, any corporate action taken by vote of the members shall be authorized by a majority of the votes cast at a meeting of members present in person or by proxy. Unless otherwise required, judges of election need not be appointed.

ARTICLE III BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by the Board of Directors. The Board may exercise all such authority and powers of the Association and perform all such lawful acts as are not by statute or the certificate of Association required to be done by the Membership.

Section 2. Number & Term. The Board shall consist of no less than five and no more than seven directors. Directors shall serve a term of three (3) years. Every member of the Association in good standing is eligible for election as Director. Directors shall serve no more than three consecutive three-year terms, followed by a hiatus of not less than two years, after which eligibility shall be restored. There shall be no more than one Director from each lot, or in the case of multiple lot ownership by an entity, one Director from that entity. If there are no candidates for one or more Board openings, the Board may, at its discretion, fill a minority of Director positions by appointment. If a Director leaves the Association, or vacates his/her Board position while remaining an Association member prior to the end of the elected three-year term, the Board may, at its discretion, appoint a replacement to complete the vacated term.

Section 3. Place of Board meetings. Meetings of the Board may be held at such place, within the Commonwealth of Pennsylvania, as the Board may from time to time determine or as shall be specified in the notice or waiver of notice of such meeting.

Section 4. Board Reorganization Meeting. The Board shall meet after the Association Annual Meeting for the purpose of organization, the nomination and election of officers, and the transaction of other business.

Section 5. Regular Board Meetings. Meetings of the Board shall be held at such time and place as the Board may determine. Notice of regular meetings of the Board need not be given except as otherwise required by statute or these by-laws. A quorum of a simple majority of active Board members is required to conduct Association business.

Section 6. Special Board meetings. Special meetings of the Board may be called by two or more directors of the Association or by the President. The quorum requirement is the same as in Section 5 above.

Section 7. Notice of Board Meetings. Notice of each special meeting of the Board (and of each regular meeting for which notice shall be required) shall state the time and place (within the Commonwealth of Pennsylvania) of the meeting and shall be delivered to each director personally or by email at least three days prior to such meeting.

Section 8. Recording officer. At each meeting of the Board, the secretary or in his absence or inability to act, any person appointed by the chairman shall act as secretary of the meeting and keep the minutes thereof.

Section 9 Election of Board Members. Board members shall be elected at the Annual Meeting. Nominations for the Board will close 14 days prior to the Annual Meeting and the slate will be set at that date. The open Board positions will be filled by the eligible candidates receiving the most votes cast in person or by proxy at the Annual Meeting. In the event of a tie, a run-off election will be carried out immediately with the winner elected by simple majority of the eligible voters attending the Annual Meeting.

ARTICLE IV OFFICERS

Section 1. Number and Election. The officers of the Association shall include the President, the Vice President, the Treasurer and the Secretary. Such officers shall be elected by the Board to hold office until the meeting of the Board following the next annual meeting of the members, or until a successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or have been removed, as hereinafter provided in these by laws, but no such election shall of itself create contract rights in any such officer. The Board may from time to time elect, or the President may appoint, such other officers (including one or more Assistant Vice Presidents, Assistant Secretaries and Assistant Treasurers) and such agents, as may be necessary or desirable for the business of the Association.

Section 2. Compensation. The Board shall serve without compensation

Section 3. President. The President shall be the chief executive officer of the Association, and, subject to the control of the Board and such limitations as may be provided by the Board, the President shall supervise and control all business and affairs of the Association. Unless a designation to the contrary shall be made at a Board or Association meeting, the President shall, when present, preside. As authorized by the Board, (s)he shall execute and seal, or cause to be sealed, all instruments requiring such execution, except to the extent that signing and execution thereof shall have been expressly delegated by the Board to some other officer or agent of the Association. Upon request of the Board, (s)he shall report to the Board all matters which the interest of the Association may require to be brought to their notice.

Section 4. Vice President, Secretary, Treasurer, and Assistant Officers. The Vice President, unless otherwise determined, and in the absence or disability of the President, shall perform the duties and exercise the powers of the President. The vice President, the Secretary, the Treasurer, the Assistant Secretary or Secretaries, and the Assistant Treasurer or Treasurers, shall act under the direction of the President and shall perform all such duties as may be prescribed by the President or the Board.

ARTICLE V

Indemnification

Section 1. Indemnification. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a representative of the Association, or is or was serving at the request of the Association as a representative of another Association, partnership, joint venture, trust or other enterprise, against expenses (including, without limitation, attorney's fees and court costs), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The Association shall also indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a representative of the Association, or is or was serving at the request of the Association as a representative of another Association, partnership, joint venture, trust or other enterprise against expenses (including, without limitations attorney's fees and court costs) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association and except that no indemnification shall be made in respect of and claim, issue or matter as to which such persons shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court of common pleas of the county in which the registered office of the Association is located or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court of common pleas or such other court shall deem proper. Notwithstanding the foregoing, the Association need not indemnify such director or officer with respect to any matter as to which he shall be finally adjudged in such action, suit or proceeding to have been liable for willful misconduct (or such gross negligence as shall amount to willful misconduct) in the performance of his duties as such director or officer. With respect to payment of amounts in settlement or compromise, the Association shall be obliged to indemnify hereunder only if the Board shall adopt a resolution determining that such settlement or compromise is reasonable, and approving the same. Indemnification hereunder shall be in addition to and not exclusive of any other rights to which these so indemnified may be entitled as a matter of law or under any agreement vote of members, any other by law, or otherwise.

**ARTICLE VI
AMENDMENTS**

These by-laws may be amended or repealed, or new by-laws may be adopted, at any annual or special meeting of the members, by a 2/3 majority of the total votes of the members present in person or represented by proxy and entitled to vote on such action as per these by-laws. The notice of such meeting shall have been given as provided in these by-laws and the recommended amendment to the by-laws distributed with the meeting notification.

END OF BYLAWS