

PRO FORMA

Consolidated PROTECTIVE COVENANTS and BYLAWS

For

THE MANOR, A PLANNED COMMUNITY, INC.

As of 11/23/2021

This is solely a reference document that combines original documents with amended terms for the reading convenience of current and prospective Manor residents. Amended sections and language are indicated by boldface type.

The documents filed with the County of Lehigh, on which this reference document is based, are the official signed governing documents for The Manor, A Planned Community, Inc., and include:

DECLARATION OF PROTECTIVE COVENANTS, effective May 23, 1991

AMENDMENT TO PROTECTIVE COVENANTS, dated November 18, 2005

AMENDMENT TO PROTECTIVE COVENANTS, dated November 18, 2021

APPROVED BYLAWS FOR THE MANOR, A PLANNED COMMUNITY, INC., adopted May 1, 2001

AMENDMENT TO PROTECTIVE COVENANTS, dated November 18, 2021

DECLARATION OF PROTECTIVE COVENANTS

WHEREAS, MARK R. EISNER and MICHAEL A. PETRILLO, (hereinafter referred to as “Declarant”), are the record owners of a tract of land situated in Lowhill Township, Lehigh County, Pennsylvania, containing approximately 180 Acres of land, all as more fully described in a Deed dated September 15, 1988, and recorded in the Office of the Recorder of Deeds of Lehigh County, Pennsylvania at Deed Book Volume 1423, Page 1018 and the Declarant caused the parcel of land to be subdivided entitled “The Manor”, all as more fully shown on Map Book Volume 29, Page 21, also recorded in the said Recorder’s Office; and

WHEREAS, it is the desire and intent of the said Declarant to impose upon the said land certain restrictions and covenants running with the land.

NOW, THEREFORE, this 23rd day of MAY, 1991, Declarant does hereby agree for the benefit of present and future owners that each and every lot located within “The Manor” Subdivision shall be and remain subject to the following conditions, restrictions and covenants:

1. Only one (1) single family residence is permitted on any lot. **No lots may be subdivided or combined without review of the plans for the combined or subdivided lot by the Architectural Review Committee and approval of the Board of Directors;**

2. All construction, architectural, landscaping, driveway and site plans must be submitted to the Declarant or its successor in interest or appointee and approved in writing by same prior to construction, it being the intent of this provision that the buildings and locations of buildings shall blend with the landscaping, the general area and other improvements now or hereafter to be constructed on said tract. Such plans shall include all materials, colors, and measurements to be used. Landscaping must be completed within 6 months after residence completion. Encouraged are entrance pillars and/or walls as well as designer type driveways (i.e. paving stone, patterned concrete, paving brick, Belgian

block borders, etc.). **This provision shall also apply to any structures or outbuildings added to the property, any additions or exterior remodelings made to any structures on the property, and any significant changes or additions to landscaping, driveway or other site plans.** The failure of the Declarant to return the building plans within ten (10) days of the receipt of same without a disapproval shall constitute automatic approval. **Submitted plans shall include (a) scale drawings, plot plan showing location, image/renderings showing front/side/rear views, (b) disclosure of colors/styles/materials for walls, trim, windows, doors, roofs, etc., (c) foundation plan, (d) plans/drawings for new landscaping, including grading/driveways/etc., and (e) copies of applicable township permits obtained.**

3. Only natural materials and colors are to be used on any residence (stone, brick stucco, wood). Only up to 15% metal finish is permitted on any residence and only upon written approval by Declarant. Vinyl or aluminum siding is not permitted.

4. All outbuildings, pools, cabanas, tennis courts, fences, and any other structures separate from the residence must be approved by Declarant. **Pools must be in-ground and located in the rear of the home. Pool Houses, Cabanas and Storage Buildings must follow the same architectural requirements as for the primary home, as described in Covenants #2, 3 and 11, and also be the same in appearance of and complement the character and style of the main residence, with siding, trim, windows, roof styles, colors and materials matching home's exterior as closely as possible.**

Furthermore,

4.a. Pool Houses or Cabanas are to be situated nearby the pool and may discreetly incorporate general-purpose storage space provided the area of the storage space is no greater than that described in 4.b. Storage buildings should not be visible from the front of the property. Acceptable locations for a standalone storage building will be a function of the storage building's proximity and visibility to neighbors and to residents in general, with the primary goal of its

placement being discreet and unobtrusive. Larger properties bordering wooded treelines will generally have more flexibility in placement locations, and properties such as interior lots with direct line-of-sight and closer proximity to neighboring homes and/or Manor roadways will generally have less flexibility. Should a property be found to not have a suitable location away from the home for a storage building, it may be approved if the structure is located as close as possible to the rear of the home.

4.b. Storage Building dimensions are not to exceed 240 square feet in floor area and 12 feet in height, the structure must be anchored to a poured concrete slab, and it must have a door that latches and remain closed when not in use. Any exterior lighting on outbuildings shall be diffused or muted, with efforts taken to shield neighbors from light overrun. All landscaping including grading for storage buildings should be done with the intent of shielding the structure as much as possible from the view of neighbors.

4.c. The term “fencing” is construed to mean any type of visible barrier of any size, shape or material. Fencing required to surround swimming pools should reasonably surround the pool area and not extend excessively toward property boundaries. Fences for discretionary purposes, including but not limited to perimeter fences to enclose yards or demarcate property lines, or visible fences for containing pets, are prohibited. Special requests for fences will be reviewed on a case-by-case basis. Fencing styles and materials must coordinate and blend with the home, the landscaping, and the overall character of The Manor. Ornamental aluminum or steel fences with widely spaced spindles in darker colors are recommended. Other fence designs made with natural materials (stone, brick, stucco, wood) may be approved provided they are high quality and blend well with the home and neighborhood. Rustic fencing such as split-rail or stockade styles, or fences made out of vinyl, PVC or the like, are not permitted. Fences in white and other bright colors, or with heights of over five feet are not permitted. Exceptions are allowed for approved

sports structures such as tennis courts to have high-quality chain link fencing of heights exceeding five feet. Existing fencing that is non-compliant must be brought into compliance at such time when the fencing is in need of major repairs or replacement. The interior of fences may be lined with wire or mesh materials, provided such materials are inconspicuous from the outside.

5. There shall be a minimum of 3-car side or rear entrance garage attached to residence.

6. All residences shall be a minimum of 4,000 square feet excluding garage, patio, breezeways, basements and porches.

7. The operation of commercial or professional businesses of any type out of an owner's property shall not be permitted. This includes the temporary or permanent placement or storage of equipment or inventory, as well as the outdoor parking of commercial vehicles, associated with a commercial or professional business. Commercial vehicles include any vehicle with permanent commercial graphics or full-sized van or truck type vehicles equipped and used for commercial (non-personal) purposes. Temporary commercial activities such as garage sales, yard sales, Estate sales, party-plan direct selling events, or similar selling events shall not be permitted. Home offices are permitted, provided the activities conducted at home are self-contained and unobtrusive, do not involve increased vehicular activity or external manifestations visible to neighbors, and in no way prevent other homeowners from the quiet enjoyment of their residences.

8. Animals, livestock or poultry of any kind shall not be permitted to be raised or kept on any lot, except that dogs, cats, birds or other household pets may be kept up to a total limit of 3 animals per residence.

9. Unlicensed vehicles of any type or parts thereof shall not be permitted unless they are housed within an attached garage.

10. Pet houses are not permitted outside of the residence.

11. All utilities shall be by underground cable or satellite. Satellite dishes for television or internet are allowed provided the dish is placed on a non-front facing wall or roof surface and is inconspicuous when facing the front of the property. If a resident demonstrates that such approved locations cannot receive an adequate signal, the ARC will work with the resident to find acceptable alternatives. External TV or radio antennae of any type are not permitted. Production of electricity from solar energy requires prior review by the ARC and approval of the Board of Directors. Solar panels or arrays placed on front-facing roof surfaces, or free-standing on the property, are not permitted. Solar panels or arrays placed discreetly on flat roofs or non-front-facing roof surfaces may be submitted for review. Wind turbines of any kind are not permitted. Electric vehicle chargers are allowed to be mounted on the exterior wall of the garage/home and/or inside the garage.

12. Each property owner is permitted to have up to three registered and licensed personal transportation vehicles parked outdoors on their property, with more allowed on an exception basis for families with four or more licensed drivers living at the residence. Other types of vehicles, including but not limited to boats, campers, RVs, off-road vehicles, and open or closed trailers, are permitted only if housed within the attached garage.

13. Exterior clotheslines of any type shall not be permitted.

14. Flying of recreational remote-control model airplanes, helicopters and drones are permitted provided they remain within property boundary lines, are electric powered, and do not contain cameras. Other flying devices such as ultra lights and model rockets shall not be permitted. An exception is allowed for realtors or other professional services using approved drones to do a fly-over for the purpose of marketing a property, with the homeowner's knowledge and approval.

15. Tents are permitted for temporary entertainment purposes only, and up to a maximum of 7 days.

16. In general, yard or house signs are discouraged, with acceptable signage being discrete and of modest size. Approved signs must be contained within the owner's property/lot lines and are not permitted to be placed along Manor roadways, entrance areas and/or in any common areas. Acceptable signage includes temporary event signage (parties, etc.), small security company placards, realtor signage for for-sale properties, temporary contractor signage during major projects, signs honoring active branches of the U.S. Military, and political campaign signs. Political campaign signs are limited to two per property, 24" by 18" size, must be installed no earlier than 45 days prior to an election, and must be removed within ten days after the associated election. Any other signs shall not be permitted without the prior written approval of the Board of Directors. Any flags, other than current unmodified American flags, or banners are considered signs.

17. Children's swing sets, gym sets, trampolines, toddler pools and other such play or sporting equipment shall be permitted in the rear of residences only. Additionally, any portable sports equipment shall be stored within or behind the home when not in use. Fixed or weighted basketball hoops are permitted adjacent to driveways.

18. All mailboxes and newspaper boxes must be approved by Declarant as to design, size, materials and colors. They must be constructed of natural materials to complement the architecture of the residence.

19. Lawns shall not be allowed to exceed six inches in height. Certain Manor properties have field grass sections towards the rear that are kept in their original, uncultivated condition. Field grass sections, as well as lots that are undeveloped or under construction, shall not be allowed to exceed township ordinance in height. All landscaping is to be maintained in a healthy, trimmed appearance. This includes maintaining the Manor-provided ornamental trees on your property that line the roadways by pruning branches and removing suckers and creepers around the trunks.

20. No fences shall be constructed or erected upon the premises without first obtaining the prior written permission of the Declarant or its successor.

21. Lot owners agree that once construction of the residential building has been started that the building as shown on the plans submitted to the Declarant shall be finished within eighteen (18) months of the commencement of construction. It is the intent of this provision that all exterior work shall have been completed including exterior decorative work within the eighteen (18) month period. The failure to complete said building shall be deemed to be a nuisance and Declarant shall have the right to cause the removal of said buildings at the expense of the lot owners.

22. Lot owners agree that until construction of their lot(s) is commenced, lot owners shall cut grass and keep the lot free from weeds and trash.

23. All transfers of title by the Declarant or their successors in interest shall be subject to all easements, agreements, and restrictions of record, and to the extent such matters of record, especially the Subdivision Plan recorded in Map Volume 29, Page 21, shall contain a duty and/or require performance by the owner of a lot to maintain and/or repair either the lot or an adjoining parcel, such matter of record is intended to and shall remain with the land, and any persons acquiring such lot agrees to abide by and fulfill such duty for the benefit of other lot owners in the Subdivision.

24. The Declarant reserves the right to amend, add-to, and/or delete any or all of the conditions and restrictions contained herein until the sale by the Declarant of all of the lots within "The Manor" Subdivision, provided that the change shall not materially affect the overall character of the development. On sale of all lots by the Declarant, a majority of landowners (each lot to count as one (1)) of "The Manor" Subdivision shall have a right to form an association of lot owners, and on formation of such association, all lot owners agree to be members thereof and abide by all rules and regulations adopted by a majority vote which rules and regulations may include fees, and assessments to operate and manage the association and to pay for such improvements and maintain the quality of "The Manor"

Subdivision. The association shall also have the right to amend, add-to and/or delete any or all of the conditions and restrictions contained herein. **The Board of Directors may grant temporary and/or permanent exceptions/exemptions to any of the Covenants contained in the Declaration of Protective Covenants, As Amended, for a resident that presents a necessary, valid and compelling basis for requesting the exception/exemption. All such exceptions/exemptions will be documented and kept by the Board indicating the specific reasons, details and timeframe for which such exception/exemption is granted.**

25. Assessments - Purpose: The Assessments levied shall be used by the Board of Directors exclusively for the purposes of the Association and in particular, for the servicing, improvement, and maintenance of Common Areas, insurance thereon, administrative expenses, insurance coverage of individuals serving on the Board of Directors and Architectural Review Committee, and other related purposes permitted by law, including reserves.

Annual Assessment: The initial annual assessment¹ shall be (\$300.00) per Lot payable to THE MANOR, A PLANNED COMMUNITY, INC. The annual assessment shall remain the same as the initial assessment for three years. Beginning with the fourth (4th) year, the annual assessment may be increased by an amount not in excess of ten percent (10%) of the assessment for the year immediately prior to the year for which the increase is to be effective. An assessment year shall begin on May 1 and continue twelve consecutive months. The Board of Directors shall establish the assessment based upon the budget. Assessments collected and all Association funds shall be deposited in a federally insured interest-bearing demand account. Two signatures of Officers of the Board of Directors are required on all checks written on behalf of the Association.

¹ Upon establishment of the Approved Bylaws for The Manor, A Planned Community, Inc. on May 1, 2001.

Lien: A member by virtue of being an owner of any Lot shall be bound to pay the Association annual or special assessments. The annual or special assessments, if unpaid, together with interest and cost of collection, including legal fees, shall be a lien upon the Lot against which such assessments is made, in accordance with the applicable law, as of the time the assessment is due.

Special Assessment: Upon the affirmative vote of the holders of two-thirds (2/3) or more of lots in the Manor, the Association may levy and collect a special assessment authorized for the purpose of defraying, in whole or in part, the costs of any construction or reconstruction of unexpected repair or replacement of a part of Common Areas.

Delinquency: The Board shall send written notice of the amount of the annual or special assessment at least (30) days in advance of the payment due date. The entire amount shall become due and payable no later than (30) days after the payment due date; otherwise, such assessment shall become delinquent and from said date, bear interest at the prevailing prime rate plus (2) percent compounded annually thereon which together with the cost of collection thereof, thereupon shall become a continuing obligation on the Lot which shall bind such Lot Owner, and his/her heirs, successors and assigns. If an assessment is delinquent, the Board of Directors may suspend the voting rights of the delinquent lot owner. The Board shall send notice to the lot owner of such suspension, and shall lift such suspension upon payment.

Reserves: The annual assessments, as determined by the Board, shall include reasonable amounts as reserves for future periodic maintenance, repair, and/or replacement of all or a part of the Common Areas.

Certificate: In accordance with the Uniform Planned Community Act, Section 5407, all lot owners shall provide to a prospective purchaser, before they sign the real estate agreement, but no later than at the time of conveyance, the following items: (a) a copy of the Declaration, as amended, (b) Bylaws for The Manor, a Planned Community, Inc., (c) Certificate setting forth the amount of the Assessments, and (d) Balance Sheet and Budget for the Association. The fee for the Certificate is \$15, payable to the Association. The Board of Directors shall provide the Certificate within ten days of a request.

[END OF PRO FORMA CONSOLIDATED PROTECTIVE COVENANTS DOCUMENT]

APPROVED BYLAWS FOR
THE MANOR, A PLANNED COMMUNITY, INC.

ARTICLE I

Section 1 – Property Affected

In accordance with the Declaration of Protective Covenants, as amended and recorded in Misc. Vol. 649, Page 640, Misc. Vol. 726, Page 1058, and Misc. Vol. 887, Page 1066, in the Recorder of Deeds for Lehigh County, (the “Declarations”), a copy of which is attached hereto, made a part and incorporated herein, the following real property is and shall be affected by these Bylaws.

A Subdivision, known as THE MANOR, containing approximately 180 acres of land, located in Lowhill Township, Lehigh County, Pennsylvania, shown on Map Book Volume 29, Page 21, recorded in the Office of the Recorder of Deeds of Lehigh County, Pennsylvania.

ARTICLE II

Section 1 – Intention and Purpose

The Manor, A Planned Community, Inc. (“Association”) has been incorporated under the laws of the Commonwealth of Pennsylvania as a not-for-profit corporation.

The general purpose is to provide for a residential community of the highest quality and character for the benefit and convenience of the residents of The Manor, more specifically as set forth in the Articles of Incorporation as follows:

The corporation is organized as an association exclusively of residential lot owners to qualify as an exempt organization under Section 528 of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) for the purpose of maintenance of the quality of the subdivision known as The Manor, a Planned Community, so that sums received as membership dues, fees or assessments from residential lot owners will be classified as “exempt function income”, with no less than 90% of expenditures by the Corporation to be used for the purpose of enhancing or maintaining the value of the residential lots and residences located in The Manor, with no part of the net earnings of the Corporation inuring to the benefit of any individual, and ensuring that all lots shall be used by individuals for residential purposes only, with unlimited power to engage in and do any lawful act incident to or growing out of or connected in any way with the aforesaid purposes, or any part thereof, and any and all lawful activities for which a nonprofit corporation may be incorporated under the Pennsylvania Nonprofit Corporation Law of 1988, as amended.

Section 2 – Scope of Responsibility

The Members shall elect a volunteer Board of Directors to serve as the governing body for the Association. The Board may be requested by a prospective lot owner to review building specifications as part of an appeal process. The Board chiefly shall be responsible for the operation, maintenance, and repair of the items referred to as Common Areas within The Manor included but not limited to, the Brick

and Landscaped Entrance Ways fronting on Bear Road, Electrical Service Contracts, Cul-de-Sac Landscaping, Street Signs, and compliance with all applicable laws.

The Board of Directors shall appoint a volunteer committee referred to as the Architectural Review Committee to approve or disapprove the proposed building plans and specifications for new construction, additions or exterior repairs, in accordance with Section 2 of the Declaration running with the land as attached in "Exhibit A."

All Board of Directors and Architectural Review Committee Members shall be members in good standing of the Association.

Section 3 – Ownership

Every record owner of a lot in The Manor shall be a member of the Association. Membership is appurtenant to and shall not be separate from ownership of a Lot. Each lot owner as a member of the Association shall be bound by and shall observe the terms of the Declaration and the Bylaws. Membership shall automatically terminate upon the conveyance, transfer, or other disposition of ownership of a Lot at which time the new lot owner shall automatically become a member of the Association.

Section 4 – Voting Rights

Lot Owners shall be entitled to one vote for each Lot owned. When more than one person holds an interest in a Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Failure to vote shall be deemed an abstention and not an affirmative vote.

Section 5 – Meeting of the Membership

Time and Manner of Notice

Notice to Members of Meetings of Members shall set forth the date, place and time of meeting and may be given (30) days, but shall not be given less than (14) days, prior to the date of said meeting. Notice shall be served by depositing such notice with the U.S. Postal Service, first class, postage prepaid, addressed to the lot owner, at the latest address on file with the Association. Each lot owner shall provide to the Corporation the lot owner's address change, if different than that which is of record with the Association. Effective date of service shall be the date of mailing.

Meetings

Meeting of the Membership shall be held annually, called by the Board of Directors and run by the President. Roberts Rules of Order will be followed at the discretion of the President. The agenda for the Annual Meeting shall include review of the Annual Financial Statement, new business, and election of the Board of Directors. By adopting the annual Budget, the Membership thereby shall indicate approval

of the Annual Budget. At any time, a special Meeting of the Members may be called by either the President or the Board of Directors.

Percentage of Votes Cast

A meeting of Members duly called shall not be organized for the transaction of business unless a quorum is present. The presence at the meeting in person, by conference telephone or other electronic technology, or by proxy, at the beginning of the meeting of at least thirty percent (30%) of all Members entitled to vote shall constitute a quorum for any action, except as otherwise provided in the Declaration or by statute. If a quorum is not present, the meeting shall be adjourned to a time not less than forty-eight (48) hours after the time for which the original meeting was called. If a meeting is adjourned, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if at least 20% of all Members entitled to vote are present in person, by conference telephone or other electronic technology, or by proxy, at the beginning of the meeting.

The Declaration and the Bylaws may not be amended except by affirmative vote of two-thirds (2/3) of the lots in The Manor. The levy of Special Assessments require affirmative vote of two-thirds (2/3) of the lots in The Manor. The Association may remove from office either an individual Director or all of the Board of Directors upon the affirmative vote of two-thirds (2/3) of the lots in The Manor. **All other matters coming before the Members require a simple majority vote of lots in The Manor.**

The Board shall adopt reasonable election procedures that are not in conflict with the Declaration and the Bylaws, and publish/disseminate them to all owners.

Proxies

Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be received by the Secretary before the appointed time of the meeting. Every proxy shall be revocable and no proxy shall be valid for a period in excess of one (1) year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

[Section 6 – deleted]

Section 7 – Administration/Board of Directors

The administration of the Association, and the maintenance, repair and operation of the Common Areas shall be the responsibility of the Board of Directors serving on behalf of the Association.

Officers

There shall be four officers of the Corporation. The officers of the Corporation shall be President, Vice President, Secretary, and Treasurer.

All officers shall be lot owners with no more than one officer per family.

The President's duties shall include the following:

- Administer Bylaws of the Corporation
- Chair Association Meetings
- Call Quarterly Meetings of the Board
- Chair meetings of the Board
- Implement decisions of the Board

The Vice President's duties shall include the following:

- Assume duties of the President at such time(s) that the President is unable to perform

The Treasurer's duties shall include the following:

- Manage the financial accounts of the Corporation; such as, invoice payments
- Annually prepare and submit to the Board for its approval operating budgets
- Report quarterly status of accounts
- Issue invoices annually to all Lot Owners for Assessments

The Secretary's duties shall include the following:

- Record and distribute Board and Association Meeting Minutes
- Issue any reports, memos, or other communication as directed by the Board
- Maintain Corporate Records, including Maintenance Contracts and Minutes

The Directors shall not be entitled to any compensation for services performed pursuant to their obligations. Each Director shall be elected by the Membership to serve a term of two successive years. A Director shall not be barred from serving consecutive terms nor prohibited from serving in alternating capacities during separate terms in office.

The Board shall be comprised of Seven (7) Adult Individuals, all of whom have ownership interest in a lot at The Manor Subdivision. The Board of Directors shall determine which Director shall serve in the capacity of President, Vice President, Secretary, Treasurer, and three Directors "At Large". In the event a Board Member resigns, dies or no longer has an ownership interest in a lot, during a term in office, the remaining Directors shall appoint a successor until the next election.

The Board of Directors shall convene quarterly at a minimum unless a Special Meeting is called by the President at which time notice must be given to each Director and shall include the date, time, and place of the Special Meeting. A simple majority of Directors in attendance constitutes a quorum. Any action by the Board shall be determined by a majority of the quorum.

The Board of Directors shall prepare an Annual Budget and comply in good faith with the Uniformed Planned Community Act and the Pennsylvania Nonprofit Corporation Law. The Board of Directors shall maintain Minutes of all Meetings, prepare an Annual Financial Statement, and have all records available for inspection at the request of Membership.

Section 8 – Use of Conference Telephone and Similar Equipment

One or more persons may participate in a meeting of the Board, or of a committee, by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 9 – Architectural Review Committee

The Architectural Review Committee shall be comprised initially of three (3) adult members appointed by the Board of Directors. The Architectural Review Committee shall report directly to the Board of Directors and not be entitled to any compensation for services performed pursuant to their obligations.

A lot owner shall submit to the Architectural Review Committee his/her proposed plan and specifications for construction of a residence. The Architectural Review Committee shall review the proposal specifically in accordance with the Declaration of Protective Covenants as amended.

In the event the Architectural Review Committee fails to approve or disapprove plans and specifications within ten (10) days after such plans and specifications have been received, then the approval shall have been deemed to have been given and compliance with the Declaration shall be deemed to have been made.

In the event the Architectural Review Committee disapproves the plans and specifications, the lot owner and the Board of Directors shall be notified in writing, and specific reasons shall be cited. The lot owner shall have the opportunity to modify said plans and specifications for resubmission to the Committee. If the revised plans and specifications are disapproved a second time, the lot owner shall have the right to file an appeal to the Board of Directors within (30) days of receipt of the second disapproval. The Board of Directors will approve or disapprove the plans and specifications, in writing, no later than (30) days from the receipt of the lot owner's appeal, or the revised plans and specifications shall be deemed approved, and in compliance with the Declaration. The decision of the Board shall be final with no further appeal to the Association.

Section 10 – Insurance

The Board shall secure appropriate insurance coverage, including a General Liability Policy (\$2 million) and an Errors & Omissions Policy (\$1 million) for the Board of Directors, its officers, and any of its agents.

The Board shall also secure appropriate Property Protection and Liability insurance for the items comprising the Common Areas, including extended coverage, malfeasance, vandalism, and, damage or destruction from any hazard.

Section 11 – Amendment

The Declaration and Bylaws may be amended only by the affirmative vote of two thirds (2/3) of lot owners. Any such vote shall be taken at a duly held meeting of the lot owners at which a quorum is present. Any amendment of the Declaration shall become effective when an instrument approved by

the Association and certified by the President is filed with the Clerk of the Recorder of Deeds of Lehigh County, Pennsylvania.

Section 12 – Indemnification

12.1 A Director of the Association shall not be personally liable for money damages as such for any action taken, or for any failure to take any action, unless:

- (a) The Director has breached or failed to perform the duties of the Director’s office under Section 8363 of the Pennsylvania Judicial Code, 41 PaC.S. Section 8363 (relating to standard of care and justifiable reliance); and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

12.2 The provisions of this section shall not apply to:

- (a) The responsibility or liability of a Director pursuant to any criminal statute;

or

- (b) The liability of a Director for the payment of taxes pursuant to local, state, or federal laws.

12.3 (a) Each person who was or is a party and each person who is threatened to be or is made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Director, officer, agent or employee of the Association, as an officer, employee or member of another corporation, shall be indemnified by the Association to the full extent permitted by the laws of Pennsylvania in effect at the time of the indemnification.

(b) This right of indemnification shall inure to the benefit of the heirs, executors and administrators of each such person; shall not be exclusive of any other rights or indemnification to which any Director, officer, agent, employee or other person may be entitled in any capacity as a matter of law or under any By-Law, agreement, vote of Director, or otherwise; and shall continue as to each such person who has ceased to be A Director, officer or employee.

12.4 The Association may pay the expenses incurred by any person entitled to be indemnified by the Association in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such an action, suit or proceeding upon receipt of an undertaking, by or on behalf of that person, to repay those amounts unless it shall be determined ultimately that the person involved is not entitled to be indemnified by the Association as authorized by law.

12.5 The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, agent or employee of the Association or who is or was serving in any capacity in any other corporation or organization at the request of the Association, against any liability asserted against that person or incurred by that person in any such capacity or arising out of that person’s status as such, whether or not the Association would have the power to indemnify that person against such liability under law.

Section 13 – Conflict of Interest

Other than as a lot owner benefiting from the Association, and its efforts, no Director, officer or employee of the Association shall have or shall acquire any personal financial interest, direct or indirect, in any project in which the Association is involved, or in any contract or proposed contract for materials or services or in any contract of any nature whatever relating directly or indirectly to any such project or to the Association without first complying with the following provisions. In such circumstances such party shall make a prior written disclosure to the Board of Directors of the nature and extent of the party's interest, and such disclosure shall be entered in writing upon the records of the Association. After such disclosure, the party shall defer from taking part in Association matters relating to the project and a director who has such an interest shall not vote on any matter relating to such interest. In no event shall any such party continue any such conflict in violation of any applicable statutes, laws or governmental regulations.

Section 14 – Declarations and Bylaws

The Bylaws of The Manor, A Planned Community, Inc., were adopted by the Members of the Association on May 1, 2001.

In the event of a conflict between the Declaration and the Bylaws, the Declaration shall prevail.

[END OF PRO FORMA CONSOLIDATED BYLAWS DOCUMENT]