

BY-LAWS OF THE THISTLEWOOD HOMEOWNERS ASSOCIATION
A NONPROFIT CORPORATION

ARTICLE ONE

INTRODUCTION

Definition of By-Laws

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

Purpose and Powers

1.02. This Corporation shall have the purposes or powers as may be stated in its Articles of Incorporation and such powers as are now or may be granted hereafter by the Nonprofit Corporation Law of 1972 of the Commonwealth of Pennsylvania, or any successor legislation.

The primary purpose of this Homeowners Association is to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for the maintenance of areas in Thistlewood Subdivision designed and/or utilized for stormwater management or directional information, including detention basins, stormwater easements, entryways and directional sign areas, all as depicted on the Subdivision plan and described in Article Nine of the By-Laws, such that it shall be an organization not organized for profit but operating exclusively for the promotion of social welfare in accordance with Internal Revenue Code Section 501©)(3).

ARTICLE TWO
OFFICES AND AGENCY

Principal and Branch Offices

2.01. The principal place of business of this Corporation in Pennsylvania will be located in Thistlewood , Ferguson Township, Centre County, Pennsylvania. In addition, the Corporation may maintain other offices either within or without the Commonwealth of Pennsylvania as its business requires.

Location of Registered Office

2.02. The location of the registered office of this Corporation is stated in the Articles of Incorporation. Such office will be continuously maintained in the Commonwealth of Pennsylvania for the duration of this Corporation. The Board of Directors may from time to time change the address of its registered office by duly adopted resolution and amend its Articles or file the appropriate statement with the Department of State.

ARTICLE THREE
MEMBERSHIP

Definition of Membership

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

Class of Members

3.02. This Corporation will have one class of Members.

Qualification of Members

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

Members' Dues

3.04. The annual dues payable to the Corporation by Members will be in such amount as may be determined from time to time by resolution of the Board of Directors.

Assessments

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

Place of Members' Meetings

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

Annual Members' Meetings

3.07. The annual meeting of the Members will be held at 7:30 P.M. on the first Monday of February each year at such place as designated for the convenience of the Members.

Special Members' Meetings

3.08. Special meetings of the Members may be called by either of the following:

1. The Board of Directors;
2. The President;
3. Members having at least ten percent (10%) of the votes which all Members are entitled to cast at such meeting.

Notice of Members' Meetings

3.09. Written or printed notice, stating the place, day and hour of the meeting and in the case of a special meeting the purpose or purposes for which the meeting is called, must be delivered not less than thirty (30) days nor more than sixty (60) days before the date of the Members' meeting, either personally, by first class mail, or at the direction of the President, the Secretary, or the officers or other persons or Members calling the meeting, to each Member

entitled to vote at such meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Corporation with postage prepaid.

Voting Rights of Members

3.10. Each Member will be entitled to one (1) vote for each lot owned in Thistlewood Subdivision located in Ferguson Township, Centre County, Pennsylvania, on each matter submitted to a vote of Members.

Cumulative Voting Rights

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

Members' Proxy Voting

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

Quorum of Members

3.13. The number or percentage of Members entitled to vote, represented in person or by proxy, which constitutes at least fifth percent (50%) of the votes entitled to be cast in such manner shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum is present is necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this

Corporation, any provision in these By-Laws, or the Declaration of Restrictions, Covenants and reservations for Thistlewood Subdivision.

Transferability of Membership

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

Termination of Membership

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

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

ARTICLE FOUR

DIRECTORS

Definition of Board of Directors

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

Qualifications of Directors

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

1. Directors must be residents of the Commonwealth of Pennsylvania.
2. Directors must be Members of this Corporation except that the first Directors shall be Mark Bigatel, Richard Campbell, Harry Glenny and Marie DeVinney.

Number of Directors

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

Terms of Directors

4.04. The Directors constituting the first Board of Directors will hold office for staggered terms of one, two, and three years. Thereafter, Directors will be elected for a term of three (3) years each.

Vacancies on the Board

4.05. Any vacancy occurring in the Board of Directors, and any directorship to be filled by reason of an increase in the number of Directors, will be filled by a majority vote of the remaining directors. The new Director appointed to fill the vacancy will serve for the unexpired term of the predecessor in office.

Place of Directors' Meetings

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

Regular Directors' Meetings

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

Notice of Special Directors' Meetings

4.08. Written or printed notice stating the place, day and hour of any special meeting of the Board of Directors will be delivered to each Director not less than two (2) nor more than five (5) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, or the Secretary, or the Directors calling the meeting. If mailed, such notice will be deemed to be delivered when deposited in the United States mail addressed to the Director at his address as it appears on the records of this Corporation, with postage prepaid. Such notice need not state the business to be transacted at, nor the purpose of, such meeting.

Call of Special Board Meetings

4.09. A special meeting of the Board of Directors may be called by the President, two or more directors, or upon petition of 10% or more of the membership.

Waiver of Notice

4.10. Attendance of a Director at any meeting of the Board of Directors will constitute a waiver of notice of such meeting except where such Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Quorum of Directors

4.11. A majority of the whole Board of Directors will constitute a quorum. The act of a majority of the Directors will be the act of the Board of Directors unless a greater number is required under the provisions of the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Corporation, or any provisions of these By-Laws.

ARTICLE FIVE

OFFICERS

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

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

Selection of Officers

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

Multiple Officeholders

5.03. In any election of Officers the Board of Directors may elect and appoint a single person to any two or more offices simultaneously except that the offices of President and Secretary must be held by separate individuals.

President

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

Vice President

5.05. The Vice President will perform all duties and exercise all powers of the President when the President is absent or is otherwise unable to act. The Vice President will perform such other duties as may be prescribed from time to time by the Board of Directors.

Secretary

5.06. The Secretary will keep minutes of all meetings of Members and of the Board of Directors, will be the custodian of the corporate records, will give all notices as are required by law or by these By-Laws, and, generally, will perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these By-Laws, or which may be assigned from time to time by the Board of Directors.

Treasurer

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

Removal of Officers

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

ARTICLE SIX
INFORMAL ACTION

Waiver of Notice

6.01. Whenever any notice whatsoever is required to be given under the provisions of the Nonprofit Corporation, or these By-Laws, a waiver of such notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in such waiver, will be deemed equivalent to the giving of such notice. Such waiver must, in the case of a special meeting of Members, specify the general nature of the business to be transacted.

Action of Consent

6.02. Any action required by law or under the Articles of Incorporation of this Corporation or these By-Laws, or any action which otherwise may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons entitled to vote with respect to the subject matter of such consent, or all Directors in office, and filed with the Secretary of the Corporation.

ARTICLE SEVEN
OPERATIONS

Fiscal Year

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

Execution of Documents

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

Books and Records

7.03. This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of its Members and Board of Directors. The Corporation will keep at its registered office a membership register giving the names, addresses and showing classes and other details of the membership of each, and the original or a copy of its By-Laws, including amendments to date certified by the Secretary of the Corporation.

Inspection of Books and Records

7.04. All books and records of this Corporation may be inspected by any Member, or his agent or attorney, for any proper purpose at any reasonable time on written demand under oath stating such purpose.

Nonprofit Operations

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

Loan to Management

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

ARTICLE EIGHT

AMENDMENT

Modification of By-Laws

8.01. The power to alter, amend, or repeal these By-Laws, or to adopt new By-Laws, insofar as is allowed by law, is vested in the Board of Directors except with respect to the following: levying dues or assessment per Member per year in an amount greater than \$100.00, the adoption of which amendment to these By-Laws calls for a vote of two-thirds (66-2/3%) of all Members entitled to vote.

ARTICLE NINE
SPECIFIC OBLIGATIONS

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

1. Maintenance of the entryway, including any signs, stone pillars and planting immediately adjacent thereto, and including payment of any electrical utility bills for any lights marking the entryways, which entryways are located at the intersections of Route 45/26 and Meebley Road.
2. The Association will have the right but not the obligation to maintain the detention basin and any drainage swales located within each lot.

ARTICLE TEN
PAYMENT AND COLLECTION OF MEMBERSHIP DUES AND ASSESSMENTS

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

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

10.02. after a member brings his dues current, including all late penalties or interest, membership shall be reinstated automatically.

ARTICLE ELEVEN

INDEMNIFICATION

Scope of Indemnification. Every person who is or was a director, officer or employee of the Authority, may be indemnified by the Authority against any and all liability and reasonable expense (which terms shall include but shall not be limited to counsel fees and disbursements and amounts of judgments, fines or penalties against, and amounts paid in settlement by, such person) that may be incurred by him or her in connection with or resulting from any claim, action, suit or proceeding (whether brought by or in the right of the Authority, civil or criminal or in connection with an appeal relating thereto, in which he or she may become involved as a party or otherwise by reason of his being or having been a director, officer or employee of the Authority, whether or not he continues to be such at the time such liability or expense shall have been incurred, provided he or she acted in good faith in what he or she reasonably believed to be the best interests of the Authority, as the case may be, and, in addition, in any criminal action or proceeding, reasonably believed that his or her conduct was lawful. Except for such an adjudication, the termination of judgment, settlement (whether with or without court approval) or conviction or upon a plea of guilty or of nolo contendere or its equivalent shall not create a presumption that such person did not meet the standards of conduct set forth in this paragraph.

Indemnification as of Right. Every person referred to above who has been wholly successful, on the merits or otherwise, with respect to any claim, action, suit or proceeding of the character described in said section shall be entitled to indemnification as of right, unless (i) the Board of Directors acting by a quorum with no director who is a party to such claim, action, suit or proceedings present or voting, shall determine that such person, regardless of having been so wholly successful, did not meet the standards of conduct set forth above, or (ii)

in the event that the requirements set forth in (i) above cannot be complied with, independent legal counsel designated by the Board of Directors shall deliver to the Corporation their written advice that in their opinion such person did not meet such standards. Except as provided in the preceding sentence, any indemnification under such section shall be made at the discretion of the Authority, but only if (i) the Board of Directors, acting by a quorum with no director who is a party to or who has not been wholly successful in respect of such claim, action, suit or proceedings present or voting, shall find that such person has met the standards of conduct set forth in such section, or (ii) in the event that requirements set forth in (1) above cannot be complied with, independent legal counsel designated by the Board of Directors shall deliver to the Authority their written advice that in their opinion such person has met such standards.

If a director, officer or employee is not entitled to indemnification in respect of a portion of any liabilities to which such person may be subject, the Authority shall nonetheless indemnify such person to the maximum extent for the remaining portion of the liabilities.

Advancement of Expenses. Expenses incurred with respect to any claim, action, suit or proceeding of the character described above may be advanced by the Authority prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount unless it shall be ultimately determined that he or she is entitled to indemnification. The financial ability of such authorized representative to make such repayment shall not be prerequisite to the making of an advance.

Survival of Rights. The rights of indemnification provided in these Bylaws shall extend to the legal representatives and heirs of such person and shall be in addition to any rights

to which any such person (or his or her legal representatives or heirs) may otherwise be entitled by law or under any agreement, or otherwise.

Reliance Upon Provisions. Each person who shall act as an authorized representative of the Authority shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

Scope of Article. The indemnification, as authorized by this Article, shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any statute, agreement, vote of disinterested directors or otherwise, both as to action in an official capacity and as to action in any other capacity while holding such office. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article shall continue as to a person who has ceased to be an officer, director employee or agent in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE TWELVE

ADOPTION OF BY-LAWS

Adopted by the Incorporator on the 6 day of May, 2003, at
State College, Centre County, Pennsylvania.

Declarants

Attest:

By: Thistlewood Associates

Secretary

By: Mark C. Bygones