

**BYLAWS
OF THE
INDIAN CREEK RECREATION CLUB
As Amended on June 21, 1999**

ARTICLE I - INTRODUCTION

1.01 Definition of Bylaws. These Bylaws constitute the code of rules adopted by the Indian Creek Recreation Club (hereinafter referred to as "Corporation") for the regulation and management of its affairs.

1.02 Purposes and Powers. This Corporation will 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 Corporation is to operate recreational facilities for its members and to provide such other social welfare activities for its members as may be permitted and to do everything and anything necessary, suitable, proper, convenient and incidental to the aforesaid purpose.

ARTICLE II - SEAL

2.01 Seal. The Common seal, if any, shall have inscribed thereon the name of this Corporation, the year of its organization ("1984") and the words "Corporate Seal, Pennsylvania".

ARTICLE III - OFFICES AND AGENCY

3.01 Principal Office. The principal place of business of this Corporation will be located on the property between 458 and 460 Pawnee Drive, Mechanicsburg, Pennsylvania. In addition, this Corporation may maintain other offices within the Commonwealth of Pennsylvania as its business requires.

3.02 Location of Register Office. The location of the registered offices of this Corporation is stated in the Articles of Incorporation. Such office shall 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 IV - MEMBERSHIP

4.01 Definition of Membership. The Members of this Corporation are those persons having membership rights in accordance with the provisions of these Bylaws.

4.02 Class of Members. This Corporation will have three classes of Members which will be designated as Class A, Class B and Class C Members.

4.03 *Qualifications of Members.* The qualifications of the Members of this Corporation are as follows:

- (a) Class A Members are the current adult residents either as homeowners in title or as holders of written leases for the term of at least one year of single family dwelling units for those such properties as listed in Exhibit A, herein. During the period ending May 31, 1992, residents of those such properties as listed in Exhibit A, and only those such properties, made a payment to this Corporation of a Capital Contribution.
- (b) Class B Members are individuals who: (i) are adult residents of the communities of either Indian Creek, Hampden Township, Cumberland County, Pennsylvania, or Sleepy Hollow, Hampden Township, Cumberland County, Pennsylvania, either as homeowners in title or as holders of written leases for the term of at least one year of single family dwelling units; (ii) have paid the Initiation Fee in accordance with Section 4.04, herein; and (iii) have paid the appropriate Annual Dues.
- (c) Class C Members are individuals who are adult residents of Hampden Township, Cumberland County, Pennsylvania, other than in the communities of Indian Creek or Sleepy Hollow, and who have paid the appropriate Annual Dues.

Membership will be limited to a total of three hundred Class B and Class C Members (households) and a preference for membership shall be given to Class A and Class B Members.

4.04 *Initiation Fee.* All new Members shall pay to this Corporation a one time Initiation Fee as listed in Exhibit B, herein, or such amounts as may be determined from time to time by resolution of the Class A and Class B Members. The Initiation Fee for Class A Members who were residents of the properties listed in Exhibit A on or before May 31, 1992 is considered paid in full due to their payment of a Capital Contribution. The Secretary of this Corporation shall maintain the list of Members and the payment of Initiation Fees.

The Initiation Fee is not redeemable by this Corporation. In the event a Class A Member sells or leases his/her residence, their membership as a Class A Member shall be automatically transferred to the subsequent Owner(s) or may be assigned to the Lessee. Such assignment or transfer does not relieve the subsequent Owner(s) or Lessee of the obligation to pay the Initiation Fee, unless such assignment or transfer occurred on or before May 31, 1992.

4.05 *Annual Dues.* The Annual Dues payable to this Corporation by Members will be in such amounts as may be determined from time to time by resolution of the Class A and Class B Members. The Annual Dues shall be as listed in Exhibit B, herein.

The Annual dues is payable in full with the application for membership by May 1. The Annual Dues shall be for the period May 1 to April 30. Annual Dues for new Members will be prorated for the season after July 15 according the number of days remaining in the operating season.

4.06 *Assessments.* Memberships will be subject to special assessment only with the majority vote of the Class A and Class B Members who form a quorum.

4.07 *Place of Member's Meetings.* Meetings of Class A and Class B Members will be held within Hampden Township.

4.08 *Annual Member's Meetings.* The annual meeting of the Class A and Class B Members will be held during the month of February. At the annual meeting, Members will elect persons to the Board of Directors and approve the budget for this Corporation.

4.09 *Special Member's Meetings.* Special meetings of the Members may be called by either the following:

- (a) The Board of Directors; or
- (b) The President; or
- (c) Any three members of the Board of Directors; or
- (d) At least ten percent (10%) of the Class A and Class B Members or thirty (30) Class A or Class B Members, whichever is greater.

4.10 *Notice of Members' Meetings.* Written 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 five (5) nor more than forty (40) days before the date of the members' meeting, either personally, by first class mail or by published notice in the *Indian Creek Newsletter* by or at the direction of the President, the Secretary, or the officers or other such persons or Members calling the meeting, to each such 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/her address as it appears on the records of this Corporation, with postage prepaid. Any combination of mailing, posting, or publishing notice may be used in order to give notice to all Members.

4.11 *Voting Rights of Members.* Class A and Class B Members shall be entitled to one (1) vote and Members that qualify for both Class A and Class B Memberships shall be entitled to two (2) votes. Voting on all matters shall be noncumulative. Members may not split their vote among residents of the same household and the number of votes is determined by households not individuals. Class C Members shall have no voting rights.

4.12 *Members' Proxy Voting.* A Member may not assign or transfer their vote to any other person or persons. No proxy will be recognized as valid.

4.13 *Mail Ballots.* Voting by mail ballot is required for all Bylaw amendments and for any actions to be taken by the Members at annual meetings in which a quorum is not present. The vote by mail should be used for any other matter that is required by law to be submitted to a vote of the Members or if the Board determines that it is in the best interest of the Members to submit to a vote of the Members. A vote at a meeting of the Members shall not be combined with a vote by mail ballot.

In the event of a vote by mail, a notice shall be provided to Class A and Class B Members at a minimum of thirty (30) days prior to the mail date of the ballot. Members shall be provided the opportunity to submit statements regarding the matter to be submitted for a vote. On the mail date of the ballot, all Class A and Class B Members shall be mailed or hand delivered: (i) the proposed matters; (ii) a ballot; (iii) a return envelop that is pre-addressed with the address of the Secretary and has the words "BALLOT ENCLOSED" clearly marked on the envelop; and (iv) any statements received from the Members. The Members shall have a minimum of two (2) weeks from the mail date to return the ballots to the Secretary in the sealed return envelop. All ballots must be signed by the Members to ensure that such vote is cast by a legal voter. The envelops may not be opened until the special

meeting to count the ballots. Notice of such meeting shall be provided to the Members with the ballot. The Secretary shall submit a written report of the results of the vote by mail to the Board within five (5) days of the special meeting to count the ballots. The results of the voting should be published in the next issue of the *Indian Creek Newsletter*.

4.14 Quorum of Members. The number or percentage of Members entitled to vote represented in person at a meeting of Members or by mail ballot which constitutes a quorum will be Members holding one-fifth (1/5) of the votes entitled to be cast in such manner. The vote of a majority of the votes entitled to be cast by the Members either present at a meeting at which a quorum is present or by returned mailing ballots that represent a quorum 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 of the Commonwealth of Pennsylvania, or any successor legislation, the Articles of Incorporation, or any provision of these Bylaws.

4.14 Transferability of Membership. Membership in this Corporation for Class A Members is transferable as stipulated in Section 4.04, above. Membership in Class B and Class C Members is nontransferable and nonassignable.

4.15 Termination of Membership. Membership shall be terminated in this Corporation on one of the following events, and for no other reason:

- (a) Receipt by the Board of Directors on the written resignation of a Member, executed by such Member on his/her duly authorized attorney-in-fact; or
- (b) Transfer of the Class A Membership; or
- (c) The failure to comply with the Bylaws or Corporate resolutions; or
- (d) Failure of this Corporation to renew a Class C Member.

However, a Member terminating membership status may be completely and automatically reinstated if correcting the cause of termination before formal adoption by the Board of Directors of a resolution acknowledging such termination.

ARTICLE V - DIRECTORS

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

5.02 Structure of Board. The Board of Directors of this Corporation will constitute a single class.

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

- (a) Directors must be residents of Indian Creek or Sleepy Hollow;
- (b) Directors must have paid the Initiation Fee and appropriate Annual Dues as a Class A or Class B member of any category.

5.04 *Number of Directors.* The number of Directors of this Corporation will be determined by resolution of the Members from time to time but shall not be fewer than seven (7) nor more than eleven (11).

5.05 *Terms of Directors.* The Directors constituting the first Board of Directors are those individuals who signed the Articles of Incorporation and will hold office until the first annual election of Directors. Thereafter, the Directors shall be divided into two (2) classes and each class shall be nearly equal in number as possible. Directors will be elected for a term of two years such that one class of Directors is elected each year. Each Director will hold office for the term for which elected and until a successor has been selected and qualified.

5.06 *Vacancies on the Board.* 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 vote of the Directors for a term which will terminate at the next Annual Meeting. At the Annual Meeting the Members shall vote on the Director to fill the vacancy and the Director elected will serve for the unexpired term of the predecessor in office or the term stated in the Bylaws if the number of Directors is increased.

5.07 *Place of Director's Meetings.* Regular or special meetings of the Board of Directors will be held within Hampden Township at a place named by the President or Director calling the meeting.

5.08 *Regular Directors' Meetings.* Regular meetings of the Board of Directors will be held on the first Sunday of each February. Should any such day in any year constitute a legal holiday or all businesses in Pennsylvania, then the meeting will be held instead in such instance the Thursday immediately following. This provision of the Bylaws constitutes notice to all Directors of the annual meetings for all years and instances, and no further notice be required although such notice may be given.

5.09 *Notice of Special Directors' Meetings.* 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, personally by telephone 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.

5.10 *Call of Special Board Meeting.* A special meeting of the Board of Directors may be called by either:

- (a) The President; or
- (b) A number constituting a quorum of the Board of Directors.

5.11 *Waiver of Notice.* 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.

5.12 *Quorum of Directors.* A majority of the whole Board of Directors will constitute a quorum; provided, that in no event will a quorum consist of less than three (3) members of the whole Board. The act of a majority of

the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater number is required under the provisions of the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Corporation, or any provision of these Bylaws.

ARTICLE VI - OFFICERS

6.01 Roster of Officers. The Officers of this Corporation will consist of the following personnel: (a) a President; (b) a Vice President; (c) a Recording Secretary; (d) a Membership Secretary; and (e) a Treasurer. The Board of Directors may also elect one or more Vice Presidents and such other officers and appoint such agents, as it shall deem necessary, who shall hold their offices for such terms, have such authority and perform such duties as may from time to time be prescribed by the Board of Directors.

6.02 Selection of Officers. 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 annual meeting of the Board of Directors taking place at the annual meeting in February except that the initial selection of Officers will be done at the incorporation meeting.

6.03 Multiple Officeholders. 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.

6.04 President. 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 this Corporation. The President will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors. The President shall preside at the annual meeting of members and submit the tentative budget approved by the Board of Directors to the Members. If the budget is based on a change in the Initiation Fee for new Members or a change in the annual dues, it must so state.

6.05 Vice President. The Vice President or, if more than one, the Vice Presidents in the order established by the Board of Directors, 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(s) will perform such other duties as may be prescribed from time to time by the Board of Directors. Any Vice President may, in the discretion of the Board of Directors, be designated as "executive", "senior" or by departmental or functional classification.

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

6.07 Membership Secretary. The Membership Secretary will keep records of all members of the Recreation Club, including a register giving names, addresses, and other details of membership. The Membership Secretary will contact all current and potential members of the Recreation Club with a notice of the membership drive and will collect applications for membership. The membership Secretary will perform all duties incident to the office of Membership Secretary and other such duties as may be required by these bylaws, or which may be assigned from time to time by the Board of Directors.

6.08 *Treasurer.* 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 this 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 Bylaws, or which may be assigned from time to time by the Board of Directors. The Treasurer shall prepare an annual budget to be submitted to the Board for approval to recommend to the Members at the annual meeting of the Members. The Treasurer must show proof of being bondable and, if requested by the Board, obtain a bond to ensure the faithful discharge of all duties.

6.09 *Removal of Officers.* Any Officer elected or appointed to office may be removed by the persons authorized under these Bylaws to elect or appoint such Officers whenever in their judgment the best interests of this Corporation will be served.

ARTICLE VII - INFORMAL ACTION

7.01 *Waiver of Notice.* Whenever any notice whatever is required to be given under the provisions of the Nonprofit Corporation Law of 1972, the Articles of Incorporation of this Corporation, or these Bylaws, 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.

7.02 *Action by Consent.* Any action required by law or under the Articles of Incorporation of this Corporation or these bylaws, or any action which otherwise may be taken at a meeting of either the Members or Board of Directors 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 this Corporation.

ARTICLE VIII - COMMITTEES

8.01 *Definition of Directorial Committees.* This Corporation may have certain Committees, each of which will consist of one (1) or more Directors, which Directorial Committees will have and exercise some prescribed authority of the Board of Directors in the management of this Corporation. However, no such Committee will have the authority of the Board in reference to affecting any of the following:

- (a) Submission to Members of any action requiring approval of Members under the Nonprofit Corporation Law of 1972.
- (b) Filling of Vacancies in the Board.
- (c) Amendment or repeal of any resolution of the Board.
- (d) Action on matters committed by Bylaws or resolution of the Board to another Committee of the Board.

8.02 *Appointment of Committees.* The Board of Directors, by resolution duly adopted by a majority of the Directors in office, may designate and appoint one or more Directoral Committees and delegate to such Committees specific and prescribed authority of the Board of Directors to exercise in the management of this Corporation. However, the creation of such Directoral Committees will not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on such personnel otherwise by law.

8.03 *Functionary Committees.* In addition, the Board of Directors, by resolution may designate and appoint certain Functionary Committees designed to transact certain ministerial business of this Corporation or to advise the Board of Directors. Such Committees will be chaired by an Officer or Director as designated by the Board, which Chairman will proceed to select the remaining members of this Committee up to the number set by the Board or terminate such memberships or appoint successors in such Chairman's discretion. The Board may terminate any such Committee by resolution.

ARTICLE IX - OPERATIONS

9.01 *Fiscal Year.* The fiscal year of this corporation will be the calendar year.

9.02 *Execution of Documents.* Except as otherwise provided by law, checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of this Corporation must be signed by two officers of this Corporation. Contracts, leases, or other instruments executed in the name of and on behalf of this Corporation will be signed by the Secretary and countersigned by the President.

9.03 *Books and Records.* This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of Its Members, Board of Directors, and Directoral Committees. The Membership Secretary of this Corporation will keep a membership register giving the names, addresses, and other details of the membership. The Recording Secretary will keep the original or a copy of its Bylaws including amendments to date certified by the Secretary of this Corporation.

9.04 *Inspection of Books and Records.* All books and records of this Corporation may be inspected by any Class A or Class B Member, or his agent or attorney, for any proper purpose at any reasonable time on written demand stating such purpose.

9.05 *Nonprofit Operations.* 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. This Corporation may not pay compensation to Members, Officers, or Directors for services rendered in their capacity as Members, Officers, or Directors.

9.06 *Loans to Management.* This Corporation will make no loans to any of its Directors or Officers or other personnel.

ARTICLE X - INDEMNIFICATION OF OFFICERS AND DIRECTORS

10.01 This Corporation shall indemnify any director or officer, and may indemnify any other employee or agent, who was or is a party to, or is threatened to be made a party to or who is called as a witness in connection with

any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of this Corporation by reason of the fact that he is or was a director, officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding unless the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

10.02 The indemnification and advancement of expenses provided by, or granted pursuant to, this Article X shall not be deemed exclusive of other rights to which those seeking indemnification or advancement of expenses may be entitled under any Bylaw, agreement, contract, vote of members or disinterested directors or pursuant to the direction, howsoever embodied, of any court of competent jurisdiction or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. It is the policy of this Corporation that indemnification of, and advancement of expenses to, directors and officers of this Corporation shall be made to the fullest extent permitted by law. To this end, the provisions of this Article X shall be deemed to have been amended for the benefit of directors and officers of this Corporation effective immediately upon any modification of the Business Corporation Law of the Commonwealth of Pennsylvania (the "BCL") or the Directors' Liability Act of the Commonwealth of Pennsylvania (the "DLA") which expands or enlarges the power or obligation of corporations organized under the BCL or subject to the DLA to indemnify, or advance expenses to, directors and officers of corporations.

10.03 This Corporation shall pay expenses incurred by an officer or director, and may pay expenses incurred by any other employee or agent, in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to indemnified by this Corporation.

10.04 The indemnification and advancement of expenses provided by, or granted pursuant to, this Article X, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

10.05 This Corporation shall have the authority to create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner, its indemnification obligations, whether arising under these Bylaws or otherwise. This authority shall include, without limitation, the authority to (i) deposit funds in trust or in escrow, (ii) establish any form of self-insurance, (iii) secure its indemnity obligation by grant of a security interest, mortgage or other lien on the assets of this Corporation or (iv) establish a letter of credit, guaranty or surety arrangement for the benefit of such persons in connection with the anticipated indemnification or advancement of expenses contemplated by this Article X. The provisions of this Article X shall not be deemed to preclude the indemnification of, or advancement of expenses to, any person who is not specified in Section 10.01 of this article but whom this Corporation has the power or obligation to indemnify, or to advance expenses for, under the provisions of the BCL or the DLA or otherwise. The authority granted by this Section 10.05 shall be exercised by the Board.

10.06 This Corporation shall have the authority to enter into a separate indemnification agreement with any officer, director, employee or agent of this Corporation or any subsidiary providing for such indemnification of such person as the Board shall determine up to the fullest extent permitted by law.

10.07 As soon as practicable after receipt by any person specified in Section 10.01 of this article of notice of the commencement of any action, suit or proceeding specified in Section 10.01 of this article, such shall, if a claim with respect thereto may be made against this Corporation under Article X of these Bylaws, notify this Corporation in writing of the commencement or threat thereof; however, the omission to so notify this Corporation shall not relieve this Corporation from any liability under Article X of these Bylaws unless this Corporation shall have been prejudiced thereby or from any other liability which it may have to such person other than under Article X of these Bylaws. With respect to any such action as to which such person notifies this Corporation of the commencement or threat thereof, this Corporation may participate therein at its own expense and, except as otherwise provided below, to the extent that it desires, this Corporation jointly with any other indemnifying party similarly notified, shall be entitled to assume the defense thereof, with counsel selected by this Corporation to the reasonable satisfaction of such person. After notice from this Corporation to such person of its election to assume the defense thereof, this Corporation shall not be liable to such person under Article X of these Bylaws for any legal or other expenses subsequently incurred by such person in connection with the defense thereof other than as otherwise provided below. Such person shall have the right to employ his own counsel in such action, but the fees and expenses of such counsel incurred after notice from this Corporation of its assumption of the defense thereof shall be at the expense of such person unless: (i) the employment of counsel by such person shall have been authorized by this Corporation; (ii) such person shall have reasonably concluded that there may be a conflict of interest between this Corporation and such person in the conduct of the defense of such proceeding or (iii) this Corporation shall not in fact have employed counsel to assume the defense of such action. This Corporation shall not be entitled to assume the defense of any proceeding brought by or on behalf of this Corporation or as to which such person shall have reasonably concluded that there may be a conflict of interest. If indemnification or advancement of expenses under Article X of these Bylaws are not paid or made by this Corporation, or on its behalf, within 90 days after a written claim for indemnification or a request for an advancement of expenses has been received by this Corporation, such person may, at any time thereafter, bring suit against this Corporation to recover the unpaid amount of the claim or the advancement of expenses. The right to indemnification and advancement of expenses provided hereunder shall be enforceable by such person in any court of competent jurisdiction. The burden of providing that indemnification is not appropriate shall be on this Corporation. Expenses reasonably incurred by such person in connection with successfully establishing the right to indemnification or advancement of expenses, in whole or in part, shall also be indemnified by this Corporation.

10.08 A contract shall exist between this Corporation and its officers and directors with respect to indemnification and advancement of expenses as provided by this Article X and as otherwise provided by applicable law.

10.09 This Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not this Corporation would have the power to indemnify him against such liability under the provisions of this Article X.

10.10 Notwithstanding any other provisions of these Bylaws, the approval of Members shall be required to amend, alter, change, repeal or adopt any provision as part of these Bylaws which is inconsistent with the purpose or intent of this Article X and, if any such action shall be taken, it shall become effective only on a prospective basis from and after the date of such member approval.

ARTICLE XI - LIMITING LIABILITY OF DIRECTORS

11.01 A Director of this Corporation shall stand in a fiduciary relation to this Corporation and shall perform his duties as a Director, including his duties as a member of any committee of the Board upon which he may serve, in good faith, in a manner he reasonably believes to be in the best interests of this Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following: (i) one or more officers or employees of this Corporation whom the director reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such persons; or (iii) a committee of the Board upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence. A Director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

11.02 In discharging the duties of their respective positions, the Board, committees of the Board and individual Directors may, in considering the best interests of this Corporation, consider the effects of any action upon employees, upon suppliers and customers of this Corporation and upon communities in which offices or other establishments of this Corporation are located, and all other pertinent factors. The consideration of these factors shall not constitute a violation of Section 11.01 hereof.

11.03 Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a director of any failure to take any action shall be presumed to be in the best interests of this Corporation.

11.04 A Director of this Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless: (i) the Director has breached or failed to perform the duties of his office under Sections 11.01 through 11.03 hereof; and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

11.05 The provisions of Section 11.04 hereof shall not apply to: (i) the responsibility or liability of a director pursuant to any criminal statute; or (ii) the liability of a Director for the payment of taxes pursuant to local, state or federal law.

11.06 Notwithstanding any other provisions of these Bylaws, the approval of members shall be required to amend, alter, change, repeal or adopt any provisions as part of these Bylaws that is inconsistent with the purpose or intent of this Article XI and, if any such action shall be taken, it shall become effective only on a prospective basis from and after the date of such Member approval.

ARTICLE XII - AMENDMENT

12.01 Modification of Bylaws. The power to alter, amend, or repeal these Bylaws, or to adopt new Bylaws, insofar as is allowed by law, is vested in the Members. Proposed amendments to these Bylaws shall be submitted to the Board and the text of the proposed amendment shall be sent to the members of the Board not less than five (5) days prior to the regular or special meeting of the Board at which the amendment shall be considered. Except as otherwise provided by law or the Bylaws, an amendment to the Bylaws shall be recommended to the Class A and Class B Members for approval by a two-thirds (2/3) vote of the Board.

The Board shall send to each Class A and Class B Member a mail ballot setting forth the proposed amendment to the Bylaws or other matter within five (5) business days of the Board's approval to recommend to the Members of such proposed amendment or matter. Each Class A and Class B Member must return the ballot as described in Section 4.13, above.

12.02 Modification of Annual Dues. Notwithstanding Section 12.01, the authority to amend or repeal the Annual Dues as listed in Exhibit B, herein, shall be vested in the Board of Directors provided, however, that any such proposed amendment or repeal shall be approved by a two-thirds (2/3) vote of the Board, subject to the power of the Members to change such action by the affirmative vote of a majority of the returning mail ballots as described in Section 4.13, above.

EXHIBIT A
CLASS A MEMBERS -- CAPITAL CONTRIBUTION

Current adult residents either as homeowners in title or as holders of written leases for the term of at least one year of single family dwelling units for the following properties are Class A Members of this Corporation.

Those residents that qualified as Class A Members on May 31, 1992 are also listed The Initiation Fees for Class A Members who were residents of the properties on or before May 31, 1992 as listed below are considered paid in full due to their payment of a Capital Contribution.

INDIAN CREEK

PROPERTY

RESIDENT ON MAY 31, 1992

5000 Apache Drive
5001 Apache Drive
5002 Apache Drive
5003 Apache Drive
5004 Apache Drive
5005 Apache Drive
5006 Apache Drive
5008 Apache Drive
5009 Apache Drive
5010 Apache Drive
5011 Apache Drive
5012 Apache Drive
5014 Apache Drive
5016 Apache Drive
5018 Apache Drive
5020 Apache Drive

John & Fawn Acito
Dennis & Kathy Young
Tom & Laurie Donovan
Dan & Donna Mullin
Bernie & Bobbi Scheid
Larry & Vickie Dodge
Bill & Jule Pierce
John & Linda Bowman
Richard & Dana Datz
Nan & Dalt Rumberger
Jay & Swarupa Pai
Reed & Sandy Patton
Grant & Michelle Harrison
Greg & Georgene Hildebrand
Michael & Tammie Hudspith
Rob & Joanne Reeves

203 Beaver Drive
205 Beaver Drive
207 Beaver Drive
209 Beaver Drive
211 Beaver Drive
215 Beaver Drive
216 Beaver Drive
217 Beaver Drive
218 Beaver Drive
219 Beaver Drive
220 Beaver Drive
221 Beaver Drive
223 Beaver Drive
225 Beaver Drive

Harold & Marie Ayers
Ray & Meri Rhodes
Jim & Kathy Buck
Bob & Marlene Sautter
Tom & Paula Kinney
Scott & Joyce Schwarz
James & Bonnie Peckham
Dan & Kathy Newcomer
Ron & Bonnie Erricson
Carl & Bonnie Miller
Charles & Maria Hall
Bill & Barbara Otto
Joe & Gloria Grigalonis
Peter & Diane Gertz

200 Cherokee Drive	Scott & Laurie Clayton
202 Cherokee Drive	Forest & Linda Adams
203 Cherokee Drive	Joseph & Marie Sowa
204 Cherokee Drive	Dave & Karen Evans
205 Cherokee Drive	Tom & Jamie Kunkle
206 Cherokee Drive	Maryann Murphy
207 Cherokee Drive	Bob & Marie Shay
208 Cherokee Drive	Steve & Kim Pizzingrilli
209 Cherokee Drive	Keith & Joyce Sealover
210 Cherokee Drive	Galen & Roberta McBeth
212 Cherokee Drive	Joe & Jan Robb
214 Cherokee Drive	Ron & Twila Peffer
216 Cherokee Drive	Frank & Lana Falcone
218 Cherokee Drive	Larry & Gisele Crowley
220 Cherokee Drive	Don & Teri Rogers
221 Cherokee Drive	Mike & Joyce Ryan
222 Cherokee Drive	Kevin & Norina Stone
224 Cherokee Drive	Gary & Linda Schultz
228 Cherokee Drive	Mike & Sue Mendelson
301 Cherokee Drive	Donald & Lois Murdoch
303 Cherokee Drive	Rich & Aileen Fanning
308 Cherokee Drive	Dennis & Vickie Ensminger
309 Cherokee Drive	Bill & Carol Spahr
401 Cherokee Drive	Robert & Marcia Malain
402 Cherokee Drive	Vinod & Karin Parekh
404 Cherokee Drive	Dale & Anne Lengkeek
405 Cherokee Drive	Jim & Nancy Clay
406 Cherokee Drive	Frank & Diane Sechrist
407 Cherokee Drive	Warren & Nancy Weisel
408 Cherokee Drive	Michael & Anne Stauton
409 Cherokee Drive	Dennis & Paula Hopkins
410 Cherokee Drive	Tom & Susan Stewart
411 Cherokee Drive	Vincent & Rita Racculia
412 Cherokee Drive	Bob & Nancy Plessinger
413 Cherokee Drive	Dennis & Judy Scouler
414 Cherokee Drive	Vacant
415 Cherokee Drive	Jerry & Barb Greenberg
416 Cherokee Drive	Bernard & Lee Kapp
417 Cherokee Drive	Gerold & Susan Smith
419 Cherokee Drive	Seth & Susan Keller
421 Cherokee Drive	Bill & Heidi Hinton
423 Cherokee Drive	Josef & Nancy Jordan
425 Cherokee Drive	Tim & Barb Farrel
427 Cherokee Drive	Steve & Rosemary Burke
429 Cherokee Drive	Brian & Lynn Abel
430 Cherokee Drive	Dennis & Karen Welker
431 Cherokee Drive	Joe & Diane Navin

433 Cherokee Drive

Mike & Deborah Plott

204 Fox Drive
205 Fox Drive
206 Fox Drive
207 Fox Drive
208 Fox Drive
209 Fox Drive
210 Fox Drive
211 Fox Drive
212 Fox Drive
213 Fox Drive
214 Fox Drive
215 Fox Drive
219 Fox Drive
220 Fox Drive
221 Fox Drive
222 Fox Drive
223 Fox Drive
224 Fox Drive
225 Fox Drive
226 Fox Drive
227 Fox Drive
228 Fox Drive
232 Fox Drive
234 Fox Drive

Mary Nabozny
Ruth & Mark Wherley
Jack & Janet Stevenson
David & Chris Wallace
Robert & Kelly Shuey
Dave & Jan Craugh
Jack & Dottie Eydenberg
Linda Mulder
Richard & Joanne Sterner
Chris & Joan Rottman
Siris & Barbara Stafford
Gil & Joyce Longwell
Robert & Linda Smith
Dan & Mary Miller
George & Carolyn Dorward
Scott & Cheryl Kinney
Henry & Teresa Shih
Vicki Salkeld
Kortney & Candy Dunkle
Tom & Eileen Ryan
Bob & Peggy Allen
Roger & Sandra Johnson
Dave & Jetta Rhodes
Randy & Paula Lawrence

400 Hopi Drive
402 Hopi Drive
403 Hopi Drive
404 Hopi Drive
405 Hopi Drive
406 Hopi Drive
407 Hopi Drive
408 Hopi Drive
409 Hopi Drive
410 Hopi Drive
413 Hopi Drive
415 Hopi Drive

Ken & Susan Sellers
Dan & Pat Shaffer
John & Mary Beth Moritz
Alan & Barb Isley
Chuck & Kathleen Cavanaugh
Marty & Keli Flannery
Sam & Champa Prasad
Harry & Rita Warren III
Vacant
John & Vickie Zuvich
Bernard & Sonia Park
Ronald & Maryann Skubecz

402 Huron Drive
403 Huron Drive
404 Huron Drive
405 Huron Drive
406 Huron Drive
407 Huron Drive
408 Huron Drive

Jim & Becky Piper
Raymond & Marie Rumsey
Bob & Janet Rachko
Dan & Cindy Gross
Nick & Brenda Lamberti
Ron & Shelba Purtle
Mukul & Neelima Parikh

410 Huron Drive
411 Huron Drive
412 Huron Drive
413 Huron Drive
414 Huron Drive
415 Huron Drive
416 Huron Drive
418 Huron Drive

John & Cora Slebodnick
Greg & Gail String
Edward & Kristi Jordan
Richard & Paricia McCandless
James & Margie Bromwell
Kurt & Gayle Morgan
Elvar & Johanna Einarsson
Mary Lowther

200 Indian Creek Drive
201 Indian Creek Drive
202 Indian Creek Drive
207 Indian Creek Drive
208 Indian Creek Drive
209 Indian Creek Drive
211 Indian Creek Drive
212 Indian Creek Drive
213 Indian Creek Drive
215 Indian Creek Drive
216 Indian Creek Drive
217 Indian Creek Drive
218 Indian Creek Drive
220 Indian Creek Drive
224 Indian Creek Drive
226 Indian Creek Drive
228 Indian Creek Drive
229 Indian Creek Drive
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231 Indian Creek Drive
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237 Indian Creek Drive
238 Indian Creek Drive
239 Indian Creek Drive
240 Indian Creek Drive
243 Indian Creek Drive
246 Indian Creek Drive
247 Indian Creek Drive
248 Indian Creek Drive
250 Indian Creek Drive
252 Indian Creek Drive
253 Indian Creek Drive
302 Indian Creek Drive
304 Indian Creek Drive
305 Indian Creek Drive
306 Indian Creek Drive
307 Indian Creek Drive

Paul & Sue Nissley
Karl & Susan Updegraff
Bob & Joan Mrozinski
Russ & Joan Nicrone
Charles & Doris Harris
Rick & Nina Sadler
Michael & Ruth Anne McGinley
Trish McClain & Mark Greenberg
Tom & Janet Lucas
John & Linda Farrance
Joe & Betsy Oswald
Bob & Donna Brown
John & Anne McGinn
Roy & Ginnie Miller
Joseph & Mary O'Donnell
Bruce & Constance Tichenor
Bob Hanshaw
Linda Gustafson & Scott Minnich
Pete & Lesa Kelly
Bert Marinko
Blaine & Susan Treadway
Glenn & Dawn Murray
Nazir & Surayia Zia
Gary & Rebecca Solander
Mark & Becky Wilson
Lew & June Jones
Jack & Connie Hacker
John & Kathy Romberger
Michael & Cristina Papson
Thomas & Sara Derr
Carl & Janet Krave
Vacant
Kurt & Pamela Meyer
James & Pat Fetterolf
Tom & Dorothy Brown
Philip & Charlotte Lynch
Jim & Ricky Boyer
Doug & Terri Parson

308 Indian Creek Drive
310 Indian Creek Drive
311 Indian Creek Drive
312 Indian Creek Drive
314 Indian Creek Drive
315 Indian Creek Drive
316 Indian Creek Drive
318 Indian Creek Drive
324 Indian Creek Drive
328 Indian Creek Drive
329 Indian Creek Drive
330 Indian Creek Drive
332 Indian Creek Drive
333 Indian Creek Drive
335 Indian Creek Drive
336 Indian Creek Drive
337 Indian Creek Drive
338 Indian Creek Drive

300 Iroquois Way
303 Iroquois Way
304 Iroquois Way

404 Pawnee Drive
407 Pawnee Drive
410 Pawnee Drive
411 Pawnee Drive
415 Pawnee Drive
417 Pawnee Drive
418 Pawnee Drive
421 Pawnee Drive
424 Pawnee Drive
426 Pawnee Drive
427 Pawnee Drive
434 Pawnee Drive
436 Pawnee Drive
437 Pawnee Drive
438 Pawnee Drive
441 Pawnee Drive
443 Pawnee Drive
445 Pawnee Drive
447 Pawnee Drive
448 Pawnee Drive
449 Pawnee Drive
450 Pawnee Drive
458 Pawnee Drive
460 Pawnee Drive

Geoff & Julie Coleman
Dick Lanning & Kate Earley
Steve & Myra Allen
Mike & Carolyn Appleby
John & Gail Holland
Bille Wolfe
Norman & Joyce Morrow
Iva Luciano
Ken & Bev Sable
Daniel & Cheryl Hayward
Robert & Mary Boisvert
Connie Orosz
Jim & Helene Kamel
Ed & Stephanie Stence
Rick & Karen Rudock
Nick & Mary Bakios
Joseph & Marlene Miller
Paul & Mary Lou Crowley

Denny & Jan Kizer
Patrick & Kathleen Bolden
Paul & Nancy Bluhm

Doug & Susan Martin
John & Judy Thomas
Jim & Judy Weikert
David & Amy Knauer
Bob & Jan Atwood
Bill & Joan Boles
Ron & Dottie Thomas
Glenn & Donna Orner
Ron & Nancy Hall
Larry & Helen Schroeffer
Joe & Marianne Bulo
Vincent & Jean Silvester
Kirk & Nancy Stanley
Bill & Loretta Lochman
Tim & Jean Lawson
Lee & Vicki McAdams
Greg & Lynn Monaco
Julius & Kathy Palotta
John & Grace Toti
Jack & Pat Kaufold
Jack & Harriet Benkovich
Carl & Candace Janes
Larry & Christine Teal
John & Rita Gasparini

501 Pawnee Drive
502 Pawnee Drive

Louis & Lisa Bodine
Robert & Caryn Roth

5001 Seneca Drive
5002 Seneca Drive
5003 Seneca Drive
5004 Seneca Drive
5006 Seneca Drive
5007 Seneca Drive
5008 Seneca Drive
5009 Seneca Drive
5010 Seneca Drive
5011 Seneca Drive
5012 Seneca Drive

Jens Clausen III & Paula Hower
Patricia Pippin
Vic & Shari DeCesaris
Madhukar & Mona Panday
Dale & Shannon Bair
Bob & Mary Ann Curtis
Michael & Kathy Zarb
Penn & Jodi Lemmonds
Chris & Debi Tilley
James & Renee Anderson
Vacant

4901 Shasta Way
4902 Shasta Way
4903 Shasta Way
4904 Shasta Way
4908 Shasta Way
4918 Shasta Way
4919 Shasta Way
4920 Shasta Way
4923 Shasta Way
406 Sioux Drive
407 Sioux Drive
410 Sioux Drive
411 Sioux Drive
412 Sioux Drive
414 Sioux Drive
415 Sioux Drive
416 Sioux Drive
419 Sioux Drive
420 Sioux Drive
421 Sioux Drive
423 Sioux Drive
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433 Sioux Drive
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435 Sioux Drive
436 Sioux Drive
438 Sioux Drive
439 Sioux Drive

Terry & Linda Farley
Marvin & Cathy Mikel
Doug & Linda Gorter
Rick Flinn & Beth Pritchard
Jim & Joanne Anderson
Joe & Millie Sheeler
John & Ann Ford
John & Doris Bridges
James & Trula Gross
John & Lori Noone
Jim & Mindy Ritz
Gus & Kathy Haga
Ed & Suzanne FitzHenry
Norm & Carol Russell
Keith & Jody Hatt
Tony & Beth Notarfrancesco
Bob & Mary Ann Conrad
Ric & Linda Gaeta
Vee & Angie Popat
Ed & Nancy Kraus
Randy & Donna Baer
Keitha McLaughlin
Bruce & Esther Avis
Philip & Mildred Alvarez
Bill & Jeanne Boyd
Rodney & Lee Cook
Dick & Ella Poland
John & Donna Dubs
Terry & Tricia Britton
Scott & Michelle Sprucebank
Steve & Paula Lowry
Stewart & Pat Hellman

442 Sioux Drive
447 Sioux Drive
448 Sioux Drive
449 Sioux Drive
451 Sioux Drive
455 Sioux Drive

Steve & Kathy Leonard
Don & Michelle Lewis
Ken & Heather Utsick
Tucker & Pam Thompson
John Marinko
Joseph & Barbara Flood

SLEEPY HOLLOW

PROPERTY

509 Brom Court
511 Brom Court
513 Brom Court
524 Brom Court
526 Brom Court
528 Brom Court
530 Brom Court

519 Cobbler Court
521 Cobbler Court

532 Ichabod Court
534 Ichabod Court
536 Ichabod Court
538 Ichabod Court
540 Ichabod Court
542 Ichabod Court
544 Ichabod Court

RESIDENT ON MAY 31, 1992

Brent & Linda Hicks
Mark & Wendy Benevides
Jeff & Wendy Robbins
John & Linda Greenleaf
Don & Jan Fogal
Donald & Margaret Pownell
Melissa Morris & Tony Messec

Ashok & Asha Agrawal
Samuel & Eva Fung

Paul & Pat Michalak
Chris & Kathy Keller
Jack & Barbara Barry
Daniel & Ellen Emanuel
Douglas & Faye Bowman
Jay & Ann Kaczmarowski
Steven & Beverly Pacchioli

546 Ichabod Court
548 Ichabod Court

George & Rose Rieger
Bill & Pam Johnson

503 Katrina Court
505 Katrina Court
507 Katrina Court
516 Katrina Court
518 Katrina Court
520 Katrina Court
522 Katrina Court

Jim & Joette Gibson
Allen & Kathleen Lebednik
Joseph & Gayeta Porter
Jay & Chris Espenlaub
George & Lynne Beckey
B. J. Sealover & Ronald Deitch
Bob & Linda Ross

504 Partridge Court
506 Partridge Court
508 Partridge Court
510 Partridge Court
512 Partridge Court
514 Partridge Court

Frank & Mary Agnes Klenk
Michael & Yvette Kane
Peter & Maureen Curry
Walt & Julie Morrison
Ron & Jill Maag
Garry & Paula Malnar

**EXHIBIT B
INITIATION FEE AND ANNUAL DUES**

INITIATION FEE

NEW MEMBER INITIATION FEE*

- One-year payment of \$200.00
- Two-year payment of \$115.00 per year

ANNUAL DUES

TYPES OF MEMBERSHIP PLANS	Early Payment Discount <u>On or before April 30th</u>	Membership Fees <u>After April 30th</u>
1. <u>Family Membership</u> - Plan includes all children living at home. Grandparents with children living at home may sign up their grandchildren.	\$265.00	\$285.00
2. <u>Single Head of Household</u> - One adult at home with dependent children.	\$200.00	\$225.00
3. <u>Adult Membership</u> - Designed for homes with no children under age 19. Up to two resident adults will be accepted.	\$200.00	\$225.00
4. <u>Tennis/Social Membership</u> - Unlimited access to tennis, basketball, and volleyball facilities and 15 pool passes. Admission provided to all REC CLUB sponsored social activities. Must have paid the Initiation Fee.	\$85.00	\$85.00
5. <u>Babysitter Plan</u> - Members who purchase this plan may employ non-REC CLUB member babysitters to watch their children at the pool.	\$50.00	\$50.00
Out of Neighborhood	\$245.00	\$290.00

* One Time Payment