

**DECLARATION of  
COVENANTS and  
RESTRICTIONS**

DECLARATION OF COVENANTS AND RESTRICTIONS FOR  
COUNTRY CLUB VALLEY  
VALLEY TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA

THIS DECLARATION IS MADE THIS 6<sup>TH</sup> day of APRIL, 1988  
by KCH Developers, Inc. owner, hereinafter referred to as  
Developer.

WITNESSETH:

WHEREAS, Developer is the owner of a certain tract of  
ground situated in Valley Township, Chester County, Pennsylvania,  
as more particularly described in Article II of this Declaration,  
and desires to develop said tract as a Cluster Residential  
Community, and

WHEREAS, the Developer desires to provide for the preservation  
of natural open space, trees, slopes, water courses and other  
natural amenities in said community and for the maintenance  
of said open space, amenities and other common facilities,  
and therefore desires to make the tract of ground described  
in Article II subject to certain covenants, restrictions, easements,  
charges and liens as hereinafter set forth, which is for the  
benefit of the community and the various owners of ground therein,  
and

WHEREAS, the Developer has deemed it desirable, in order  
to provide for and implement the foregoing, to create an association  
to be charged with the duty of maintaining and administering  
the common open space and community facilities, and the administering  
and disbursing the assessments and charges as provided for herein.

NOW, THEREFORE, KCH DEVELOPERS, INC. and/or nominees, declares  
that the tract of ground described in Article II, and such additions  
thereto as may hereafter be made pursuant to Article II hereof,  
is and shall be held, transferred, sold, conveyed and occupied  
under the subject to the covenants, restrictions, easements and  
charges and liens (as may hereafter be referred to as covenants  
and restrictions) as hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. The following words and phrases used in this  
Declaration or any Supplemental Declaration (unless context  
should prohibit) shall have the following meanings:

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- a. "Association" shall mean Country Club Valley Association.
- b. "The Properties" shall mean and refer to all such existing properties and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.
- c. "Open Space" shall mean and refer to those areas of land shown on any recorded subdivision plot of the Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties.
- d. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.
- e. "Living Unit" shall mean the building or portion thereof situated on The Properties designed and intended for use and occupancy as a residence by a single family.
- f. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgage unless and until such mortgage has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure.
- g. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section I, hereof.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

ADDITIONS THERETO

Section 1. Existing Property: The real property which is made subject to this Declaration is situated South of Coatesville-Downingtown bypass (Route 30) and East of Country Club Road, Valley Township, Chester County, Pennsylvania known as Country Club Valley, and is more particularly described as follows:

The following is a description for deed of a tract of ground with various buildings erected thereon owned by Frank J. Zaleski, Garby, Inc. and Eleanore Jurich to be conveyed to KCH Developers, Inc. situated in Valley Township, Chester County, Pennsylvania, according to map and plan made by Garby, Inc. as taken from Chester County Deed Book K59, page 565.

BEGINNING at the southwest corner, thereof, an iron peg in Country Club Road, T-370; thence North forty-one degrees forty-five minutes West, one hundred and fifty-two hundredths feet to a peg; thence North fifty degrees twenty minutes twenty seconds West, two hundred eighty-two and three hundredths feet to a drill hole in concrete highway; thence North twenty-four degrees sixteen minutes West, thirty and eighty-five hundredths feet to an iron peg in the center of the Coatesville and Downingtown Bypass, L.R. 1004 (said peg being South eighty-one degrees twenty-seven minutes thirty seconds West, ninety-eight and ninety-one hundredths feet from the intersection of Country Club Road, T-370, and the Bypass, L.R. 1004); thence by said Coatesville and Downingtown Bypass center line the following two courses and distances: (1) North eighty-one degrees twenty-seven minutes thirty seconds East, one thousand seven hundred eighty-five and thirty-five hundredths feet to a peg; thence (2) a chord, North eighty-two degrees forty-one minutes forty seconds East one thousand nine hundred fifty-seven and seventy-two hundredths feet to an iron peg (said chord having a radius of fifty-seven thousand two hundred ninety-five and eight tenths feet), and Northwest corner of lands of Daniel London; thence by said lands of Daniel London the following two courses and distances: (1) South four degrees thirteen minutes West, nine hundred forty-two and ninety-nine hundredths feet to a marble monument; thence (2) South eight-two degrees forty-two minutes twenty seconds East, nine hundred forty and twenty-six hundredths feet to an iron peg; thence by lots of Coatesville Heights, South four degrees thirty-five minutes ten seconds West, eight hundred forty-six and three tenths feet to a marble monument; thence by lands of Alice Dague the following three courses and distances: (1) North seventy-one degrees eleven minutes West, six hundred five and five tenths feet to a large field stone; thence (2) North eighty-five degrees fifty-seven minutes West, seven hundred sixty-six and two hundredths feet to an iron pin; thence (3) North eighty-one degrees one minute ten seconds West, five hundred and seventy-five hundredths feet to an iron pin; thence by lands of Frezzo Brothers, North eighty degrees thirty-four minutes twenty seconds West, five hundred eighty-six and thirty-five hundredths feet to an iron pin; thence by lands of Stephen Cushman, South eighty-two degrees fifty-six minutes thirty seconds West, six hundred sixty-four and ninety-three hundredths feet to a marble monument; thence North eighty degrees thirteen minutes thirty seconds West, two hundred fifty-two and seven hundredths feet to a stone; thence by lands of Wayne Cannell the following three courses and distances: (1) North sixteen degrees four minutes thirty seconds East, one hundred sixty-nine and fifty-five hundredths feet to a stone; thence (2) North forty-two degrees thirty-seven minutes West, four hundred sixty-five and fifty-nine hundredths feet to a stone; thence (3) and partly by lands of Nathan Wilson, North seventy degrees thirty-three minutes twenty seconds West, six hundred fifty-six and nine tenths feet to the point of beginning.

CONTAINING 109.61 acres of land, more or less.

W199.6081

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership: Every person or other entity who is the owner of any lot or living unit situated on the property shall be a member of the Association. Each original owner and each subsequent owner shall be subject to the rights and responsibilities of membership in the Association. This is a mandatory provision with the intention that every owner, shall be a member, with the exception of any person or entity who has an interest in a lot and living unit as security for the performance of an obligation shall not be deemed to be owner or member.

Section 2. Voting Rights: The rights of members, including voting rights, the creation of non-voting memberships, the obligations of the Association shall be as provided by the Articles and By-Laws of the Association, as adopted, and from time to time amended by the Association.

ARTICLE IV

OPEN SPACE AND OTHER DESIGNATED IMPROVEMENTS

Section 1. Title to Open Space and Other Designated Improvements: The Developer may retain legal title to the open space and other designated improvements, or such area as may be owned by the Association. In either case, members of the Association shall have the right and easement of enjoyment in and to the common space in accordance with the Articles of Incorporation and By-Laws of the Association, free and clear of all mortgages.

Section 2. Reservation of Rights: The rights and easements of enjoyment created for the benefit of members shall be subject to the following reservations:

a. The right of the Association to require the open space and other designated improvements be in good order and in a well-maintained condition, prior to acceptance. Developer agrees to convey said open space and other designated improvements to the said Association free and clear of liens, mortgages, leases and other encumbrances after the conveyance of the lot, and prior to the conveyance of the 92 lot. Developer will retain responsibility to finish the development in accordance with the final plan of subdivision.

b. The right of the Association as provided by the By-Laws to govern the offering and suspension of membership in the Association.

c. The right of the Association to make reasonable charges for the use, maintenance and preservation of the open space and other designated improvements in accordance with the By-Laws. All members shall pay annual dues and such other assessment in amounts and at times as the Board of Directors may by resolution prescribe. The dues and special assessments shall be collected and expended only in furtherance of the proper purposes of the Association, including, but not limited to, the payment of taxes, insurance premiums, costs of maintenance and cost of legal and accounting services. Such dues and assessments shall be due and payable within thirty (30) days after notification by the Board of Directors. (The initial annual dues shall be \$200.00 per year for each lot or living unit and shall not expand by more than 20% per year, unless otherwise authorized.

d. The right of the Developer or Association to dedicate, convey or dispose of all or part of the open area, is as follows: The open space and other designated improvements, shall not be subdivided or disposed of by sale, dissolution or otherwise, except by dedication of the same to the Township of Valley, unless such disposition consists of a merger and/or conveyance to an organization similar to the Association or a successor to the Developer, subject to these covenants, such open space and other designated improvements, which organization shall be approved by the Township of Valley.

e. The right of the Developer, Association or their successors to erect and install the necessary structures, fixtures and equipment for public service companies, municipalities or municipal authorities for their proper use in serving the property. This would include, if necessary, the drilling of wells for the purpose of providing public water.

#### ARTICLE V

##### COVENANT FOR DUES AND ASSESSMENTS

1. The owner of any lot or living unit by acquiring ownership or interest therein shall be deemed to covenant or agree to pay the Association such annual assessment or dues which may be established or levied by the By-Laws of such Association. Such assessment and/or dues, together with any interest and cost of collection, shall be a charge on the owner's property and shall be a continuing lien upon the property against which such assessment is made.

2. Purpose of Assessments: Assessments and dues made from time to time and levied by the Association shall be exclusively for the proper purpose of the Association as set forth in the Articles of Incorporation and By-Laws created in conformity thereto.

3. Subordination of Liens, Dues and Assessments: The lien of any dues and assessments as provided for herein shall be subordinate to any lien or mortgage now or hereafter placed upon the property, provided, however, that such subordination shall apply only to assessments as they become due and payable prior to the sale and transfer of such property pursuant to foreclosure proceedings or other transfer in lieu of foreclosure or execution. Such sale or transfer shall not relieve such property from assessment for any dues or assessment thereafter becoming due from the lien of any such subsequent assessment.

#### ARTICLE VI

#### RIGHTS OF VALLEY TOWNSHIP IN OPEN SPACE AND OTHER DESIGNATED IMPROVEMENTS

Section 1. In the event that the Association is abandoned or abolished, or otherwise ceases to exist or the Association proposes to dispose of the open space and other designated improvements as provided herein, such open space and other designated improvements shall first be offered for dedication to the Township of Valley, at no cost to the Township, before any other steps are taken in conformity with these Covenants and Restrictions.

Section 2. In the event that the Developer, Association or other entity owning the open space and other designated improvements shall at any time after the establishment of the Cluster Residential Development of Country Club Valley fail to maintain the open space and other designated improvements in reasonable order and condition in accordance with the final plan of the Cluster Residential Development as approved by the Township, the Board of Supervisors of Valley Township may proceed as provided in the Pennsylvania Municipalities Planning Code, Section 705(d) (2), and demand that deficiencies of maintenance and care be corrected, or failing such corrections, the Township will enter upon and maintain the open space and other designated improvements. Notice to the owners and Association and the Procedure thereafter shall be in accordance with the aforementioned section of the Municipalities Planning Code, and the cost of the maintenance by the municipality shall be assessed in accordance with Section 705(d) (3) of the Municipalities Planning Code, and in accordance with said provision, the Township of Valley may at the time of entering upon said open space and other designated improvements for the purpose of maintenance file a notice of lien in the Office of the Prothonotary of Chester County upon the properties affected by the lien within the development of Country Club Valley.

ARTICLE VII

GENERAL PROVISIONS AND RESTRICTIONS

Section 1. Compliance with Final Plan: No use of any lot shall be made which is contrary to the final plan approved by the Supervisors of Valley Township, Chester County, as provided for in the provisions of the Township Zoning Ordinance as pertains to Development or such changes or amendment to such plan as may from time to time be properly approved by the Supervisors of Valley Township.

Section 2. Lot Size: No lot shall be subdivided, partitioned changed or reduced in size except that the Developer reserves the right to itself, its successors or assigns, to modify the final plan in accordance with the proper consent and approval of the Supervisors of Valley Township.

Section 3. No construction, including excavation or site preparation, shall begin upon any lot, residence or accessory building nor any major alterations made to the exterior of any existing building, until the plans and specifications showing size, shape, floor plans, have been submitted to and approved by the Developer, or its successors, in title or designated representatives. All such plans shall have been prepared by and bear the seal of a registered architect or engineer. The intent of such approval is to insure that all structures at Country Club Valley exist in general harmony and character with each other and the topography, vegetation and other natural features.

Section 4. The following uses and improvements are prohibited or restricted unless hereinafter specifically permitted with the prior approval of the Developer and/or Association or Nominee.

a. Fences and Barriers: No fence, hedge or other continuous obstruction or barrier of like nature, shall be erected or maintained unless approved and agreed to by all adjoining property owners and Developer provided for herein.

b. Aerials: No outside or freestanding TV, radio, short wave or other similar aerials, including satellite discs or antenna shall be erected or maintained. All aerials and antennas shall be of an in-house nature.

c. Temporary Residence, Vehicle Parking: No trailer, tent, recreational vehicle, outbuilding, or structure of a temporary nature shall be used as a residence and no trailer, recreational vehicle, boat or unused vehicle or equipment shall be parked or stored on any lot except while such vehicle or equipment is engaged in performing work on said lot. No commercial or business-type vehicle or equipment shall be parked on the lot except when performing work or making a delivery.



d. Animals: No fowl shall be raised or kept and no kennel for the breeding or boarding of dogs shall be erected or maintained on any lot, nor shall any livestock be housed, raised or otherwise maintained on any parcel. Dogs, cats, and other domesticated animals may be kept provided they are not bred or maintained for commercial purposes. Outside housing for such animals must be approved by the Association and/or Developer.

e. Lot Uses: No lot shall be used other than for residential purposes, including uses accessory thereto as permitted by the Zoning Ordinance of Valley Township. No dwelling house shall be erected on any lot which shall be designated for occupancy by more than a single family. On any lot, only one dwelling house shall be permitted; however, this clause shall not be construed to prohibit the construction of private garages, barns or outbuilding as may be permitted by the Township Zoning Ordinance and approved by the Developer. No such accessory building shall be constructed unless it is contemporaneous with or after construction of the principal dwelling.

f. Construction Time and Lawn Mowing: Construction of any dwelling or other permitted building must be completed within one (1) year of the date of ground breaking. Whether or not occupied, lots must be kept in neat and proper condition at all times with respect to mowing of grass at least once each month from April 15th to November 15th.

g. Right of Way: It shall be the duty of every lot owner abutting the road right-of-way within Country Club Valley to be responsible for the proper seeding, care and maintenance of the land lying between the portion of that owner's property line which abuts such right-of-way and the cartway lying within such right-of-way. In performing this duty, the owners shall not obstruct or make any use of such area which is detrimental to or inconsistent with the proper use of the right-of-way. Owner shall not obstruct the drainage facilities or site lines. Only mailboxes and low shrubbery shall be permitted in the right-of-way.

h. Topsoil: The sale or removal of topsoil from any lot or open space is prohibited.

i. Motorbikes: The use of motorbikes and minibikes shall not be permitted in Country Club Valley except duly licensed motorcycles may be used on the roads for the purpose of normal transportation to and from the premises.

j. Driveways: All driveways must be paved and no grading, landscaping, excavation, or driveway installation shall be constructed on any lot in a manner that burdens, damages or interferes with drainage along, across, or under the road right-of-way.

k. Grading: Each owner who intends to construct any dwelling or structure on their lot shall prepare a grading plan therefore in conformance with all applicable soil and erosion control laws, ordinances, and standards. Said plan shall be filed with Valley Township. Owner shall be solely responsible for the implementation and shall implement said plan.

l. Roofs: Roofs must be at least a 8/12 pitch unless written approval is given by the Developer prior to construction beginning on any lot.

m. Home Size: All single family homes must have a minimum of 1800 square feet of living space and no more than 2400 square feet, unless otherwise approved by Developer prior to purchase of any lot.

n. Building Materials: Materials used on all exterior surfaces of building to be erected on any lot be of brick, stone, stucco, or wood. Otherwise approved by the Developer or the appropriate Committee of the Association.

o. Garbage and Rubbish: Garbage and rubbish shall not be placed or allowed to remain on any lot except in a closed receptacle. It shall be placed outside the dwelling for collection on collection date in accordance with regulations of collection agency.

p. Statuary: No statues, bird baths, or animal replicas will be placed on any lot.

q. Signs: No advertising signs, notices, except small identifying signs identifying the Owner of a lot shall be erected or displayed on any lot, with the exception of "For Sale" or "Sold" signs.

r. Tree Removal: Removal of trees on the single detached lots is prohibited except within the building envelope.

Section 5. All restrictions provided for herein shall be in addition to any restrictions contained in Township ordinances, rules or regulations, and in all events, in the case of conflict between such rules and regulations and the Restrictions provided for herein, the most stringent of the two shall apply.

Section 6. The property owners once the Association is established may increase, decrease, or change rules according to the procedures of the By-Laws.

ARTICLE VIII

Section 1. These Covenants and Restrictions shall run with the land and remain in effect for a period of ninety-nine (99) years hereof. They shall without further action expire at that time except in the event that the Association, by a majority vote of its members, elect to continue and extend the same for an additional period not to exceed ten (10) years each. Such extension shall be made by written statement, executed by the proper officers of the Association and recorded in the Recorder of Deeds Office in Chester County referring to the within Restrictions and Covenants. In the event the Association is not then operating, then such extension may be made by the successor in interest in such Association. The method of voting by such Association or successor shall be as set forth in the By-Laws or other rules applicable at the time. In the event that neither the Association nor any successor in existence at any of the times provided for herein for such extension, an extension may be made by a majority vote of the owners of the lots within the development. A document showing the vote to extend such covenants shall be executed by the person making the account thereof, duly acknowledged and recorded in the Recorder of Deeds Office in Chester County referring to the Covenants and Restrictions. Any document intending to extend these Covenants and Restrictions must be first approved by the Township.

Section 2. Severability: If any portion of these Covenants and Restrictions be deemed to be invalid by Court or other authority which has jurisdiction, such invalidity shall in no way affect the other provisions which will remain in full force and effect.



KCH DEVELOPERS, INC.

GM 3102  
FIRST AMENDMENT TO BY-LAWS OF  
COUNTRY CLUB VALLEY ASSOCIATION, INC.

WHEREAS, Country Club Valley Association, Inc. (the "Association") is a Pennsylvania non-profit corporation, having filed its Articles of Incorporation with the Pennsylvania Department of State, Corporation Bureau, on July 26, 1990, under and subject to the Pennsylvania Non-Profit Corporation Law of 1988, 15 Pa. C.S.A. §5101 et seq.; and

WHEREAS, the Association is composed of Members who are the Owners of Record of certain residential Living Units; and

WHEREAS, the Association conducts its business and business affairs through its Board of Directors, in accordance with the By-Laws of the Country Club Valley Association, Inc. (the "By-Laws") recorded in the Office of the Recorder of Deeds of Chester County at Book 1994, Page 90, et seq.; and

WHEREAS, under and subject to the Declaration of Covenants and Restrictions for Country Club Valley (the "Declaration"), recorded in the Office of the Recorder of Deeds of Chester County at Book 1994, Page 79, et seq., all of the real property comprising the Country Club Valley Association was submitted to the Covenants and Restrictions set forth in the Declaration; and

WHEREAS, pursuant to Article III of the Declaration, every Owner of a residential Living Unit which comprises the Association is a Member of the Corporation, and holds all voting rights pertaining to such membership; and

WHEREAS, the By-Laws provide the Members with a right to adopt amendments to the By-Laws as set forth at Article XVII of the By-Laws; and

WHEREAS, at a duly noticed and held meeting of the Members of the Association, and upon an affirmative vote of the Members cast at the said meeting, certain amendments to the By-Laws set forth herein were adopted,

NOW THEREFORE, BE IT RESOLVED, that the By-Laws of the Country Club Valley Association, Inc. are hereby amended as follows:

ARTICLE XVI, SECTION 1, SHALL BE REPLACED WITH THE FOLLOWING:

The Board of Directors shall adopt and amend Rules and Regulations governing the administration, management, operation and use of the Properties, including the Open Space and facilities, the Living Units and the conduct of the Owners, occupants and users thereof. Such Rules and Regulations may be modified at any time by a vote of a majority of the Members of the Board of Directors. Copies of the Rules and Regulations shall be delivered to all unit Owners and upon amendment, said amendment shall be promptly delivered to all Unit Owners. The Rules and Regulations, as the same may be amended from time-to-time, shall be binding upon all Unit Owners, their lessees, users, guests, heirs, successors, personal representatives and assigns. The acceptance of a deed or lease or the act of occupancy or use of a Living Unit shall constitute an agreement to be subject to and be bound by the Rules and Regulations.

ARTICLE XVI, SECTION 2, SHALL BE ADDED AS FOLLOWS:

2. The Board of Directors shall propose, adopt, enforce and amend such Rules and Regulations regarding the administration, management, operation, use and enjoyment of the properties, including the common areas and facilities and all Living Units, and the conduct of the Owners,

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Members, their families, lessees, users, guests, heirs, successors, personal representatives and assigns thereon, as shall reasonably secure and preserve the health, safety and welfare of all of the Owners, Members, their families, lessees, users, guests, heirs, successors, personal representatives and assigns, and to protect, secure and preserve the Owners's privacy, property and the quality of the Owner's investment in a Living Unit comprising the Association.

ARTICLE XVI, SECTION 3 SHALL BE ADDED AS FOLLOWS:

3. Apparent violations of the Rules and Regulations may be reported by the Owners to the Board or the managing agent in writing, or be observed and reported in writing by the managing agent or a Member of the Board of Directors during an inspection of the properties. Upon the receipt of written complaint from an Owner, Board Member or the managing agent, a written violation notice shall be transmitted to the Unit Owner and/or such other persons as are determined to be responsible for the violation. The written violation notice shall be transmitted to the Owner and/or responsible person by first class mail, postage pre-paid and/or delivery to the Owner and/or responsible persons' Living Unit. The written violation notice shall give the Owner and/or responsible person ten (10) days from the date of the notice to cure the violation. If the Owner or responsible person files a written appeal from the first violation letter with the Board or managing agent within the ten (10) day cure period, then the ten (10) day cure period shall be deemed to stop, and a new ten (10) day cure period will start on the day after the date upon which the Board of Directors issues a written decision on the appeal. Unit Owners and/or responsible persons shall be permitted to appear before the Board, with or without counsel, to make an appeal. Witnesses may be called, and evidence presented by either the Board or the Owner and responsible persons. Appeals may be heard by the Board, or by one or more Board Members sitting as hearing officers.

ARTICLE XVI, SECTION 4 SHALL BE ADDED AS FOLLOWS:

4. The violation notice and fine imposition procedure shall be as follows:

- a. A first violation letter shall be transmitted to the Owner and/or responsible person advising of the nature and substance of the violation, and providing a period of ten (10) days from the date of the letter to cure the violation. If no appeal to the Board is made within the ten (10) day cure period, then the Owner or responsible person shall be deemed, for purposes of enforcement of any Rule or Regulation, to have admitted the violation and facts set forth in the notice of violation, and to have agreed to pay or reimburse any reasonably foreseeable costs or damages to the Association which may accrue or be incurred by the Association in curing the violation.
- b. Absent a timely appeal to the Board or cure of the violation, a second violation letter may be mailed. A second violation letter will provide notice of the imposition of a \$50.00 fine, and demand the cure of the violation within ten (10) days of the date of transmission of the second violation letter. If the violation is not cured within the specified time, then a third violation letter shall be mailed.
- c. The third violation letter will impose an additional \$100.00 fine. In addition to the aforesaid fine, an additional fine of \$10.00 per day shall be levied and posted to the

Owner's assessment account for each day upon which the violation continues subsequent to the date of the transmission of the third violation notice letter. At the same time the third violation notice letter is transmitted, the matter shall be turned over to the Association's legal counsel, who shall institute such legal process as the Board of Directors may authorize toward obtaining a cure of the violation. The Unit Owner and/or person responsible for the violation shall also be responsible for all attorney's fees and court costs incurred by the Association.

- d. All fines levied by the Association, and all costs and attorney's fees incurred by the Association incident to securing the cure of a Rule and Regulation violation, shall be assessed against the account of the Living Unit wherein the Unit Owner or responsible person reside, and shall be a lien and enforceable against the Living Unit in the same manner as an assessment under By-Law Article X, Section 2.
- e. A second occurrence for the same Rule and Regulation violation will not receive a warning letter. A first violation letter will be shall be transmitted to the Owner and/or responsible person, and shall include the imposition of an immediate \$50.00 fine. An appeal may be filed, and the Owner and/or responsible person shall proceed in accordance with the provision of Article XVI, paragraph 3 above. If the violation is not cured within



ten (10) days of the date of the transmission of the violation notice, then the Association may proceed in accordance with the provisions of paragraph 4c hereinabove.

- f. All complaints regarding violations of the Rules and Regulations shall be made in writing to the Board or its managing agent, and the Board, and/or its managing agent if so directed by the Board, shall be permitted a reasonable time subsequent to the receipt of the written complaint in which to investigate, study and act upon the complaint. The Board need not investigate or act upon any violation which is not reported in writing.
- g. The foregoing shall not, nor shall it be deemed to, prevent the Association from immediately proceeding with such alternate legal remedies, without regard to whether civil or equitable, to enjoin, remove or remedy any violation, or threatened violation, of the Rules and Regulations, or any provision of the Declaration or By-Laws, which poses a risk of imminent danger or risk to the health, safety or welfare of any Owner or person, or any Living Unit, or the Properties.
- h. In circumstances wherein a violation is deemed to occur with respect to a tenant occupied Living Unit, then a first violation notice letter will be sent to both the Living Unit Owner and the tenant requesting the

cure of the violation of the Rules and Regulations in the manner set forth in paragraph 4a above. Any further notifications of violations will be transmitted directly to the Unit Owner only. The unit Owner is, and shall remain throughout the term of their ownership of a Living Unit, ultimately responsible to cure any Rule or Regulation violation, and to be liable to the Association for the payment of any costs of retribution, damages, legal fees, costs, fines or other charges which accrue or are incurred by the Association incident to obtaining the cure of a Rule and Regulation violation by a tenant, licensee or other person occupying the Owner's Living Unit.

ARTICLE XVIII. LIMITATION OF LIABILITY, INDEMNIFICATION AND INSURANCE AS SHALL BE ADDED AS FOLLOWS:

Article XVIII -- Limitation of Liability, Indemnification and Insurance

1. The Members of the Board of Directors and the officers of the Board of Directors, serving on, or subsequent to January 24, 1990, as well as any Members or Officers of any committees which may be appointed by the Board, shall:
  - a. Not be liable to any Living Unit Owner, lessee, licensee or any other person or entity, as a result of any action taken or omitted to be taken by the Board or Committee Members in such capacities, or for any mistake or error in judgment, negligence or otherwise, except for their own willful misconduct or gross negligence; and

- b. Bear no personal liability in contract to a Living Unit Owner, lessee, tenant or any other person or entity, under any agreement, instrument, or transaction entered into, or executed by them on behalf of the Association in the performance of their duties; and
  - c. Have no personal liability without regard to whether direct or imputed to a Living Unit Owner, lessee, licensee or any other person or entity, by virtue of acts performed or not performed by the Board or Committee Members, or by the agents, servants, employees or independent contractors employed or retained by the Board, on their behalf in their official capacity, to render labor, services or materials for the benefit of the Association, except for their willful misconduct or gross negligence; and
  - d. Have no personal liability arising out of the use, misuse or condition of the properties or the Living Units, or any part thereof, or which might in any way be assessed against or imputed to them, as a result of, or by virtue of, their capacity as past or present Members of the Board of Directors, or as officers of the Board of Directors, or as Committee Members.
2. The Association shall, to the fullest extent permitted by law, including but not limited to, the provisions of 15 Pa. C.S.A. §5741, et seq., of the Pennsylvania Non-Profit Corporation Law regarding indemnification, as same may from time-to-time be amended:

- a. Indemnify and hold harmless any person who is, or has, served as a Member or officer of the Board of Directors, or a Committee Member, as well as their heirs, executors and personal representatives, from and against any and all personal liability, and all expenses and costs, including counsel fees, incurred or imposed, or arising out of, or in settlement of, any threatened, pending, or completed action, suit or corporate proceeding, without regard to whether civil or criminal, administrative or investigative (including action by or in the right of the Association), instituted by any one or more unit Owners or any other persons or entities, to which they shall be, or shall be threatened to be, made a party by reason of the fact that they serve as, or have served, as a Member or officer of the Board of Directors, or as a Member of any Committee appointed by the Board, (or as an employee or agent of the Association) or are, or have, served at the request of the corporation as a director, officer (or employee or agent ) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses, including attorney's fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by them in connection with such action, suit or proceeding.
- b. There shall be no right of indemnification to the extent, if

any, that such liability, judgment or expense suffered by the past or present member or officer of the Board of Directors, or any Committee, (or an employee or agent of the corporation) shall be attributable to their willful misconduct or gross negligence, and provided in the case of any settlement, that the Board of Directors shall have first approved this settlement, which approval shall not be unreasonably withheld.

- c. Such right of indemnification shall not be deemed exclusive of any other rights to which such person, their heirs, executors or personal representatives may be entitled as a matter of law or agreement, or upon vote of the Board of Directors, or otherwise.
- d. The indemnification provided by the Association incident to this Article XVIII, Section 2, shall be paid by the Association, and shall be assessed and collected against all the Living Unit Owners in accordance with the terms of the Declaration in the same manner as an assessment under By-Law Article X, Section 2.
- e. Expenses incurred by a currently serving or former officer, director, committee member, employee or agent purportedly indemnified by this Section in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt from the officer, director, committee member, employee or agent.

of a signed undertaking by, or on behalf of such officer, director, committee member, employee or agent to repay such amount if it shall ultimately be determined that the officer, director, committee member, employee or agent is not entitled to be indemnified by the Association hereunder.

- f. This Section 2, and the Indemnification provisions hereof, shall not be effective with respect to any cause of action, suit or proceeding which arose, or which was commenced prior to January 23, 1990.
3. To the extent any agreements, contracts, deeds, leases, easements, or other conveyances, transactions, documents or instruments entered into by the Association may specifically include, as the Board of Directors may elect, provisions stating that the Board of Directors, as well as the Board of Directors' officers executing the said document or instrument, are acting on behalf of the Association, and the individuals executing the document or instrument on behalf of the Association shall have no personal liability thereunder, and any and all claims made shall be asserted against the Association only, absent gross negligence or willful misconduct on the part of the Board Member or officer executing the document or instruments on behalf of the Association.
4. Toward providing for indemnification of the past and present Members and officers of the Board of Directors and committees as aforesaid, the Association may, by and through its Board of Directors, obtain and maintain suitable insurance coverage as is reasonably likely to provide for the indemnification of the past and present Members and officers of

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the Board of Directors and committees as provided hereinabove. The costs of such insurance coverage shall be deemed to be, and shall be includable in the assessments to be levied as against each Living Unit owner under By-Law Article X, Sections 1 and 2.

IN ALL OTHER RESPECTS, the provisions of the By-laws of the Country Club Valley Association, Inc. are hereby ratified and reaffirmed.

IN WITNESS WHEREOF, the undersigned, Jude Ruzskay, President of the Country Club Valley Homeowners Association, Inc., upon the affirmative vote of a majority of the Living Unit Owners adopting the foregoing amendments, and directing the execution and recording of a First Amendment to the By-Laws of Country Club Valley Homeowners Association, Inc., has hereunto set his hand and seal this 18<sup>th</sup> day of March, <sup>1992</sup> 1991.

ATTEST:

Beverly L. Fisher

Jude Ruzskay  
JUDE RUSZKAY, President  
Country Club Valley Homeowners  
Association

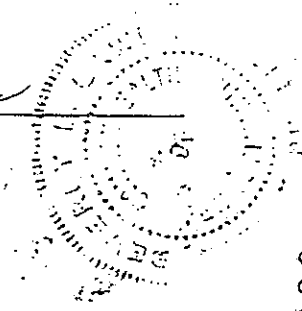
ACKNOWLEDGEMENT

STATE OF PENNSYLVANIA :  
COUNTY OF ~~CHESTER~~ :  
DELAWARE

On this 18<sup>th</sup> day of March, 1992, before me, the undersigned officer, personally appeared Jude Ruzskay, President of the Country Club Homeowners Association, Inc., known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I have hereunto set by hand and official seal.

*Beverly L. Lawless*  
NOTARY PUBLIC



*James J. Ward*



NOTARIAL SEAL  
BEVERLY L. LAWLESS, Notary Public  
Newtown Square, Delaware County  
My Commission Expires May 20, 1995

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CHESTER COUNTY PA

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JUN 3 1992



JRN TO

*Frank Dujaman & Associates*  
*77 E Lancaster Ave*  
*Wilmington, Pa 19301*

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MISC	
WRIT TAX	31.00
SUBTL	0.50
CHECK	31.50
ITEM 2	<b>31.50</b>
04-21-92 TUE #0	
BETSY	5789 11:14TH

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