

**FIRST AMENDMENT TO THE BY-LAWS OF
SAGAMORE COMMUNITY ASSOCIATION**

WHEREAS, the Sagamore Community Association (the "Association") has been organized as Pennsylvania nonprofit membership corporation; and

WHEREAS, the Association's membership consists of all those persons, partnerships, corporations, trusts or business entities (the "Owners") who hold the legal title to the residential dwellings which comprise the planned community commonly known as "Sagamore," located in East Bradford Township, Chester County, Pennsylvania; and

WHEREAS, the Association is organized as residential community under and subject to the retroactive provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C. S. A. Section 5101 et seq., as amended (the "Act"); and

WHEREAS, under Section 5306 of the Act the Association is required to have, does have, and is administered, managed and operated under and subject to the By-Laws of the Sagamore Community Association (hereinafter the "By-Laws"); and

WHEREAS, the Association and the Owners wish to amend the By-Laws;

NOW THEREFORE, this First Amendment to the By-Laws, having been approved by vote and/or consent of not less than a majority of the Owners, is hereby adopted, and the prior and inconsistent provisions of the By-Laws amended by this First Amendment to the By-Laws are hereby revoked, superseded, replaced and/or supplemented for all purposes as follows:

I. Article 1, Section 1.4 of the Bylaws is hereby withdrawn and replaced for all purposes with the following new Section 1.4:

Section 1.4 Use of Association's Name. The name in which all contracts shall be entered into, title to all property shall be acquired, held, dealt in and disposed of, bank accounts shall be opened and held, and suits shall be brought and defended by the Board of Directors or the officers on behalf of, and as agents for, the Owners in the manner specified by the Declaration and these By-Laws is that certain Pennsylvania nonprofit corporation, of which all the Owners are members, known as the "Sagamore Community Association." All references in the By-Laws, as well as in any other document prepared, published or issued by the Association to the "Association" are, and shall be deemed to be, references to the Sagamore Community Association.

II. Article III, Section 3.2. (a) of the By-Laws is hereby amended and supplemented for all purposes by the insertion of the following new Article III, Sections 3.2. (a) (ix) through 3.2. (a) (ix).

Section 3.2. (a) (ix). The Board of Directors, acting on behalf of the Association, shall, from time-to-time, as may be determined by the Board of Directors, replace the roofs, to include shingles, felt paper, sealants, decking and flashing, but excluding joists, beams, trusses and rafters on the Dwellings.

Section 3.2. (a) (x). The Board of Directors, acting on behalf of the Association, shall, from time-to-time, as may be determined by the Board of Directors, replace the gutters, down spouts and vinyl siding on the Dwellings.

Section 3.2. (a) (xi). The Board of Directors, acting on behalf of the Association, shall, from time-to-time, as may be determined by the Board of Directors, will be responsible for removal of snow only on the walkways leading from the sidewalks to the foot of the lowest stair serving each of the Dwellings.

Section 3.2. (a) (xii). The Board of Directors, acting on behalf of the Association, shall, from time-to-time, as may be determined by the Board of Directors, will not be responsible for snow or ice removal from any portion of the Community Facilities except the roadways, the sidewalks paralleling the roadways, and the sidewalk connecting the Property to Shropshire Drive.

Section 3.2. (a) (xiii). The Board of Directors, acting on behalf of the Association, shall, from time-to-time, as may be determined by the Board of Directors, levy Assessments, charges, contributions, costs, fees and expenses in accordance with Declaration Section 13, as section 13 may now or hereafter be amended, the Act and applicable law.

Section 3.2. (a) (xiv). Except as stated in the Declaration, as amended, with respect to the Association's Managing Agent, the Board of Directors, acting on behalf of the Association, may, from time-to-time, as may be determined by the Board of Directors, enter into contracts with agents, servants, employees, contractors and vendors upon such terms, and for such lengths of time, as the Board may deem appropriate; save that no such contract may be for an initial period of time in excess of three (3) years, and for renewal periods not in excess of one (1) year.

III. Article III, Section 3.2. (c) of the By-Laws is hereby withdrawn and replaced for all purposes with the following new Article III, Section 3.2. (c).

Section 3.2. (c). The Board of Directors may employ and contract for the services of a professional managing agent (the "Managing Agent") at a compensation established

from time-to-time by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize and direct. The Board of Directors may delegate to the Managing Agent such limited powers, duties and responsibilities as the Board may deem appropriate and necessary for a Managing Agent to effectively administer and manage the day-to-day affairs of the Association, subject to the following limitations:

- a. The Managing Agent shall be a professional agent or corporation selected by the Board.
- b. The Managing Agent shall not be, or be deemed to be, a Board member, nor an officer of the Association.
- c. The Managing Agent may not be a Member of the Association.
- d. The Managing Agent may only be employed or retained under the terms of a written contract.
- e. The Managing Agent's contract must state the duties, responsibilities and compensations of the Managing Agent.
- f. The Managing Agent's contract must not extend for an initial term in excess of three (3) years.
- g. The Managing Agent's contract may contain optional renewal periods not in excess of three (3) years, subject to the condition that the Managing Agent must provide the Board with written notice of the renewal date and any fee increase at least sixty (60) days prior to the renewal date.
- h. The Managing Agent's contract must be terminable by either the Association or the Managing Agent without cause, and without the payment of any termination fee, upon sixty (60) days written notice.
- i. The Managing Agent must maintain commercial general liability insurance and errors and omissions insurance policies.
- j. The Managing Agent must maintain fidelity bond coverage for the Managing Agent and all of the Managing Agent's agents, servants, employees and contractors who will have access to the Association's accounts or funds.
- k. Under and subject to the contract with its Managing Agent, the Board may assign its day-to-day administrative and supervisory functions to the Managing Agent, but, with the exception of providing administrative support to the Board, the functions assigned to the Managing Agent may not include the Board's powers and duties to:

Members; and

1. Call Annual, General, and Special Meetings of the
2. Adopt, establish, levy and assess Assessments; and
3. Adopt the annual budget; and
4. Adopt, amend, withdraw and publish rules and regulations for the Property and the Association; and
5. Borrow money on behalf of the Association; and
6. Purchase, sell, lease or transfer the Community Facilities and/or to grant leases, licenses, or easements over the Community Facilities; and
7. Appoint committees; and
8. Negotiate or draft any check or instrument by, or on behalf of, the Association in an amount in excess of \$2,000.00, except in accordance with such written policies and procedures as may be established by the Board of Directors; and
9. Establish any policies or perform any functions specifically requiring the exercise of the Board of Director's discretion and judgment.

IN WITNESS WHEREOF, we, being the President and Secretary of the Sagamore Community Association have hereunto set our hands this 5th day of October 2002.

Sagamore Community Association

By: Robert Schweizer
Robert Schweizer, President, and Member of
the Executive Board

SEAL

Sue Ellen Harmeson
Sue Ellen Harmeson, Secretary, and Member
of the Executive Board