

EXHIBIT "C"

BY-LAWS

OF

TWIN OAKS MANOR CONDOMINIUM ASSOCIATION, INC.

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BY-LAWS

OF

TWIN OAKS MANOR CONDOMINIUM ASSOCIATION, INC.

Article I
General

Section 1. Applicability. These By-Laws provide for the self-government of Twin Oaks Manor, a Condominium, in accordance with the Articles of Incorporation and the Declaration of Condominium recorded in the Allegheny County Records.

Section 2. Name. The name of the corporation is Twin Oaks Manor Condominium Association, Inc., (hereinafter referred to as the "Association").

Section 3. Membership. An owner of a unit shall automatically become a member of the Association upon taking title to the unit and shall remain a member for the entire period of ownership; as may be more fully provided below, a spouse of a member may exercise the powers and privileges of the member. If title to a unit is held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) vote per unit. Membership does not include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the owner's membership. Membership shall be appurtenant to the unit to which it appertains and shall be transferred automatically by conveyance of that unit and may be transferred only in connection with the transfer of title.

Section 4. Voting. Each unit shall be entitled to a weighted vote as set out in the Declaration which may be cast by the owner, the owner's spouse, or by a lawful proxy as provided below. When more than one person owns a unit, the vote for such unit shall be exercised as they between or among themselves determine, but in no event shall more than one (1) vote be cast with respect to any unit. In the event of disagreement among such persons and an attempt by two or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not be counted. No owner shall be eligible to vote, either in person or by proxy, or be elected to the Board of Directors, if that owner is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association or if the owner's right to vote or to be a member of the Board has been suspended by the Board of Directors for the infraction of any provision of the Declaration, these By-Laws, or any rule.

Section 5. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totalling more than fifty (50%) percent of the total number of eligible votes, owners, or other groups. Unless otherwise specifically stated, the words "majority vote" mean more than fifty (50%) percent of those voting in person or by proxy. Unless otherwise provided in the Declaration or these By-Laws, all decisions shall be by majority vote.

Section 6. Purpose. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions to the common expenses, arranging for the management of the Condominium, and performing all of the other acts that may be required to be performed by the Association, the Pennsylvania Uniform Condominium Act, and the Declaration. Except as to those matters which either the Pennsylvania Uniform Condominium Act, the Declaration, or the Pennsylvania Nonprofit Corporation Act specifically require to be performed by the vote of the Association, the administration of the foregoing responsibilities shall be performed by the Board of Directors, as more particularly set forth below.

Article II Definitions

Unless the context otherwise requires, the terms as used in these By-Laws, the Declaration, and the Articles of Incorporation shall have the following meanings:

Section 1. Act shall mean the Pennsylvania Uniform Condominium Act, 1980 Pa. Laws, 68 Pa. Cons. Stat. Section 3101, et seq., as such Act may be amended.

Section 2. Association shall mean Twin Oaks Manor Condominium Association, Inc., and its successors.

Section 3. Board or Board of Directors shall mean the governing body of the Association.

Section 4. Common elements or common areas shall mean that area and property submitted to be part of the Condominium but not included within the boundaries of a unit, as defined in Paragraph 5 of the Declaration.

Section 5. Condominium shall mean all that property submitted to the Act as described in Exhibit "A" to the Declaration.

Section 6. Declaration shall mean that document filed of record in the Office of the Recorder of Deeds of Allegheny County, Pennsylvania, for the purpose of submitting the Condominium to the Act.

Section 7. Eligible votes shall mean those votes available to be cast under the Declaration, the By-Laws, the Act, or the Pennsylvania Nonprofit Corporation Act.

Section 8. Limited common elements shall mean that property set aside for limited use as described in Paragraph 6 of the Declaration.

Section 9. Mortgage shall refer to any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance for such purpose of fee title.

Section 10. Officer shall mean those individuals who are elected by the Board to serve as President, Vice President, Secretary, or Treasurer, or such other subordinate offices as the Board may determine necessary.

Section 11. Owner or member shall mean the record title holder of a unit within the Condominium, but shall not mean a mortgage holder.

Section 12. Person shall mean any individual, corporation, firm, association, partnership, or other legal entity.

Section 13. Unit shall mean that portion of the Condominium intended for individual ownership and use as described in the Declaration.

Other terms have their natural meanings or the meanings given in the Declaration, the Act, or the Pennsylvania Nonprofit Corporation Act.

Article III Meetings of Members

Section 1. Annual Meetings. The regular annual meeting of the members shall be held within the first ten (10) days of the month of December, in each year, on a day and at an hour set by the Board. Meetings shall be at the Condominium or other suitable place set by the Board in Allegheny County, Pennsylvania.

Section 2. Special Meetings. Special meetings of the members for any purpose may be called at any time by the President, the Secretary, or Treasurer, or by request of any two (2) or more members of the Board of Directors, or upon written request of the members who have a right to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meetings. It shall be the duty of the Secretary to mail to each owner of units of record, postage prepaid, by United States Mail, or to cause to be delivered to the units a notice of each annual or special meeting of the Association not less than ten (10) days nor more than sixty (60) days in advance of the meeting. The notice shall state the purpose and agenda of any meeting, as well as the time and place where it is to be held. If any owner wishes notice to be given at an address other than his or her unit, the owner shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Upon request, any institutional holder of a first mortgage shall be entitled to written notice of all meetings and shall be permitted to designate a representative to attend and observe any such meeting.

Section 4. Waiver of Notice. Waiver of notice of meeting of the owners shall be deemed the equivalent of proper notice. Any owner may, in writing, waive notice of any meeting of the owners, either before or after such meeting. Attendance at a meeting by an owner, whether in person or by proxy, shall be deemed waiver by such owner of notice of the time, date, and place thereof unless such owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 5. Quorum. Except as may be provided elsewhere, the presence of owners entitled to cast twenty (20%) percent of the eligible votes of the Association shall constitute a quorum.

Section 6. Adjournment. Any meeting of the owners may be adjourned from time to time for periods not exceeding forty-eight (48) hours by vote of the owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at an adjourned session, and no additional notice of such adjourned session shall be required.

Section 7. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies must be dated and may be revoked only by giving actual notice of the revocation to the person presiding over the meeting of the Association. Presence in person at the meeting for which a proxy is given shall automatically revoke the proxy.

Section 8. Consents. Any action which may be taken by a vote of the owners may also be taken by written consent signed by all owners.

Section 9. Conduct of Business. Roberts Rules of Order (latest edition) shall govern the conduct of the meeting, when not in conflict with the Declaration, Articles of Incorporation, or these By-Laws.

Article IV Board of Directors

A. Composition and Selection.

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of five (5) persons. The directors shall be owners of units or spouses of such owners; provided, however, that no owner and his or her spouse may serve on the Board at the same time.

Section 2. Election and Term of Office. The initial terms of the directors shall be staggered on a one (1), two (2), and three (3) year basis. One (1) director shall be elected for one (1) year, two (2) directors shall be elected for two (2) years, and two (2) directors shall be elected for three (3) years. After the initial term of each director, thereafter, directors shall be elected for three (3) year terms. Directors shall be elected by the vote of those persons present, in person or by proxy, at the annual or other meeting of the membership of the Association. Those persons receiving the most votes shall be elected to the number of positions to be filled.

Section 3. Removal of Members of the Board of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the members and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given at least ten (10) days'

notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason, including the addition of a new director or directors but excluding the removal of a director by vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. Each person so selected shall serve until a successor shall be elected at the next annual meeting of the Association to fill the unexpired portion of the term.

Section 5. Compensation. Directors shall not be compensated unless and to the extent the members of the Association authorize at any meeting duly called for that purpose.

Section 6. Nomination. Nomination for election to the Board shall be made by a nominating committee which shall consist of three (3) members appointed by the President to serve from the close of one annual meeting to the close of the succeeding annual meeting. Such appointment shall be announced at the annual meeting. The nominating committee shall be announced at the annual meeting. The nominating committee may nominate any number of qualified individuals, but no less than the number of directors to be elected. The nominations shall be made at least twenty-one (21) days prior to the annual meeting. Nominations shall also be allowed from the floor at the meeting, and failure to comply with this Section shall in no way invalidate the election of directors so nominated.

B. Meetings.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every three (3) months. The Board shall meet within ten (10) days after each annual meeting of members.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given by mail, in person or by telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 9. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board

of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 10. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, Articles of Incorporation, or these By-Laws. A majority of directors shall constitute a quorum for the transaction of business. A decision of the Board of Directors shall be by a majority of those directors present at a duly called meeting. The President may vote.

Section 11. Action Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the directors consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board of Directors.

C. Powers and Duties.

Section 12. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Condominium and may do all such acts and things as are not by the Declaration, Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the members. The Board shall have the power to adopt, modify, and repeal such rules and regulations as it deems necessary and appropriate and to impose sanctions for violations thereof, including, without limitation, monetary fines. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to, and be responsible for, the following, in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments;

(c) providing for the operation, care, upkeep, and maintenance of all of the area for which the Association is assigned maintenance responsibility in Article VI, Section 5(b), of the By-Laws;

(d) designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property and the area for which the Association is assigned maintenance responsibility in Article VI, Section 5(b), of the By-Laws, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) making and amending rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making, or contracting for the making of, repairs, additions, and improvements to, or alterations of the Common Area in accordance with the other provisions of the Declaration and these By-Laws, after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in Article VI of these By-Laws, and paying the premium cost thereof;

(k) paying the costs of all services rendered to the Association or its members and not chargeable to Owners; and

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and mortgagees, their duly authorized agents, accountants, or attorneys during general business hours on working days at the times and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices.

Section 13. Management Agent. The Association may hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and such services as the Board of Directors shall authorize from time to time. Moreover, any management contract shall contain a termination clause permitting termination, for cause or without cause, upon no more than thirty (30) days' written notice; provided, however, no contract shall be for more than one (1) year.

Section 14. Accounts and Reports. The following management standards of performance will be followed unless the Board, by resolution, determines otherwise:

(a) the accrual method of accounting shall be employed;

(b) two (2) or more persons shall be responsible for handling cash to maintain adequate financial control procedures;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; any thing of value received shall benefit the Association; and

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

Section 15. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of common areas and facilities without the approval of the members of the Association; provided, however, that the Board shall obtain membership approval in the same manner as for special assessments set forth in Article VII, Section 5, in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities to the Condominium and the total amount of such borrowing exceeds or would exceed Ten Thousand (\$10,000.00) Dollars outstanding debt at any one time.

D. Committees.

Section 16. Nominating Committee. Pursuant to Section 6 of this Article IV, there shall be a nominating committee composed of three (3) members appointed in the manner and to perform the functions specified in Section 6 of this Article.

Section 17. Covenants Committee. The Board of Directors may appoint a Covenants Committee consisting of at least three (3) and no more than seven (7) members. Acting in accordance with the provisions of the Declaration, these BY-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association.

Section 18. Architectural Standards Committee. The Board may establish an Architectural Standards Committee for the purpose of establishing and maintaining architectural standards on Condominium property as hereinafter provided.

Section 19. Other Committees. There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize.

Article V Officers

Section 1. Designation. The principal officers of the Association shall be the President, Vice President, the Secretary, and the Treasurer. The President and Secretary shall be elected by and from the Board of Directors. The Vice President and Treasurer shall be elected by the Board of Directors, but may be either a Board or an Association member. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other subordinate officers as in its judgment may be necessary. Such subordinate officers shall not be required to be members of the Board of Directors. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one (1) office.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board following each annual meeting of the members and shall hold office at the pleasure of the Board of Directors and until a successor is elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Pennsylvania Nonprofit Corporation Act, including, but not limited to, the power to appoint committees from

among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under Pennsylvania law.

Section 7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of the budget as provided below.

Section 8. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 9. Amendments. Amendments to the Declaration and these By-Laws may be prepared, executed, certified, and recorded by the President, Vice President, Secretary, or Treasurer on behalf of the Association.

Article VI Association Responsibilities

Section 1. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director at

the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such officer or director in the performance of his duties, except for their own individual willful misfeasance or malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall as a common expense maintain adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation and the insurance shall be written as provided in Section 2 of this Article VI.

Section 2. Insurance. The Association shall obtain and maintain at all times, as a common expense, insurance as required by Section 3312 of the Pennsylvania Uniform Condominium Act and as required herein, including a casualty insurance policy or policies affording fire and extended coverage for and in an amount consonant with the full replacement cost of all structures within the Condominium, but in no event less than that required by Section 3312 of the Act, and a liability insurance policy or policies in amounts not less than Five Hundred Thousand (\$500,000.00) Dollars for injury, including death, to a single person; One Million (\$1,000,000.00) Dollars per injury or injuries, including death, arising out of a single occurrence; and Fifty Thousand (\$50,000.00) Dollars property damage, covering the Association, the Board of Directors, officers, and all agents and employees of the Association, and all unit owners and other persons entitled to occupy any unit or other portion of the Condominium property.

All such insurance coverage shall be written in the name of the Association as trustee for itself, each of the owners, and the mortgagees of owners, if any. It shall be the duty of the Board of Directors at least annually to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association and to satisfy the requirements of Section 3312 of the Act. Such responsibility may be performed, and shall be deemed reasonably performed, by the Board requesting the Association's insurance agent to verify that the insurance policies in existence meet the needs of the Association and satisfy the requirements of Section 3312 of

the Act. Such insurance shall run to the benefit of the Association, the respective unit owners, and their respective mortgagees, as their interests may appear. The improvements and betterments made by the individual unit owners shall be excluded from this required coverage, but each owner shall have the right to obtain additional coverage for such improvements, betterments, or personal property at his own expense. The policies may contain reasonable deductibles, and the amount thereof shall be added to the face amount of the policies in determining the amount of coverage.

(a) As required by Section 3312(c) of the Act, insurance policies carried by the Association must provide that:

(i) each unit owner is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the common elements or membership in the Association;

(ii) the insurer waives its right to subrogation under the policy against any unit owner of the Condominium or members of his or her household;

(iii) no act or omission by any unit owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(iv) if, at the time of a loss under the policy, there is other insurance in the name of a unit owner covering the same property covered by the policy, the policy is primary insurance not contributing with the other insurance.

(b) The Board of Directors shall utilize every reasonable effort to secure policies that will provide the following:

(i) that the insurer waives its rights of subrogation of any claims against directors, officers, and the managing agent;

(ii) that the policies cannot be cancelled, invalidated, or suspended on account of the conduct of any director, officer, or employee of the Association or the managing agent without a prior demand in writing delivered to the Association and to all mortgagees of units to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured;

(iii) that any "no other insurance" clause contained in the Association's policy shall expressly exclude individual unit owners' policies from its operation;

(iv) that the policies may not be jeopardized, cancelled, or substantially modified without at least thirty (30) days' prior notice in writing to the Board of Directors and all mortgagees of units; and

(v) an agreed value endorsement and an inflation guard endorsement.

(c) All policies of insurance shall be written with a company licensed to do business in the State of Pennsylvania and holding a rating of XI or better in the Financial Category as established by A. M. Best Company, Inc.; if available, or, if not available, the best rating available. The company shall provide insurance certificates to each owner and each mortgagee.

(d) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual unit owners or their mortgagees.

Each unit owner shall notify the Board of Directors of all structural improvements made by the unit owner to the unit.

The Board may require that any unit owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such owner at his expense, and personal property belonging to such owner, file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. If a copy is filed with the Board, such owner shall promptly notify, in writing, the Board of Directors in the event such policy is cancelled.

(e) In addition to the insurance required hereinabove, the Board shall obtain as a common expense:

(i) workmer's compensation insurance, if and to the extent necessary to meet the requirements of law;

(ii) public liability and officers' and directors' liability insurance in such amounts as the Board may determine. Such insurance shall contain a cross liability endorsement;

(iii) fidelity bonds covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds. Such bonds shall be in an amount equal to three (3) months' operating expenses plus the reserve on hand as of the beginning of the fiscal year and shall contain waivers of any defense based upon the exclusion of persons serving without compensation; and

(iv) such other insurance as the Board of Directors may determine to be necessary.

(f) Insurance carried by the Association as a common expense shall not include any part of a unit neither depicted on the original plats and plans nor included in the original mortgage, nor shall the Association include public liability insurance for individual owners for liability arising within the unit.

Section 3. Repair and Reconstruction. In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless eighty (80%) percent of the unit owners, including the owner or owners of the damaged unit or units, vote not to proceed with the reconstruction and repair of the structure, the Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure in accordance with the original plats and plans. In the event of substantial damage or destruction, each institutional holder of a first mortgage shall be entitled to written notice of the damage, and nothing in these documents shall be construed to afford a priority to any unit owner with respect to the distribution of proceeds to any such unit.

The procedure for repair and reconstruction shall be:

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to the Condominium, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged unit) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair, as determined by the Board of Directors, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, assessments shall be made against all of the unit owners. If after repair and reconstruction is completed there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board of Directors.

(c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Condominium was originally constructed.

(d) Encroachments. Encroachments upon or in favor of units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the unit owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

(e) Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against unit owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Section.

(f) Method of Disbursement. The construction fund shall be paid by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

Section 4. Architectural Standards. No owner, occupant, lessee or lessor, or any other person may make any encroachment onto the common elements, exterior change, alteration, or construction (including planting), nor erect, place, or post any sign, object, light, or thing on the exterior of the buildings or any other common element, or on any place or thing in the Condominium visible from the outside of a unit, without first obtaining the written approval of the Board or its delegate. Application shall be in writing and shall provide such information as the Board may reasonably require. The Board or its delegate may publish written architectural standards for exterior and common element alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing units and the location in relation to surrounding structures and topography of the vicinity. In the event that the Board or its delegate fails to approve or to disapprove such application within sixty (60) days after it shall have been submitted, its approval will not be required and this Section 4 will be deemed complied with. As a condition of approval for a requested architectural change, modification, addition, or alteration, an owner, on behalf of him or herself and his successors-in-interest, shall assume all responsibilities for maintenance, repair, and replacement and insurance to and on such change, modification, addition, or alteration. In the discretion of

the Board, an owner may be made to verify such condition of approval by written instrument acknowledged by such owner on behalf of himself and his successors-in-interest.

Section 5. Maintenance Responsibility.

(a) By the Owner. Each owner shall have the obligation to maintain and keep in good repair all portions of his unit and all glass surfaces and all doors, doorways, door and window frames, and all hardware that is part of the entry system of the unit, the air conditioning compressor serving the unit, all pipes, lines, ducts, conduits, or other apparatus which serve only the unit, whether located within or without a unit's boundaries (including all gas, electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits, or other apparatus serving only the unit).

(b) By the Association. The Association shall maintain and keep in good repair as a common expense all of the Condominium property not required to be maintained and kept in good order by an owner. Except to the extent that insurance required to be maintained or maintained by the Association covers any damage or loss, the Association shall not be responsible for any maintenance or repair to the interior of any unit. The Association shall be responsible for all exterior surfaces except those listed in Section 5(a) of this Article VI, whether or not included within the boundaries of a unit or its limited common elements, unless the defect is the result of the owner's own conduct.

(c) Failure to Maintain. If the Board of Directors of the Association determines that: (i) any owner has failed or refused to discharge properly his or her obligations with regard to the maintenance, repair, or replacement of items for which he or she is responsible hereunder, including a failure to maintain, repair, or replace a condition which may increase the possibility of fire or other loss or damage to the Condominium; or (ii) the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an owner, his or her family, guests, lessees, or invitees, then, in those events, the Association shall give the owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement, at owner's sole cost and expense, and setting forth with reasonable particularity the maintenance, repair, or replacement deemed necessary and the cost thereof. However, in an emergency situation, the Association may proceed immediately without notice. The owner shall have fifteen (15) days within which to pay to the Association the amounts claimed due. If any owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at

the owner's sole cost and expense and said cost shall be added to and become a part of the assessment to which such owner is subject and shall become a lien against the unit.

(d) Insurance Deductibles. If maintenance is required as a result of an insured loss, the amount of the deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such repair in the absence of insurance. If the loss affects more than one (1) unit or a unit and the common elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in accordance with the total cost of repair.

Article VII Assessments

Section 1. Purpose of Assessment. The assessments for common expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the owners and occupants of units in the Condominium as may be more specifically authorized from time to time by the Board. Assessments may be used to compensate officers and directors, only if approved by a majority vote of the Association.

Section 2. Creation of the Lien and Personal Obligation For Assessments. Each owner of any unit by acceptance of a Deed therefor, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association: (a) annual assessments or charges, (b) special assessments, such assessments to be established and collected as hereinafter provided, and (c) specific assessments against any particular unit which are established pursuant to the terms of these By-Laws or the Declaration. All such assessments, together with charges, interest, costs, and reasonable attorney's fees, in the maximum amount permitted by the Act, shall be a charge on the unit and shall be a continuing lien upon the unit against which each assessment is made. Such amounts shall also be the personal obligation of the person who was the owner of such unit at the time when the assessment fell due. Each owner shall be liable for his or her portion of each assessment coming due while he or she is the owner of a unit. The assessments shall be paid in monthly installments.

Section 3. Acceleration. If a unit owner shall be in default in payment of an installment of an assessment, including, but not limited to, the monthly installments based on the annual budget, the Board of Directors may accelerate the remaining assessments, including monthly installments based on the

annual budget, special assessments, and specific assessments, upon ten (10) days' written notice to such unit owner, whereupon the entire unpaid balance of such installments shall become due upon the date stated in such notice.

Section 4. Computation of Operating Budget and Assessment. It shall be the duty of the Board at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated costs of operating the Condominium during the coming year. The Board shall cause the budget and the assessments to be levied against each unit for the following year to be delivered to each member at least fifteen (15) days prior to the meeting. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of a majority of the total Association membership. Notwithstanding the foregoing, however, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year.

Section 5. Special Assessments. If the assessment, proves inadequate for any year, the Board may at any time levy a special assessment against all owners; provided, however, prior to becoming effective, any special assessment shall be approved by the affirmative vote of two-thirds (2/3) of those present, in person or by proxy, at a special or annual meeting of the members, notice of which shall specify that purpose.

Section 6. Lien for Assessments. The Association shall have full and complete lien rights as provided or permitted by Section 3315 of the Act.

Section 7. Capital Budget and Contribution. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment as provided in Section 4 of this Article. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

Section 8. Statement of Account. Any owner, mortgagee, or a person having executed a contract for the purchase of

a unit or a lender considering a loan to be secured by a unit shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a unit. The Association shall respond in writing within five (5) days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding Ten (\$10.00) Dollars, as a prerequisite to the issuance of such a statement.

Article VIII
Use Restrictions and Rule Making

Section 1. Authority and Enforcement. The Condominium shall be used only for those uses and purposes set out in the Declaration. The Board of Directors shall have the authority to make and to enforce reasonable rules and regulations governing the conduct, use, and enjoyment of units and the common elements, provided that copies of all such rules and regulations be furnished to all owners. The Board shall have the power to impose reasonable fines which shall constitute a lien upon the property and to suspend an owner's right to vote or to use the common elements, except for purposes of ingress and egress to the unit, for violation of any duty imposed under the Declaration, these By-Laws or any rules and regulations duly adopted pursuant thereto. In the event that any occupant of a unit violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against such occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the unit owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Act or of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

Section 2. Procedure. The Board shall not impose a fine upon a member or occupant unless the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing, if the violation is not continuing.

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board of Directors or its delegate shall serve the violator with written notice of a hearing to be held by the Board of Directors or its delegate in session. The notice shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statement, evidence and witnesses on his or her behalf; and (iv) the proposed sanction to be imposed.

(c) Hearing. A hearing before the Board or its delegate shall be held in executive session pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

Article IX Miscellaneous

Section 1. Notices. Unless otherwise provided in these By-Laws all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first class postage prepaid:

(a) If to a unit owner, at the address which the unit owner has designated in writing and filed with the Secretary, or, if no such address has been designated, at the address of the unit of such owner; or

(b) If to the Association, the Board of Directors or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice in writing to the owners pursuant to this Section.

Section 2. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision thereof.

Section 4. Gender and Grammar. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Fiscal Year. The fiscal year shall be set by resolution of the Board of Directors.

Section 6. Audit. An audit of the accounts of the Association shall be made annually in the manner provided by the Board. However, after having received the Board's audit at the annual meeting, the owners may, by a majority of the total Association vote, require that the accounts of the Association be audited as a common expense by an independent accountant.

Section 7. Conflicts. In the event of conflicts between the Act, the Declaration, the Articles of Incorporation, and these By-Laws, the Act and the Declaration shall control, in that order.

Section 8. Condemnation. In the event of a taking by condemnation or by eminent domain, the provisions of Section 3107 of the Act shall prevail and govern. Each institutional holder of a first mortgage shall be entitled to written notice of any such condemnation proceedings, and nothing in these documents shall be construed to give a priority to any unit owner in the distribution of proceeds to such unit.

Section 9. Amendment. These By-Laws may be amended at an annual or special meeting of the members by a vote of two-thirds (2/3) of those present in person or by proxy; a quorum being present. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until it is recorded in the Office of the Recorder of Deeds of Allegheny County, Pennsylvania.

Section 10. Books and Records. All members of the Association and any institutional holder of a first mortgage shall, upon written request, be entitled to inspect all books and records of the Association during normal business hours at the office of the Association or upon reasonable notice at the office of the Association or other place designated reasonably by the Board of Directors as the depository of such books and records.