

BY-LAWS

OF

HARLAN RUN HOMEOWNER'S ASSOCIATION, INC.**ARTICLE I****NAME AND OBJECTIVE OF CORPORATION**

Section 1. **NAME** This Corporation shall be known as the "Harlan Run Homeowner's Association, Inc.," hereinafter called the "Association".

Section 2. **OBJECTIVES** The objectives of the Association shall be to maintain the roads situated in Harlan Run Subdivision, located in Hedgesville District, Berkeley County, West Virginia, for the benefit of the property owners in the subdivision. Further, the Association shall act in accordance with Article 3 of the Articles of Incorporation of Harlan Run Homeowner's Association, Inc..

ARTICLE II**MEMBERSHIP**

Section 1. **MEMBERSHIP** The membership of the Association shall be limited to all persons who purchase a lot in Harlan Run Subdivision. The Developer, Newbraugh-Ryan L.L.C., a West Virginia limited liability company, and its assigns, shall also be a member of the Association.

Section 2. **LOT OWNER** Each owner, or joint or common owner, of a lot in Harlan Run Subdivision shall be a member of the Association.

Section 3. ANNUAL PROPERTY MAINTENANCE CHARGE FEE

The owner(s) of each lot shall pay to the Association an annual property maintenance charge which owners of lots in Harlan Run Subdivision are required to pay in accordance with the provisions of the Restrictive Covenants applicable to the subdivision. The annual property maintenance charge shall include but not be limited to the costs of maintaining the roads in the subdivision, not to exceed \$150.00 annual average common expense per lot, exclusive of optional user fees and any insurance premiums paid by the Association, as adjusted pursuant to the provisions of West Virginia Code 36B-1-114. The obligation of the Developer to pay property maintenance charges is subject to the exemption provisions of Article V Section 7 of the Declaration of Covenants and Restrictions for Harlan Run Subdivision, dated December 1, 1997, of record in the Berkeley County, West Virginia County Clerk's office in Deed Book 590 at page 664.

Section 4. The annual Association dues shall be established on a yearly basis at the annual meeting of the Association. No further assessments may be made unless specifically approved by the Association at a Special Meeting of said Association called pursuant to the Articles of Incorporation of Harlan Run Homeowner's Association, Inc., and these By-Laws.

Section 5. In the event of default by any member in paying to the Association the annual property maintenance charge, such charge shall become a lien upon the member's property as provided in the Protective Covenants and Restrictions for Harlan

Run Subdivision. Each lot owner in default shall be obligated to pay interest at the highest legal rate allowed by law and such common charges from the due date thereof as determined by the Association, together with all expenses, including reasonable attorney fees, incurred by the Association in any proceedings brought to collect such unpaid common charges.

Section 6. VOTE Each member shall have one vote for each lot owned in Harlan Run Subdivision, in person or by proxy at the meeting of the members; provided, however, that if two or more members have or hold common or joint membership to any lot in Harlan Run Subdivision only one vote shall be cast for each lot with common or joint ownership. The designation of any proxy shall be made in writing to the Secretary of the Association, and shall be revocable at any time by written notice to the Secretary by the member or members so designated. The Developer shall have the number of votes as set forth in Article III of the aforesaid Declaration of Covenants and Restrictions dated December 1, 1997, of record in the aforesaid Clerk's office in Deed Book 590 at page 664.

ARTICLE III

Section 1. The officers of the corporation shall also serve as four (4) of its five (5) directors on the Board of Directors.

Section 2. OFFICERS The officers of the Association shall consist of a President, Vice-President, Secretary and a Treasurer, elected as provided in Section 1 of Article V of these

By-Laws, and in the Articles of Incorporation of Harlan Run Homeowner's Association, Inc.

Section 3. PRESIDENT AS COMMITTEE MEMBER The President shall be a member, ex officio of all committees.

Section 4. The officers and directors of the Association need not be members of the Association and shall be elected at the annual meeting of the members of said Association.

ARTICLE IV

MEETINGS

Section 1. ANNUAL MEETING OF MEMBERS The annual meeting of members of the Association shall be held on the second Monday of February of each year or at such other date as selected by the membership at a previous annual meeting.

Section 2. SPECIAL MEETING OF THE ASSOCIATION Special meetings of the Association members may be called by the President, or upon request of ten (10) members to the President made in writing. Notice of the meeting shall be mailed to each member at least fifteen (15) days prior to the date of the said special meeting. Said notice shall state the time and place of the meeting and shall also state the purpose of said special meeting. At such special meeting there shall only be considered such business as is specified in the notice of meeting.

Section 3. QUORUM FOR MEMBERS OF MEETING At all meetings of the Association, either special or regular, the representation, in person by owners or by proxy, of 60% of the

votes eligible to be cast in the subdivision at any annual meeting shall constitute a quorum for the conduct of business.

Section 4. LACK OF QUORUM If a quorum is not present, the presiding officer may adjourn the meeting to a day and hour set by him. The members present at a duly called or held meeting at which quorum was once present may continue to do business at the meeting notwithstanding the withdrawal of enough members to leave less than a quorum. The required quorum at any subsequent meeting set by the President shall be one-half (½) of the required quorum at the preceding meeting.

Section 5. ORDER OF BUSINESS At all meetings of the Association, the order of business shall be as follows:

- (a) Reading of Minutes of immediate prior meeting for information and approval.
- (b) Reports of Officers.
- (c) Reports of Committees.
- (d) Unfinished business.
- (e) New business.
- (f) Reading and approval of Minutes of meeting just had, if requested.

Section 6. SPECIFIC LOCATION Meetings of the Association shall be held at a suitable place convenient to the members and such a place shall be specified in the notice of meeting.

ARTICLE V

Section 1. ELECTIONS The term of office of officers and directors of the Association shall be two (2) years and they shall be elected by majority vote of the votes represented at the annual meeting of the Association. The initial Board of Directors and officers shall be appointed by the Developer and shall serve until the election of their successors. Of the initial five (5) person Board of Directors, two (2) Directors shall be appointed for a one (1) year term and three (3) shall be appointed for a two (2) year term.

Section 2. VACANCIES If a vacancy occurs among the directors or officers, the Board of Directors shall fill said vacancy for the remainder of said officer's or director's term.

Section 3. REMOVAL Any officer or director may be removed from office for cause, by the vote of members of the Association constituting 51% of the votes represented at a regular or special meeting of the Association.

Section 4. NOMINATION At least one (1) month before the election meeting, at his/her option, the President may appoint a Nominating Committee of three (3) members of the Association whose duty it will be to nominate the officers and directors. Sole or additional nominations may be made by any members of the Association at the election meeting.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. PRESIDENT The President shall preside at all meetings of the Association and shall appoint such committees as he or the Association shall consider expedient or necessary.

Section 2. VICE-PRESIDENT In the absence of the President, the Vice-President shall perform his duties, and in the absence of both the President and Vice-President, the Treasurer shall preside and assume the duties of President. The Vice-President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Association.

Section 3. SECRETARY The Secretary shall keep the Minutes of all meetings of the Association and shall, if requested, read such Minutes at the close of each meeting for approval if possible, and shall mail out all notices for meetings of the Association. He/she shall perform such other duties as may be required of him/her by the By-Laws, the President or the Association.

Section 4. TREASURER The Treasurer shall have the charge of all receipts and monies of the Association, deposit them in the name of the Association in a bank approved by the Association, and disburse funds as ordered or authorized by the Association. He/she shall keep regular accounts of his/her receipts and disbursements, submit his/her record when requested, and give an itemized statement at regular meetings of the

Association. He/she, or the President or Vice-President, may sign checks and withdrawal slips on behalf of the Association upon any and all of its bank accounts.

Section 5. EXECUTION OF INSTRUMENTS The President, Secretary or the Treasurer, shall, on being so directed by the Association, through its Board of Directors, sign all leases, contracts or other instruments in writing on behalf of the Association, provided, however, that these powers are subject to the provisions of the Articles of Incorporation of Harlan Run Homeowner's Association, Inc.

ARTICLE VII

DUTIES AND POWERS OF THE BOARD OF DIRECTORS

Section 1. MANAGEMENT OF ASSOCIATION The officers of the Association acting in the form of a Board of Directors shall have general charge and management of affairs, fund, and property of the Association. Said Board of Directors shall have full power, and it shall be their duty to carry out the purposes of the Association according to its Articles of Incorporation and By-laws.

Section 2. The Board of Directors may make reasonable rules for the conduct of the members and their guests for the use of Association property and facilities not provided for in these By-laws, the Restrictive Covenants applicable to Harlan Run Subdivision, the Articles of Incorporation of Harlan Run Homeowner's Association, Inc., or the individual deeds or deeds of members for lots in Harlan Run Subdivision.

Section 3. ANNUAL PROPERTY MAINTENANCE CHARGE FEE The Board of Directors shall have the power to collect the annual property maintenance charge fee for which members and owners of lots in Harlan Run Homeowner's Association, Inc. are required to pay in accordance with the provisions of the Restrictive Covenants applicable to Harlan Run Subdivision and impose and enforce any lien or encumbrance provided for in said Protective Covenants and Restrictions.

Section 4. The Board of Directors, at their discretion, shall set times and dates for meetings of the Board as agreed by a majority of the Board. There shall be no need for formal written notice of the meetings but rather, it will be left to the President of the Association, who shall be the Chairman of the Board of Directors, to schedule meetings of the Board when necessary.

ARTICLE VIII

COMPENSATION OF DIRECTORS

Neither the officers nor members serving on Committees shall receive any salary or compensation for services rendered to the Association.

ARTICLE IX

NOTICES

All notice to members shall be mailed to their addresses as given on the books of the Association, and such mailing shall constitute presumptive evidence of service thereof.

ARTICLE XLIABILITY OF OFFICERS

Section 1. LIABILITY The officers and directors of the Association shall not be liable to the members of the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The members of the Association shall indemnify and hold harmless each of the officers and directors against any contractual liability to others arising out of contracts made by the officers and directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Articles of Incorporation or of these By-Laws. It is intended that the officers and directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that any liability of any member of the Association arising out of any contract made by said officers or directors either individually, pursuant to authority provided hereunder, or acting as a group in the form of the Board of Directors, or out of the aforesaid indemnity in favor of such officers and directors, shall be limited to such proportion of the total liability thereunder as this membership bears to the entire membership of the Association.

ARTICLE XI**CORPORATE BUSINESS RECORDS**

Section 1. The corporate business records of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members.

ARTICLE XII**PARLIAMENTARY RULES**

Robert Rules of Order shall govern the conduct of the Association meetings when not in conflict with these By-Laws.

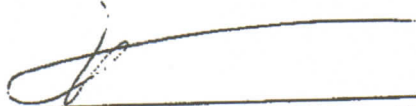
ARTICLE XIII**AMENDMENTS TO BY-LAWS**

Section 1. **PROPOSAL** Amendments to these By-laws may be proposed by a majority of the Lots represented at an Association meeting with a quorum, whether meeting as members or by instrument in writing signed by them.

Section 2. **ADOPTION** Amendment to these By-Laws may be adopted only by a two-thirds vote of a quorum of the Votes represented at a regular or special meeting of the Association (i.e. two-thirds of 60% of the votes represented) provided that notice of the proposed amendment has been stated in the call for the meeting.

Date Adopted: November ____, 1999.

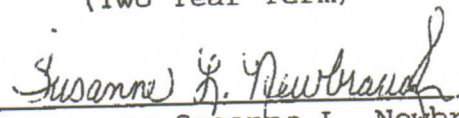
We, the below-signed officers and directors of Harlan Run Homeowner's Association, Inc., do hereby approve the By-Laws of the corporation as adopted this ____ day of November, 1999.



President-H. William Newbraugh
(Two Year Term)

Vice-President-Daniel M. Ryan
(One Year Term)

Secretary-J. Oakley Seibert
(Two Year Term)



Treasurer-Susanne L. Newbraugh
(Two Year Term)

Director-David Doseff
(One Year Term)