DECLARATION AND ESTABLISHMENT OF CONDITIONS, RESERVATIONS AND RESTRICTIONS

AUTUMN HILL
Planned Residential Development
Township of Cranberry
County of Butler
Commonwealth of Pennsylvania

THIS DECLARATION is made this 2nd day of May, 1994, by CRITIQUE, INC., a Pennsylvania corporation, as the owner in fee simple of the real estate herein described.

W I T N E S S E T H

ARTICLE 1
SUBMISSION

Section 1.1 Declarant; Property; County. CRITIQUE, INC., a Pennsylvania corporation (the “Declarant”), owner in fee simple of the Real Estate described in Exhibit “A” attached hereto, located in Cranberry Township, Butler County, Pennsylvania, hereby submits the Real Estate to the following conditions, reservations and restrictions.

ARTICLE 2
DEFINED TERMS

Section 2.1 Terms Defined. All capitalized terms used herein shall have ascribed to them the following meanings, unless otherwise defined herein.

(a) “Association” means the Autumn Hill Homeowners’ Association.
(b) “Board of Directors” means the Board of Directors of the Association.
(c) “Building(s)” means any building(s) constructed or erected on the Real Estate.
(d) “Declarant” means the Declarant described in Section 1.1 above and all successors to any of Declarant’s rights.
(e) “Declaration” means this document, as the same may be amended from time to time.
(f) “Open Space(s)” means the Open Space(s) as shown on the Plat(s), and all buildings and structures erected thereon and improvements thereto.
(g) “Plat(s)” means the plat(s) recorded, or to be recorded, subdividing the Real Estate and made a part hereof, as the same may be amended from time to time.
(h) “Real Estate” means the real estate described in Exhibit “A”.

“Lot” means a Lot as described in the Plats.

“Lot Owner” means the owner in fee simple of any Lot, but shall not include the Declarant or any person or persons purchasing a Lot under contract (until such contract is fully performed and legal title conveyed of record).

Common Expenses” means the expense of owning and maintaining the Open Spaces, drainage and storm water detention facilities within or appurtenant to the Real Estate, and of providing all common community services required or desired for the general use and benefit of all Lot Owners.

ARTICLE 3

EASEMENTS

Section 3.1 Easements. Declarant hereby creates the following easements:

(a) Easement for Sales Offices, Management Offices and Models. Declarant shall have the right to maintain sales offices, management offices and models on the Real Estate and to relocate such models, management offices and sales offices from time to time anywhere within the Real Estate. Declarant reserves the right to place models, management offices and sales offices on any portion of the Open Spaces in such manner, of such size and in such locations as Declarant deems appropriate. Declarant may from time to time relocate models, management offices and sales offices to different locations within the Real Estate. Upon the relocation of a model, management office or sales office on the Open Spaces, Declarant may remove all personal property and fixtures therefrom. Any fixtures not so removed shall be deemed part of the Open Spaces, and any personal property not so removed shall be deemed the property of the Association. Said offices and/or models shall be utilized solely for the sale or management of the lots within the Autumn Hill development and not for the sale or management of other real estate owned by Declarant.

(b) Easement for Advertising Signs. Declarant shall have the right to maintain on the Real Estate such advertising signs as Declarant in its sole discretion may deem appropriate, provided that such signs comply with applicable governmental requirements. Declarant may from time to time relocate such advertising signs.

Section 3.2 Utility Easements. The Real Estate shall be, and is hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Real Estate. The easements created in this Section 3.2 shall include, without limitation, rights of Declarant, or the providing utility or service company, or Declarant, or governmental agency or authority, to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment and ducts and vents over,
under, through, along and on the Lots, street rights-of-way and Open Spaces. Notwithstanding the foregoing provision of this Section 3.2, unless approved in writing by the Lot Owner or Lot Owners affected thereby, any such easement through a Lot shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Lot by the Declarant, or as shown on the Plats, or so as not to materially interfere with the use or occupancy of the Lot or any Building by its occupants.

Section 3.3 Easement for Access to Real Estate. Declarant reserves a non-exclusive perpetual right to access and easement on, over and under those portions of the Open Spaces for the purpose of pedestrian and vehicular ingress, egress and regress to all or any part of the Real Estate, including the right to modify the location of improvements to the Open Spaces to facilitate such ingress, egress and regress, including without limitation the removal of obstructions to the exercise of such rights of ingress, egress and regress, and the grading or re-grading of landscaped areas of the Open Spaces.

Section 3.4 Declarant’s Easement to Correct Drainage. Declarant reserves an easement on, over and under those portions of the Open Spaces for the purpose of maintaining and correcting draining of surface water in order to maintain reasonable standard of health, safety and appearance. The easement created by this Section 3.4 expressly includes the right to cut any trees, bushes, or shrubbery, to grade the soil, or to take any other action reasonably necessary to achieve this purpose, following which the Declarant shall restore the affected property as closely to its original condition as practicable.

Section 3.5 Declarant’s Easement for Development of Real Estate. Declarant reserves an easement on, over and under those portions of the Open Spaces for all purposes relating to the construction, development, leasing, and sale of improvements on the Real Estate. This easement shall include without limitation, the right of vehicular and pedestrian ingress and egress, the right to part motor vehicles and to engage in construction and marketing activities of any nature whatsoever, including the movement and storage of building materials and equipment, the conduct of sales, leasing and management activities, the maintenance of models and offices and the erection and maintenance of directional and promotional signs.

Section 3.6 Termination of Easements. The easements created by Sections 3.1, 3.2 and 3.5 hereof shall terminate upon the conveyance by Declarant of all of the Lots subject to the provisions hereof.

Section 3.7 Easement for Use of Common Spaces.

(a) Grant of Easement. Each Lot Owner and each person lawfully residing on the Real Estate is hereby granted a non-exclusive perpetual right and easement of access to and enjoyment in common with others of the Open Spaces.
(b) **Extent of Easement.** The rights and easement of access and enjoyment created hereby shall be subject to the right of the Association to adopt rules and regulations governing the use of the Open Spaces.

**ARTICLE 4**

**USE RESTRICTIONS**

Section 4.1 **Use and Occupancy of Lots and Buildings.** The occupancy and use of the Lots and Buildings shall be subject to the following restrictions:

(a) **Residential Use.** No part of the Real Estate shall be used for other than housing and the related common purposes for which the planned residential development was designed. Each Lot or any two or more adjoining Lots used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purposes. If zoning regulations permit professional activities to be conducted within the Lots, application may be made by a Lot Owner to the Declarant for approval to commence such newly permitted use of his Lot. Each such application shall be considered by the Declarant on an individual basis. Once the Declarant has given its approval to a particular use of a Lot, it may not revoke such approval so long as the nature and scope of the approved use remains unchanged. No Building or structure intended for or adapted to business purposes and no apartment house, double house, lodging house, rooming house, hospital, sanatorium or doctor’s office, or other multiple-family dwelling shall be erected, placed, permitted, or maintained on such premises, or on any part thereof. No improvement or structure whatever, other than a first class private dwelling house, patio walls, swimming pool, and customary outbuilding, garage, carport, servants’ quarters, or guest house may be erected, placed, or maintained on any Lot in the Real Estate. No Lot Owner shall permit his Lot to be used or occupied for any prohibited purpose.

(b) **Commercial Activities.** Except as set forth in subsection (a) above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted on any part of the Real Estate; provided, however, that nothing contained in this subsection shall be construed to prevent or prohibit a Lot Owner from maintaining his personal professional library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls or conferring with business of professional associates, clients or customers, in his Lot.

(c) **Pets.** No animals, livestock, fowl or poultry of any kind shall be raised, bred, or kept on any Lot or in the Open Spaces, except household pets in reasonable numbers for the pleasure and use of the occupants, subject to Rules and Regulations adopted by the Declarant, which Rules and Regulations may exclude any kind of pet by type or category, provided that permitted household pets are not kept, bred or maintained for any commercial purpose; and provided further that any such permitted pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from any Lot upon three (3) days’ written notice from the Declarant.
(d) Signs. No sign of any character shall be erected, placed, permitted, maintained or displayed upon any Lot except “For Rent” or “For Sale” signs, referring only to the Lot on which displayed, not to exceed six (6) square feet in size, and one sign to a Lot. Entrance signs designating the name of the Plan shall be permitted on the lots adjoining any entrance road to the Plan.

(e) Commercial Vehicles. No commercial vehicles, construction, or like equipment or mobile or stationary trailers of any kind shall be stored or parked on any Lot in the Real Estate or on the Open Spaces except while parked in a garage completely enclosed, nor parked on any residential street in the Real Estate except while engaged in transporting to or from a residence in the Real Estate.

(f) Nuisances. No horses, cattle, swine, goats, poultry, or fowl shall be kept on any Lot. No clotheslines or drying yards shall be permitted unless concealed by hedges, lattice work, or screening acceptable to the Declarant. No weeds, underbrush, or other unsightly growths shall be permitted to grow or remain upon any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. No Lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding Lots. In the event that any Lot Owner shall fail or refuse to keep his Lot free from weeds, underbrush, or refuse piles or other unsightly growths or objects, then the Declarant may enter upon such lands and remove the same at the expense of the Lot Owner, which such entry shall not be deemed a trespass, and in the event of such a removal a lien shall arise and be created in favor of the Declarant and against such Lot for the full amount chargeable to such Lot, and such amount shall be due and payable within thirty (30) days after demand is made therefore.

(g) Obstruction of Easements. No Lot Owner shall do any work or any other act which would impair any easement or hereditament without the consent of the Declarant or Association, whichever may be affected thereby.

Section 4.2 Use of Open Spaces. The use of Open Spaces shall be subject to the following restrictions:

(a) Obstruction of Open Spaces. There shall be no obstruction of the Open Spaces nor shall anything be stored in the Open Spaces without the prior consent of the Board of Directors except as herein expressly provided.

(b) Pedestrian Ways within the Open Spaces. The Homeowners Association shall at all times maintain the surfaced pedestrian ways located within the Open Spaces and shall keep same clear for passage.

(c) Encroachments on Open Spaces. No Lot Owner shall make any installation which extends beyond the physical limits of the Lot Owner’s Lot into the Open Spaces.

(d) Nuisances. No noxious or offensive activity shall be carried on in any Lot or in the Open Spaces, nor shall anything be done therein, either willfully or negligently, which
may be or become an annoyance or nuisance to the other Lot Owners or occupants, or which interferes with the peaceful possession or proper use of any of the Lots or of the Open Spaces.

(e) Insurance Risk; Compliance with Law, Waste. Nothing shall be done or kept in the Open Spaces which will increase the rate of insurance thereon, or contents thereof, without the prior written consent of the Association. No Lot Owner shall permit anything to be done or kept in his Lot or in the Open Spaces which will violate any law, statute, ordinance or regulation or any governmental body or which will result in the cancellation of any insurance maintained by the Association. No waste shall be committed in the Open Spaces.

(f) Rules and Regulations. Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Open Spaces, may be promulgated from time to time by the Association, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Lot Owners by the Association promptly after the adoption of such Rules and Regulations or any amendments thereto.

Section 4.3 Construction and Occupancy. When the construction of any Building is once begun, work thereon must be prosecuted diligently and must be completed within a reasonable time, and no debris incidental to construction work on one Lot may be placed on any other Lot in such premises.

(a) Outbuildings. No outbuilding, garage, shed, tent, trailer, or temporary Building of any kind shall be erected, constructed, permitted, or maintained prior to commencement of the erection of a residence, as is permitted hereby and no outbuilding, garage, shed, tent, trailer, basement, or temporary Building shall be used for permanent or temporary residence purposes; provided, however, that this paragraph shall not be deemed or construed to prevent the use of a temporary construction shed during the period of actual construction of any structure on any Lot in the Real Estate, nor the use of adequate sanitary toilet facilities for workmen which shall be provided during such construction.

(b) Occupancy of Buildings. No Building erected upon any Lot shall be occupied in any manner while in the course of construction, nor at any time prior to its being fully completed, as herein required. Nor shall any Building, when completed, be in any manner occupied until made to comply with the approved plans, the requirements herein, and all other covenants, conditions, reservations, and restrictions herein set forth.

Section 4.4 Mining. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, placed or permitted upon any part of the Real Estate, nor shall any oil, natural gas, petroleum, asphaltum, or hydrocarbon products or minerals of any kind be produced or extracted therefrom.

ARTICLE 5
ARCHITECTURAL CONTROL
Section 5.1 Declarant’s Right to Control Improvements. For the purpose of further insuring the development of the premises as an area of high standards, the Declarant reserves the power to control the Buildings, structures, and other improvements placed on each Lot, as well as to make such exceptions to these covenants, conditions, reservations and restrictions as the Declarant shall deem necessary and proper.

ARTICLE 6
PROTECTIVE COVENANTS

Section 6.1 Protective Covenants. The Declarant may record Protective Covenants which shall control the development of the Plan and should there be any inconsistency between this Declaration and said Protective Covenants, the language of the Protective Covenants shall control.

ARTICLE 7
HOMEOWNERS’ ASSOCIATION

Section 7.1 Membership. For the purpose of ownership and maintenance of Open Spaces and all common community services of every kind and nature required or desired within the Real Estate for the general use and benefit of all Lot Owners, each and every Lot Owner, in accepting a deed or contract for any Lot in the Real Estate, agrees to and shall be a member of and be subject to the obligations and duly enacted by-laws of Quail Crossing Homeowners’ Association, a non-profit corporation.

Section 7.2 Succession. Upon the sale by Declarant of all of the Lots subject to the provisions hereof, the Association shall succeed to the position of the Declarant with respect to the provisions of these covenants, conditions, reservations and restrictions, and the term “Declarant” herein shall then mean the “Association.”

Section 7.3 Powers of the Association. In addition to the powers set forth hereinabove, the Association shall have the following additional powers:

(a) Delegation of Authority. To appoint committees of the Board of Directors (which need consist of only one (1) member of the Board of Directors) and to delegate to such committees the Board of Directors’ authority to carry out certain duties of the Board of Directors, subject to the approval and control of the Board of Directors.

(b) Contracting for Services. To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Association at such compensation as is deemed reasonable by the Board of Directors, in the operation, repair,
maintenance and management of the Open Spaces, or in connection with any duty, responsibility or right of the Association and to remove, at any time, any such personnel.

ARTICLE 8

BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

Section 8.1 Quarterly Assessments. All Common Expense assessments made in order to meet the requirements of the Association’s annual budget shall be deemed to be adopted and assessed on a quarterly basis (rather than on an annual basis payable in quarterly installments) and shall be due and payable in advance on the first day of each quarter. Special assessments shall be due and payable in one or more quarterly payments, in advance, on the first day of each quarter, as determined by the Board of Directors.

Section 8.2 Subordination of Certain Charges. Any fees, charges, late charges, fines and interest which may be levied by the Association shall be subordinate to the lien of a prior recorded mortgage on a Lot.

Section 8.3 Limitation on Expenditures. All expenses, charges and costs of the maintenance, repair or replacement of the Open Spaces, and any other expenses, charges or costs which the Association may incur or expend pursuant hereto, shall be approved by the Board of Directors, and a written memorandum thereof prepared and signed by the Treasurer of the Association. There shall be no structural alterations, capital additions to, or capital improvements on, the Open Spaces (other than for purposes of repairing, replacing and restoring portions of the Open Spaces) requiring an expenditure in excess of Ten Thousand Dollars ($10,000.00) without the prior approval of the Lot Owners entitled to cast two-thirds (2/3’s) of all Lot Owners.

Section 8.4 Reserve. Each annual budget for quarterly assessments of Common Expenses shall include an amount reasonably considered by the Board of Directors to be sufficient as a reserve for replacements and contingencies. To initiate such reserve, the Declarant shall collect from each of its grantees, at time of settlement, an amount equal to one-fourth (1/4th) of the first annual budget allocable to the Lot purchased by such grantee and shall remit such amount to the Association. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserve, as the Board of Directors shall determine. In addition, the Association shall have the right to segregate all or any portion of the reserve for any specific replacement or contingency upon such conditions as the Board of Directors deems appropriate.

Section 8.5 Accounting. On or before the first (1st) day of April of each calendar year commencing 1995, the Association shall supply to all Lot Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the annual budget or quarterly assessments and leases and sales of property owned or managed by the Association.
Section 8.6 Further Assessments. If any annual budget proves inadequate for any reason, including nonpayment of any Lot Owner’s quarterly assessments, or any nonrecurring Common Expense or any Common Expense not set forth in the annual budget as adopted, the Board of Directors may at any time levy further quarterly assessments according to each Lot Owner’s membership in the Association. Such further quarterly assessments shall be payable over such period of time as the Board of Directors may determine. The Board of Directors shall serve notice of such further assessments on all Lot Owners by a statement in writing giving the amount and reasons therefore, and such further quarterly assessments shall become effective as determined by the Board of Directors.

Section 8.7 Surplus. Any amounts accumulated from assessments for Common Expenses and income from the operation of the Open Spaces to which such Common Expenses pertain in excess of the amount required for actual Common Expenses and reserves for future Common Expenses shall be credited to each Lot Owner paying a share of such Common Expenses in proportion to the share of such Common Expenses paid by each such Lot Owner, said credits to be applied to the next quarterly assessments of Common Expenses due from said Lot Owners under the current fiscal year’s budget, and thereafter, until exhausted.

Section 8.8 Acceleration. If a Lot Owner is in default in the payment of the aforesaid charges or quarterly assessments for sixty (60) days, the Board of Directors may, in addition to all other remedies in this declaration contained, accelerate all other quarterly assessments to become due for the fiscal year in which such default occurs.

Section 8.9 Interest and Charges. All sums assessed by the Association against any Lot Owner as a regular or special assessment shall bear interest thereon at the then maximum legal rate (but not more than fifteen percent (15%) per annum) from the thirtieth (30th) day following default in payment of any quarterly assessment when due. Any delinquent Owner shall also be obligated to pay (i) all expenses of the Association, including reasonable attorney’s fees, incurred in the collection of the delinquent assessments by legal proceedings or otherwise; (ii) any amounts paid by the Association for taxes or on account of superior liens or otherwise to protect its liens, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessments and shall be collectible as such, subject to Section 8.2 above.

Section 8.10 Confession of Judgment. IN ORDER TO EXPEDITE THE ASSOCIATION’S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH LOT OWNER (BY THE ACCEPTANCE OF THE DEED TO HIS LOT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE MEMBERS TO THE BOARD OF DIRECTORS THE ATTORNEY-IN-FACT FOR SUCH LOT OWNER TO CONFESS JUDGMENT AGAINST SUCH LOT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA. FOR ANY SUCH UNPAID ASSESSMENT(S), WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS ARTICLE 12 AND SAID DEED, BOTH VERIFIED BY
AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESSION JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL THE DECLARATION SHALL BE TERMINATED.

Section 8.11 Implementation. The Association shall adopt in its By-Laws such additional or other procedures and requirements as it deems necessary and desirable to implement the provisions of this Article 8, and to otherwise provide for the efficient fiscal operation and management of the Open Spaces.

ARTICLE 9

INSURANCE

Section 9.1 Generally. The Association shall acquire and pay for insurance subject to the following:

(a) Such insurance as the Board of Directors deems advisable in the operation, and for the protection, of the Open Spaces.

(b) The amount of property insurance obtained pursuant to the Act shall be equal to the full insurable replacement value of the insured property, without deduction for depreciation. Such insurance policy(ies) may, at the option of the Board of Directors, contain a “deductible” provision in an amount determined by the Board of Directors but not to exceed Five Thousand Dollars ($5,000.00).

(c) Each Lot Owner and the Association hereby waives and releases any and all claims which he or it may have against any other Lot Owner, the Association, the Board of Directors and members thereof, the Declarant and their respective employees and agents, for damage to Open Spaces or to any personal property located in the Open Spaces, caused by fire or other casualty or any act or omission of any such party to the extent that such damages is covered by fire or other form of hazard insurance.

(d) If the act or omission of a Lot Owner, or of a member of his family, a household pet, guest, occupant or visitor of such Lot Owner, shall cause damage to the Open Spaces, or maintenance, repairs or replacements shall be required which would otherwise by a Common Expense, then such Lot Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board of Directors, to the extent such payment is not waived or released under the provisions of subsection (c) above.

(e) Any release or waiver referred to in subsections (c) and (d) hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder. The Lot Owners and the Association, with regard to the insurance carried by each of them, shall use their best efforts to see that their insurance carriers agree that such release or waiver does not affect their rights to recover.
(f) If the Association fails within sixty (60) days of an insured loss to initiate a claim for damages recoverable under the property insurance policy(ies) obtained by the Association, and Lot Owner may initiate such claim on behalf of the Association. At least once every three (3) years, but more frequently if in the Board of Director’s judgment the Open Spaces are rapidly appreciating in value, the Board of Directors shall cause an appraisal of the Open Spaces to be made for the purpose of determining the current full insurable replacement value of the insured property, without considering depreciation, and the Board of Directors shall change the amount of property insurance on the Open Spaces to the amount of the then current full insurable replacement value of the Open Spaces as established by such appraisal.

(g) Comprehensive public liability and property damage insurance shall be in such limits as the Board of Directors shall deem desirable provided that such limit shall not be less than One Million Dollars ($1,000,000.00) per occurrence, for personal injury and/or property damage, insuring the Declarant, the Association, the members of the Board of Directors, and their respective agents and employees, and the Lot Owners, from any liability to the public or to the Lot Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Open Spaces or any part thereof.

(h) The Association may obtain such other forms of insurance as the Board of Directors shall elect to effect including Board of Directors and Officers Liability insurance and such Worker’s Compensation insurance as may be necessary to comply with applicable laws.

(i) The Association shall obtain a fidelity bond or bonds or insurance to protect against dishonest acts on the part of the members of the Board of Directors, officers, agents, employees, volunteers and all others who handle, or are responsible for handling, funds of the Association. Such bond or bonds or insurance shall name the Association as an obligee or insured and shall be in an amount equal to one hundred fifty percent (150%) of the then current Common Expense budget or such higher amount as the Board of Directors deems appropriate. Such bond or bonds or insurance shall serve without compensation from the definition of “employee” or other appropriate provisions to assure coverage of such persons.

(j) Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Association, fees and expenses of the insurance trustee, if any, and the cost of any appraisal which the Board of Directors deems advisable in connection with any insurance, shall be Common Expenses.

(k) The Association shall use its best efforts to secure policies providing that the policies cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Lot Owners or any officer or employee of the Association without a prior demand in writing that the Association cure the defect and without a reasonable period of time thereafter in which to cure the same.

ARTICLE 10
LIMITED LIABILITY AND INDEMNIFICATION
Section 10.1 Limited Liability of the Board of Directors. The Board of Directors, and its members in their capacity as members, officers and employees:

(a) Shall not be liable for the failure of any service to be obtained by the Association and paid for by the Association, or for injury or damage to Persons or property caused by the elements or by another Lot Owner or person on the Real Estate, unless in each such instance such injury or damage has been caused be the willful misconduct or gross negligence of the Association or the Board of Directors.

(b) Shall not be liable to the Lot Owners as a result of the performance of the members of the Board of Directors’ duties for any mistake of judgment, negligence or otherwise, except for the members of the Board of Directors’ own willful misconduct or gross negligence.

(c) Shall have no personal liability in contract to a Lot Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Board of Directors or the Association in the performance of the duties of the members of the Board of Directors.

(d) Shall not be liable to a Lot Owner or such Lot Owner’s tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Lot Owner or his tenants, employees, agents, customers or guests in a Lot, or in or on the Open Spaces, except for the members of the Board of Directors’ own willful misconduct or gross negligence.

(e) Shall have no personal liability in tort to a Lot Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the members of the Board of Directors’ own willful misconduct or gross negligence in the performance of their duties; and

(f) Shall have no personal liability arising out of the use, misuse or condition of any Building or the Open Spaces, or which might in any other way be assessed against or imputed to the members of the Board of Directors as a result of or by virtue of their performance of their duties, except for the members of the Board of Directors’ own willful misconduct or gross negligence.

Section 10.2 Notice of Complaints. Complaints brought against the Association, the Board of Directors or the officers, employees or agents thereof in their respective capacities as such, shall be directed to the Board of Directors of the Association, which shall promptly give written notice thereof to the Lot Owners and such complaints shall be defended by the Association. The Lot Owners and the holders of mortgages on Lots shall have no rights to participate in such defense other than through the Association.

Section 10.3 Indemnification Against Third Party Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Board of Directors or Association) by reason of the fact that he is or was a member of the Board of Directors,
officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by a adverse judgment, order, or settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 10.4 Indemnification Against Association Action. The Association may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, by or in the right of the Board of Directors or the Association, by reason of the fact that he is or was a member of the Board of Directors, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and expect that indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 10.5 Determination. To the extent that a member of the Board of Directors, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 10.3 or 10.4 hereof, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys’ fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under Sections 10.3 or 10.4 hereof shall be made by the Association only upon a determination that indemnification of the Board of Directors member, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth respectively in Sections 10.3 or 10.4 hereof. Such determination shall be made either (i) by the Board of Directors by a majority vote of a quorum consisting of all members who were not parties to such action, suit or proceeding, or (ii) by independent
Section 10.6 Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding as contemplated in this Article may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon a majority vote of the Board of Directors and upon receipt of an undertaking by or on behalf of the Board of Directors member, officer, employee, or agent to repay such amount or amounts unless it ultimately be determined that he is entitled to be indemnified by the Association as authorized by this Article.

Section 10.7 Scope of Indemnification. The indemnification provided for by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any provision in the Association’s Articles of Incorporation, By-Laws, agreements, vote of disinterested Lot Owners or members of the Board of Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The indemnification authorized by this Article shall apply to all present and future members of the Board of Directors, officers, employees, and agents of the Association, and shall continue as to a person who has ceased to be a member of the Board of Directors or an officer, employee or agent, shall inure to the benefit of the heirs and personal representatives of all such Persons, and shall be in addition to all other rights which such Persons may be entitled as a matter of law.

Section 10.8 Insurance. The Association may purchase and maintain insurance on behalf of any person who was or is a member of the Board of Directors, officer, employee, or agent of the Association, or who was or is serving at the request of the Association as a trustee, director, officer, employee, or agent of another corporation, entity, or enterprise (whether for profit or not for profit), against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the laws of the Commonwealth of Pennsylvania, as the same may be hereafter amended or modified.

Section 10.9 Payments and Premiums. All indemnification payments made, and all insurance premiums for insurance maintained, pursuant to this Article shall constitute expenses of the Association and shall be Common Expenses.

ARTICLE 11
EFFECT AND ENFORCEMENT

Section 11.1 Reservations and Restrictions to Run with Land. All of the covenants, conditions, restrictions, reservations, and servitudes set forth herein shall run with the land and each Lot Owner, by accepting a deed to any Lot, accepts the same subject to such covenants, restrictions, reservations, and servitudes and agrees for himself, his heirs, administrators, and assigns to be bound by each of such covenants, conditions, restrictions, reservations, and servitudes jointly, separately, and severally.
Section 11.2 Remedies for Violations. For a violation or a breach of any of these covenants, conditions, reservations and restrictions by any person claiming by, through, or under the Declarant, or by virtue of any judicial proceedings, the Declarant, and the Lot Owners, or any of them severally, shall have the right to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, the Declarant shall have the right whenever there shall have been built on any Lot any structure which is in violation of these restrictions, to enter upon the Lot where such violation of these covenants, conditions, reservations and restrictions exists and summarily abate or remove the same at the expense of the Owner, and any such entry and abatement or removal shall not be deemed a trespass.

(a) Should the Declarant or any Lot Owner employ counsel to enforce any of the foregoing covenants, conditions, reservations, or restrictions, or reentry, by reason of such breach, all costs incurred in such enforcement, including a reasonable fee for counsel, shall be paid by the Lot Owner and the reversionary owner shall have a lien upon such Lot or Lots to secure payment of all such accounts.

(b) Should the Owner fail, neglect, or refuse to satisfy and discharge any lien arising hereunder within thirty (30) days, the Declarant or Lot Owner in whose favor said Lien has arisen, their respective heirs, successors and assigns, shall have the right to interest on such liens at the rate of eight (8%) percent per annum and shall be entitled to receive all costs of collections, including a reasonable attorney’s fee.

(c) The breach of any of the foregoing covenants, conditions, reservations or restrictions, shall not defeat or render invalid the lien of any mortgage made in good faith for value as to any Lot or Lots or portions of Lots, but these covenants, conditions, reservations, and restrictions shall be binding upon and effective against any such mortgagee or owner thereof, whose title thereto or whose grantor’s title is or was acquired by foreclosure or otherwise.

(d) No delay or omission on the part of the Declarant or the Lot Owners in the Real Estate in exercising any rights, power, or remedy herein provided, in the event of any breach of the covenants, conditions, reservations, or restrictions herein contained, shall be construed as a waiver thereof or acquiescence therein, and no right to action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Declarant for or on account of its failure to bring any action on account of any breach of these covenants, conditions, reservations, or restrictions, or for imposing restrictions herein which may be enforceable by the Declarant.

Section 11.3 Severability. Each and every one of the covenants, restrictions, reservations, and servitudes contained herein shall be considered to be an independent and separate covenant and agreement and in the event any one or more of the foregoing covenants, conditions, reservations, or restrictions shall be declared for any reason, by a court of competent jurisdiction, to be null and void, such judgment or decree shall not in
any manner whatsoever effect, modify, change, abrogate, or nullify and of the covenants, conditions, reservations, and restrictions not so declared to be void, but all of the remaining covenants, conditions, reservations, and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

Section 11.4 Rule Against Perpetuities. In the event the provisions hereunder are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event such terms shall be reduced to a period of time which shall not violate the rule against perpetuities as set forth in the laws of the Commonwealth of Pennsylvania.

Section 11.5 Public Rights. The Real Estate shall be subject to any and all rights and privileges which the Township of Cranberry or the County of Butler, Pennsylvania, may have acquired through dedication or the filing or recording of maps or plats of such premises, as authorized by law, and provided further, that no covenants, conditions, reservations, or restrictions, or acts performed shall be in conflict with any Township or county Zoning Ordinance or Law.

Section 11.6 Consolidation and Merger with other Owners Association. The Real Estate being subjected hereto and owned by Declarant is being developed under a plan entitled Autumn Hill Plan of Lots, which plan includes real estate owned by others. It is the intent of the several owners to record identical Declarations and Protective Covenants so that the Homeowners Association created to serve under the Declarations may be consolidated and merged into a single association to serve the entire Autumn Hill development. Accordingly, the right to so consolidate and merge the Homeowners Association herein provided for into other Associations within the Autumn Hill Plan of Lots is hereby reserved to the Declarant and the Association.

ARTICLE 12
DURATION OF COVENANTS, RESTRICTIONS, RESERVATIONS AND SERVITUDES

Section 12.1 Duration. All of the foregoing covenants, conditions, reservations, and restrictions shall continue and remain in full force and effect at all times as against the Owner of any Lot in such premises, regardless of how he acquired title, until the commencement of the calendar year 2007, on which date these covenants, conditions, reservations, and restrictions shall terminate and end, and thereafter be of no further legal or equitable effect on the Real Estate or any Lot Owner; provided, however, that these covenants, conditions, reservations, and restrictions shall be automatically extended for a period of ten (10) years, and thereafter in successive ten-year periods, unless on or before the end of one of such extension periods or the base period the Lot Owners of a majority of the Lots in the Real Estate shall, by written instrument duly recorded, declare a termination of the same. Although these covenants, conditions, reservations, and
restrictions may expire as herein provided, any and all reversions for breach of these covenants, conditions, reservations, or restrictions committed or suffered prior to such expiration shall be absolute.

ARTICLE 13
DECLARANT’S RIGHTS

Section 13.1 Control.

(a) Until the sixtieth (60th) day after conveyance of twenty-five (25%) percent of the Lots subject to the provisions hereof to Lot Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Board of Directors. Declarant may not unilaterally remove any members of the Board of Directors elected by Lot Owners other than Declarant.

(b) No later than sixty (60) days after conveyance of twenty-five (25%) percent of the Lots to Lot Owners other than Declarant, one (1) of the three (3) members of the Board of Directors shall be elected by Lot Owners other than Declarant.

(c) No later than the earlier of (i) seven (7) years after the date of the recording of this Declaration, or (ii) one hundred eight (180) days after seventy-five (75%) percent of the Lots which may be constructed on the Property and the Additional Real Estate have been conveyed to Lot Owners other than Declarant, all Declarant-appointed members of the Board of Directors shall resign, and the Lot Owners (including Declarant to the extent of Lots owned by Declarant) shall elect a new five (5) member Board of Directors, and the By-Laws of the Association shall be amended to increase the number of members of the Board of Directors from three (3) to five (5).

ARTICLE 14
AMENDMENT OF DECLARATION

Section 14.1 Amendment Generally. This Declaration may be amended only in accordance with the express provisions of this Declaration.

Section 14.2 Amendment by Lot Owners. This Declaration may be amended by affirmative vote of two-thirds (2/3rds) of all Lot Owners (including Lots owned by Declarant), pursuant to procedures applicable to voting by members of the Association as set forth in its By-Laws.

Section 14.3 Rights of Declarant. Notwithstanding any provision herein contained to the contrary, no change, modification or amendment which affects the rights, privileges or obligations of the Declarant shall be effective without the prior written consent of the Declarant.
Section 14.4 Other Amendments. If any amendment is necessary in the judgment of the Declarant to cure any ambiguity or to correct or supplement any provision of this Declaration or the Plats which is defective or inconsistent with any other provision hereof or thereof, or to change, correct or supplement anything appearing or failing to appear in the Plats which is incorrect, defective or similarly inconsistent, or if such amendment is necessary to conform to the then current requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to planned residential developments, the Declarant may, at any time and from time to time, effect such amendment without the approval of the Lot Owners or their Mortgagees, upon receipt by the Declarant of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence, together with a like opinion from an independent registered architect or licensed professional engineer in the case of any such amendment to the Plats. Each such amendment shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, execution and acknowledgment by one or more officers of the Declarant.

IN WITNESS WHEREOF, the said CRITIQUE, INC. has caused its name to be signed to these presents by the officers of its Corporation on the day and year first above written.

ATTEST: CRITIQUE, INC.

____________________________________  ______________________________
JOHN E. SANDIN, Secretary             LESLIE M. HOSACK, President
COMMONWEALTH OF PENNSYLVANIA  :  ss: 
COUNTY OF LAWRENCE  :  

ON this the _______ day of ____________, 1994, before me, a Notary Public, personally appeared LESLIE M. HOSACK, who acknowledged himself to be the President of CRITIQUE, INC. and that he has such, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

__________________________________  
Notary Public

Commission Expires:
