



April 24, 2020

Via Email: (griffithe@diamondcommunityservices.com)

Board of Directors
Malvern Hunt Homeowners Association
c/o Mr. Edward Griffith
Diamond Community Services
P.O. Box 299
Spring City, PA 19475

Re: COVID-19
Annual Meeting & Election
Malvern Hunt Homeowners Association

Dear Board of Directors and Mr. Griffith:

We hope this letter finds you well. You have requested that our office review your Association's Governing Documents in order to provide you with guidance as to how the Association may proceed with the upcoming Annual Meeting and Board election, in light of the recent restrictions on travel and large gatherings of people due the COVID-19 outbreak. In responding to this request, we have reviewed the Association's Declaration, as amended from time to time, the Bylaws, and Rules and Regulations (collectively, the "Governing Documents"), as well as the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S.A. §§ 5101, *et seq.* (the "Act").

According to Article III, Section 4 of the Bylaws, the Annual Meeting of the Association is to be held on the first Tuesday in May of each year, at a time and place designated by the Board. While we believe the Board would otherwise have the discretion to postpone this year's Annual Meeting and Board election, until such time as the present threat of COVID-19 has been reduced, we further believe that this year's upcoming Annual Meeting, and the Board election, could be held without any Unit Owners being physically present.

Article III, Section 10 of the Bylaws authorizes Unit Owners to vote on Association matters in person, by proxy or by absentee ballot. We further note that the Bylaws also permit Unit Owner proxies to be used in order to satisfy the Association's quorum requirements. More specifically, Article III, Section 9 of the Bylaws provides, in relevant part, "[t]he presence at the meeting of Members entitled to cast, or of proxies entitled to cast (emphasis added), one-tenth (1/10) of the votes of [the] membership shall constitute a quorum for any action...". With respect to voting

Board of Directors
Malvern Hunt Homeowners Association
April 24, 2020
Page 2

in the upcoming Board election, Article IV, Section 6 of the Bylaws states, in relevant part, “[e]lection to the Board of Directors shall be by written and absentee ballots. At such election, Members or their proxies may cast in respect of each vacancy as many votes as they are entitled to exercise under the provisions of the Declaration.”

Based on the above cited provisions from the Bylaws, we believe that Unit Owners could cast their votes in the Board election by way of Proxy-Ballots and further believe that those Proxy-Ballots could be utilized to satisfy the Annual Meeting’s quorum requirement so long as the Association receives Proxy-Ballots from Unit Owners entitled to cast at least one-tenth (1/10th) of the votes in the Association. Physical attendance at the Annual Meeting could be limited to the Association’s Property Manager and any other individual(s) needed to help tally the Proxy-Ballots submitted by Unit Owners.

As indicated above, we believe the Board would have a justifiable and reasonable good-faith basis to postpone the Annual Meeting and Board election given the current and developing circumstances regarding COVID-19. Due to the uncertainty concerning the length of time that the Governor’s “Stay at Home Order” may remain in effect, however, we further believe that the Board has the discretion and authority to conduct the Annual Meeting and Board election. In this scenario, the Proxy-Ballots would be distributed to the Unit Owners in the Community. Once completed, Unit Owners would mail or email their Proxy-Ballots to the Association’s Property Manager by the scheduled date for the Annual Meeting. The Annual Meeting’s quorum requirement and the votes for the Board election would be tallied based on the Proxy-Ballots that had been returned by Unit Owners.

Lastly, in submitting these inquiries, the Board suggested potentially conducting the Annual Meeting online or through a similar virtual platform. Please be advised that in conducting our review in this matter, we found no provisions in your Governing Documents that would authorize the Association to conduct a virtual and/or online Annual Meeting of the Association. As such, we do not believe a virtual and/or online Annual Meeting would be a viable option for the Association, under the Governing Documents. We further note that we believe conducting an online/virtual Annual Meeting could potentially exclude those Unit Owners in the Association who are not equipped with the necessary hardware and/or knowledge to use online/virtual platforms from participating in the Annual Meeting. As such, we further recommend that any and all other business, other than the Board election, which was expected to be transacted at this year’s Annual Meeting, be postponed until such time as the Association is able to conduct an in-person meeting of its Membership.

Please note that at the Board’s request, our office would be happy to prepare the Proxy-Ballots discussed above, as well as any corresponding notices to the Unit Owners regarding the

Board of Directors
Malvern Hunt Homeowners Association
April 24, 2020
Page 3

upcoming Annual Meeting and/or Board election. We will wait to hear from you in this regard.

We hope this correspondence has been responsive to your request. If you have any additional questions or concerns, please do not hesitate to contact us.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Casullo". The signature is fluid and cursive, with a large initial "R" and a stylized "Casullo".

ROBERT N. CASULLO

cc: Adam G. Marcus, Esq.