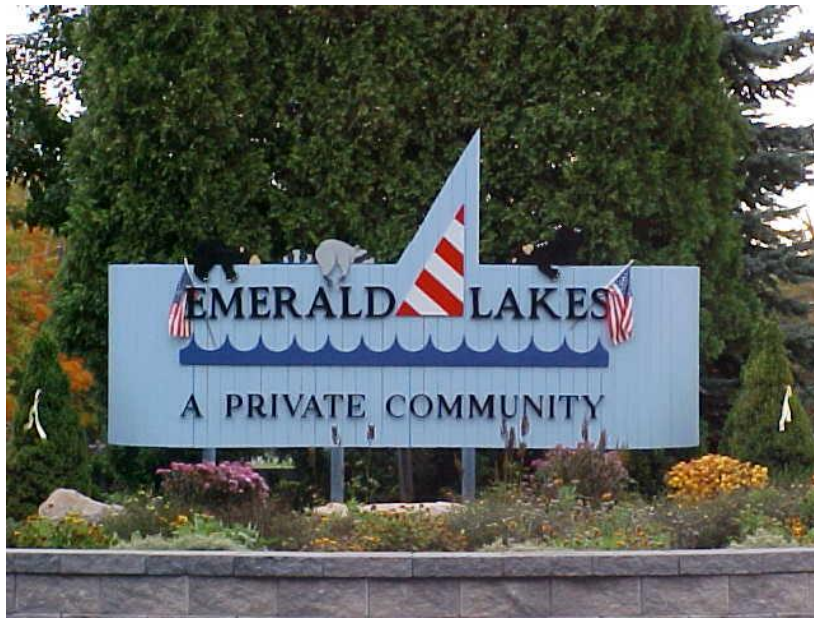


Emerald Lakes Association, Inc.

1112 Glade Drive, Long Pond, PA 18334

(570)-646-2622 (Office)

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BYLAWS

(as revised on 8/22/2009)

ARTICLE I

General

Section 1. Name- The name of this corporation shall be EMERALD LAKES ASSOCIATION, INC.

Section 2. Address - The registered office of this corporation shall be at Emerald Lakes, Long Pond Road, Pocono Summit, Pennsylvania 18346, subject to transfer upon notice to the Secretary of the Commonwealth of Pennsylvania as may be permitted by law.

Section 3. Seal - The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal".

ARTICLE II

Purpose

The purposes for which the Association is formed are to perform all of the duties as administrator of the Community and Common Areas and Community Recreational Facilities which have been created and may hereafter be created in Emerald Lakes, Long Pond Road, Pocono Summit, Monroe County, Pennsylvania, being hereinafter referred to as the "Community" and, in connection therewith, to be possessed of all the rights, privileges, duties, obligations, and responsibilities imposed upon every administrator of a community by the provisions of any of the Laws of the Commonwealth of Pennsylvania, and, more specifically, to operate, manage, preserve and maintain the Common Areas and Recreational Facilities of the said Community; to provide a means and method for perpetual government, control, and maintenance of the Community including mutual and beneficial standards, controls, and restrictions on the use and improvement of each property in the Community and the use of the Common Areas and Community Recreational Facilities; to hire and discharge any and all personnel as shall be necessary to properly discharge the duties of the Association; to collect all assessments that may be, or may hereafter become due from the Members of this Association as said assessments are, or may be fixed by the Association for the operation and maintenance of the Common Areas and Recreational Facilities of the Community; to take such action as may be necessary to comply properly with any and all orders and requirements affecting the Common Areas and Recreational Facilities of the Community and Community facilities appurtenant thereto and placed thereon by any federal, state, county, or municipal authority with jurisdiction thereover, and orders of the Board of Fire Underwriters or other similar bodies; to make contracts for any and all necessary services for the benefit of the Members of the Association as in the

opinion of the Association shall appear necessary or desirable, and to purchase, lease, hire, or rent such equipment, tools, appliances, materials, and supplies as shall be necessary to properly operate and maintain the Common Areas and Recreational Facilities of the Community; to establish and maintain, in the name of the Association, bank accounts for the deposit of any and all funds which shall be paid to the Association by its Members or from any other source; to borrow money, to make and issue promissory notes, bills of exchange, bonds, debentures, and obligations and evidences of indebtedness of all kinds, whether secured by mortgage, pledge, or otherwise, and to secure the same by mortgage, pledge or otherwise; to purchase, lease, or otherwise acquire all kinds of personal property, and to purchase, lease, exchange, sell, hire, mortgage, or otherwise acquire or encumber any real or personal property and any right or privilege which the Association may deem necessary or desirable for the benefit of its Members; to do all and everything necessary, suitable, convenient, or proper for the accomplishment of any of the above purposes, it being specifically provided that the enumeration of the aforesaid powers and objectives shall be by way of explanation and not by limitation, and the Association shall have the right and power to do any and all things for the benefit of its Members as may from time to time appear expedient or desirable to the Directors of the Association or to its Members, with all the powers now or hereafter conferred by the Laws of the Commonwealth of Pennsylvania upon corporations organized under the Pennsylvania Non-Profit Corporation Law of 1988, as amended, and specifically conferred upon administrators or board of administration or other forms of administration of such communities.

ARTICLE III

Definitions

1. **Assessment(s)** shall mean annual dues, assessment(s) and other related charges including, but not limited to, late charges, interest, costs, attorney fees and the like. In determining the Board's ability to increase any assessments, and in calculating the amount of change of any assessments, only the basic amount of the assessment shall be used, without adding any other related charges. This term shall also include special assessments, where appropriate.

Annual dues and assessments may be adjusted or increased only as set forth in Article X, Section 3 of these By-Laws. Special assessments may be levied only as set forth in Article X, Section 4 of these By-Laws.

2. **Association** shall mean and refer to EMERALD LAKES ASSOCIATION, INC., a Pennsylvania non-profit corporation. The Association was designated as the assignee of rights of the Developer/Declarant to enforce the general scheme of development for the Community, which includes the Declaration, subdivision maps and plans, municipal approvals, articles of incorporation of the Association, Association By-Laws and Association rules and regulations, as of July 13, 1991.

3. **Board** shall mean the Board of Directors of the Association.
4. **By-Laws** shall mean the By-Laws of the Association as adopted, revised and/or amended by the Members of the Association.
5. **Common Areas and Community Recreational Facilities** shall mean those areas, parcels of property, buildings and other improvements not conveyed in fee to individual purchasers, and dedicated by the Developer and Grantor to the common private use and enjoyment of all Members of the Association. The Association became the Owner of Record of the Common Areas and Community Recreational Facilities as of July 13, 1991.
6. **Community** shall mean the areas presently known as Emerald Lakes.
7. **Declaration** shall mean the Declaration of Covenants, Restrictions and Limitations of the Developer, Unidel Corporation, its designees, assigns or successors, as recorded in the Office of the Recorder of Deeds, in and for Monroe County, Pennsylvania. The Declaration shall be read in conjunction with these By-Laws and is hereby made an integral part hereof and is attached hereto as Schedule A.
8. **Director** or Directors shall mean the person or persons designated, elected, or appointed to serve as Director or Directors of the Association. The term, when used in relation to any power or duty requiring collective action, shall be construed to mean "Board of Directors". Directors shall be elected as set forth in Article V, Section 4 of these By-Laws; may be appointed as set forth in Article V, Section 6 of these By-Laws; and may be removed from office as set forth in Article V, Section 7 of these By-Laws.
9. **Fiscal Year** of the Association shall mean the twelve (12) months commencing on the first day of the calendar month of May, extending to the last day of the calendar month of April of the following year.
10. **Grantee**, as used in the Declaration and in these By-Laws, shall mean the Owner(s) of Record of the private residential building lots in the Emerald Lakes Community.
11. **Grantor**, as used in the Declaration and in these By-Laws, shall mean the Developer, Unidel Corporation, its successors or assigns. The Association was designated as the assignee of rights of the Developer/Declarant to enforce the Declarations as of July 13, 1991.
12. **In Good Standing**, when used to describe a Member of the Association, shall mean the Member is current (or up to date) with payments to the Association for all assessments made or levied against the Member and the Member's property by the Directors as hereinafter provided, together with such other costs, fees and expenses, if any, properly chargeable to the Member and against the Member's property and this term shall also mean the Member is in

compliance with all legal obligations of an Owner of residential property located in Emerald Lakes and of a Member of the Association.

13. **Members** shall mean Owners of Record of residential lots in the Emerald Lakes Community as set forth in the Declaration.

14. **Owner** shall mean any person or persons or entity who holds fee title to any residential property in the Community as set forth in the Declaration, or any lessee of a residential property under a recorded lease from the Owner of title to said property for a term of not less than fifty (50) years in which case the lessor under said lease shall cease to be the Owner while said lease is in effect.

15. **Special Assessment(s)** shall mean assessment(s) levied by the Board for capital improvements and any other non-recurring expenditures. Special assessments may be levied only as set forth in Article X, Section 4 of these By-Laws.

16. **Voting Member** shall mean a Member of the Association, who is in good standing, who is present at any duly called annual or special meeting of the Association, and who is selected to cast and casts the entitlement of one vote for each property for which the Voting Member is an Owner of record, No more than one (1) vote may be cast for the same property. If more than one Member tries to exercise the one (1) vote for a particular property, then no vote shall be permitted for that property.

Whenever the terms defined above are used herein, it is intended that these terms be interpreted precisely as defined even though the terms are not set off by quotation marks or capitalized.

ARTICLE IV

Membership and Voting Rights

Section 1. Membership. Every person or entity (except the Association) who is an Owner of Record of a fee or undivided fee interest in any residential lot which is subject by covenants of record to assessment by the Association, shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be eligible for membership.

Section 2. Association Rights. As an entity the Association is the Owner of Record of the Common Areas and Community Recreational Facilities and may be the Owner of Record of a fee or undivided fee interest in properties which are subject by Covenants of record to assessment by the Association; however, the Association shall not be required to pay any such assessments, shall not enjoy any membership privileges and shall not be entitled to vote any such properties owned by the Association as an entity.

Section 3. Member Privileges. Each Member in good standing shall be entitled to the use and enjoyment of the common properties and facilities as provided by deed and as set forth in the Declaration applicable to the residential properties. Membership shall entitle the family of the Member to the privileges extended by the Association to the Member.

Section 4. Lien on Owner's Property. When a Member ceases to be an Owner, such person's membership shall cease, but such person shall remain liable for all Association assessments incurred prior to such person no longer being an Owner. In addition thereto, should any sale or exchange of a property occur, the outstanding balance due from the Owner as assessments shall become due and shall be a valid lien on the property until paid.

Section 5. Record Date. Each Member who is in good standing fifteen (15) days prior to the date fixed for any annual or for any special meeting of the Association, shall be entitled to attend such meeting.

Section 6. Voting Privileges. Each property entitles the Owner(s) of Record [Member(s)], to one vote. In no event shall more than one vote be cast with respect to any one property. If there are two or more Owners of Record for the same property, they shall determine amongst themselves who will be the Voting Member entitled to cast the one vote for their one property.

Section 7. Associate Members. If not otherwise a Member, each of the following shall be entitled to associate membership in the Association:

- (a) Persons who may be tenants or regular occupants of residents of Members in good standing situated within Emerald Lakes.
- (b) Persons who by virtue of contractual agreements with the Association are entitled to membership in the Association,
- (c) Associate Members shall pay associate membership dues or other charges as assessed by the Board of Directors by resolution from time to time.

Associate Members shall have no vote or right to notice of any regular or special meeting of Members. The privileges and duties of Associate Members shall be established from time-to-time by the Board by resolution. The privileges and duties of Associate Members need not be the same as those of Members.

ARTICLE V

Board of Directors

Section 1. Powers and Duties. The affairs of the Association shall be governed by a Board of Directors consisting of seven (7) persons 21 years of age or older who are Members in good standing of the Association.

In the performance of its duties as the governing body of the Association and of the Community, the Board shall have all of the powers and duties required to perform the purposes for which the Association is formed as identified by Article II of these By-Laws, including, but not limited to the following:

- (a) to operate, maintain, clean, renew, replace, care, and protect the Common Areas and the Community Recreational Facilities and all other property, real or personal, of the Association;
- (b) to adopt and approve an operating budget consistent with law, to fix the common expenses and assess the same against Members in such fair and equitable proportions and amounts as shall from time to time be deemed necessary to the proper functioning of the Association, including use of Association property and facilities, and assure that the budget shall be presented for review and comment by the Members at an annual or special meeting of the Association, prior to approval which shall be at the sole discretion of the Board, subject to paragraph (d) below;
- (c) to use and expend any sums collected from assessments or levies for the operation, maintenance, renewal, care, upkeep and protection of the Common Areas, Community Recreational Facilities of the Association, and all of its real and personal property;
- (d) to adjust or increase the amount of assessments in order to meet increased operating or maintenance costs and/or to levy and collect in addition thereto, special assessments for capital improvements or other non-recurring expenditures, provided always that said adjustments or increases and/or special assessments are approved by the Members of the Association as set forth in Article X, Section 3 and/or Section 4 of these By-Laws;
- (e) to serve as managing agent of the Community and to employ or retain such persons, and to purchase or arrange for such services, machinery, equipment, tools, materials, and supplies as in the opinion of the Board may from time to time be necessary for the proper operation and maintenance of the Common Areas and the Community Recreational Facility of the Association;
- (f) to pay all taxes and assessments levied or assessed against any property of the Association exclusive of any taxes or assessments levied against any property properly chargeable to the Owners thereof;

- (g) to collect delinquent levies or assessments made by the Association through the Board against any property and the Owners thereof, together with such cost and expenses incurred in connection therewith, including, but not limited to, court costs and attorneys' fees, whether by suit or otherwise, to abate nuisances and enforce observance of the rules and regulations relating to the Community, by injunction or such other legal action or means as the Board may deem necessary or appropriate;
- (h) to cause such operating accounts, and escrow and other accounts, if any, to be established and opened as the Board may deem appropriate from time to time, and as may be consistent with good accounting practices, and to maintain accounting records in accordance with generally acceptable accounting principles;
- (i) to cause a complete audit of the books and accounts of the Association to be made by a competent independent public accountant at the end of at least every fifth fiscal year, more often if circumstances warrant, and to cause a review audit to be made by the same firm at the end of each fiscal year for which a complete audit is not made;
- (j) to keep the Common Areas, Community Recreational Facilities and all other buildings, fixtures, equipment, and personal property owned by or leased to the Association protected against the hazards, casualties, or contingencies due to loss or damage by fire and other casualties, and such other risks of a similar or dissimilar nature as are customarily covered;
- (k) to maintain public liability insurance insuring the Association and its Members against liability for any negligent act of commission or omission attributable to the Association or any of its Members, and which occurs on or in any of the Common Areas or Community Recreational Facilities of the Association;
- (l) to adopt and publish rules and regulations governing the use of the Common Areas and Community Recreational Facilities and the personal conduct of the Members of the Association and their guests thereon, and for the health, comfort, safety, and general welfare of the members within the Community, including but not limited to regulation of parking, storing, or standing of vehicles, machinery, equipment, trailers, and/or components thereof, and to amend the same from time to time as when approved by appropriate resolutions.

Section 2. Term of Office. At the first annual meeting of the Members of the Association, two Directors shall be elected to serve for a term of three (3) years, three shall be elected to serve for a term of two (2) years, and two for one year. At the expiration of the initial term of each Director, a successor shall be elected to serve for a term of three (3) years, provided that each Director shall continue to hold office until a successor is elected. Directors shall serve without compensation.

Section 3. Nominations. Members of the Association may be nominated for election to the Board of Directors in one of the following ways:

- (a) In the event that an Association Member has previously been duly elected as a Director, or has previously been appointed as a Director in accordance with Section 6 of this Article, such Director shall be deemed to have been nominated for re-election, or election, to that position by signifying intention to seek re-election, or election, in writing addressed to the Board of Directors.
- (b) The Nominations Committee shall present at the annual membership meeting its slated candidates for election to the Board of Directors. The Nominations Committee shall not present the name of any candidate without first having obtained such candidates' assurance to serve if elected.
- (c) Immediately after the report of the Nominations Committee, the Meeting Chairperson shall call for nominations from the floor, Any Member may make nominations for election to the Board of Directors, but nominations may be made only at the annual membership meeting. Any Member making a nomination from the floor must first submit a nominating petition signed by at least five (5) Members in good standing and the written consent of the nominee to serve, if elected.
- (d) Nomination or Service on the Board of Directors shall be limited to one (1) record owner of a lot at any one time who shall be a member in good standing of the Association. At the time of adoption [August 19, 1995], existing Board members will be exempt from this By-Law provision.

Section 4. Elections. All votes for election to the Board of Directors shall be made on written ballot which shall describe the vacancy to be filled and the names of those candidates seeking the office of Director. Each Member present and entitled to vote (Voting Member) shall receive one ballot for each property owned. Voting rights are not cumulative and Voting Members may cast not more than one vote for any particular candidate on the same ballot The names receiving the largest number of votes shall be elected.

Section 5. Voting Period. Immediately upon closing of the nominations by the Meeting Chairperson, the voting period for election of

Directors shall begin and continue for thirty (30) minutes after which the polls shall be declared closed and the Elections Committee shall count the votes and report the results to the Members before the official adjournment of the meeting.

Section 6. Vacancy. If the office of any Director shall become vacant by reason of death, resignation, retirement, removal from office, or otherwise, the remaining Directors at a regular meeting or special meeting duly called for such purpose, shall choose a successor who shall hold office until the next annual meeting of the Association, at which a candidate shall be elected for the unexpired term of said vacancy and until such candidate shall be re-elected or a successor is elected.

Section 7. Removal from Office. Directors may be removed with or without cause by the affirmative vote of two-thirds of the valid votes cast by the Voting Members present at any annual meeting, or at any special meeting of Members duly called for such purpose.

Section 8. Organizational Meeting. The first organizational meeting of each newly elected Board of Directors shall be held not later than twenty (20) days from the date of the annual meeting at which they were elected.

Section 9. Regular Meetings. The Board shall meet regularly at such time and place permitted by law as from time to time may be determined by the Directors. After adoption of a resolution setting forth a schedule of regular meetings, no notice of such meetings shall be required, or waived, but notice of special meetings of the Board shall be given.

Section 10. Meeting Attendance. If a Director fails to attend three (3) consecutive scheduled meetings of the Board, then the Board, at its option, may declare the office of such Director to be vacant and choose a successor in accordance with Section 6 of this Article.

Section 11. Quorum. A majority of the Directors shall constitute a quorum to transact business of the Board and the act of four (4) of the Directors present at any meeting shall be deemed to be the act of the Board.

ARTICLE VI

Officers

Section 1. Officers. The Officers of the Association shall be chosen by the Board at their organizational meeting and shall be a President, one or more Vice Presidents, Secretary and Treasurer. Two or more offices may not be held by the same person, and it shall be required for all Officers to be Directors.

Section 2. 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, shall see that orders and resolutions of the Board are carried out, and

shall be vested with the powers and duties generally incident to the office of President of a non-profit corporation.

Section 3. Vice President(s). The first Vice President shall perform all the duties of the President in the absence of the President, or in the event of the President's inability or refusal to act,

Section 4. Secretary. The Secretary shall keep the minutes of the business and other matters transacted at the meetings of the Members and of the Board, and shall perform all other duties incident to the office of Secretary, and such additional duties as may be prescribed by these By-Laws, the Board, or the President.

Section 5. Treasurer. The Treasurer shall have custody of the funds and securities of the Association, collect monies due, disburse funds of the Association as may be ordered by the Board or by the President, keep full and accurate accounts of receipts and disbursements, and perform such other duties as are incident to the office of Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 6. Removal. All Officers shall hold office at the pleasure of the Board and may be removed either with or without cause by a majority vote of the Directors, and a successor elected at any regular or special meeting of the Board called for such purpose.

ARTICLE VII

Indemnification of Officers and Directors

The Association shall indemnify each Officer, Employee, Director and Committee Member and/or his/her personal representative and heirs against all liability and legal expense arising out of that person's good faith actions on behalf of, or as a representative of, or at the request of the Association, but this indemnification shall not include liability for any act of willful misconduct or breach of fiduciary duty. Directors shall not be personally liable to the Association or Members except for acts of willful misconduct or breach of fiduciary duty which constitutes intentional misconduct or gross negligence.

Article VIII

Meetings of Members

Section 1. Place of Meetings. All meetings of the Members shall be held at Emerald Lakes, Long Pond Road, Pocono Summit, Pennsylvania, or at

any such other place within the Commonwealth of Pennsylvania as may from time to time be selected by the Board of Directors.

Section 2. Annual Meeting. The annual meeting of the Association shall be held on or about the third Saturday of August in each year if not a legal holiday, and if a legal holiday on the next following Saturday, when the Association shall transact such business as may properly be brought before the meeting. If any annual meeting shall not be called and held within two (2) calendar months after the designated time, any Member may call such a meeting.

Section 3. Special Meetings. Special meetings of the Association or its Members may be called at any time by the President or the Board of Directors, or upon written petition of not less than five (5%) percent of the Voting Members of the Association. At any time, upon written request of any person or persons entitled to request a special meeting, it shall be the duty of the Secretary to call a special meeting of the Members to be held at such time as the Secretary may fix, not less than thirty (30) days or more than forty-five (45) days after the receipt of such request, and to specify the object(s) of the meeting. Business transacted at all special meetings shall be confined to the object(s) stated in the call and matters related thereto.

Section 4. Notice of Meetings. Written notice of the place, date and hour of an Annual meeting or of a Special meeting shall be delivered not less than thirty (30) days before the date of the meeting, either personally or by first-class mail, to each Member of the Association. Notices of special meetings shall also state the purpose or purposes for which the meeting is called and the persons calling the meeting. Notice of meetings, if mailed, shall be directed to the last known postal address as shown on the records of the Association by first-class mail, postage prepaid. In lieu of mailing, such notice may be delivered by hand to the Members or left at their residence in their absence.

Section 5. Quorum. A Quorum shall be required for the transaction of business at any Member's annual or special meeting. A Quorum shall consist of not less than fifty (50) Voting Members notwithstanding any provisions to the contrary contained in the Articles of Incorporation. A majority of the valid votes cast at any meeting at which a Quorum is present shall be necessary for adoption of any matter voted upon by the Voting Members, unless a greater proportion is required hereunder, or by law. If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided by statute, adjourn the meeting to such time and place as they may determine, but in the case of any meeting called for the election of Directors, those who attend the second of such adjourned meetings, although less than a quorum, shall nevertheless constitute a quorum for the purpose of electing Directors.

Section 6. Voting Period. The voting period for election of Directors is defined in Article V, Section 5 of the By-Laws. A discussion of voting issues other than for Board of Directors will commence at the start of the scheduled meeting

followed by a vote for those issues. Voting for Board of Directors will follow after nominations & candidate's speeches have been concluded. NO ONE WILL BE ALLOWED TO VOTE AFTER THE BALLOT BOXES ARE CLOSED. The Elections Committee shall count the votes & report the results to the Members before the official adjournment of the meeting. Voting results must be posted within 24 hrs. after the close of the meeting. If there is a tie, a special meeting must be called.

ARTICLE IX Committees

The standing Committees of the Association shall be the Architectural Review Committee, Campgrounds Committee, Communications Committee, Community Center Committee, Elections Committee, Emerald Lakes Community Activities Committee, Finance Committee, Long Range Planning Committee, Maintenance Committee, Nominations Committee, Real Estate Committee, Rules & Regulations Committee, and the Security Committee. The Board shall prescribe the powers and duties of said committees, and may establish such additional standing and/or adhoc Committees as it deems necessary.

ARTICLE X Assessments

Section 1. Assessment Obligations. Each Member of the Association, in accordance with Article V, Section 1(b), (d) and (g) thereof, shall pay dues and assessments as promulgated by the Association against the properties and Owners thereof, These dues and assessments shall be levied by the Association for collection against each property and the Owner thereof to pay the cost of administration and maintenance, replacement and repair of the Common Areas and Community Recreational Facilities, and to pay the expenses of administering and maintaining the Association and all of its real and personal property, and other costs and expenses incurred by the Association in achieving and furthering its purpose.

Section 2. Payment of Assessments. Payment by the Members of the assessments levied by the Association shall be made on or before the date fixed by resolution of the Board. Written notice of the assessment and the date of payment shall be sent to the Owner of each property at the address last given by such Owner to the Association, Members may not exempt themselves from their share of such expenses by waiver of the use or enjoyment of the Common Areas and/or the Community Recreational Facilities of the Association or by abandonment of the property owned by them.

Section 3. Annual Dues and Assessments. Annual dues and assessments may be adjusted or increased by the Board of Directors to meet increased operating or maintenance costs, in accordance with Article V, Section 1, paragraph (d) thereof, upon approval by a majority of the valid votes cast by the Voting Members present at any annual or special meeting of the Members.

Section 4. Special Assessments. Special assessments may be levied and collected by the Board of Directors for capital improvements or other non recurring expenditures, in accordance with Article V, Section 1, paragraph (d) thereof, upon approval by a majority of the valid votes cast by the Voting Members present at any annual or special meeting of the Members.

Section 5. Other Assessments. Other assessments against a property or Owner thereof will include only those ordinary and necessary to the services applied to a property or Owner thereof.

Section 6. Unpaid Assessments. All assessments charged to a property or Owner thereof shall constitute a lien against the said property and a personal obligation of the Owner thereof in favor of and running to Emerald Lakes Association, Inc. which lien shall have that priority fixed by the laws of the Commonwealth of Pennsylvania. Such lien shall be effective from and after the time of recording in the public records of Monroe County of a claim of lien stating the description of the lot, the name of the record Owner, the amount due, and the date when due. Such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an Officer or agent of the Association. Upon fully payment of all sums secured by the lien and a preparation fee, the party making payments shall be entitled to a recordable satisfaction of lien to be recorded at his sole expense.

The title acquired by any purchaser shall be subject to all of the provisions of this instrument, the By-Laws and rules and regulations of the Association, and by so acquiring title to the property, said purchaser covenants and agrees to abide and be bound thereby.

Section 7. Voluntary Conveyance. Upon any voluntary conveyance of a property, the Grantor and Grantee of such property shall be jointly and severally liable for all unpaid assessments pertaining to such property made by the Association or accrued up to date of such conveyance, without prejudice to the right of the Grantee to recover from the Grantor any amounts paid by the Grantee, but the Grantee shall be exclusively liable for those accruing while Grantee is the property Owner. Any property Owner or any purchaser of a property prior to completion of a voluntary sale, may require from the Association a certificate, showing the amount of unpaid assessments pertaining to such certificate within ten (10) days after request therefor. The holder of a mortgage or other lien on any property may request a similar certificate with respect to such property. Any person other than the Property Owner at the time of issuance of any such certificate who relies upon such certificate, shall be entitled to rely thereon and such person's liability shall be limited to the amounts set forth in such certificate.

ARTICLE XI

Enforcement of Association By-Laws, Rules & Regulations

Section 1. Membership Compliance. Each Member shall comply strictly with the covenants, conditions and restrictions set forth in the Declaration of Covenants, Restrictions and Limitations or in the deed to the Member's property and with these By-Laws and with the administrative rules and regulations adopted pursuant thereto, as said By-Laws and/or administrative rules and regulations may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for a civil action to recover sums due, for damages or injunctive relief, or both, maintainable by the Association on behalf of the property Owners.

Section 2. Additional Powers. The following powers and procedures are hereby granted to the Board as additional powers of enforcement of said By Laws, rules, and regulations:

- (a) The Board may take disciplinary action against any Member of the Association for breach of any By-Law, rule or regulation of the Association as provided herein.
- (b) Disciplinary action authorized hereunder, subject to the Procedures of Section 3 of this Article, may consist of any or all of the following:
 - (1) suspension of voting privileges;
 - (2) suspension of the Member's right to use any of the Community Facilities owned, operated, or managed by the Association for a period not to exceed thirty (30) days for each breach;
 - (3) a fine for each breach of By-Law, rule or regulation; the failure to pay said fine within ten (10) days after imposition thereof shall constitute a separate offense.

Section 3. Procedures.

- (a) A member wishing to protest disciplinary action imposed pursuant to Section 2,(b),(1) and (3) of this Article, may request a hearing before the Board and such disciplinary action will be suspended until after the hearing. Such request must be made in writing within ten (10) days after receipt of notice of the disciplinary action.
- (b) The requested hearing shall take place at the next regularly scheduled Board meeting following the mailing to the Member of written notice of the time and place thereof and also stating the nature of the breach charged against said

Member. The Member shall have the right to be represented by counsel.

- (c) Within ten (10) days after the hearing, the Board shall render its decision in writing to the Member involved, setting forth the determination of the Board and the disciplinary action to be imposed, if applicable.

Article XII Dissolution

In the event it shall be deemed advisable and for the benefit of the Members that the Association should be dissolved, the procedure concerning dissolution shall be conducted in accordance with the “Non-Profit Corporation Law” of the Commonwealth of Pennsylvania as the same shall exist at the time of such dissolution.

Article XIII Miscellaneous

Section 1. Inspection of By-Laws. The Association shall keep in its principal office the original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members at all reasonable times during office hours.

Section 2. Inspection of Proceedings. Every Member shall, upon written demand under oath stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours of business for any proper purpose, the membership register, books and records of account, and records of the proceedings of the Members, Directors and such other body, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of such person as a Member. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the Member, The demand under oath shall be directed to the Association at its registered office.

Section 3. Number and Gender. Number and gender as used in these By-Laws shall extend to and include both singular and plural and all genders as the context and construction requires.

Section 4. Parliamentary Authority. The parliamentary procedure of the Association on all points not covered by the Articles of Incorporation, these

By-Laws and any Special Rules of the Association shall be governed by the latest edition of "Roberts Rules of Order, Newly Revised".

Section 5. Borrowing Limitation. The Board of Directors or their assign shall be prohibited from borrowing funds, loans, signing notes, writing leases, or lease purchase agreements or any other form of borrowing or indebtedness without the (2/3 majority) assent of the voting members in good standing at an annual or special meeting except where a clear and imminent dangerous situation might arise which would dictate otherwise.

However, the Board may encumber the Community for indebtedness, not to exceed at any one point in time 7% of dues actually collected from the previous fiscal year and that there should be an income stream dedicated to recoup this indebtedness over a period of time not to exceed two years.

All existing and outstanding debts as of the date of adoption of this By-Law change shall not be increased in any manner and shall be excluded from the calculation.

Article XIV

Amendments

Section 1. Proposed Amendments. Any Member in good standing may submit proposed amendments to these By-Laws in writing to the Board for review and presentation to the membership at large. Any such proposed amendment must receive the concurrence of the majority of the Board. If the Board does not concur with the proposed amendment, the Board shall notify the submitting Member in writing within a reasonable time of its non-concurrence and that Member shall then have the right to submit a petition supporting the proposed amendment signed by not less than fifty (50) Voting Members. Such petition, when verified, shall override the Board's non-concurrence.

Section 2. Approval of Amendments. Amendments to these By Laws may be made by the affirmative vote of two-thirds of the valid votes cast by the Voting Members present at any annual meeting or at any special meeting of Members where amendments to these By-Laws are properly being considered.

Section 3. Unsightly Property. At no time shall any equipment, appliance, merchandise, construction materials and other materials and goods of any nature whatsoever, be stored outside of an enclosed building so as to prevent an unsightly appearance and detract from the beauty of the Community.