

**PROPOSED AMENDED BY-LAWS
OF
PAUPACKAN LAKE ASSOCIATION**

ARTICLE I - NAME

The name of this organization is Paupackan Lake Association, Inc., (PLA), a non-profit Pennsylvania Corporation incorporated on 2 March 1961.

ARTICLE II - MEMBERSHIP

Any grantee(s), also called lot owner (s), owning real estate, also called lot(s), within Paupackan Lake Estates by virtue of a legal transfer of ownership must belong to PLA. One (1) membership and (1) vote is allocated to one grantee regardless of the number of lots owned. Multiple owners of a lot or group of lots are considered as one grantee and have only one (1) vote among them.

ARTICLE III-GOVERNMENT

The management of the affairs of PLA is vested in a Board of Directors (BoD) chosen only from the membership as herein defined.

- 1.0 The BoD consists of seven (7) members. On alternating years, three (3) members on odd years or four (4) members on even years will be elected for two (2) year terms to complete a seven (7) member BoD.
- 2.0 All Directors must have paid all dues, assessments, and fines owed to the Association and must be members in good standing as defined in **ARTICLE V**. Only one member of a membership may serve on the BoD at any given time. Moreover, a Director is not exempt from adhering to the By-laws or Rules and Regulations of PLA simply because of his/her status as a Director.
- 3.0 The BoD interprets the provisions of these By-Laws and applies the rules and regulations of PLA (which it has enacted), and the rights and covenants granted in members' deeds in the chain of title, all of which are designed to govern the membership in the use and enjoyment of their own real estate and other lands and waters.
- 4.0 The BoD, by a majority vote, determines the date, time, and place of all meetings, and will attend all scheduled meetings.
- 5.0 Committees serve at the pleasure of the BoD. Therefore, the BoD can, by a majority vote, remove or replace a committee, its chairperson, or a committee member.
- 6.0 In the event that any member in good standing is aggrieved by the action of the BoD, or has a complaint of any kind whereby the peace and enjoyment of the development is adversely affected, that member may petition the BoD for review of that grievance or complaint. However, only signed petitions mailed to the Association office, ATTN: Assoc. Secretary, will be considered by the BoD.
- 7.0 The BoD will provide a schedule of fines and penalties for violations of the Covenants, the By-Laws, and the Rules and Regulations set up for the membership's enjoyment and protection of the land, woods, and water, and also for the late payment of dues and assessments. The BoD will enact effective procedures for the collection of such dues,

assessments, and fines. A current schedule of fines and penalties will be available in the office and will be posted on the Website and Community Bulletin Boards.

- 8.0 If a vacancy on the BoD occurs, the vacancy for the unexpired portion of the term may be filled from the list of those candidates who ran for the previous election but were not successful, in the order of the number of votes they received. If no unsuccessful candidates are available, the BoD may select and appoint a member who is in good standing and willing to fill the vacancy.
- 9.0 No Director on the BoD will be paid for services as an elected Director. However, the BoD can reimburse a Director for reasonable expenses, as the BoD sees fit.
- 10.0 Any Director on the BoD may be removed for just cause, for loss of good standing, or for three (3) or more unexcused absences, by a majority vote of the Directors present at a BoD meeting.
- 11.0 The BoD of PLA will not be held personally liable for monetary damages as such for any action taken, or any failure to take any action, unless the director has breached or failed to perform the duties of his or her office to standards of care and justifiable reliance; and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. *However, these provisions shall not apply to:* the responsibility of liability of a director pursuant to any criminal statute, *or* the liability of a director for the payment of taxes pursuant to Local, State or Federal law.

ARTICLE IV – OFFICERS

The Officers are President, Vice-President, Secretary, and Treasurer. Newly elected BoD members will attend September through December BoD meetings without voting privileges but with participation in all other aspects. At the November BoD meeting, the Directors for the following year will elect their officers, who will assume office on January 1 following. The duties of each officer are:

- 1.0 President is vested with the powers and duties generally incident to the President of a non-profit corporation. President presides at all meetings of members and Directors and has the right to vote. The President may appoint whichever Committee(s) he or she deems necessary to aid in the functions and responsibilities of the BoD. Committees are of an advisory nature unless otherwise authorized in writing by the BoD.
- 2.0 Vice President is vested with all the powers and performs all the duties of the President during his or her absence or inability to act.
- 3.0 Secretary attends all membership and BoD meetings, records all votes and minutes of the proceedings, is the keeper of all corporate records, sends all notices of meetings, and otherwise performs all duties of a Secretary.
- 4.0 Treasurer has charge of all funds, under the direction of the BoD, deposits same in the name of PLA, directs payment of all vouchers approved by the BoD or with the signature of the Committee Chairperson who is a member of the BoD, and gives a complete financial report at the membership meeting(s) or upon request of the BoD.

ARTICLE V - DUES AND ASSESSMENTS

Each membership is liable for the payment of annual dues dependent upon the budget needs of PLA. Payments are also due upon transfer of ownership of real estate. A capital improvement fee of one year's current dues and assessments is imposed and collected on each transfer of ownership, per PA Act 180, which pertains to planned communities.

- 1.0 The amount of annual dues is to be approved at the annual membership meeting by a majority vote of the membership present and in good standing. Full applicable dues are collected on a calendar year basis, are considered delinquent after the 31st of March of each year, and will be subjected to a 1.5% per month penalty. If annual dues are paid in full by January 31 of the year for which imposed, a discount of 1.5% will be given. The BoD has the right to authorize alternative payment plans. There will be an automatic annual adjustment in dues equal to the federal cost of living adjustment (COLA); this adjustment does not require membership approval.
- 2.0 Each membership is liable for the payment of any assessment(s), in addition to the annual dues, as may be approved at the membership meeting by majority vote of the members present and in good standing. ***Good standing includes payment of all dues, assessments, fines, and submission of a completed PLA Census Form to the Association.*** A membership in good standing qualifies for two (2) PLA buttons, two (2) visitor passes, and identification stickers for two (2) cars and for two (2) boats according to the Rules and Regulations.
- 3.0 In July of each year, a communication will be sent to each membership's last known address concerning the general membership meeting that will be held on the last Saturday in August that is not part of the Labor Day weekend advising them of:
 - 3.1 Time and place of the meeting.
 - 3.2 A list of candidates for election to the BoD with their resume s
 - 3.3 A financial statement
 - 3.4 The recommendation of the BoD for levying an assessment, if necessary, for the coming year, detailing the purpose for which the funds are to be used, and the best judgment as to the cost of each item making up the total assessment, together with the amount of the levy to be paid by each membership.
 - 3.5 The proposed amount of annual dues to be voted on.
 - 3.6 The proposed minutes of the previous membership meeting.

ARTICLE VI- LOT OWNERSHIP

1.0 Single Lot Ownership

- 1.1 Lot owners are required to pay full applicable PLA dues on each improved non-adjointing lot owned.
- 1.2 The BoD may adjust the dues imposed on unimproved lots.
- 1.3 Adjacent lots that are joined legally into one lot for tax purposes and/or building purposes remain separate lots for the purpose of PLA dues collection.

2.0 Multiple Lot Ownership

- 2.1 **Adjoining Lots:** An adjoining lot is a lot contiguous with one or more other lots, each of which is owned in the exact same names(s). If a lot owner owns more

than one lot, the lot owner is required to pay full applicable PLA dues for the first lot and a lesser amount of dues on each of a maximum of two adjoining lots, so long as there are no dwellings on those lots. If the lot owner owns more than two (2) adjoining lots, full dues are to be paid on each additional adjoining lot.

2.2 Non-Adjoining Lots: Each PLA lot owner owning more than one lot and the lots do not adjoin, is required to pay full applicable PLA dues on each lot.

2.3 Adjoining Undersized Lots: Only one full applicable PLA dues will apply in the case of adjoining undersized lots where there is only one dwelling. The property owner is responsible with providing PLA with documentation pertaining to the inability in the future to form a buildable lot by consolidation or subdivision. Documentation submitted to PLA prior to 1990 does not have to be resubmitted.

ARTICLE VII-ELECTION OF DIRECTORS

- 1.0 Between the 1st and 15th day of June each year, any member, including incumbents, who is in good standing, as defined herein, may file with the Election Committee (EC) a statement of the member's candidacy for election as a Director of the PLA for the term beginning the next calendar year following the August meeting of the PLA held after the filing of such statement. A brief resume , supplied by the candidate, is to be included in the notice of the August meeting. An EC appointed by the President consists of no fewer than 3 nor more than 5 members in good standing. No current Directors nor their relatives, nor candidates for office, nor their relatives, nor any employee of the Association can serve on the EC. Resume s and statements of candidacy are to be mailed to the Election Committee at HC 1 Box 152, Hawley, PA 18428, and must be postmarked by June 15 at the latest. Applications will not be accepted after June 25. The EC opens applications and determines each applicant's eligibility.
- 2.0 All elections to the BoD are based on votes entered on ballots which set forth the names of those persons who have become candidates for Director in the order in which their statements were received by the EC. The person or persons receiving the largest number of votes is/are elected to the BoD.
- 3.0 If the number of candidates for election to the BoD is equal to or less than the number of openings, it will not be necessary to hold an election.
- 4.0 A ballot will be published in the July newsletter.
- 5.0 Only one (1) completed ballot must be sealed in an envelope marked "BALLOT" in the lower left corner. Each "BALLOT" envelope must bear on its face the printed name and signature of the member with the member's lot number as part of the return address in the upper left corner so that the EC can determine the member's right to cast the vote presented on the ballot. The "BALLOT" envelope will be returned to the Election Committee at HC 1 Box 152, Hawley, PA 18428, to be received no later than ten (10) days prior to the August meeting.
- 6.0 Upon receipt of each unopened "BALLOT" envelope, the EC will immediately place it in a secure place until the day fixed by the BoD for the tabulation of the ballots. The EC will adopt a procedure to establish whether or not the member whose name appears

on the "BALLOT" envelope is in good standing. If any "BALLOT" envelope contains more than one ballot, all ballots contained in such envelopes will be disqualified. The EC will proceed to tabulate the votes in a manner that will not disclose the vote of any member. The EC will certify the results of the election in writing and as an oral report at the August meeting. The terms of Directors so elected will commence the January 1st following the August membership meeting.

- 7.0 All "BALLOT" envelopes, ballots, and statements of candidacy, and the EC report must be retained by the PLA Secretary for a period of one (1) year.

ARTICLE VIII - PROXIES

Except in connection with the election of Directors, every membership entitled to vote shall have the right to do so either in person or by a member in good standing authorized by a notarized written proxy executed by a member in good standing and filed with the PLA Secretary at the membership meeting. A proxy is invalid after the expiration of eleven (11) months from the date of its execution unless the person executing it specified therein the length of time for the proxy to continue in force, but which in no event will exceed two (2) years from the date of its execution. No single member in good standing can present more than three (3) proxies.

ARTICLE IX - SPECIAL MEMBERSHIP MEETINGS

A special membership meeting must state the reason(s) for the special meeting in a notice communicated to the membership at the last known address stating the time, place, date and reason(s). Reasonable notice, typically 2 weeks, is to be given. Only the stated purpose(s) of the special meeting can be discussed.

ARTICLE X – PROCEDURES AND QUORUM

- 1.0 A majority of the BoD present and in good standing as herein defined constitutes a quorum for the transaction of business at BoD meetings. Electronic participation via conference call is valid for Directors at BoD meetings.
- 2.0 A majority vote of members in good standing attending membership meetings prevails. Only members in good standing are permitted to attend membership meetings.
- 3.0 The BoD may take action between meetings by electronic communication except for the dismissal of a Director.
- 4.0 General communication with the membership will be by posting in the Office, on outside Bulletin Boards, by e-mail, on the PLA website, or by direct mail, provided that the Secretary of PLA receives a written request that is mailed to the Association office, ATTN: PLA Secretary,
- 5.0 General membership and BoD meetings follow this format:
 - 5.1 Roll Call
 - 5.2 Reading of minutes of the previous meeting
 - 5.3 Financial Report
 - 5.4 Communications
 - 5.5 Unfinished Business
 - 5.6 Committee Reports
 - 5.7 New Business

- 5.8 Good and Welfare
- 5.9 Adjournment

ARTICLE XI - USE OF ASSOCIATION FUNDS

Prior to accepting any construction or acquisition of major discretionary improvements involving the use of PLA funds, a majority vote of the membership present at membership meetings is required to approve or reject such expenditures.

ARTICLE XII- AMENDMENTS

The By-Laws Committee presents By-Laws amendments to the BoD. If approved by a majority of the BoD, amendment(s) may then be submitted for ratification or rejection by a majority vote of the membership present and voting at a regular or special meeting of the Association, provided that a copy of the proposed amendment(s), the reason for the amendment(s), and the effective date of the ratified amendment(s) is sent to each member with sufficient notice of the time and place of the meeting at which action is to be taken.

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