

ARTICLE I - NAME

The name of this organization shall be Paupackan Lake Association.

ARTICLE II - MEMBERSHIP

Any person or persons owning within Paupackan Lake Estates shall be eligible for one (1) membership and one (1) vote. Each new property owner must obtain membership in the Association. Only persons whose names appear on the property deed shall be considered owners.

ARTICLE III - DUES AND ASSESSMENTS

1. Each membership shall be liable for the payment of annual dues and any assessment(s) levied as herein set forth. Payments shall be due upon entering into any contract for the purchase of land and shall be paid as provided below. A capital improvement fee of one year's current dues shall be imposed on each new purchase, per PA Act 180.
2. Each membership shall be 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, and fines owed to the Association and the timely submission of a completed Paupackan Lake Association Census Form. The need of an assessment and the amount thereof is to be determined in the following manner:
 - a. In July of each year, a notice of time and place of the membership meeting shall be sent to each member advising them that a meeting will be held on the last Saturday in August that is not part of the Labor Day weekend. Notifications shall be sent by regular mail to the last known address of each member. The July notice of the membership meeting shall include a list of candidates for directorship in the Association with a resume from each. .
 - b. The July notice of the membership meeting shall include a financial statement prepared by the officers and directors, showing the current financial position of the Association. ..
 - c. The Directors shall include in the notices their recommendations for levying an assessment, if necessary, for the coming year, detailing the purpose for which the money is to be used and their 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. The amount of annual dues to be paid by each membership shall be flexible, depending upon the budget needs of the Association. The amount of annual dues is to be approved at the yearly membership meeting by a majority vote of the membership present and in good standing. There will be an automatic annual increase in dues equal to the federal cost of living adjustment (COLA); this increase does not require membership approval.

Single Lot Ownership

Each Association member is required to pay full Association dues on his or her lot whether or not there is a house on that lot.

Multiple Lot Ownership

- a. Multiple Lot Ownership With Homes: Every lot which has a house requires payment of full Association dues for each property.
- b. Adjoining Lots: Where a member owns more than one lot, the member is required to pay full Association dues for the first lot and the lesser amount of dues on each of a maximum of two adjoining lots, so long as there are no houses on those lots. If the member owns more than two adjoining lots, full dues are to be paid on each additional adjoining lot.
- c. Non-Adjoining Lots: Each Association member who owns more than one lot and the lots do not adjoin, is required to pay full dues on each lot.
- d. Adjoining Undersized Lots: In the case of adjoining undersized lots, where total frontage is less than 100 feet and there is only one house on these lots, only one Association dues is required for the first 100 feet of these lots. If the adjoining undersized lot(s) total more than 100 feet in road frontage, full dues is owed on the first 100 feet, plus the lesser amount of dues for the excess of 100 feet if the undersized adjoining lots can be subdivided in such a manner that there could be available for sale a second lot, which would be large enough on which to build a home according to the applicable laws or statutes of the governing Governmental authorities. If the undersized adjoining lot(s) cannot be subdivided in the manner described in the preceding sentence, only one full dues will apply. But it is the responsibility of the property owner to supply the Treasurer with written backup information which indicates the overall property dimensions, the location of the home on that property or any other information relating to the inability to subdivide. Without such backup information, the additional lesser amount of dues will apply to the excess of 100 feet of frontage. Grandfather clause prevails in present homes and owners.
- e. In the event that an assessment is necessary in any one year, as approved by the general membership, defined in Article III above, the amount of such assessment shall be levied against and collected

from each
membership on each lot that is required to pay full dues.

f.. Dues shall be collected on a calendar year basis. Dues shall be considered delinquent after the 31st of March of each year and will be subject to a 1.5 percent per month penalty. If annual dues are paid in full by January 31 of the year for which imposed, a discount of 1.5 per cent shall be given.

g. Upon payment of dues, assessments, and fines, and submission of a completed Paupackan Lake Association Census form, two (2) Association buttons and one (1) visitor's pass will be issued to each membership along with two (2) stickers for cars and boats for identification.

ARTICLE IV – OFFICERS AND DUTIES

1. The Officers shall be President, Vice President, Secretary and Treasurer. Newly elected Board members shall attend September through December Board meetings without voting privileges but with participation in all other aspects. At the November Board meeting, the members for the following year shall elect their officers, who will assume office on January 1 following.
2. The duties of each Officer shall be as follows:
 - a. President shall be vested with the powers and duties generally incident to the President of a not-for-profit corporation. President will preside at all meetings of members and Directors and shall have the right to vote.
 - b. Vice President shall be vested with all the powers and shall perform all the duties of the President during his or her absence or inability to act.
 - c. Secretary shall attend all membership and Board of Directors meetings, shall record all votes and minutes of the proceedings, be the keeper of all corporate records, send all notices of meetings and otherwise perform all duties of a Secretary.
 - d. Treasurer shall have charge of all funds, under the direction of the Board of Directors deposit same in the name of Paupackan Lake Association, Inc., pay all vouchers approved by the Board or with the signature of the Committee Chairperson who is a member of the Board, on the bill, and give a complete report at the membership meetings or upon request of the Board.

ARTICLE V - GOVERNMENT

1. The management of the affairs of the Association shall be vested in a Board of Directors chosen only from the membership as herein defined.
2. The Board of Directors shall interpret and apply the rules and regulations set up from time to time, including the provisions of these By-Laws, deeds and agreements, all of which are designed to govern the membership in the use and enjoyment of their own lot or lots, and the rights granted in their deeds to the use and enjoyment of other lands and water.
3. In the event that any member is aggrieved by the action of the Board of Directors, or has a complaint of any kind whereby the peace and enjoyment of the development is adversely affected, a member may petition the Board of Directors for review of that grievance or complaint. However, only signed complaints mailed to the Secretary will be considered acted upon by the Board of Directors.
4. The Board of Directors shall 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 Board shall enact effective procedures for the collection of such dues, assessments, and fines. A current schedule of fines shall be posted on the Bulletin Board at the office and be published in the last bulletin of the year.

ARTICLE VI - DIRECTORS

1. The Board of Directors shall consist of seven (7) members. On alternating years, three (3) or four (4) members will be elected for two (2) year terms to complete a seven (7) member Board.

2. All Directors must have paid all dues, assessments, and fines owed to the Association and must be members in good standing as defined in III.6. Only one member of a household may serve on the Board of Directors at any given time.

3. Election of Directors:

a. No later than May 1 of each year, the Board shall announce to the membership the number of vacancies for which candidates are solicited and shall reproduce Article VI.3.b in the bulletin or separate mailing. Election of Directors shall be by written ballot as hereinafter provided. The person or persons receiving the largest Number of votes shall be elected to the existing vacancies on the Board.

b. Between the 1st and 15th day of June each year, commencing with 1980, any member, including incumbents, who is in good standing as defined herein may file with the Election Committee a statement of the member's candidacy for election as a Director of the Association for the term beginning the next calendar year following the August meeting of the Association 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 Election Committee appointed by the President shall consist of no fewer than 3 nor more than 5 members in good standing. No current Directors nor their relatives, no candidates for office nor their relatives, nor any employee of the Association shall serve on the Election Committee. Statements of candidacy and resumes 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. The Election Committee will open applications on June 25 or the next weekday.

c. All elections to the Board shall be made on written ballots which shall set forth the names of these persons who have become candidates for the Office of Director in the order in which they filed their statements with the Election Committee.

d. If the number of candidates for the election to the Board is equal to or less than the number of openings, it will not be necessary to hold an election.

e. The ballots shall be prepared for mailing simultaneously with the notice of the August meeting.

f. Each membership shall receive one ballot.

g. The completed ballot shall be returned as follows:

Each ballot shall be placed in a sealed envelope marked "BALLOT" and not marked in any other way. Each "BALLOT" envelope shall contain only one (1) ballot. The "BALLOT" envelope shall be placed in another sealed envelope which must bear on its face the printed name and signature of the member, member's lot number and mailing address so that the Election Committee can determine member's right to cast the vote presented on the ballot. The ballots shall be returned to the Election Committee at the mailing address of the specified box no later than ten (10) days prior to the August meeting.

h. Upon receipt of each return envelope, the Election Committee shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of the ballots. On that day, the external envelopes containing the "BALLOT" envelopes shall be turned over unopened to the Election Committee. The Election Committee shall adopt a procedure to establish whether or not the member whose name appears on the outside envelope has paid all dues and assessments. The procedure shall be established in such a manner that the vote of any member shall not be disclosed to anyone, including those on the Election committee. The outside envelopes shall thereupon be placed in a safe or other locked place, and the Election Committee shall proceed to the opening of the "BALLOT" envelopes and the counting of the votes. If any "BALLOT" envelope is found to contain more than one ballot, all ballots contained in such envelopes shall be disqualified. The Election Committee shall certify the results of the count at the August meeting, and the terms of officers so elected shall commence the January 1st following the August membership meeting.

i. All outside envelopes, ballots, and statements of candidacy shall be retained by the Secretary for a period of one (1) year.

ARTICLE VII - PROXIES

Except in connection with the election of Directors, every member entitled to vote shall have the right to do so either in person or by an agent authorized by written proxy executed by a member, notarized and filed with the Secretary of the Association, provided that no proxy shall be valid 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 shall exceed two (2) years from the date of its execution. No single member shall present more than three (3) proxies.

ARTICLE VIII- DUTIES AND POWERS OF THE BOARD OF DIRECTORS

1. The business of this Association, in addition to those duties named in Article V, shall be managed by the Board of Directors.

2. In addition to the general powers of the Board, by virtue of their office, the authority expressly given by law or arising by implication by the Charter of Paupackan Lake Association, Inc., a non-profit Pennsylvania Corporation and by these By-Laws, the following specific powers are also expressly conferred by the membership for their adoption:

3. The President may appoint whichever committees he or she deems necessary to aid in the functions and responsibilities of the Board. Committees are of advisory nature unless otherwise authorized in writing by the Board. The Board can, by a majority vote, remove or replace a committee, a Member of the committee, or the Chairperson of a committee, or abolish a committee.

4. The Board of Directors may hold regular or special meetings, as it so desires. The Board of Directors, by a majority vote, determines the date, time and place of all meetings.

ARTICLE IX - DISMISSAL FROM THE BOARD

Any Director on the Board of Directors may be removed for cause by the majority vote of the Directors present at the meeting. Any director may be removed by the majority vote of the Directors present at the meeting for three (3) or more consecutive unexcused absences or loss of good standing.

ARTICLE X - ACTION WITHOUT A MEETING

Any action, except the dismissal of a Board member, which may be taken at a meeting of the Board may also be taken without a meeting. Electronic participation via conference call or e-mail is valid.

ARTICLE XI - VACANCY ON THE BOARD

If a vacancy on the Board occurs by reason of death, resignation, removal or some other reason, 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.

ARTICLE XII - DIRECTOR'S EXPENSES

It is understood that no Director or Officer on the Board of the Association shall be paid for services as an elected Director. However, the Board shall reimburse a Director for reasonable expenses, as the Board sees fit.

ARTICLE XIII - SPECIAL MEMBERSHIP MEETINGS

Special membership meetings must state the reason(s) for the special meeting in a notice sent to the membership stating the time, place, date and reason(s). Reasonable notice is to be given. Only the stated purpose(s) of the special meeting shall be discussed.

ARTICLE XIV – PROCEDURES AND QUORUM

1. General membership meetings and Board meetings shall follow the following format:
 - a. Roll Call
 - b. Reading of minutes of the previous meeting

- c. Financial Report (Treasurer's Report)
- d. Communications
- e. Unfinished Business
- f. Bills to be paid
- g. Committee Reports
- h. New Business
- i. Good and Welfare
- j. Adjournment

2. A majority of the Board of Directors present and in good standing as herein defined shall constitute a quorum for the transaction of business at Board meetings.

3. No quorum is required for membership meetings, and the majority vote at such meetings shall prevail. Only members in good standing shall be permitted to attend membership meetings.

ARTICLE XV - SEPTIC SYSTEMS AND SLUICE PIPES

- 1. All septic systems must be an approved type, at least up to the standards of the Jet Aerobic system and must be approved by the Health Inspector of Paupack Township or Lake Township.
- 2. The size of sluice pipes under driveways will be decided by what the conditions are at that location. This decision will be made by the Road Committee when anyone has to install one.

ARTICLE XVI - LAND USE

- 1. Construction shall be confined to a detached, one family dwelling on a lot. Such dwelling is to be used for residential purposes only and shall have a minimum width of 24 feet and a minimum gross floor area of 768 square feet on the first story. Dwelling shall be erected on a permanent concrete block foundation, creating an enclosed crawl space, basement or cellar. No garage or shed shall be constructed unless it is on or adjacent to the owner's improved lot and complies with Paupackan Lake Association setbacks and local building ordinances.
- 2. Construction shall conform to the Building Code of Paupack Township. Where there is no local Building Inspector, a certification is to be furnished by a certified person or agency as to conformance. For prefabricated construction (Modular Homes) a certificate of approval by an approved agency shall be furnished with every prefabricated assembly, stating conformance to the Building Code of Paupack Township.
- 3. All lots are subject to an easement for installation and maintenance of the water system over, under and across a 10 foot strip along the front and rear boundary lines, as well as the side boundary of any corner lot and a 10 foot easement between adjoining properties. All lots are also subject to an easement for access to curb stops and curb boxes and for the installation of same. In case of an emergency, the Association has the right to enter any property to perform any and all necessary tasks.

4. The property owner is responsible for returning the road to its original condition after a water hook-up has been completed.

5. If the Association repairs or replaces a waterline under a driveway (within right of way), the Association will replace the disturbed area with similar/same materials. In the case of pavement or concrete, the repair will be performed when weather permits.

6. No private clubs or corporations, whose purpose is hunting, fishing or trapping, are permitted within Paupackan Lake Estates.

7. No tent, trailer, mobile home, camper or temporary structure of any kind shall be placed, erected or used upon any part of this lot.

8. No commercial signs shall be erected or maintained on the premises or lot.

9. No commercial vehicles can use roads in the development for business purpose other than for home construction or routine residential services.

ARTICLE XVII - USE OF ASSOCIATION FUNDS

1. Prior to accepting any construction or acquisition or maintenance or supervision of major improvements involving the use of Association funds, a majority vote by the membership present and voting at a General Membership meeting shall approve or reject such expenditures.

2. The membership shall be advised a minimum of two (2) weeks in advance by mail of any action requiring membership approval, as outlined in the By-Laws, and which is to be placed before the membership for approval at a General Membership meeting.

ARTICLE XVIII - PRIVATE WATER SOURCES

Homeowners must tie into the central water system and are not permitted to dig a well or install any type of individual water system.

ARTICLE XIX - AMENDMENTS

These By-Laws may be amended by a majority vote of the membership present and voting at a membership meeting.

ARTICLE XX - BOARD OF DIRECTORS PROTECTION

1. The Board of Directors of Paupackan Lake Association shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

1. The director has breached or failed to perform the duties of his or her office to standard of care and justifiable reliance;

2. and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

Exception: These provisions shall not apply to:

- a. the responsibility of liability of a director pursuant to any criminal statute; or
- b. the liability of a director for the payment of taxes pursuant to Local, State or Federal law.

Adopted May 4, 1980

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