

PHCA 2018 Proposed Bylaws

Reflects PHCA Board acceptance of Committee
report of June 3, 2018

Note:

1. Additions are double-underlined and deletions are lined out as shown in the applicable sections.
2. Deletions: from (2006 bylaws)
 - A. Section III Article 13- Number and Gender
 - B. Section VIII Amendments/Negative Vote
 - C. Section IV Article 3 Violations Fine Table
3. Please visit the PHCA website to review the current version of the bylaws (2006).
4. Table of contents will be added once Bylaws are adopted.

SECTION I —General

ARTICLE 1: Name

The name of this corporation shall be Pocono Highland Community Association, Inc.

ARTICLE 2: Address

The registered office of this corporation shall be at the place designated in the Articles of Incorporation, subject to transfer upon notice to the Secretary of the Commonwealth as may be permitted by law.

ARTICLE 3: Association Seal

The Association's corporate seal shall have inscribed thereon the name of the Association, the year of the organization's founding and the words "Corporate Seal, Pennsylvania".

SECTION II -PURPOSE

ARTICLE 1: Purpose

The purpose for forming the Association is to perform all of the duties as administrators of the Pocono Highland Estates Community (hereafter known as the Community) and the Common Properties and the Recreational Facilities (hereafter known as the Common Areas") that have been or will be created. The Community and, in connection therewith are 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, improve, administer, and maintain the Common Areas and Recreational Facilities of said Community. The Association will 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 the Common Areas. The Association shall have the right and the 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. Powers now and hereafter conferred by the Laws of the Commonwealth of Pennsylvania upon corporations organized under the Act 21 and specifically conferred upon administrators or boards of administration or other forms of administration of such communities.

SECTION III DEFINITIONS/TERMS

ARTICLE 1: Annual Dues

Annual dues are the pro-rated monies that have been determined to be necessary to manage the Community.

ARTICLE 2: Assessment

Assessments are any additional monies necessary for capital improvements and other expenditures that arise. These improvements are other than customary annual expenses for managing the Community.

ARTICLE 3: Association

Intended to mean and refer to the Pocono Highland Community Association, a nonprofit corporation organized and existing under the Laws of the Commonwealth of Pennsylvania.

ARTICLE 4: Ballot (Approved)

Official Ballots that bear the Associations' raised seal and ~~are~~is the means by which community members shall cast votes. Ballots must be received at the Association office by the indicated deadline if they are to be counted towards the matter(s) up for vote.

ARTICLE 5: Board

~~Shall mean the board of Directors of the Association tasked with the management of the Community.~~

ARTICLE 56: Board of Directors/Board

Shall mean persons selected to direct and manage this Association. This term will be used in relation to any power requiring collective action and shall mean "Board of Directors."

ARTICLE 67: Bylaws

Shall mean the code or rules adopted by which the Community exists, is governed and managed. This shall include the leadership and management of the Association by the Board of Directors, and for the regulation and management of the affairs of the Corporation without consideration of the name or names by which such rules are designed. These rules are based on the covenant (Schedule A).

ARTICLE 78: Common Property Areas

Community Property Areas, henceforth referred to as Common Areas, are currently owned lots and parcels of property, (Clubhouse, recreational facilities, lots), added parcel, deeded, dedication covenant, whose bill of sale, deed transfer or other designation made is recorded as property of the Pocono Highland Estates for the private use and enjoyment of the Community Residents in good standing.

ARTICLE 89: Community

Means and refers to the Owners of the above-described land, which shall be known as Pocono Highland Estates.

ARTICLE 9: Documentation

All documentation will be available on file of existing administrative procedures, rules and regulations subject to Member compliance and/or Board enforcement.

ARTICLE 10: Landlords

Owner of dwelling that rents his/her property exclusively for residential purposes.

ARTICLE 112: Lot

Shall refer to any plot of land shown upon any recorded subdivision map of the Pocono Highland Estates properties, with the exception of Common Properties.

ARTICLE 123: Member

Shall refer to all Property Owners of Record at Pocono Highland Estates.

ARTICLE 134: Member in Good Standing

A member in Good Standing shall mean an Owner who has paid all obligations and satisfied all responsibilities to the community by paying in full annual dues, assessments and/or fines and associated costs. A Member in Good Standing is entitled to cast a ballot ~~the Associations' community voting meetings~~ regarding various Association matters.

~~ARTICLE 15: 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. Let it be understood that whenever the pronoun "He" has been used throughout the By laws it is meant to be defined as "He or She". This Article to be deleted.~~

ARTICLE 146: Administrative Assistant to the Board

Employee of PHCA charged with maintaining the official records of the Community, handling routine office business, and other duties determined by the Board. This person will be supervised by the Vice- President. Job description is on file.

ARTICLE 157: Owner

Shall refer to all Property Owners of Record at Pocono Highland Estates.

ARTICLE 16: Parking

Restricted to designated areas as they appear on the original property map or subsequent approved variance.

ARTICLE 178: Permit

Documentation required by Owner to make any changes from original approved plans in/on existing property, including changes in ownership. These forms are ~~contained in Exhibit~~ to be on file.

ARTICLE 18: Post

Post means the document is on the official website under the member only portal.

ARTICLE 199: Property

Shall mean and refer to a lot in a development of lands in Henryville, Monroe County, Pennsylvania, known as Pocono Highland Estates.

ARTICLE 2020: Proxy

This term shall pertain only to the Board of Directors. A written Proxy describing the agenda item(s) shall be used by Board Members(s) unable to be present at a voting meeting. The Board Member must clearly identify the matter requiring a vote and their decision. The written Proxy must be delivered to the Association's President who will then note receipt and give the Proxy to the Board's Secretary or designee, to be opened and read at the time of the vote. Electronic methods for Proxy votes are acceptable.

ARTICLE 21: On File

On file means the document is in the files at PHCA office (hardcopy and electronic copy).

ARTICLE 2221: Quorum

The majority of the Board of Directors in office shall constitute a quorum. Voting on matters before the Board shall require a quorum. A quorum can be reached with members in absentia providing that absent Board member(s) leaves the proxy with the Association's President, who will then note receipt and purpose of Proxy. The document will be given to the Board President or designee, to be opened and read at the time of the vote.

ARTICLE 232: Residential Renter:-

The Person(s) of record who pays money or provides some form of compensation to reside in a dwelling that is owned by a Member. The renter will assume the rights, responsibilities, and privileges of the owner except for voting and holding office on the Association Board. The owner of the property must register all rentals with the Association.

ARTICLE 243: Schedule A

Schedule A is a covenant of PHCA and serves as guidelines for the Bylaws.

ARTICLE 254: Social Media Administrator:

Volunteers designated to manage all official postings on PHCA social media. Social media documents are on file.

ARTICLE 26: Website Manager

Website manager will post all official PHCA business on the website at the direction of the Board.

SECTION IV _MEMBERSHIP AND VOTING RIGHTS

ARTICLE 1: Membership Rights

Members in Good Standing have the right to use the Common Areas, attend Community Meetings, and functions, run for and elect Board Members. These rights shall be suspended for failure to pay dues or have monetary obligations satisfied. Rights will be reinstated upon fulfillment of obligations. Hardship matters brought to the attention of the Board will be confidentially addressed.

ARTICLE 2: Voting Rights

The association shall have one class of voting membership and shall be members in good standing. A member shall be deemed in good standing and "entitled to vote at annual or special community meeting of the Association if, property account is fully paid 10 days prior to ~~the scheduled Annual or Special Meeting date of~~ the vote. Members shall be entitled to cast one vote for each dues paying lot owned. Ballots will be mailed to property owners and will only be counted towards the annual or special voting session if received by the given return deadline.

ARTICLE 3: Violations of Bylaws/Schedule A/Rules on File/Posted

It is the Board’s responsibility to maintain these features of PHCA: financial integrity, property values, safety, and quality for all- The Violations Table included in By Laws represents the latest rules and regulations that approved by the members and endorsed by the Board of Directors. These published rules and regulations govern the use of PHCA common properties, maintenance of Member properties, and the personal conduct of the residents and their guests. The Board may, in their discretion, suspend the rights of any such person for violation(s) after following the procedure outlined herein.

Violations and Fine Table

<u>Violations of Bylaws /Schedule A</u>	<u>Fine Amount (Up To)</u>
<u>1. Late dues</u>	<u>\$50/year</u>
<u>2. Moving vehicle violations</u>	<u>\$100/incident</u>
<u>3. ATVs on PHCA property and or roads</u>	<u>\$250/incident</u>
<u>4. Unregistered vehicles (cars, trucks, motorcycles, boats, etc.) in plain view and not in an approved parking area</u>	<u>\$100/vehicle/week</u>
<u>5. Illegal parking</u>	<u>\$50/incident</u>
<u>6. Hunting or illegal discharge of firearms within PHCA</u>	<u>\$1,000/incident</u>
<u>7. Unleashed dogs</u>	<u>\$100/incident/dog</u>
<u>8. Exceeding number of animals allowed</u>	<u>\$100/month</u>
<u>9. Barking dogs, excessive noise</u>	<u>\$50 First incident</u> <u>\$100 Second incident</u> <u>\$250 Each incident thereafter</u>
<u>10. Improper use of PHCA properties (i.e. overnight parking)</u>	<u>\$500/incident</u>
<u>11. Littering, dumping, or polluting</u>	<u>\$1,000/incident</u>
<u>12. Failure to meet requirements of Schedule A</u>	<u>\$5,000/incident</u>
<u>13. Soliciting or signage on PHCA property</u>	<u>\$250/incident</u>
<u>14. Open burning/illegal burning on either owner or PHCA property</u>	<u>\$500/incident</u>

<u>15. Illegal use of fireworks on any PHCA property within community</u>	<u>\$500/incident</u>
<u>16. Accumulated/uncollected trash, garbage, non-working machines, junk, or building materials</u>	<u>\$100/item/week</u>
<u>17. Disrepair of home exterior</u>	<u>\$1,000/incident</u>
<u>18. Improper oil or propane tanks</u>	<u>\$1,000/incident</u>
<u>19. Not obtaining required permits</u>	<u>\$2,000/incident</u>
<u>20. Non-residential activities (commercial, manufacturing, industrial, business)</u>	<u>\$2,000/incident</u>
<u>21. Unregistered rental of property within PHCA</u>	<u>\$1,000/incident</u>

ARTICLE 4

Any Member may submit in writing alleged violations to Board. Board is responsible for a written response to that Member within thirty (30) days.

ARTICLE 5 – Violation Notification and Appeal Process

Violation notification correspondence will be sent via register US Mail to the property owner’s address of record. The letter(s) will indicate the Bylaws and/or Schedule A rules(s) that is allegedly violated, and it will require a personal hearing with the Board at a regularly scheduled Violation meeting. Violation notification correspondence will be sent via register US Mail to the property owner’s address of record. The letter(s) will indicate the Bylaws/Schedule A/(s) that is allegedly – and it will require a personal hearing with the Board at a regularly scheduled Board meeting.

Procedures:

1. The Board sends Violation Letter to Owner.
2. The owner will have 10 days from receipt of the letter to contact the Board and to schedule a hearing.
3. If the Owner fails to schedule a hearing, a quorum of the Board will pass a ruling within 14 days of mail delivery receipt of the Violations Letter or at the next Board Meeting.
4. Fines resulting from infraction must be paid by the Owner within given deadline to remain a Member in good standing.
5. To request an appeal to the board’s ruling, the owner must submit a written request to the Board within 10 days of receipt of the Board’s ruling.
6. Fines imposed by PHCA are in line with those of Pocono Township.

SECTION V RIGHTS IN COMMON AREAS

ARTICLE 1: Members and Renters Use and Enjoyment of Common Area

Members in good standing shall have the rights of enjoyment of the Common Areas. Renters shall have the same rights, responsibilities, and privileges as Owners; except voting and Board membership.

ARTICLE 2: Eligibility

Members may delegate rights of enjoyment of the Common Areas to immediate family members or guests. The Member shall be responsible for the conduct of family and guest. Adherence to Community Bylaws apply to Member family and guests.

SECTION VI BOARD OF DIRECTORS

ARTICLE 1: Power and Duties

A Board of Directors consisting of persons 21 years of age or older shall govern the affairs of the Association. Participation is open to owners in good standing. All board members shall comport themselves above reproach. There is to be no semblance of impropriety while in the conduct of Board business. Board members are not to gain or impart influence in Community and board business that shall bring personal gain. The wellbeing of the community shall be the Board member's sole guidance.

The Association's governing body shall have full powers and duties including but not limited to the following:

1. To use any sums collected from dues and assessments for the operation, maintenance renewal, replacement, care, administration, upkeep, surveillance and protection of the Common Areas.
2. To adopt an operating budget consistent with law, and PA Act 21, to fix the common expenses and assess the same against members in such fair and equitable proportions and amount as shall from time to time be deemed necessary to the proper functioning of the Association. The budget is presented for review by the membership at least thirty days prior to the annual meeting to ensure meaningful comment by the membership before the Board adopts the budget.
3. To adjust or increase the amount of the annual dues, in order to meet increased operating or maintenance costs, or additional capital expenses, and provided said adjustments or increases do not exceed 10% or \$50 of the previous years' annual dues per lot and are approved by the majority vote of the Board.
4. To charge special assessments in order to meet unexpected capital costs or other emergencies in an amount that will not exceed the regular yearly assessment per lot. Special assessments are approved by a majority vote of the Board members.
5. To serve as managing agent of the community, if necessary, through the employment of human resource, purchase or lease of equipment and material for the proper operation and maintenance of the Common Areas.
6. To collect monies on delinquent accounts against property owners. Collection on delinquent accounts will include all costs and expenses incurred in the procurement. This will include court costs and attorney's fees, whether by suit or otherwise, to abate nuisances and enforce observance of the rules and regulations relating to the Community, be it injunction or such other legal action or means, as the Board may deem necessary or appropriate.
7. To establish operating accounts, escrow and other accounts to be established, consistent with good accounting practices and principles, as the Board may deem appropriate.
8. To arrange for the preparation of a financial statement from an independent source. ~~T~~the preparation of a financial statement from an independent source of the accounts of the Association's expense.
9. To keep the Common Areas and equipment owned or leased by the Association protected against the hazards, casualties, or contingencies due to loss or damage by fire and other casualties.
10. To maintain liability insurance on the Association's Common Areas and the Board members for a minimum of \$ 1,000,000.
11. To maintain workmen's compensation insurance on Association employees.
12. To promulgate rules and regulations governing the personal conduct of the Board, Association members and their guests, the use of the Common Areas and to amend these regulations as necessary.
13. To sue or defend suit in the Association's name
14. To create a corporate seal, and to use it appropriately.
15. To purchase, receive, lease, and take by gift or bequest property or interest on behalf of the Association for the use and enjoyment of its members.
16. To borrow money; enter into long-term contracts; issue its notes; bonds or other evidences of debt, for money or labors done, or money or property actually received, and to secure any of its obligations by mortgage, pledge security agreements or deed of trust of any of its property franchises and income, restricted elsewhere.

17. To appoint and remove for cause, agents and employees of the Association, stipulate duties and compensation, and to require of them such security of fidelity bond as it may deem appropriate.
18. To purchase, take by gift or bequest or otherwise acquire and to hold shares, bonds, securities or other evidences of debt of any other person or corporation, and to exercise all rights and privileges of such ownership, subject to limitations imposed by law, and restrictions imposed elsewhere.
- ~~18~~19.To reimburse Directors and Officers for expenses incurred in the performance of their duties as approved by the Board.
20. Determine if the conduct of any member violates any by-law rules and affix the appropriate penalty for the infraction.
21. To appoint committees and define their duties.
22. To fix the time and place of all membership meetings and to call special meetings of the members whenever it deems necessary.
23. To establish and collect the assessments or charges as referred to in these bylaws.
24. To enforce the By-laws/Schedule A/all Rules on file.

ARTICLE 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.

1. The Board may take disciplinary action against any Member of the Association for breach of any By-laws, rules or regulation of the Association as provided herein.
2. Disciplinary action authorized hereunder may consist of any or all of the following:
 - (a) Suspension of the right to use any of the Community Facilities owned, operated, or managed by the Association.
 - (b) Suspension of voting privileges.
 - (c) Levy fines outlined in the violations fine table.
 - (d) Legal Action

ARTICLE 3:

Board Oversight and Management of Staff

1. The right of the Association to negotiate with any public agency, authority, utility, individual or entity to purchase or mortgage the common properties or to purchase materials or services dedicated to the easements enjoyed by the membership. Finalization of such action by a majority vote of the Board is limited to 15% the annual dues. Any special assessment shall not exceed \$2000 annually and may only be taken by the Board after a majority vote of the membership present in a duly called meeting, for which written notice of 15 days prior to such meeting must be forwarded to property owners.
2. The Board may empower, at its discretion, any of its duly hired employees to expend not in excess of the regular assessment amount, with the approval of the President and the Board.
3. The right of the Board to take such steps as is reasonable and necessary to protect the members and/or Association rights in such easements.
4. The right of the Association, as provided in its by-laws, to suspend the enjoyment rights of any member for any period during which any assessment(s) remain unpaid for any period as the Board may direct for any infraction of its published rules and regulations.

ARTICLE 4: Election and Terms

The Board of Directors shall consist of nine members. At the expiration of the initial term of each Director, a successor shall be elected by the Association members at the annual membership meeting to serve for a term of three years. Procedures for seeking election to the Board are to be filed and posted. All votes for elections to the Board of Directors shall be made on written ballot with the names of those candidates seeking to join the Board. Ballots shall be prepared and mailed to each member in good standing at least 21 days prior to the

annual meeting. Ballots shall be returned in the self-addressed envelope by the specified date on the ballot. The names receiving the most votes shall be elected. There will be no ballot mailing for unchallenged candidacies (same number of applicants as available Board openings). The Board Secretary will cast one vote for each of the candidates at the annual meeting and they shall be elected to the Board.

ARTICLE 5: Vacancy

If an executive office within the Board of Directors becomes vacant, the Board of Director shall choose a successor. The new appointee shall hold that office for the remainder of the un-expired term...

ARTICLE 6: Removal from Board

Directors may be removed as follows:

1. Those appointed by the Board are removed by a quorum of the Board
2. Those elected may be removed by two-thirds (2/3) of the votes cast by the total Association membership at any time deemed necessary.

ARTICLE 7: Organizational Meeting

The first organizational meeting for each newly elected Board of Directors will be held no later than thirty days from the date of the annual meeting at which they were elected.

ARTICLE 8: Regular Meeting

The Board will meet regularly at a time and place determined by the Directors. No notice of Board meetings shall be issued once a resolution accepting the schedule of regular meeting is adopted. Notice of special meetings shall be required.

ARTICLE 9: Nominations

Members in good standing may seek or be nominated for a position within the Board of Directors by submitting their name to the administrative assistant when nominations for the Board of Directors is called. No nominations will be accepted upon expiration of submission deadline.

SECTION VI (i) BOARD MEETINGS

ARTICLE 1: Regular Member Meetings

1. A regular meeting of the Board of Directors with the Association membership may be held on the first Sunday of each month. The Board of Directors, by resolution, may change the board meetings day and time. Once notice of regular meeting schedule is published, there will be no other notices issued unless there is a special meeting taking place. All meetings of the members will be held at PHCA clubhouse, 123 Sunlight Drive, Henryville, PA 18332 and follow an established order of business similar to the annual meeting.
2. The majority of business will be conducted in the presence of Members; executive sessions will be convened only to protect the privacy of individuals.
3. Agenda items will be solicited from the Board of Directors and the Community 10 days prior to the meeting date. The President posts the agenda one week prior to the meeting. Board-approved minutes of each meeting will be posted to the community within one week of the meeting.
4. The President presides at the meetings which are conducted according to Roberts Rules of Order.
5. Since Regular Member Meetings are held with Members in the audience, Member participation is acceptable. All participants, Board and Members, are expected to behave in a respectful manner.

ARTICLE 2: Holidays

If the day for the regular meeting falls upon a holiday, the meeting will be held at the same hour on the first Sunday following which is not a holiday, and no additional notice need be given.

ARTICLE 3: Special Meetings

Additional meetings of the Board of Directors/community may be called by the President, ~~or~~ by request of three members of the Board, or by a written petition by at least 35% of the voting membership. Special Meeting shall be open to the membership and are subject to all parts of Article 1.

ARTICLE 4: Validity of Board of Directors/Community Meetings

The transaction of any business at any Board of Directors/Community meeting shall be valid if the matter is agreed upon by a board quorum. The dispensation shall be duly recorded in the meeting minutes.

ARTICLE 5: Majority Vote

All actions of the Board shall be decided by a majority vote of a quorum.

SECTION VI (ii) BOARD OFFICERS

ARTICLE 1: Executive Board Officers

The Board of Directors shall have an Executive Board comprised of the following Officers: President, Vice President, Secretary, and Treasurer.

ARTICLE 2: Executive Board Election

The Board of Directors, immediately after each Annual membership meeting, shall elect the officers by a quorum vote.

ARTICLE 3: Term

All officers shall hold office for a term of one year and shall not serve for more than five consecutive terms.

ARTICLE 4: Duties

1. The President shall be the Chief Executive Officer, and shall
 - a. preside at all meetings of the members and directors.
 - b. see that all orders and resolutions of The Board of Directors are carried out in accordance with the Bylaws, Schedule A and any Rules on file.
 - c. have general superintendence and direction of all other officers and see that their duties are properly executed
 - d. submit a report of the operations of the Association for the fiscal year to the Board of Directors and Association members at the annual meeting
 - e. as necessary, report to the Board of Directors all matters within his/her knowledge that may affect the Association
 - f. ~~b~~Be an ex-officio member of all committees and have the powers, duties and management usually vested to president in a corporation
 - g. act as legal liaison for PHCA
 - h. supervise Social Media Administrators and Manage the Website.
2. The Vice President shall
 - a. actively assist the President in the stimulation and guidance of the committee activities, and

- b. ~~a~~ Act as President in the absence or incapacity of the President
 - c. ~~h~~ Have such duties, as may from time to time be determined by the Board of Directors
 - d. supervise the Administrative Assistant to the Board
 - e. be responsible for posting advance notice of PHCA meetings and events on the outdoor clubhouse bulletin board.
 - f. review all PHCA correspondence prepared by the administrative assistant to be mailed on behalf of the Board.
3. The Secretary shall
- a. attend all sessions of the Board of Directors and all Association meetings,
 - b. act as a clerk thereof, with responsibilities to include
 - i. record all votes and minutes of all proceedings in a book to be kept for that purpose
 - ~~ii.~~ send notice of all meetings to the members of the Board of Directors ~~or the President~~
 - ~~iii.~~ oversee oversight of ballot process: preparation, mailing, receipt and opening of ballots during annual meeting
 - ~~iv.~~ submit approved minutes to Administrative Assistant for posting to the Community and filing.
 - c. ~~b~~ Be the custodian of the corporate seal and all of the books and records of this Association, except as may be otherwise provided.
4. The Treasurer shall
- a. have charge of the funds of this Association and deposit the same in the name of the Association in depositories designated by the board of Directors
 - b. pay all vouchers or orders properly attested to by the president and secretary, and shall make a complete and accurate report of the finances of this Association at each annual meeting of the members, or at any other time upon request, to the Board of Directors
 - c. ensure that financial statements are prepared and presented at monthly meetings
 - d. shall answer correspondence related to treasury, and shall give data when closings occur
 - e. present details on bills for payment at monthly meetings, and update outstanding dues and other assessments
 - f. upgrade mailing list
 - g. prepare Annual fiscal budget for board approval
 - h. ~~s~~ Send out yearly statements for dues and other assessments as approved by the Board, and follow up on collection activities for outstanding accounts at the Magistrate level by appearing at court date with information for presentation
 - i. ~~p~~ Present quarterly reports to accountant with needed information and paperwork for items such as cash receipts and cash disbursement spread sheets, and year-end schedule to the accountant
 - j. ~~e~~ Ensure that Checks and notes bear the signature of two non-recipient Board Officers.
 - k. ~~k~~ Keep proper books of accounts and provide an annual Financial Statement of the Association's books to be reviewed by an independent source
 - l. ~~p~~ Prepare and present an annual budget and an annual balance sheet statement to the membership at the regular annual meeting. These shall include input from Committees, Members and the Board.

ARTICLE 5: Officer Removal

All officers shall hold office at the pleasure of the ~~Board.~~ Board ~~members~~ can be removed either with or without cause by a majority vote of all Directors, and a successor elected at any regular or special meeting of the Board of Directors, called for such purpose.

ARTICLE 6: Bonding

The association will pay for the bonding of the president, vice president, secretary, treasurer and Administrative Assistant to the Board.

SECTION VI (iii) INDEMNIFICATION OF OFFICERS AND DIRECTORS

ARTICLE 1: Procedure

The Association shall indemnify every Director and Officer, his heirs, executor and administrators against all loss, costs, and expenses, including counsel fees, reasonably incurred in connection with any legal action or proceeding to which he/she may be made a party by reason of his being or having been a Director or Officer of the Association. This indemnification shall be in place except when the board member shall be finally judged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement if the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as Director or Officer. The foregoing rights shall not be exclusive of other rights to which such Director or Officer may be entitled. All liability loss, damage, costs and expenses incurred or suffered by the Association by reason or ensuing out of the foregoing indemnification provisions, shall be treated by the Association as common expense. Indemnification is not provided to any property owner who has been an Association board member, for liabilities that are not incurred because of Association involvement.

Section VI (iv) BOARD COMMITTEES

Article 1 -Standing Committees

Committees of the Association are appointed by resolution of the Board ~~of Directors~~of Directors and are given a distinct charge/goal. Each committee shall consist of a chairperson and two or more members and shall include at least one member of the Board assigned for Board contact. Charge to Committees are to be on file. Each Committee will appoint a chairperson.

ARTICLE 2: Reporting Duties

The chairperson of each Committee shall present a written report at the Regular Member Meetings to advise the Board of Directors and Members on all matters involving the Association, its members and properties, within its field of responsibility.

ARTICLE 3: Subcommittees

Each committee shall have power to appoint a subcommittee from its membership and may delegate to any such subcommittee any of its powers, duties, and functions.

SECTION VII MEETING OF MEMBERS

ARTICLE 1: Regular Monthly Meetings

See Section VI (i), Regular Member Meetings

ARTICLE 2: Annual Meetings

The annual meeting of the Association is scheduled for the first Sunday in August. The Board will transact such business as may properly be brought before the meeting by the membership. The annual meeting is also set

to correspond with the Associations fiscal year. If the annual meeting is not held within two months after the designated time, any member may call for such a meeting.

ARTICLE 3: Annual Meeting Order of Business

At each annual meeting, with the exception of the Organizational Meeting, the order of business must contain the following:

- (a) Minutes of the previous meeting
- (b) Reports from the board officers on activities and any standing committees
- (c) Treasurer's report
- (d) Amendments to the By-laws, if needed
- (e) Old business
- (f) New business
- (g) Election of Board of Directors

ARTICLE 4: Special Meetings

Special meetings of the Association or its members may be called at any time by the President of the Board of Directors, or upon written petition of at least 35% of the Association voting membership. 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, under the direction of the President, to call a special meeting of the members to be held at such a time as the Secretary may fix. The date of the meeting will be within 15 to 30 days of having received the request. Business transacted at all special meetings will adhere to the subject(s) stated in the request. Special Meetings are subject to Section VI(i) Regular Member Meetings, Article 1

ARTICLE 5: Notice of Special Membership Meetings

Notice of the place, date, and hour of the meeting shall be issued no less than 15 days before the date of the meeting, either personally or by mail, to each member entitled to vote at such meeting. 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 post office address as shown on the records of the Association by regular mail, postage prepaid.

SECTION VIII AMENDMENTS

ARTICLE 1: Proposing Amendments

The Board of Directors or the membership can propose amendments to the bylaws. The membership must present a petition with names of owners that represent 35% of the members in good standing.

ARTICLE 2: Voting on Amendments

1. Proposed amendments(s) must be presented at three consecutive meetings either Regular Member Meetings and/or Special Meetings.
2. The ballot for the proposed amendments, with seal affixed, must be mailed to all members in good standing at least one month prior to the selected date of the vote.
3. Ballots must be received (post marked) at PHCA office at least 7 days prior to the selected date of the vote.
4. All properly received ballots will be opened and counted at the appropriate meeting. The proposed amendments require 2/3 (two-thirds) vote in the affirmative of ballots received.
- ~~1-5. Results will be recorded and the new amendments now become part of the Bylaws. Results will be recorded and the new amendments now become part of the Bylaws.~~

SECTION IX ENFORCEMENT OF BYLAWS, SCHEDULE A

ARTICLE 1: Membership Compliance

Each member shall comply strictly with these By-laws and the administrative rules and regulations adopted as either may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in the Declaration of Restrictive Covenants as listed in Schedule A, ~~in the deed to his/her property, also attached hereto.~~ 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.

ARTICLE 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:

~~1.~~—The Board may take disciplinary action against any Member of the Association for breach of any By-laws, Schedule A, of the Association as provided herein.

~~1.~~

~~2.~~—Disciplinary action authorized hereunder may consist of any or all of the following:

~~2.~~

- a) Suspension of the right to use any of the Community Facilities owned, operated, or managed by the Association.
- b) Suspension of voting privileges
- c) Impose fines outlined in Violations Table
- d) Take Legal Action.

SECTION X— CONDUCT OF REGULAR MEMBER MEETINGS

ARTICLE 1: Conduct

The President shall chair all Regular Member Meetings; such meetings shall be conducted under the Robert's Rule of Order as a guideline.

SECTION XI— DUES and ASSESSMENTS

ARTICLE 1: Dues

Each Member shall pay annual dues as promulgated against the property(ies). The annual dues are a necessary funding used to pay the cost associated with the administration, maintenance, replacement and repair of the Common Areas, and to pay the expenses and expenditures incurred by the Association to maintain the quality of living within the community. Exempt from full dues requirement are owners whose property qualifies for partial dues. Board-approved payment plans are available upon written request received at the Office; all dues must be paid by December 31 of that fiscal year in which the dues are required.

ARTICLE 2: Partial Dues

Property owners not required to pay full annual dues are required to pay partial dues to cover the use of common areas and association expenses. The partial dues amount is determined by the board and notification sent to the property owner.

ARTICLE 3: Payment of Dues and Assessments

Payment must be received on or before the date fixed by resolution by the Board. Members will receive, at the address on record, written notification with the dues amount and payment date for each property. No member

may be exempt from this obligation of paying the equal share by waiving the use of the Common Areas or abandoning the property. Payment plans may be approved by the Board upon written request by the owner.

ARTICLE 4: Assessments

Assessments against a property or Owner will include only extra-ordinary expenses that are deemed necessary to the maintenance of the Common Areas.

ARTICLE 5: Unpaid Assessments

All assessments charged to a property or owner shall constitute a lien against the said property and a personal obligation of the Owner in favor of Pocono Highland Community Association. This lien shall have that priority fixed by the laws of the Commonwealth of Pennsylvania. Such lien shall be effective from the time of recording in the public records of Monroe County, and signed and verified by an officer or agent of the Association. Upon full payment of all lien monies (to include late fees, legal fees and a preparation fee of \$50.00), the party making payment 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 bylaws 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.

ARTICLE 6: Exemptions

The following property shall be exempted from the assessments charge and lien created herein;

- (a) All properties to the extent of any easement or other interest therein dedicated and accepted by local public authority and devoted to public use
- (b) All Common Properties
- (c) All properties exempted from taxation by these laws of the Commonwealth of Pennsylvania upon the terms and to the extent of such legal exemption
- (d) All properties exempted specifically by Deed in Schedule A, attached hereto.—

- (e) Properties deemed un-buildable due to lack of ability to perk and support township -approved septic. The owner is responsible for presenting to the board analytical results that substantiate inability to build.

SECTION XII ~~Non-ON~~-Residential Activity

ARTICLE 1: ~~Rule~~Open View Commercial Activity

There will be no open view commercial (for profit) or industrial enterprises (open view of storage, manufacturing and/or shipping of goods that is not compatible with residential living) on the properties or common properties except for those authorized by the Board of Directors. To be granted an exemption, that member must submit a detailed written request explaining the rationale for the request; the Board must approve and the decision recorded and on file. This is in concert with the Pocono Township rules.

SECTION XIII MAINTENANCE OF PROPERTY

ARTICLE 1: Additional Maintenance

In addition to maintenance of the common properties, the Association may also determine that exterior maintenance upon a lot and or structure may be necessary for the protection of the surrounding property owners. In such a case, the Board shall inform the owner by mail with return receipt requested giving him/her 30 days to respond to the Boards concern. Failure to respond will result in a fine indicated in the in the Violations Fine Table. For each month or part in which the concern remains, the owner is given a time limit to rectify the concern and does not meet the dead line he/she may request one extension after which a fine will be charged.

SECTION XIV DISSOLUTION

ARTICLE 1: Method

In the event it shall be deemed advisable and for the benefit of the Members that the Association should be dissolved, the procedures 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.

SECTION XV -ANNEXATION, MERGER AND CONSOLIDATION

ARTICLE 1: Annexation, Merger and Consolidation of

Upon annexation, merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger.

ARTICLE 2: Sale

Sale of PHCA Owned Properties requires membership approval and is Subject to same process/conditions as Amendments, Section VIII, Article1 and Article 2.

SECTION XVI MISCELLANEOUS

ARTICLE 1: Inspection of By-Laws

The Association shall keep in its principle office, the original or a copy of these By-laws, as amended or otherwise altered to date, certified with PHCA seal, by the Secretary, which shall be open to inspection by the Members at the close of each regularly scheduled meeting. Copies of current Bylaws are posted on the PHCA website, address:—www.poconohighlandstates.org

ARTICLE 2: Inspection of Proceedings

All records of the Association shall be open to inspection to members in good standing upon written request.

ARTICLE 3:

Documents/form are to be added/modified when deemed necessary by the Board or by the request of Members. Any additions/modifications are subject to Board vote. All documents/forms that effect the PHCA membership must be current and on file in the office.

ARTICLE 4: Privileges

Each member 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 Properties and in accordance with rules promulgated by the Board of Directors. Membership shall entitle the immediate family of the member to the privileges extended by the Association to the member(s).

ARTICLE 5: Transfer

When a member ceases to be an Owner such person's membership shall cease, but such person shall remain liable for all Association charges 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 or liens shall become due and shall be a valid lien on the property until paid.

ARTICLE 6: Owner Resignation

A member may not be privileged to resign or transfer a membership, as long as he continues to own or control the Property in question.

ARTICLE 7: Validity

Transactions engaged upon between the Association, its officers and members of its Board of Directors, as individuals or as representatives of other corporations, shall be valid and binding in the absence of fraud and other categories of legal inappropriateness.

ARTICLE 8: Waiver of Rights

Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the rights to do so thereafter.

ARTICLE 9: Control

In case of conflict, the following is the order of controls, Schedule A of the deed over the Articles of Incorporation over the By-laws.

ARTICLE 10: Invalidation

Invalidation of any part of the Bylaws -shall not be deemed as an Invalidation of any other parts of these Bylaws.

ARTICLE 11: -Length and Manner of Residential Rentals are subject to Pocono Township Ordinances Article

ARTICLE 12: Bylaws reviewed every ~~10~~-five years.