

Pocono Mountain Lake Forest
Community Association Inc.

BY-LAWS

2024 Bylaws

Amended June 23, 2024

PMLFCA By-Laws

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ARTICLE I. IDENTITY

The name of this Association is Pocono Mountain Lake Forest Community Association, Inc. The office is located on Silver Lake Road, Dingmans Ferry, PA 18328. The Seal of the Corporation bears the name of the Association, the words "Commonwealth of Pennsylvania", "Corporation Not for Profit", and the year of the Incorporation, 1975. These Bylaws govern the operation of this Association, a Pennsylvania not for profit, organized and existing under the laws of the Commonwealth of Pennsylvania, created under and subject to the Restrictive Covenants (Schedule A), made part of each deed and hereinafter called Deed. If there is any conflict, contradiction or ambiguity between these By-Laws and the Constitution of the Association, the By-Laws control and govern.

ARTICLE II. PURPOSE

The Association is established to provide for all the rights, privileges, duties and obligations of all members and to enforce the provisions of the Deed, Constitution, By-Laws and other governing documents. To accomplish this, it performs all the duties necessary, expedient, or desirable to administer the Development for the benefit of its members. These duties are specifically, but not limited to the following:

Provide mutual and beneficial standards, controls, and restrictions on the use and improvement of property in the Development, and the use of the Common Areas, Roads and Facilities.

Take action necessary to comply with all orders and requirements affecting the Common Areas, Roads and Facilities of the Development placed thereon by any Federal, State, County, or Municipal Authority, the Board of Fire Underwriters or other similar bodies with jurisdiction there over;

Purchase, lease, exchange, sell, mortgage, or otherwise acquire or encumber real or personal property and rights or privileges for the Association. Make contracts for all necessary services; purchase, lease, or rent equipment tools, appliances, materials, and supplies.

Borrow money, make and issue promissory notes, bills of exchange bonds, debentures, and their evidence of indebtedness, whether secured by mortgage pledge, or otherwise, and secure the same;

Operate, manage, preserve and maintain the Common Areas, Roads and Facilities; Collect all Dues and Assessments.

Hire and discharge personnel as necessary to fulfill the duties of the Association.

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ARTICLE III. GENERAL PRINCIPLES

The Association consists of lot owner members, governed by a Board of Directors, they elect. It functions in a system of regular meetings in a democratic method of operation, developing the means, methods, and decisions for perpetual government of the Community. It is guided by the Constitution's established principles of broadest possible voluntary participation by all members; full respect for all opinions; and full support for all decisions.

The Association always has the right to use any and all remedies to enforce all provisions, covenants, or conditions provided in the governing documents, and any other remedies which may exist in law or in equity.

The Association is not liable for injury or damage caused by latent conditions in the property, the elements, or other owners or persons.

ARTICLE IV. FINANCES

The fiscal year for the Association begins on the first day of May of each year, with provision for change to comply with regulations prescribed by the Internal Revenue Code of the United States of America.

Prior to the Fall General Membership Meeting, the Board of Directors prepares a proposed annual budget for the ensuing year. There it is forwarded to members, along with the notice of the meeting, a copy of the proposed budget, including the estimate of expenses, reserves, dues and assessments.

The budget is submitted for approval at the Fall General Membership Meeting. The membership votes to accept or reject the budget as presented. If at the General Membership Meeting the proposed budget is not approved, the prior year's budget remains in effect until a new budget is adopted.

The funds of the Association are deposited in banks and/or savings and loan associations as determined by the Board of Directors and can be withdrawn only upon check or demand executed pursuant to Article VI, of these By-Laws. The Treasurer and any other officer of the Association who is authorized to sign checks, handle, have control over or be responsible for funds of the Association must be bonded in an amount determined by the Board of Directors as sufficient to equal the moneys an individual controls.

ARTICLE V. MEMBERSHIP, RIGHTS, AND DUTIES

Section 1. Membership

- A. Membership in the Association is limited to recorded owners of lots.
- B. If ownership is vested in more than one person, all the persons are members of the Association, eligible to hold office, attend meetings, etc. If ownership is vested in a corporation, the corporation designates an individual officer or employee as its member.

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- C. Transfer of ownership of a lot, either voluntarily or by operation of law terminates membership in the Association. Lot owners must notify the office in the prescribed format of any transfer of ownership at least 14 days prior to the date of the transfer, so that all governing documents binding on the new owner may be directed to him/her. The transferee acquires all the rights, privileges, and duties of his/her predecessor.

Termination of membership in the Association by lot transfer does not release the former owner from obligations incurred during the period of ownership or impair any rights or remedies the Association has against the former owner. If the former owner does not satisfy the obligations, the new owner becomes liable and responsible for any unpaid dues, assessments, charges, and liens, provided the new owner is notified, as described in this Section.

Section 2. Rights of All Members

- A. A member has the right to participate in the operation of the Development by attending General Membership Meetings, making proposals, comments, recommendations, and suggestions for improvement in any phase of the Associations or the Committees' activities.
- B. Members also have the right to question and, if necessary, present charge and receive fair and open hearings through appropriate channels and procedures (See Article IX Grievances)

Section 3. Rights of Paid Up Members

(Owners whose dues and assessments are paid up to date on all lots owned)

{*6}

- A. Paid-up members are those owners whose dues and assessments are paid up to date on all lots owned. Recognizing that legitimate circumstances may, from time to time, preclude this, paid-up members are additionally defined as follows:
 - 1. Owners who have entered into an approved and signed payment plan agreement with the Association.
 - 2. The signed agreement must be entered into no later than five (5) months prior to a regularly scheduled GMM.
 - 3. Payment plans, for purposes of defining paid-up members, shall be allowed on no more than three (3) lots owned by a unique owner. Those owners (individual, couples, or corporate) of more than three (3) lots must have all dues and assessments on additional lots paid up-to- date.
 - 4. Payments stipulated in the signed agreement shall be sufficient to ensure full payment of dues and assessments within the budget year.
 - 5. Payments stipulated in the signed agreement shall be up to date at the time of the GMM or an SMM.
- B. Every paid-up member has the right to participate in all social, cultural and recreational activities of the Association.
- C. Every paid-up member has the right to serve on Association committees, be a candidate for elective posts and participate in the leadership of the Association.
- D. Every paid-up member has the right to vote. Voting guidelines are as follows:

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1. There is one vote per lot and it is indivisible. Owners of more than one lot are entitled to one vote per lot owned, up to a maximum of three lots, {6.2} provided all monies due this association are paid in accordance with the definition of paid-up members. Payments by cash or certified check are acceptable up to the start of the General Membership Meeting; payments in other forms must be made in full at least {6.3}15 days prior to the date of the meeting. If a lot is owned by more than one person, the owners may designate one as the voting member. If the lot is owned by a corporation, the officer or employee entitled to cast the vote for the lot is designated in a certificate signed by the president or vice president of the corporation, attested to by the corporation secretary and filed with the secretary of the Association.
2. The majority of votes cast on a question decide any question, unless the governing documents provide otherwise.
3. Votes may be cast in person or by absentee ballot. In keeping with established business practice, an in-person vote supersedes any prior vote.
4. Proposals to be voted on are submitted in writing to the General membership at least 30 days before the meeting. An absentee ballot listing all candidates for office and/or proposals is included. Properly completed absentee ballots must be received at the Association office before the start of the General Membership Meeting.

Section 4. Duties

- A. Lot owners must comply strictly with all provisions of the Deed, these By• laws, the Rules and Regulations and all resolutions or decisions of the Association and/or the Board of Directors. A lot owner who fails to comply is subject to the remedies provided for in these documents, and may be required by the Board to give security or other guarantees for future compliance.
- B. Lot owners must use and occupy their lots only as residences and in accordance with the above cited documents and related Municipal regulations. This precludes use of any temporary structures or mobile homes as residences.
- C. Each lot owner must ensure that individuals renting, leasing or otherwise using or occupying his/her lot abide by all the provisions of the governing documents. The lot owner is solely responsible for this compliance. In addition, members renting or leasing their homes to individuals or corporations other than immediate family members (parents, children or siblings) shall be charged an additional fifty percent (50%) of the homeowner's annual dues assessed. Members who rent or lease their homes shall be required to submit a \$500 security deposit to the Association. The security deposit shall be placed in a non-interest-bearing account and be used to cover any fines or other charges which may be levied against the tenants. In the event that funds are removed from this security deposit to cover fines or other charges, the lot owner is required to bring the account balance back to \$500 within thirty days. Upon the tenants vacating the property, the security deposit or remaining shall be refunded to the lot owner within thirty days.
- D. Every lot owner must share the costs of the operation of the Association by payment of yearly dues and assessments adopted by the membership. Every lot owner also shares in keeping dues and assessments within reason by volunteering personal services to the community, by participating as a working member of any of the established committees or by forming and working on new committees as needs arise. Lot owners in arrears in cost sharing are subject to late charges and may be subject to termination of services and to legal action. They are denied the right to vote. They and their families are denied the use of community

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facilities and social functions and are not permitted to participate as guests of other members. Lot owners cannot exempt themselves from payment of dues, etc., by waiving rights to use the development's facilities, by abandoning lots or by any other comparable device.

- E. Each lot owner is urged to attend all special and regular General Membership Meetings.

Payment guidelines are as follows:

1. The membership's adoption of the budget determines the pro-rata amount for which each lot owner is liable. Each lot owner is sent by regular mail to his/her address, as listed on the records of the Association, a statement setting forth his/her dues for each lot owned. Dues and Assessments are due and payable as stated on the bill.

The membership's adoption of a special assessment determines the pro-rata amount for which each lot owner is liable.

2. In the event that the Board of Directors determines that any expenditure which has been or must be made out of the funds of the Association is primarily for the benefit of or the responsibility of a specific lot owner, the Board will levy an individual special assessment upon the lot owner to obtain or recover the funds necessary for the expenditure.

A fine is a charge levied against any owner as a result of any violation of the Rules and Regulations, Constitution or By-Laws of the Association.

Each member of the Association is liable and responsible for paying any individual special assessments and/or fines set forth in the Governing Documents approved by the General Membership.

Upon the determination set forth above, the office Notifies the affected lot owner by certified or registered mail of the individual special assessment and/or fine, the amount, the reasons and the terms and conditions for payment.

The individual special assessments and/or fines provided for herein must be paid within 60 days of receipt of the notice.

Any lot owner who objects to an individual special assessment and/or fine must file a written request for review within 14 days of the receipt of notification. Within 14 days of receipt of the request, the office Notifies the requester and any other lot owners involved of the objection and the date set for hearing by the Grievance Committee.

The final decision must be made within 90 days of receipt of notification.

3. If a lot owner fails to pay any dues and assessments, special assessments, fines, or individual special assessments provided for in these By-Laws, the Board of Directors will institute action against the lot owner to collect, and may foreclose and enter judgment on the lot. Judgment entered against a lot will include interest on the assessment at the maximum rate allowed by law, costs and attorney's fee for collection. If a lot owner desires to remedy his/her default, he/she is obligated to pay, in addition to the amount of the assessment and the interest due thereon, all expenses of the Association including attorney's fee.
- F. Violations (other than the nonpayment of dues, assessments, and fines) of any of the provisions of the Governing Documents generate notification by certified or registered mail by the Board

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of Directors. If the violation continues for a period of 30 days from the date of notice, the Board must treat the violation as an intentional and material breach of the Governing Documents and the Board may exercise the following remedies:

- Action at law to recover damages caused by the violation.
- Action in equity to enforce performance by the owner.
- Action inequity for relief necessary under the circumstances, including equitable and/or injunctive relief.

Upon judgment by the court of law in favor of the Association, the owner must reimburse the Association for attorney's fees. Violations deemed by Municipal authorities or the Board of Directors to be hazards to public health will be corrected immediately as emergency measures and the costs will be charged to the owners.

- G. A transfer fee of 100% of the prior year's dues for an improved lot or 50% of the prior year's dues for unimproved lots shall be collected at the time a recorded owner of a lot is changed. This fee shall be placed in a segregated account to be used for capital improvements. The resale of homes and unimproved lots on the water system will be charged the standard transfer fee for that property type plus the additional appropriate water system transfer fee. This statute does not state who pays the fee, however the new owner is not a member in good standing until the fee is paid. All parties must pay the fee unless (1) the lot comes from an exempt source such as the Tax Claim Bureau; (2) the lot is purchased directly from the Association, (3) the buyer files an affidavit with the Association at the time of sale indicating that the lot was purchased for resale. That owner is then exempt for 18 months. If the lot is not resold within 18 months, the fee is payable. (4) No fees shall be imposed on any gratuitous transfer of a unit between any of the following family members: spouses, parent and child, siblings, grandparent and grandchild.

ARTICLE VI. BOARD OF DIRECTORS, OFFICERS

Section 1. Board of Directors

A. Composition, Qualifications, Election, Term

The affairs of the Association are governed and administered by a Board of Directors composed of {*1} Nine (9) persons at least 21 years of age and members entitled to vote. Eligibility for service on the Board of Directors at any one time cannot exceed one owner per lot, or one member per family, or one corporate designee.

At the Fall General Membership Meeting, the members elect by plurality vote one third of the Board of Directors and any additional Directors needed to fill vacancies.

Each Director holds office for a term of 3 years and may serve more than one term, consecutive or otherwise.

{*2} To run for a director seat, you must be a PMLFCA member for a minimum of 1 year prior to the Fall General Membership Meeting election resume deadline.

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B. Powers and Duties

The Board of Directors has the full power and duty to fulfill the purpose for which the Association exists. It must take all actions necessary to govern and administer the Association effectively. These include, but are not limited to the following:

1. Develop long and short-term plans for the full functioning of the Association, assuring that they are supported by complete and biennially reviewed Governing Documents and guidelines, and promulgate and distribute them for fullest membership awareness; Implement the documents and guidelines for the use and enjoyment of the common areas, roads and amenities and for the personal conduct of the members; set special assessments and penalties for violations, for approval by the General Membership; Appoint and regulate Committees for purposes deemed necessary designating their powers and responsibilities; these Committees are in addition to the Grievance Committee which is an established continuing Committee (see Article IX Grievances); Review all expenses incurred by Officers and arrange for reimbursement, Revoke privileges, services or rights of any member who violates regulations, fails to pay dues and assessments, etc.; Attend all regular and special meetings of the Membership and Board of Directors.
2. Initiate all actions required to comply with all Federal, State and Local requirements affecting the development; Sue or defend litigation on behalf of or in the name of the Association; Pay all taxes and assessments against all property of the Association.
3. Acquire, sell, own, hold, use or lease real property by gift, bequest, devise or otherwise, Enter into contracts, agreements and other written instruments or documents and authorize the execution, delivery and recording by the Officers: {*7} Contracts and services to be awarded as outlined in Section C. Prepare an annual budget for the Association for approval by the General Membership, Open bank accounts, sign checks and drafts. Purchase supplies, materials, equipment and other personal property necessary for the maintenance, improvement and repair of the common areas, roads and amenities in the development. {*7.2} Purchases and contracts are to be in line with the amounts budgeted.
4. Spend at their discretion up to 3% of the total budget {*7.3} annually. Enter into financial actions such as borrowing money, issuing notes, bonds or other evidence of indebtedness necessary to secure loans; Purchase or otherwise acquire stocks, bonds, securities, etc. up to {*7.4} 3% annually of the current budget of the Association without prior approval of the Membership. {*7.5} All planned spending or financial actions under these constraints must be communicated to membership. All actions involving more than {*7.6} 3% of the current budget must have prior approval by a majority of the total voting Membership. Obtain all necessary and adequate insurance coverage for the Board of Directors, the Association, and its property-
5. Operate, maintain, renew, replace, and provide care and surveillance of the common areas, roads, amenities and all other real or personal property owned by the Association.
6. Collect fees, dues and assessments under the budget and use funds in accordance with the budget.
7. Determine staffing, agents, etc., required for the efficient management and daily operation of the development; Hire and dismiss, set terms of employment, define duties and responsibilities and fix compensation.

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{*7.7}

C. Contracts

The Board may not contract with any person or firm to furnish goods or services for a term greater than one year, except for:

- A contract with a public utility for the shortest term available at the regulated rates.
- Prepaid casualty or liability insurance policies for up to three years provided they allow unrestricted cancellation by the insured.

All purchases of goods or services or projects costing over \$5,000.00 shall be advertised for public bid and awarded to the lowest responsible bidder. Requests for proposals must be advertised in public notices appearing in any combination of at least two (2) of the following:

- regional newspapers of general circulation;
- online bidding sites or publications;
- and/or other industry-related print or online media outlets;
- they must be published no later than thirty (30) days before the announced due date for bids and;
- include information on date, time, and place of bid review.

The request for proposals shall require

- sealed bids that comply with stated terms and specifications,
- describe what is sought,
- describe where and when bids are due.

The specifications shall detail, using reasonable industry practices

- the nature and amount of the work to be performed,
- the goods or services to be provided,
- the form of contract to be executed.

A performance bond or schedule of values and payments shall be required by the Association from successful bidders for construction contracts valued at more than \$15,000.

The Association may purchase goods or services without public advertising for bids under the following circumstances:

- Legal and accounting professional services and related costs, which must stay within budgeted amounts.
- Services of Association employees, within budgeted amounts.
- Election expenses of the Association.
- Actual emergency affecting member health, safety, or security.
- Goods and services of special-purpose or design which may be available only from a single source.
- Liability and property insurance, within budgeted amounts.

At the time a bid is due; the Secretary shall unseal the bids at a public session, record their contents and transmit them to the Board for award.

If no bids are received or if all bids received are deemed to be unreasonable as to price or terms, no contract or purchase may be entered into unless the Board by a two-thirds vote elects to renegotiate with all bidders or waive the bid requirements.

In applying rules regarding dollar limits, Association expenditures must reflect the total project cost, and those costs may not be divided into smaller projects or service segments to fall technically below the dollar threshold.

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A. Meetings

All meetings of the Board of Directors are held at the development.

1. The organizational meeting of the Board of Directors is held within 14 days of the Fall General Membership Meeting at which the new Directors are elected, at a time Fixed by the Board. No notice is required of the organizational meeting. The Board holds regular meetings at least once a month and Board members are notified in writing at least 10 days prior to the date. Once a regular schedule has been adopted no notice of regular meetings needs to be given to Board members. Special meetings of the Board may be called by the President or in his/her absence, the Vice President. upon his/her own motion, or upon the written request of five members of the Board. The President calls such meeting not less than five nor more than fifteen days after receipt of a request and designates the time of the meeting. Written notice is provided at least 5 days prior to the day of the special meeting. The notice states the purpose for the special meeting and only that business may be conducted at that meeting. Members are notified by Community marquee, Community website and e-mail alerts and posting of flyers at common areas.
2. A majority of Directors in office at the time of any meeting comprises a quorum for the transaction of all business.
3. Each Board Member is entitled to one vote, absentee ballots shall be accepted. A majority vote of the Board, a quorum being present, binds the Board for all purposes unless otherwise provided by law, in the Deed, or in these By-Laws.
4. Any action which may be taken at a meeting of the Directors may be taken without a meeting if consent in writing. setting forth the action so taken, is signed by a majority of Directors and filed with the Secretary. However, such action should be used only in cases where timing prohibits a regular or special meeting of the Board of Directors.

B. Resignation, Disqualification and Removal of Directors

1. A Director may resign at any time by sending a written notice to the office of the Association. Unless otherwise specified therein, the resignation takes effect upon receipt and acceptance by the Board of Directors. The transfer of title to his/her lot or failure to meet the qualifications for a Board member constitutes immediate resignation.
2. At the discretion of the Board of Directors, a director may be removed from the Board by a majority vote of the remaining active Directors if he/she fails to attend three consecutive regular Board meetings, or four meetings between two consecutive General Membership Meetings.
3. At any duly convened regular or special meeting of the Association, any one or more of the Directors may be removed by an affirmative vote of 90% of the voting members present. Such removal must be for just cause.
4. A vacancy caused by Membership removal of a director is filled by Membership election of a successor at that same or a future meeting. Vacancies resulting from failure to elect a successor as well as vacancies from all other causes are filled temporarily by majority vote of the remaining Directors. Those selected serve until the next Fall General Membership Meeting election.

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C. Compensation and Indemnification

1. Directors serve with no financial compensation for their services to the Community.
2. The Association indemnifies every Director, his/her heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him/her in connection with any action, suit or proceeding to which he/she may be made a party by reason of being or having been a Director of the Association, except as to matters wherein he/she shall be finally adjudged to be liable for or guilty of gross negligence or willful misconduct. The right of indemnification is in addition to and not exclusive of all other rights to which a Director may be entitled.

Section 2. Officers

A. Composition, Qualifications, Election and Term

Officers of the Association consist of a President, 1st Vice President, Treasurer, Secretary, and such other Officers as shall be deemed necessary, chosen from the Members of the Board of Directors. Only the offices of Treasurer and Secretary may be held by the same person.

The Officers are elected by plurality vote of the Board of Directors at their Organizational Meeting.

Each Officer serves for a one-year term commencing with the Organizational Meeting of the Board of Directors and may serve an unlimited number of terms as long as he/she has been re-elected to the Board of Directors.

B. Duties

1. President

The President has all of the powers and duties ordinarily attributable to the Chief Executive Officer of a corporation domiciled in the Commonwealth of Pennsylvania. As the Chief Executive Officer of both the Association and the Board of Directors and subject to the control of those two bodies, he/she is responsible for:

- A. Directing, supervising, coordinating, and having general control over the affairs of the Association and the Board, presiding at all meetings of either body, signing checks and documents on behalf of the Association, enforcing all principles and provisions of the Governing Documents and Resolutions of the Membership and the Board and appointing Committees to act in advisory capacity to the President of the board.
- B. Presenting to the Membership of the Association at the Semi-Annual Meetings a report of the progress, operation, achievement, and problems of the Association during the previous half year.
- C. Appointing the Executive Committee consisting of three Members of the Board of Directors for a term of one year.
- D. In an emergency when it is impractical to convene a special meeting of the Board of Directors, spending an amount not in excess of \$1,000.00 in order to correct, alleviate or resolve the situation, provided he/she

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obtains prior approval for the expenditure from a majority of the Executive Committee.

- E. A working capital fund of up to \$200.00 a month for conducting the Association business without prior authorization of the Board of Directors. This fund is not cumulative and the President accounts for all monies spent at the next monthly meeting of the Board of Directors.

2. Vice President

The 1st Vice President performs all the duties and has the authority of the President in his/her absence. He/she also performs other duties, as required or assigned from time to time by the President of the Board of Directors.

3. Secretary

The Secretary performs all the duties and has the authority ordinarily attributed to the secretary of a corporation domiciled in the Commonwealth of Pennsylvania, and in addition has the duties and authority assigned or delegated by the President or the Board of Directors. He/she is responsible for:

- A. Keeping all records or copies of recorded documents of the Association and the Board and has the authority to affix the seal to any documents which require it.
- B. Giving timely notices as required by law, the Deed or these Bylaws.
- C. Taking and keeping minutes of all meetings of the Association and Board; notifying all Members of all actions taken at all General Membership Meetings.
- D. Maintaining a record of the names and addresses of all lot owners, a voting list, copies of the Rules and Regulations of the Development, copies of the Deed, and copies of these By-Laws at the Office of the Association for inspection by lot owners.

4. Treasurer

The Treasurer performs duties and has all the powers ordinarily attributed to the treasurer of a corporation domiciled in the Commonwealth of Pennsylvania in addition has the duties and authority assigned to him/her by the President or the Board of Directors.

He/she is responsible for:

- A. Custody of all funds and securities of the Association.
- B. Timely collection of all monies due, timely disbursement of funds of the Association in accordance with the direction of the Board of Directors, and depositing all funds and securities in depositories as the Board of Directors may direct.
- C. Keeping correct and complete accounts and records of all financial transactions of the Association and submitting to the Board and the Association an annual report of financial status, and such other reports as the Law, the Deed, these By-Laws or the Board may require. These records include, but are not limited to, chronological listings of all receipts and expenditures of the Association, itemized lists of the maintenance,

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repair and replacement expenses relating to the common areas, roads or amenities in the Development and other expenses incurred by the Association, the amount of the Association dues, assessments, and special assessments, etc. for each owner; amounts paid and amounts due on each charge and assessment The financial records must be kept at the Association Office and are available there for inspection by owners.

{*3} Removed entire section

C. Removal of an Officer

Any Officer may be removed for just cause at any time by a 2/3 vote of the Board of Directors in the best interest of the Association.

D. Expenditures by Officers

Officers are reimbursed for all valid expenditures incurred by them in the pursuit of Association affairs and are subject to review by the Board of Directors. However, expenses exceeding \$200.00 in any one month require prior Board authorization.

E. Execution of Instruments

Agreements, documents or other instruments are binding upon the Association only if approved by the Board and executed by the designated Corporate Officer(s).

ARTICLE VII: GENERAL MEMBERSHIP MEETINGS

Section 1. Place, Time, Conditions

- A. All meetings of the Association are held at the Community Clubhouse at the times designated by the Board of Directors. Notices of the times of Regular Meetings are provided to lot owners at least 30 days prior to the meetings. Notices of the times of Special Meetings are provided to lot owners at least 15 days {*4} prior to the meetings. Notices are mailed to the last address of record. Notice is also placed on the community marquee and Community website and by e-mail alerts.
- B. Or special meetings are provided to lot owners at least 15 days prior to the meeting. Notices are either mailed to the last address of record or delivered personally.
- C. A quorum for General Membership Meetings consists of 7% of voting members (exception: see Adjourned Meetings). Once a quorum is present the vote of the majority is binding upon the Association unless otherwise provided for in these Bylaws (See also Adjourned Meetings).

Once a quorum has been established the Meeting will continue until all business on the agenda is concluded regardless of a change in numbers.

- D. Any action taken at any General Membership Meeting is reported to all Members either by mail or in person.

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Section 2. Regular Meetings

- A. Regular Meetings are held on a weekend in Spring and Fall of each year.
- B. At the Fall Regular Meeting the following items must be included in the business brought before the Membership:
 - 1. Election to fill vacancies existing on the Board of Directors
 - 2. Adoption of the annual budget for the ensuing Fiscal year.
- C. At either Regular Meeting other business requiring Membership consideration and action is transacted.

Section 3. Special Meetings

Special Meetings are called by a majority of the Board of Directors, or at the request in writing of Voting Members of the Association representing 10% of all lots and stating the purpose of the proposed meeting. Business transacted at all Special Meetings is confined to the item stated in the notice.

Special Meetings are called by a majority of the Board of Directors, or at the request in writing of Voting Members of the Association representing 10% of all lots, and stating the purpose of the proposed meeting. Business transacted at all Special Meetings is confined to the item stated in the notice.

Section 4. Adjourned Meetings

If a quorum is not present within one hour after the scheduled start of a proposed meeting the meeting is adjourned.

If so, a Special Meeting may be called by the President or the Board of Directors to conduct the business of the Association provided that notice is given as described above. That notice will include a statement that the quorum for the Special Meeting will be 6%.

ARTICLE VIII: AMENDMENTS

In the event that any provisions of the Governing Documents of the Association require change to fulfill the best interest of the Membership they may be amended by a 2/3 vote of the members in good standing present at a General Membership Meeting (GMM). {*8} Prior notification of proposed changes will be provided to members 30 days prior to a GMM.

Proposed changes to any governing document must bear the signatures of 10 different lot owners of 10 different lots. There is a limit of one signature per lot. Proposed amendments will be submitted to the board with a copy to the Governing Documents Committee (GDC). The committee will work with submitting members to finalize wording, to present it to the BOD for comment, and to present it to the membership 30 days prior to the GMM for a vote.

Proposed changes will be included in the newsletter and mailing sent to members prior to the GMM at which the changes will be approved or disapproved. Both the current and proposed changes will be included in the mailing. All votes cast must be from members in good standing

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and must be done in person at a GMM. Membership standing will be verified prior to casting votes.

Neither the BOD nor the GDC can prevent an amendment proposal from being submitted to the membership for a vote. Should the BoD and/or the GDC believe the proposed amendment does not serve the best interest of the community, they can recommend it be voted down. However, they must provide the reason(s) as to why in writing to membership along with the proposed amendment prior to the GMM. In the event the BOD or GDC recommends an amendment be voted down, those proposing it may provide their reasoning for approval in writing to membership along with the proposed amendment prior to the GMM.

Amendments generated through the biennial or more frequent review of the Governing Documents must follow this same procedure.

{*5}

Article IX Standing Committees

The following committees shall be the Standing Committees of the Association established by these Bylaws to function permanently:

- Oversight
- Grievance/Appeals
- Governing Documents
- Budget and Finance
- Election Committee
- Road/ Maintenance/Physical Facilities
- Communications/Newsletter/IT
- Beautification
- Events

Standing Committees shall each be composed of a number specified in each committee's description. Eligibility for committee membership shall include deeded members in good standing, member's spouse, domestic partner or dependent 18 years of age or older, all of whom must reside with deeded member; limit of two family members per committee. Eligibility may also include tenants of deeded members in good standing who have resided, and can provide proof of residence, in the Community for at least one full year, tenant's spouse, domestic partner, or dependent 18 years of age or older, all of whom must reside with the tenant and can provide proof of residence, limit of two per residence. Tenants may be required to provide proof of legal tenancy which may include a signed lease, proof of residence at the address, or other documents. Tenants or members of tenant households may not serve on finance, governing documents, oversight, grievance or election committees.

In certain instances, committee membership may require an individual to obtain a criminal background check or a clearance to work with children.

Committees are required to hold a minimum of one public meeting per quarter: these meetings are to be held in the clubhouse and must be noticed on the calendar. Minutes from these meetings are to be submitted to the office within ten (10) days.

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The Chair of each Standing Committee shall be a member of that committee selected by the committee members. Each committee shall also select both a vice-chair to serve in the absence of the chair and a secretary to record minutes at all the committee meetings and or a treasurer if needed. The positions of chair, vice chair, secretary and treasurer, if needed, are selected by committee members at the committees annual reorganizational meeting. The members selected by the committee for chair, vice-chair and secretary and or treasurer, if needed, need not be approved by the Board.

Any eligible person can volunteer to serve on any committee, and actual participation is limited only by the number of open/available positions on the committee. Committee members may serve a term of three years, and, as necessary, are appointed by the BoD at its organizational meeting. Members shall be appointed in the documented order in which they volunteered. The BoD shall not deny committee membership to an eligible person without verifiable cause.

The officers of each committee shall be elected or appointed to a 1-year term and may serve a maximum of three consecutive terms. A member of the BoD shall function as a liaison to each standing committee; the liaison's function is to serve as a means of communication between the BoD and the committee. BoD liaisons have no vote in committee decisions. Any member who misses 3 consecutive meetings without a valid excuse shall be removed. If a committee has just cause to remove a member, they can vote to remove that member by a majority vote of the committee. Decision of the committee is final.

A. Oversight Committee

The Oversight's Committee purpose is to monitor and ensure the association's compliance with applicable state and local laws, and governing documents. The Oversight Committee has no administrative authority over the BoD. The Oversight Committee (OSC) has a minimum of 5 and a maximum of 7 members. Terms are 3 years and shall be staggered so that two to three members are appointed every year. Committee members shall be appointed in the documented order in which they volunteered. The BoD shall not deny membership to an eligible person without verifiable cause. The OSC shall be provided with a budget sufficient to call a maximum of two SMMs in a fiscal year.

The duties, authorities, and responsibilities of the OSC are as follows:

1. Appoint a Chair, Vice-Chair, and Secretary.
2. The chair shall attend and act as Parliamentarian at all GMMs and SMMs. The OSC Chair and Secretary shall be seated at a table to the side of the BoD. If necessary, the chair may delegate this to other committee members.
3. The chair, at their discretion, may attend any public, agenda, or workshop meeting of the BoD.
4. Monitor bidding competitions for awarding of contracts to ensure compliance with bidding requirements.
5. Monitor Association finances, including the right to access and review association financial records, electronic or hard copy, within 5 days of submission of an adapted PA state Freedom of Information Form (FOIA) form. This includes but is not limited to all contracts,

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bills, invoices, and receipts, whether processed or kept as hard copy or electronically. The Oversight Committee will use an adapted version of the PA State Freedom of Information Form (FOIA) form to request information. The form is available on the Association website.

6. Monitor communications and responsiveness among BoD, officers, and committees. In the event of an infraction discovery, the OSC chair will be in communication with all parties involved.
7. Upon written request from a committee or BoD member, mediate to ensure BoD cooperation and healthy working relationship with all parties involved.
8. The OSC has full authorization to verify any and all election certifications and ballots should there be a suspected irregularity.
9. Suspected financial irregularity may be reported to or uncovered by the Oversight Committee. Upon knowledge of such information, the Oversight Committee shall bring the report to the BoD and finance committee through use of the adapted PA State FOIA form available on the Association website. In the event the BoD requires more than the five days , it will have a maximum of 30 days to respond to the request. Failure of the BoD to appropriately respond shall trigger, by majority vote of the committee, a scheduling of an SMM to request a membership vote to audit. If approved by membership at an SMM, the OSC shall determine the accounting firm used for the audit, and the Association shall pay for the cost. These stipulations will be included in the motion to be voted on by the membership.
10. Upon notification and/or exposure of an irregularity the OSC shall communicate the potential problem to the BoD, using an adapted version of the PA FOIA form . If there is an unacceptable response from the BoD , the Oversight Committee, by a majority vote, shall schedule and conduct an SMM for the following reasons:
 - A suspected financial irregularity
 - A suspected violation of governing documents or state or local laws and ordinances
 - A suspected violation of bidding rules
 - A petition improperly decided by the BoD
11. The Chair of the OSC shall preside at the SMM called by the OSC.
12. No member of the BoD has any authority in an SMM conducted by the OSC but must attend said membership meeting.
13. Actions will be determined by a majority vote of members present during said SMM. The OSC has sole authority to take action at an SMM.
14. These results, including a vote to remove one or more elected officials, shall be binding on the Association and/or the BoD .

B. Grievance Committee

The grievance procedure is established to preserve the unity of the Community by ensuring fair and equitable application of the Governing Documents and guidelines. It provides an organization and method for the internal presentation, examination and resolution of any grievance or charge of any nature whatsoever by a Member against another Member or Committee of the Association. Exceptions: Charges against Members in their capacity as Officers which are heard and resolved by the Board of Directors; items covered in Article V, Section 4E of these By-Laws.

The organization for achieving this purpose is the Grievance Committee, made up of at least five voting Members of the Association who are not Members of the Board, appointed by a majority

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vote of the Board of Directors for a term of four years. Vacancies from whatever duration from whatever cause are filled in a similar manner. The Committee has the duty and responsibility to:

- Hold hearings with a majority of the Grievance Committee Members present.
- Consider all evidence, testimony, etc. relevant to the grievance.
- Make a determination, fairly and impartially to resolve the grievance.
- Within 14 days of the hearing, submit a written report of the decision to the Board of Directors setting forth the basis for the decision.

The method of operation is as follows:

- Grievances are submitted in writing, addressed by the Board of Directors, and filed at the Association Office.
- Within 14 days of receipt, the Office schedules a hearing to be held within 30 days and provides notice of the nature of the grievance, the date and place of the hearing to all parties concerned.
- Following consideration of all relevant evidence, testimony by all parties, etc., the Committee by majority vote renders a decision of guilty or innocent to the Board of Directors in writing within 14 days of the date of the hearing. If the verdict is guilty, the Association shall issue the applicable fine(s). All parties involved receive a copy of the decision by certified mail.

If either party disagrees with the Grievance Committee ruling, a second and final appeal may be made to the Board of Directors within 14 days of the date of receipt of the Grievance Committee's ruling letter. The Board will hear the appeal at its next regularly scheduled meeting and communicate its decision within 14 days. The decision of the Board of Directors is final. If a property owner, tenant, or other party aggrieved by the decision of a Committee, Officer, or Agent of the Association relative to a violation of any Rule, Regulation, Covenant or other requirement, or the amount of the fine or penalty related thereto, the sole and exclusive remedy of such property owner, tenant, or other party aggrieved shall be by appeal to the Board of Directors. The Board of Directors shall promptly hold a hearing on such appeal and render a decision. The decision of the Board of Directors shall be final. If a property owner, tenant, or other party is aggrieved by the decision of the Board their sole remedy shall be by appeal of such decision within 30 days to the Court of Common Pleas of Pike County, PA. In the event that the Association seeks to collect on the lien created by the assessment or any fine or other penalty for violation of such Rules, Regulations, Covenants or other requirements, the jurisdiction of the court in such manner shall be limited to whether or not the appropriate procedures were followed and not to the merits of the underlying case.

{*5 continued*}

C. Governing Documents Committee (GDC)

The Governing Documents Committee (GDC) is responsible for a biennial review of the Association's governing documents to ensure alignment with all applicable federal, state, and local laws. An additional purpose of the biennial review is to ensure continued focus on community needs for stability and growth. The Governing Documents Committee (GDC) has a minimum of 5 and a maximum of 7 members, each serving a 3-year term. Terms shall be staggered so that two to three members are appointed every year. Committee members shall be appointed in the documented order in which they volunteered. The BoD shall not deny membership to an eligible person without verifiable cause. The duties, authorities, and

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responsibilities of the GDC are as follows:

- Appoint a Chair, Vice-Chair, and Secretary.
- Establish a schedule to ensure all governing documents are reviewed on a biennial basis.
- Communicate the process for requesting change in governing documents to the membership
- As necessary, assist members in proposing changes to the governing documents.
- Ensure that deadlines on developing, communicating and voting on changes are met.

D. Finance Committee

The finance committee is responsible for working with the BoD and membership to develop and communicate the community's budget on a yearly basis. The committee serves a leadership role in this area, and assists in developing appropriate internal control procedures for all financial transactions. The Finance Committee has a minimum of 5 and a maximum of 7 members, each serving a 3-year term. Terms shall be staggered so that two to three members are appointed every year. Committee members shall be appointed in the documented order in which they volunteered. The BoD shall not deny membership to an eligible person without verifiable cause. The duties, authorities, and responsibilities of the Finance Committee are as follows:

- Appoint a Chair, Vice-Chair, and Secretary.
- Develop an annual operating budget for presentation to the BoD and membership.
- Ensure appropriate time frames to meet deadlines for approval of the budget.
- Monitor adherence to the budget.
- Set long-range financial goals along with funding strategies to achieve them.
- Develop multi-year operating budgets that integrate strategic plan objectives and initiatives.
- Creation of a fund for maintaining or replacing equipment.
- Create a working capital or cash reserve fund.
- Ensure and determine all bank accounts and signatories are in order.
- Ensure policies and procedures for financial transactions are documented.

E. Election Committee

The election committee is responsible for ensuring elections of the association are carried out properly. The Election Committee has a minimum of 3 and a maximum of 5 members, each serving a 3-year term. Terms shall be staggered so that one to two members are appointed every year. Committee members shall be appointed in the documented order in which they volunteered. The BoD shall not deny membership to an eligible person without verifiable cause. The duties, responsibilities, and authority of the Election Committee is as follows.

- Appoint a Chair, Vice-Chair, and Secretary.
- The Election Committee is responsible for conducting elections within the Association guidelines.
- Any member in good standing who wishes to run for elective office in PLMFCA shall notify the Election Committee in accordance with the deadlines established by the committee.

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- The Association shall request a resume of a maximum of 250 words outlining qualifications and/or intent from each candidate. The association shall publish these resumes no later than 30 days prior to the election and post them in the clubhouse.
- All candidates shall be treated equally.
- The Election Committee shall announce and conduct an informational meeting for members to meet with candidates a minimum of 21 calendar days prior to the fall GMM.
- Ballots shall be mailed to all members in good standing at least 45 days prior to the GMM. A record of ballots mailed out shall be maintained by the election committee. Said record will be kept at the association office for a period of five (5) years and shall be available for review by any member in good standing.
- At the GMM, the Election Committee will participate in opening, counting, and reporting results. Key to this function is ensuring ballots are from members in good standing and executed properly. All ballots shall be retained in the Association Office for a minimum of five years.

F. Road Maintenance/Physical Facilities Committee

This committee shall plan for the long- term growth of the Community as well as the maintenance of the amenities, vehicles and equipment of the Community to assure they remain in good repair. This shall include, but not be limited to, the roads, pool areas, tennis courts, basketball courts, and all other athletic, recreational or common areas of the Community.

G. Communications/Newsletters/IT Committee

The Communications/Newsletters/IT committee shall supervise and produce the Association's official publications between the Association and its members. Official publications to be delivered via US mail, email, and the Association website. In addition, IT members will provide help with web design, internet, and computer security. Committee members may share official publications via social media posts from time to time on the various existing social media sites when deemed appropriate by the committee. The committee shall ensure a fair and equitable publication policy.

H. Beautification Committee

The PMLF Beautification Committee is comprised of community volunteers dedicated to the pursuit of beautifying the community, as well as, stimulating community pride, teamwork and promoting the betterment of the community and its landscape. Responsibilities include but not limited to maintaining and improvements, when needed, the grass, trees, plants, flowers, and grounds located in the common properties (open space, roads, post office areas, and entrances.) The committee makes recommendations for flower and tree plantings or other landscaping improvements to the common areas and oversees the seasonal maintenance activities and shall recommend and appropriate beautification to all public areas of the Community.

I. Events Committee

The Events Committee shall develop and implement programs of social, athletic and

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recreational activities of interest to residents of Pocono Mountain Lake Forest. Membership on this committee is open to both property owners and tenants in accordance with definitions in this section. Committee members will assess interest of members and make recommendations

ARTICLE X. INTERPRETATION

The provisions of these By-Laws shall be liberally construed to effectuate the purpose of the Association.

ARTICLE XI. SEVERABILITY

The provisions hereof shall be deemed independent and severable and the invalidity of partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity of enforceability of any other provision or portion thereto.

ARTICLE XII. PROCEDURES NOT COVERED

Any procedure not covered in this document will be handled in accordance with Roberts Rules of Order.

REVISIONS

Description of Change	Date	Approval
ARTICLE IX. GRIEVANCES Grievance Committee only determines guilt or innocence.	29 Oct 00	GMM
ARTICLE VI BOARD OF DIRECTORS, OFFICERS Section 1E, Increased BOD discount from 20% to 50%	29 Oct 00	GMM
ARTICLE V. MEMBERSHIP, RIGHTS AND DUTIES Section 2. Rights of All Members, Section C. (3 Vote Limit)	29 Apr 01	GMM
ARTICLE V. MEMBERSHIP, RIGHTS AND DUTIES Section 4. Duties, Section G. (Transfer Fee)	29 Apr 01	GMM

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ARTICLE V. MEMBERSHIP, RIGHTS AND DUTIES Section 3. Rights of Paid Up Members, Section D. (Combined Lots)	27 Apr 03	GMM
ARTICLE IX. GRIEVANCES Paragraph 12, Appeal Board decision to the Court of Common Pleas of Pike County	23 Oct 05	GMM
ARTICLE V. MEMBERSHIP, RIGHTS AND DUTES Section 4. Duties, Section G. (Transfer Fee for Gratuitous Transfer)	11 Nov 07	GMM
ARTICLE VI. BOARD OF DIRECTORS, OFFICERS Section 1E, (Abolished BOD Discount)	11 Nov 07	GMM
ARTICLE V. MEMBERSHIP, RIGHTS AND DUTIES Section 4. Duties, Section G. (Add Transfer Fee for Water System)	27 Apr 08	GMM
ARTICLE VII. GENREAL MEMBERSHIP MEETINGS Section 1. Place, Time, Conditions	16 Nov 08	GMM
ARTICLE VI. BOARD of DIRECTORS, OFFICERS C. Meetings	16 Nov 08	GMM
ARTICLE VI. BOARD of DIRECTORS, OFFICERS Section 1. Board of Directors A. Composition, Qualifications, Election, Term	16 Nov 08	GMM

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ARTICLE VI. BOARD of DIRECTORS, OFFICERS Section 2. Officers, B. Duties (Addition)	16 Nov 08	GMM
ARTICLE VI. BOARD of DIRECTORS, OFFICERS Section 1. Board of Directors {*1} (changed from 10 to 9 Directors)	21 May 23	GMM
ARTICLE VI. BOARD of DIRECTORS, OFFICERS Section 1. Board of Directors {*2} (added 1 year prior membership to run)	21 May 23	GMM
ARTICLE VI. BOARD of DIRECTORS, OFFICERS Section 2. Board of Directors {*3} (Removed V. Ethics & Transparency Officer)	21 May 23	GMM
ARTICLE VII. GENERAL MEMBERSHIP MEETINGS Section 1. Place, Time, Conditions {*4} (SMM 30 day notice changes to 15 days)	21 May 23	GMM
ARTICLE IX. GRIEVANCES Title changed to “Standing Committees” {*5} (Grievances section Unchanged - list of Standing Committees added with descriptions of each committee)	23 June 24	GMM
ARTICLE V. MEMBERSHIP, RIGHTS AND DUTIES Section 3. Rights of Paid-Up Members {*6} (payment plan members rights and outline, total of 3 changes to this section)	23 June 24	GMM
ARTICLE VI. BOARD of DIRECTORS, OFFICERS Section 1. B. Powers and Duties {*7} (Item 3. 2 tagged changes / Item 4. 4 tagged changes. / C. Contracts added / a total of 7 changes to this section)	23 June 24	GMM
ARTICLE VIII: AMENDMENTS {*8} (Added wording to paragraph one w/ three more paragraphs added before last one)	23 June 24	GMM