

Bylaws

Table of Contents:

ARTICLE I: NAME, ADDRESS AND PURPOSE

ARTICLE
II: DEFINITIONS

ARTICLE III: MEETINGS OF
MEMBERS

ARTICLE
IV: DIRECTORS

ARTICLE V: ASSESSMENT AND CAPITAL
CONTRIBUTIONS

ARTICLE
VI: OFFICERS

ARTICLE VII: LIABILITY, INDEMNIFICATION AND
INSURANCE

ARTICLE VIII: GENERAL
PROVISIONS

ARTICLE IX: GENERAL MEMBERSHIP
MEETINGS

ARTICLE X: ORDER OF
BUSINESS

ARTICLE
XI: COMMITTEES

ARTICLE
XII: AMENDMENTS

AMENDMENTS TO THE BY-LAWS

All By Law amendments and related information are included
in AMENDMENTS TO THE BY-LAWS beginning onpage 23. For ease of

reading, the text of the amendments is included in the body of the By Laws itself in red italics replacing crossed out wording, if applicable.

ARTICLE I: NAME, ADDRESS AND PURPOSE

Section 1.01: The name of this Association is:
JONAS MOUNTAIN PROPERTY OWNERS ASSOCIATION, INC.
(hereinafter referred to as the "Association").

Section 1.02: The official address of the Association is: ~~16 Gower Road,
Albrightsville, Penn Forest Township, Carbon
County, Pennsylvania 18240~~ Post Office Box 771 (see amendments)

The Association may also have Offices at such other places both within and outside the Commonwealth of Pennsylvania as the Board of Directors may from time to time determine or the business of the Association may require.

Section 1.03: The purpose of the Association is to protect the investments of the property owners and their lots by the maintenance and improvement of the assets of the Association. Additional purposes are to acquire additional assets and to undertake such other projects that will benefit the members of the Association.

ARTICLE II: DEFINITIONS

Section 2.01: "Association" shall mean and refer to the Jonas Mountain Property Owners Association, Inc., a non-profit corporation organized and existing under the laws of the Commonwealth of Pennsylvania.

Section 2.02: "Declaration" shall mean and refer to the Declarations of the Protective Covenants, filed in the Office of Recorder of Deeds in and for Carbon County, Pennsylvania, as the same shall pertain to the Properties described therein and any supplement or amendment thereto.

Section 2.03: "The Properties" shall mean and refer to the real estate described in the Declaration.

Section 2.04: "Common Properties" shall mean and refer to those areas designated upon any recorded subdivision plan for Jonas Mountain and intended to be devoted to the common use and enjoyment of Owners of the Properties; and shall specifically include, but not be limited to the exclusion of other improvements which may hereafter be designated as Common Properties, the following:

Roads and Streets not dedicated to the public
Permanent Parks
Permanent Recreation Plots

Common Properties shall also mean and refer to any improvement owned by the Association.

Section 2.05: "Lot" shall mean and refer to the numbered lots or numbered and lettered lots in the numbered blocks as shown on the subdivision plans of Jonas Mountain Phase II (see amendments)

Section 2.06: "Living Unit" shall mean and refer to any portion of a building situated upon the Properties designated designed and intended for use and occupancy as a residence by a single family.

Section 2.07: "Member" shall mean and refer to a person who owns of record or beneficially any real property within the development known as Jonas Mountain located in Penn Forest Township, Carbon County, Pennsylvania.

Section 2.08: "Member in good standing" shall mean and refer to a member who has complied with all of the requirements of the Declaration of Protective Covenants and these By-Laws and Rules and Regulations and whose financial obligations, dues and assessments owed to the Association are current.

Section 2.09: "Undeveloped lot" shall mean and refer to any lot which has no residential building situated upon it (see amendments)

Section 2.10: Email is a legal form of communication and may be substituted for hard copy mailings to members who have valid email addresses for the purposes of meeting notifications, proxy requests, informational notes to members and other forms of communication. (see amendments)

ARTICLE III: MEETINGS OF MEMBERS

Section 3.01: Members:

The members of this corporation shall consist of all persons who own of record or beneficially any real property within the development known as Jonas Mountain located in Penn Forest Township, Carbon County, Pennsylvania.

Section 3.02: Place of Meeting:

All meetings of the members shall be held at such place within or outside the Commonwealth, as may be from time to time fixed or determined by the Board of Directors. The Board of Directors shall not call less than one meeting of members in each calendar year. If the annual or other regular meeting is not called and held within six (6) months after the designated time, any member may call such a meeting at any time thereafter.

Section 3.03: Voting Rights:

All members shall be entitled to one vote per lot owned, including an owner-member who are commercial developers, contractors or builders, and including any person who received ownership in a lot as an assignee or beneficiary of Jonas Mountain Phase II or successors of its interest. Each lot shall entitle its owners to one vote regardless of whether the beneficial owner of the lot is different from the record owner. "Lots" are defined by the subdivision plans of Jonas Mountain Phase II. Membership shall terminate automatically when a person no longer owns of record or equitably any real property within Jonas Mountain. Only members of record on the date so fixed

pursuant to Section 4.10 shall be entitled to cast their vote or votes in any meeting of the Association, notwithstanding any change in membership on the books of the Association after any record date is fixed.

Section 3.04: Special Meetings:

Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the articles of incorporation, may be called at any time by the president, or a majority of the Board of Directors, or not less than one-tenth of all members entitled to a vote at the particular meeting, upon written request delivered to the Secretary of Association. Such a request shall state the purpose or purposes of the proposed meeting. Upon receipt of any such request, it shall be the duty of the secretary to call a special meeting of the members to be held at such time, not more than sixty days thereafter, as the secretary may fix. If the secretary shall neglect to issue such call the person or persons making the request may issue the call.

Section 3.05: Notice of Special Meetings:

Written notice of every special meeting of members, specifying the place, date and hour and the general nature of the business of the meeting, shall be served upon, or mailed, postage prepaid, at least five days prior to the meeting, unless a greater period of notice is required by statute, to each member entitled to vote there at.

Section 3.06: Voting List:

The secretary shall make and keep current a complete list of the members entitled to vote at the meeting, arranged in alphabetical order, which shall be kept on file at the registered office of the Association, and shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of meetings and shall be subject to the inspection of any member during the whole time of the meeting.

Section 3.07: Business-Special Meetings:

Business transacted at all special meetings of members shall be limited to the purposes stated in the notice.

Section 3.08: Ballots and Proxies:

Members may vote by ballot or by proxy provided any such proxy shall be executed in writing by the members or his duly authorized attorney-in-fact and is filed with the Secretary of the Association. No proxy shall be valid after eleven months from the date of its execution unless a longer time is expressly provided therein, but in no event shall a proxy be voted on after three years from its date of execution. In connection with proxy voting the Association shall mail a Ballot to all paid-up members (by the date so fixed in Section 4.10) not later than fifteen (15) days in advance nor more than thirty (30) days in advance of the general meeting of the Association.

Section 3.09: Quorum and Adjournment: (see amendments)

~~Members representing ten (10) percent of the number of votes eligible to vote, present in person or represented by proxy, shall be required and shall constitute a quorum at all meetings of the members~~ Members representing twenty five (25) percent of the number of members eligible to vote, present in person or represented by proxy, shall be required and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute or by the articles of incorporation or by these By-Laws. The members present in person or by proxy at a duly convened meeting can continue to do business until adjournment, notwithstanding withdrawal of enough members to leave less than a quorum. If any meeting of members cannot be organized because a quorum ~~has not attended of members entitled to vote, present in person or by proxy, shall have the power, except at~~ has not been constituted as defined herein, the Board of Directors shall have the power, except as otherwise provided by statute, to adjourn the meeting to such time and place as they may determine. In the case of any meeting called for the election of directors, those who attend the second of such adjourned meetings shall constitute a quorum for the purpose of the election of directors. In the case of a meetings called for any other purpose, those who attend the second of such adjourned meetings shall constitute a quorum for the purpose of acting upon any matter set forth in the notice of the meeting, provided that written notice of a second adjourned meeting stating that those members who attend shall constitute a quorum for the purpose of acting should be given ten (10) days prior to the meeting by registered written notice. When a quorum is present or represented at any meeting, the vote of a majority of those present in person or represented by proxy shall decide any question brought before such meeting unless the question is one upon which, by express provision of the statutes or of the articles of incorporation, a different vote is required in which case such express provision shall govern and control the decision of such question.

Section 3.10: Meeting by Written Consent:

Any action which may be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by all members who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary of the Association.

Section 3.11: Judges of Elections:

In advance of any meeting of members, the Board of Directors may appoint judges of election who need not be members, to act at such meeting or any adjournment thereof. If judges of election be not so appointed, the chairman of any such meeting may and, on the request of any member or his proxy, shall make such appointed at the meeting. The number of judges shall be one or three. If appointed at a meeting on the request of one or more members or proxies, the majority of members present and entitled to vote shall determine whether one or three judges are to be appointed. No person who is a

candidate for office shall act as a judge. The judges of Election shall do all such acts as members, and shall make a written report of any matter determined by them by the chairman of the meeting or any member of his proxy. If there be three Judges of Election the decision, act, or certificate of a majority shall be effective in all respects as the decision, act, or certificate of all.

Section 3.12: Members Rights:

All members in good standing shall be entitled to participate in Association functions and to use the facilities and assets of the Association in common with other members as provided for in the covenants and restrictions contained in deeds, these By-Laws and in accordance with the rules and regulations adopted by the Board of Directors. Every member shall have the right to enjoy their property and to use it for the purposes for which they originally purchased it provided they do not violate any restrictions imposed by their deed, this Association, PennForest Township, Carbon County, the Commonwealth of Pennsylvania or the United States of America. Every member shall have the right to make suggestions to the Board of Directors for the betterment of the Association. Such suggestions should be in writing and addressed to the Board of Directors at the address set forth in Section 1.02.

ARTICLE IV: DIRECTORS

Section 4.01: Term and Number: (see amendments)

The number of Directors which shall constitute the Board shall not be less than three (3) nor more than thirteen (13) Directors, as may from time to time be set by the Board of Directors by resolution. This number of Directors, set by resolution, shall be the number of Directors voted on at the next annual meeting. However, the Board of Directors may, by a vote of not less than a majority of the authorized number of Directors, increase or decrease the number of Directors from time to time without a vote of the members provided, however, that any such decrease shall not eliminate any Director then in office. Directors must be members in good standing of the Association.

The Board of Directors shall be divided into two classes, each class being as nearly equal in number as possible. The Directors comprising each class shall each serve four (4) year terms. At each annual meeting of members, the members shall elect successors to the class of Directors whose terms expire at such meeting, so that the term of one class of Directors shall expire every two (2) years. Each Director shall hold office for the term for which he or she is elected or appointed and until his or her successor shall be selected and qualified, or until resignation or removal. In the event of an increase or decrease in the authorized number of Directors,

(I) each Director then serving as such shall continue as a Director until the expiration of his or her term, and

(II) the newly created or eliminated directorships shall be apportioned by the Board of Directors among the two classes of Directors so as to maintain the classes as nearly equal in number as possible. No officer shall hold the same office ~~more than three consecutive years of his four (4) year term.~~ more than two consecutive terms.

Section 4.02: Vacancies: (see amendments)

Vacancies and newly created Directorships resulting from the increase in committees may be filled by a ~~majority of~~ majority vote of the remaining Directors, though less than a quorum, and each person so elected shall be a Director until his successor is elected by the members at the next annual meeting of members or at a special meeting duly called for that purpose.

Section 4.03: Duties and Powers:

(A) It shall be the duty of the Board of Directors:

(I) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting.

(II) To supervise all agents and employees of this Association and to see that their duties are properly performed.

(III) As more fully provided in the Declaration and these Articles:

(a) to fix the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period, and at the same time;

(b) to prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association, and, at the same time;

(c) to send written notice of each assessment to every owner subject thereto.

(IV) To issue or to cause a delegated person to issue upon demand by any legally authorized person, lot owner, or realtor, attorney or title clerk when associated with a signed Agreement of Sale, a certificate setting forth whether or not any assessment has been paid, owed or forgiven. Such certificate shall be conclusive evidence of the status of the assessment.

(B) The Board of Directors shall have the power:

(I) To call Special Meetings of the members or Joint Committee meetings whenever it deems necessary and a meeting shall be called at any time pursuant to Section 4.07.

(II) To appoint and remove at pleasure all agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member of the Association.

(III) To establish, levy and assess and collect the assessments or charges as provided in the Declaration.

(IV) To adopt and publish reasonable Rules and Regulations governing the use of the Common Properties and Facilities and the personal conduct of the members, guests and others on such Common Properties of the By-Laws and Protective Covenants of Record and all approved Rules and Regulations of the Association.

(V) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the members, and to utilize due process of law to enforce all sections of the By-Laws and Protective Covenants of Record and all approved Rules and Regulations of the Association.

Section 4.04: Annual Budget:

The annual budget shall be prepared by the Board of Directors during the months of October, November, and December and shall be adopted not later than December 31st of each year. New members of the Board of Directors shall be permitted to sit with the old Board of Directors during the months of July and August and officially take their oath of office at the September meeting which will enable them to become familiar with the workings and problems of the Board of Directors.

Section 4.05: Meetings of the Board:

The Board of Directors of the Association may hold meetings, both regular and special, either within or outside the Commonwealth of Pennsylvania. The first meeting of each newly elected Board of Directors shall be held at the same place as, and immediately following, the annual general meeting of the members. The members may choose another time and place of such meeting at the annual meeting of members at which such Directors were elected. In this case, such meeting shall be held at the time and place so chosen. No notice of such meeting shall be necessary to the newly elected Directors in order to legally constitute such meeting, provided a majority of the whole Board shall be present. If no Board of Directors meeting is to be held after the annual members meeting then all of the Board members present must sign a waiver stating so.

Section 4.06: Regular Meetings:

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of at least a majority of the Board at a duly convened meeting, or by unanimous written consent.

Section 4.07: Special Meetings:

Special meetings of the Board may be called by the president on two days' notice to each Director, either personally, by mail, by telephone or by Telegram. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

Section 4.08: Quorum:

At all meetings of the Board at least one half of the Directors in office shall be necessary to constitute a quorum for the transaction of business. The acts of a majority of the Directors present at a meeting at which a quorum is present

shall be the acts of the Board of Directors. Except as may be otherwise specifically provided by statute. One or more Directors may participate in a meeting of the Board by means of a conference telephone or similar communications equipment, provided all persons participating in the meeting can hear each other. If a quorum is not present at any meeting of Directors, the Directors present may adjourn the meeting without notice other than an announcement at the meeting. The meeting may be re-adjourned when a quorum is present.

Section 4.09: Written Consent in Lieu of Meeting:

If all the Directors shall individually or collectively consent in writing to any action to be taken by the association such action shall be as valid an association action as though it had been authorized at a meeting of the Board of Directors.

Section 4.10: Record Date for Meeting of Members:

Members of record shall be those members who are paid in full by May 1st of each year of assessments due and owing the association.

Section 4.11: Power to Appoint Committees:

The Board of Directors, may by a resolution adopted by a majority of the whole Board, designate one or more committees, each committee to consist of one or more Directors of the association. Vacancies in the membership of the committee shall be filled by the Board Of Directors at a regular or special meeting of the Board of Directors. Any such committee, to the extent provided in such resolution and by law shall have and exercise the authority of the Directors in the management of the business affairs of the Association. The committee or committees designated shall keep regular minutes of its proceedings and report the same to the board when required.

Section 4.12: Compensation of Directors:

Directors as such shall not receive any stated salary for their services. Only expenses incurred will be reimbursed. No Director serving the association in any other capacity shall receive compensation.

Section 4.13: Removal of Directors by Members:

The entire Board of Directors or any individual Director may be removed from office without assigning any cause by the majority vote of members entitled to cast votes, providing a quorum of eligible members are present or represented by proxy. In case the Board or any one or more Directors be so removed, new Directors may be elected at the same meeting.

Section 4.14: Removal of Directors by the Board of Directors:

The Board of Directors may declare vacant the office of a Director if he or she is declared of unsound mind by an order of court, is convicted of a felony, fails to attend three consecutive regular meetings of the Board of Directors or for conduct or action which is blatant and detrimental to the goals of the corporation. In the last case the Board shall review with specificity the alleged detrimental conduct and permit the subject Director to respond to each allegation. Upon response the subject Director shall be removed from the presence of the Board and a secret ballot shall be taken to determine if the Director shall be removed.

Section 4.15: Only one (1) family member shall serve on the Board of Directors concurrently. Those family members, however may not be precluded from obtaining compensation for services rendered.

ARTICLE V: ASSESSMENT AND CAPITAL CONTRIBUTIONS

Section 5.01: General Annual Assessments:

Each lot defined by the subdivision plans of Jonas Mountain Phase II, unless specified otherwise in this Article, is subject to the assessment of a reasonable annual general assessment in such amount and upon such terms as may from time to time be determined by the Board of Directors to be sufficient to meet the financial obligations of the Association and to make such improvements as the Board of Directors deems appropriate. Such annual general assessment shall be billed to the then current owner or owners of each such lot and shall, together with interest thereon and collection costs thereof, as hereafter stated, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. The Board of Directors may, by instruction to the Treasurer for inclusion on billing statements to members, provide for installment payments of the annual general assessment.

Section 5.02: Basis of Annual Assessment Fee (see amendments)

Beginning with January, 2001, the annual assessment shall be \$70.00 per lot. After January 1, 2001, the annual assessment may be increased at a rate of no more than 15% per year, by a majority vote of the members, at a meeting held in accordance with Articles III and IX of these By-Laws. If an increase of more than 15% is found needed, the increase must be approved by a ~~vote of 75% or more of the members,~~ majority vote of the total members of the association entitled to vote at a meeting held in accordance with Articles III and IX of these By-Laws.

In determining whether the annual assessment shall be increased, the Board of Directors shall take into consideration the current maintenance cost and future needs of the Association. At that time a motion to increase the annual assessment may be presented to the members.

Unless the annual assessment shall be increased as aforesaid, it shall remain at \$70.00 per lot.

Section 5.03: Lots Limited to a Fixed Annual Assessment Fee: (see amendments)

The following lots are subject to a fixed annual assessment fee of \$35.00, as long as that lot is owned solely or partially by the developer, Jay Knappenberger, Nancy Knappenberger, Robert Knappenberger and/or Eric Knappenberger or their heirs and assigns and that lot remains undeveloped:

Lot 1, 5, 7, 18, 19, 24, 31, 34, 44, 45, 46, 47, 55, 56, 64, 63, 62, 61, 79, 80, 86 and 87.

The following lots are subject to a fixed annual assessment fee of \$35.00, as long as that lot is owned solely or partially by the developer, Eleanor Gower, Donald Gower, Donald Gower as custodian of Nicholas Gower and Danielle Gower, Nanette Gower, Curt Gower, and Curt Gower as custodian for Erica Gower, or their heirs and assigns and that lot remains undeveloped:

Lot 2, 3, 4, 8, 9, 10, 11, 12, 13, 14, 15, 17, 21, 22, 23, 25, 26, 27, 28, 29, 30, 32, 33, 37, 38, 39, 40, 42, 49, 50, 51, 52, 53, 58, 59, 60, 65, 66, 67, 68, 71, 76, 77, 78, 81, 85 and 88.

Any additional lots created and owned by any of the above mentioned owners - developers and has direct access to the existing roads will be subject to a fixed annual assessment fee of \$35.00 as long as that lot is owned solely or partially by the developer and that lot remains undeveloped.

The assessment fee of the above referenced lots in this Section 5.03, will remain in effect until the ownership of the lots is transferred to someone other than an heir or descendant of the above referenced persons or the lot is no longer considered an undeveloped lot.

In addition to the above mentioned lots, any undeveloped lot owned by a Non-Developer who is not mentioned above is also subject to a fixed annual assessment fee of \$35.00 as long as the lot remains undeveloped for the entire year. In the year that the lot changes from undeveloped to developed the annual assessment per Section 5.02 is applicable.

When the association fee is raised as per Section 5.02 subsequent to June 13, 2009, then the fee for a vacant lot will be raised by the same percentage increase.

Section 5.04: Builders Fee:

A building fee and a road use fee shall be assessed at a rate so determined by the Board of Directors by annual review for the construction and/or placement of any dwelling upon any lot. A dwelling is herein defined as any structure in which people live, either temporarily or permanently. Such builders fee shall also be assessed to the owner of any modular, mobile or unassembled dwelling passing through and over the property or roadways of the Association in transit to the adjacent communities.

Failure of any person, corporation or other entity to comply with the terms of this Section 5.04 shall preclude that person, corporation, or entity from improving said lot with a dwelling in Jonas Mountain Development or from passing through and over the roads of the Association for the purpose of transporting a modular, mobile or unassembled dwelling.

Section 5.05: Interest, Collection Costs and Court Costs:

Any assessment, charge or cost authorized pursuant to Article V not paid within thirty (30) days after the due date set forth by the Board of Directors for each such assessment

(1) shall bear interest at a percentage rate not greater than the then current statutory limit;

(2) shall be automatically assessed a thirty (30%) percent collection charge in the event the association incurs such cost in the collection of any delinquent and unpaid assessment by an attorney or outside collection agent and

(3) shall be additionally assessed all court costs, sheriffs fees and other costs incurred in any judicial action to collect such assessments including, but not limited to, costs of selling such lot and the property affixed to it.

Section 5.06: Acceleration of Installment Payments:

If the Board of Directors has provided for billing of the annual general assessment in installments, failure to pay each such installment by the prescribed due date shall automatically accelerate payment of all remaining installments and declare the entire assessment due and payable immediately.

Section 5.07: Non-Abatement or Waiver of Assessments:

No member may waive or otherwise escape liability for any valid assessment provided for herein by non-use of Association property or abandonment of his or her lot. Similarly, all liability for such assessments shall not be abated or reduced by reason of any interruption in an owner's right to occupancy of his or her property or use of Association property or facilities or for any other reason whatsoever.

Section 5.08: Renter Administrative Fee:

A Renter Administrative fee to be determined by the Board of Directors by annual review will be assessed on those home owners with rentals that exceed thirty (30) days annually. Those home owners will surrender all JonasMountain amenities if the rental property is the only property of record.

ARTICLE VI: OFFICERS

Section 6.01: Officers:

The officers of the Association shall be a president, a vice president, a secretary and a treasurer. The officers of the Association shall also be members in good standing of the Board of Directors. The Board of Directors may also choose additional vice presidents and one or more assistant

secretaries and assistant treasurers. Any of the aforesaid offices may be held by the same person. The Board of Directors may appoint such other officers (such as the office manager) and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. The salaries, if any, of all officers and agents of the Association shall be fixed by the Board of Directors. The officers of the Association shall hold office until their successors are chosen and qualify. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of all of the Board of Directors, excluding the Director being removed from office.

Section 6.02: The President:

The president shall be the chief executive officer of the Association, shall preside at all meetings of the members and the Board of Directors, shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Association, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association.

Section 6.03: The Vice Presidents:

The vice president, or if there shall be more than one, the vice presidents in the order determined by the Board of Directors, shall in the absence or disability of the president, perform the duties and exercise the powers of the president, and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 6.04: The Secretary and Assistant Secretaries: (see amendments)

The secretary shall attend all meetings of the Board of Directors and all meetings of the members and record all the proceedings of the meetings of the Association and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the executive committee when required. The secretary shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or president, under whose supervision he shall be. The secretary shall keep in safe custody the seal of the corporation and, when authorized by the Board of Directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his or her signature or by the signature of an assistant secretary. The assistant secretary or, if there be more than one, the assistant secretaries in the order determined by the Board of Directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 6.05: The Treasurer and Assistant Treasurers:

The treasurer shall have the custody of the corporate funds and securities donated to the Association and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designed by the Board of Directors. The treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors. Taking proper vouchers for such disbursements, and shall render to the president and the Board of Directors, at its regular meetings, or when the Board of Directors so requires an account of all his/her transactions as treasurer and of the financial condition of the Association. If required by the Board of Directors, he/she shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his/her office and for the restoration to the Association, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his/her possession or under his/her control belonging to the Association. The assistant treasurer, or if there shall be more than one, the assistant treasurers, in the order determined by the Board of Directors, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

ARTICLE VII: LIABILITY, INDEMNIFICATION AND INSURANCE

Section 7.01: Personal Liability of Directors:

(a) To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of Directors. No Director of the Association shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a Director.

(b) Any amendment or repeal of this Section 7.01 which has the effect of increasing Directors' liability shall operate respectively only, and shall not affect any action taken, or any failure to act, prior to its adoption.

Section 7.02: Indemnification of Directors and Officers:

(a) Right to Indemnification. Except as prohibited by law, every Director and officer of the Association shall be entitled as of right to be indemnified by the Association against reasonable expense and any liability paid or incurred by such person in connection with any actual or threatened claim, action, suit or proceeding, civil, criminal, administrative, investigative or other, whether brought by or in the right of the Association or otherwise, in which he or she may be involved, as a party or otherwise, by reason of such person being or having been a Director or officer of the Association or by reason of the fact that such person is or was serving at the request of the Association as a Director, officer, employee, fiduciary or other representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity (such claim, action, suit or proceeding hereinafter being referred to as "action"). Such indemnification shall include the right to have expenses incurred by such person in connection with an action paid in advance by the Association prior to

final disposition of such action, subject to such conditions as may be prescribed by law. Persons who are not Directors or officers of the Association may be similarly indemnified In respect of service to the Association or to another such entity at the request of the Association to the extent the Board of Directors at any time denominates such persons as entitled to the benefits of this Section 7.02. As used herein, "expense" shall include fees arid expenses of counsel selected by such person; and "liability" shall include amounts of judgments, excise taxes, fines and penalties, and amounts paid in settlement.

(b) Right of Claimant to bring Suit. If a claim under paragraph (a) of this Section 7.02 is not paid in full by the Association within thirty days after a written claim has been received by the Association, the claimant may at any time thereafter bring suit against the Association to recover the unpaid amount of the claim, and, if successful in whole or in part, the claimant shall also be entitled to be paid the expense of prosecuting such claim. It shall be a defense to any such action that the conduct of the claimant was such that under Pennsylvania law the Association would be prohibited from indemnifying the claimant for the amount claimed, but the burden of proving such defense shall be on the Association. Neither the failure of the Association (including its Board of Directors, independent legal counsel and its members) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the conduct of the claimant was not such that indemnification would be prohibited by law, nor an actual determination by the Association (including its Board of Directors, independent legal counsel or its members) that the conduct of the claimant was such that indemnification would be prohibited by law shall be a defense to the action or create a presumption that the conduct of the claimant was such that indemnification would be prohibited by law.

(c) Insurance and Funding. The Association may purchase and maintain insurance to protect itself and any person eligible to be indemnified hereunder against any liability or expense asserted or incurred by such person in connection with any action, whether or not the Association would have the power to indemnify such person against such liability or expense by law or under the provisions of this Section 7.02. The association may create a trust fund, grant a security interest, cause a letter of credit to be issued or use other means (whether or not similar to the foregoing) to ensure the payment of such sums as may become necessary to effect indemnification-as provided herein.

(d) Non-Exclusivity: Nature and Extent of Rights. The right of indemnification provided for herein (1) shall not be deemed exclusive or any other rights, whether now existing or hereafter created, to which those seeking indemnification hereunder may be entitled under any agreement. By-Law provision, vote or members or Directors or otherwise; (2) shall be deemed to create contractual rights in favor of persons entitled to indemnification here under, (3) shall continue as to persons who have ceased to have the status pursuant to which they were entitled or were denominated as entitled to indemnification hereunder and shall insure to the benefit of the heirs and legal representatives of persons entitled to indemnification hereunder; and (4) shall be applicable to actions, suits or proceedings commenced after the adoption

hereof, whether arising from acts or omissions occurring before or after the adoption hereof. The right of indemnification provided for herein with respect to any acts or omissions occurring prior to the effective date of any such amendment, modification or repeal.

(e) Other Authorized Representatives. To the extent that an authorized Representative of the Association who is not an employee of the association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of this Section 7.02 or in defense of any claim, issue or matter therein, such person shall be indemnified by the Association against expenses (including attorneys' fees) actually and reasonable incurred by such person in connection therewith. Such an authorized representative may, in the discretion of the association, be indemnified by the Association in any other circumstances and to any extent if the Association would be required by subsections (a) and (b) of this Section 7.02 to indemnify such person in such circumstances and to such extent if such person were or had been a Director, officer or employee of the Association.

ARTICLE VIII: GENERAL PROVISIONS

Section 8.01: Emergency By-Laws:

The Board of Directors of the Association may adopt emergency By-Laws, subject to repeal or change by action of the members which shall be operative during any emergency resulting from warlike damage or attack on the United States or any manmade or natural disaster. The emergency By-Laws may make any provisions that may be practical and necessary for the circumstances of the emergency.

Section 8.02: Interested Directors:

No contract or transaction between the Association and one or more of its Directors or officers, or between the Association and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are also Directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the Director or officer is present at or participates in the meeting of the Board which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if:

(a) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or known to the Board of Directors and the Board in good faith authorized the contract or transaction by a vote sufficient for such purpose without counting the vote of the interested Director or Directors; or

(b) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, and the contract or transaction is specifically approved in good faith by a vote of the members; or

(c) the contract or transaction is fair as to the Association as of the time it is authorized, approved or ratified, by the Board of Directors or the members. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorized a contract or transaction in the preceding section.

Section 8.03: Checks:

All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8.04: Fiscal Year:

The fiscal year of the Association shall be fixed by resolution of the Board of Directors. Such fiscal year need not be identical in time to the period specified by the Board of Directors for assessment and billing of the annual general assessment.

Section 8.05: Seal:

The corporate seal shall have inscribed thereon the name of the Association, the year of its organization and the words "Corporate Seal, Pennsylvania. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 8.06: Annual Report of Directors:

The Board of Directors shall present annually to the members a report, verified by the president and treasurer or by a majority of the Directors, showing in appropriate detail the following:

- (1) The assets and liabilities, including trust funds, of the Association as of the end of the immediately preceding fiscal year.
- (2) The principal changes in assets and liabilities, including trust funds, during the immediately preceding year.
- (3) The revenue or receipts of the Association for the immediately preceding year, including separate data for each trust fund held by or for the Association.
- (4) The expenses or disbursements for the immediately preceding year including separate data for each trust fund held by or for the Association.
- (5) The number of members as of the date of the report, together with a statement of increase or decrease in such number for the immediately preceding year and the location where the names and addresses of current members may be obtained.

(6) The annual report shall be filed with the minutes of the annual meeting of members.

Section 8.07: Expenditure of Monies for Expenses: (see amendments)

~~The Board of Directors may not expend or approve an expenditure, for more than \$10,000.00 on single expense, including a major improvement, without a meeting and a vote of approval of more than 75% of the members of the Association.~~ The Board of Directors may not expend or approve an expenditure for more than \$10,000.00 on a single expense, including a major improvement, without a meeting and a vote of approval of more than 50% of the members of the Association entitled to vote. However, the Board of Directors may expend or approve an expenditure for more than \$10,000 on a single expense for a major road improvement using road assessment funds specifically designated for such purposes.

ARTICLE IX: GENERAL MEMBERSHIP MEETINGS

Section 9.01: General membership meetings of the Association shall be conducted according to the following:

(a) ~~The annual general membership meeting shall be held July of each year~~ in June or July of each year on a date specified by the Board of Directors. If this date is a holiday, the meeting shall be held on the following date. The meeting shall be held at the time so specified by the Board of Directors in accordance with article II; be given reports as outlined in other sections of these By-Laws; and transact such other business as may come before the meeting.
(see amendments)

(b) A written notice shall be sent to every member as outlined under the duties of the corresponding secretary and as outlined elsewhere in these By-Laws. This notice shall state the time, date, and location of the meeting. This notice shall state the nature of the business to be transacted and the names of the candidates for the Directors positions.

(c) At the general membership meeting, only members of record may vote. All members must present suitable identification of their membership status for the current year to obtain a ballot.

(d) As provided for elsewhere in these By-Laws, voting at the annual general membership meeting may be by proxy as provided herein as the same are presented and mailed to the various members of the Association. In accordance with Article III, Section 3.11, the Board of Directors will appoint one or three judges of election, whose duties shall be to tabulate the proxies and mail ballots that shall be received by the Association in connection with the

activities and the matters to be voted upon at the annual general membership meetings.

(e) A special general membership meeting may be called by the Board of Directors providing that a least five (5) days written notice stating the time, place, and date of the meeting and stating the purpose of the special meeting is sent to all members.

(f) Special general membership meetings may be requested by the members of the Association by signed petition addressed to the Board of Directors. This petition must represent at least ten (10%) of the members.

ARTICLE X: ORDER OF BUSINESS

Section 10.01: Agenda:

The order of business at meetings of the Board of Directors and the general membership meetings shall be as follows:

- 1 - President calls meeting to order
- 2 - Roll call or quorum count
- 3 - Minutes of previous meeting
- 4 - Reports of officers
- 5 - Correspondence
- 6 - Reports of committee persons
- 7 - Unfinished business
- 8 - New business
- 9 - Adjournment

ARTICLE XI: COMMITTEES

Section 11.01: List of Committees:

The following committees shall be composed:

1. Advisory/Planning
2. Architectural Control
3. Budget and Finance
4. Maintenance
5. Security
6. Election Committee

The Board of Directors may also institute another committee based on need.

Section 11.02: Membership and Committees:

A minimum of three (3) members, normally not to exceed nine (9) members all of which must be a member of good standing in the association. Any member of the association in good standing may submit their interest in membership in

a particular committee to that committee or to the Board of Directors. Each committee of the association shall have as one of its members a member of the Board of Directors who should be able to act as a liaison between the Board and the Committee as required.

Any professional hired either temporarily or permanently by the Board can be invited to committee meetings ex officio (ex officio = no vote). Any such hired person, if there is a fee that must be paid, must be approved by the Board of Directors.

Any individual who is a property owner is usually limited to membership on two (2) regular committees and any membership beyond two (2) committees must be approved by the Board of Directors.

Section 11.03: Term of Membership on Committees:

Each member of the committee shall serve for two (2) years but may be reappointed at their request, serving as long as they retain an interest and attend the required number of meetings. However, if a member is using their committee membership to their own self-interest, they can be asked to resign or can be removed from the committee by a majority vote of that committee. However, the membership with the self interest, must refrain from that vote. The Board of Directors may also remove a committee member without cause by a majority vote at any time.

Section 11.04: Meetings:

Meetings must be held at least six (6) times per year. Meeting times shall be set in advance by the Committee and submitted to the Board for publication to be placed on the bulletin board in the office. (Also, if there is a publication formed by the association, it shall be publicized.)

Section 11.05: Chairpersons: (see amendments)

Each committee shall elect a Chairperson and a Co-Chairperson by and from the members of the committee for a one (1) year term. ~~The Chairperson shall not be a member of the Board of Directors.~~ The Chairperson shall not be a member of the Board of Directors unless elected by the general membership of the Association. The Chairperson or Co-Chairperson can be re-elected. The duties and responsibilities of the Chairperson and Co-Chairperson shall be to chair meetings, follow-up Committee assignments, be responsible to the Board for the committee's budget proposal and be responsible for presenting Committee recommendations to the board.

The Co-Chairperson may select any committee member to assist with the above responsibilities.

Section 11.06: Secretary of the Committee:

The secretary of a committee shall be elected by and from the members of the committee for a one (1) year term. He or she can be re-elected. The responsibilities are keeping notes of the meetings, transmitting such notes to the secretary of the Board of Directors for typing, and transmitting copies of the notes of the meeting to the Committee for their corrections. The secretary may draft any necessary correspondence and transmit this to the secretary of the Board of Directors for typing, and transmission to the Board Members for their approval before full distribution.

Section 11.07: Removal From Committee:

A committee member may be removed from the Committee roll if he/she missed more than three (3) consecutive meetings or does not attend more than three (3) meetings in any calendar year.

A member may resign from a committee by submitting a resignation letter to the Chairpersons or to the Board of Directors.

Section 11.08: Committee Responsibilities and Duties, in General:

Committees are responsible for following up on expenditures relating to contracts that are within the purview of the Committee, including inspection of contractual work while in progress. They are responsible for establishing contacts with suppliers of materials and services related to the Committee's business and for the development of contractual obligations and proposals to be submitted to the Board for its approval prior to finalization. After contract signature by the Board, the Committee is responsible for informing the Contractor and for following up on the contract performance.

Committees are responsible for formulating Rules and Regulations in their area of responsibility, subject to Board acceptance.

All committees are responsible for submitting to the Board a proposed budget for the items within the Committee's area of responsibility, in a timely fashion.

All committees shall cooperate with all other committees, particularly where their areas overlap.

Section 11.09: Areas of Committee Responsibility:

Advisory and Planning:

Research into various areas of the Organization, its Committees and Jonas Mountain Property Owners Association, Inc., devise such plans as would improve Jonas Mountain Development.

Architectural Control: (see amendments)

Responsible for the compliance and enforcement of the Rules regarding structures within the Community as outlined in the protective Covenants. This

committee shall ~~disapprove~~ shall not disapprove such plans arbitrarily, but shall give the reasons for the disapproval and indicate the changes required to be made to obtain such approval.

Budget and Finance:

Responsible for examining past expenditures and books of Account; prepare a line-by-line yearly budget, taking into consideration the submission of the various committees and reserves needed. Also responsible for making recommendations to improve the system.

Maintenance:

Responsible for maintenance of roads, all buildings and facilities and common properties; follow the progress of all contracts relating to same; respond to the needs of other committees requiring maintenance and physical services.

Security:

Responsible for overseeing the overall security and for planning safety measures of the property of Jonas Mountain including applicable Rules and Regulations.

Section 11.10: Election Committee:

A special Committee functioning for the Election of Members to the Board of Directors of the Jonas Mountain Property Owners Association composed of Chairperson of each Committee. Alternate is Co-Chairperson. The committee shall choose its presiding officer during its first meeting each year. A list of these persons constituting membership shall be submitted to the Board for publication.

The Committee shall meet as shall be required.

Duty of this Committee is to ask for and receive resumes from potential Candidates for the vacancies on the Board of Directors of the Jonas Mountain Property Owners Association, and to conduct the election.

Committees may be added or deleted as deemed advisable by the Board of Directors; areas of responsibility may be changed by action of the Board.

ARTICLE XII: AMENDMENTS

Section 12.01: Amendment of By-Laws: (see amendments)

~~These By-Laws may be altered, amended or repealed by a majority vote of the members entitled to vote thereon at any regular or special meeting duly convened after notice to the members of that purpose~~ These By Laws may be altered, amended or repealed by a majority vote of the total members of the Association entitled to vote. This action may occur at any regular or special

~~meeting duly convened after notice to the members of that purpose or by a majority vote of the members of the Board of Directors at any regular or special meeting duly convened after notice to the Directors of that purpose, subject to statutory restriction and to the power of the members to change such action by the Directors.~~

These amendments shall take immediate effect and shall apply to all current or pending actions, appointments, designations and all other matters.

5/15/00-mw-Re2000\3108-6.4FinalBylaws

AMENDMENTS TO THE BY-LAWS

On June 26, 2001, a meeting was held with the Board of Directors and Members. After discussion concerning a proposed Amendment to the By-Laws, a vote was taken pursuant to the Motion to Amend the By-Laws, and the following Amendment was approved:

Article V, Section 5.03: Lots Limited to a Fixed Annual Assessment Fee:

The following lots are subject to a fixed annual assessment fee of \$35.00, as long as that lot is owned solely or partially by the developer, Jay Knappenberger, Nancy Knappenberger, Robert Knappenberger and/or Eric Knappenberger or their heirs and assigns and that lot remains undeveloped:

Lot 1, 5, 7, 18, 19, 24, 31, 34, 44, 45, 46, 47, 55, 56, 64, 63, 62, 61, 79, 80, 86 and 87.

The following lots are subject to a fixed annual assessment fee of \$35.00, as long as that lot is owned solely or partially by the developer, Eleanor Gower, Donald Gower, Donald Gower as custodian of Nicholas Gower and Danielle Gower, Nanette Gower, Curt Gower, and Curt Gower as custodian for Erica Gower, or their heirs and assigns and that lot remains undeveloped:

Lot 2, 3, 4, 8, 9, 10, 11, 12, 13, 14, 15, 17, 21, 22, 23, 25, 26, 27, 28, 29, 30, 32, 33, 37, 38, 39, 40, 42, 49, 50, 51, 52, 53, 58, 59, 60, 65, 66, 67, 68, 71, 76, 77, 78, 81, 85 and 88.

Any additional lots created and owned by any of the above mentioned owners - developers and has direct access to the existing roads will be subject to a fixed annual assessment fee of \$35.00 as long as that lot is owned solely or partially by the developer and that lot remains undeveloped.

The assessment fee of the above referenced lots in this Section 5.03, will remain in effect until the ownership of the lots is transferred to someone other

than an heir or descendant of the above referenced persons or the lot is no longer considered an undeveloped lot.

In addition to the above mentioned lots, any undeveloped lot owned by a Non-Developer who is not mentioned above is also subject to a fixed annual assessment fee of \$35.00 as long as the lot remains undeveloped for the entire year. In the year that the lot changes from undeveloped to developed the annual assessment per Section 5.02 is applicable.

On April 28, 2004, a Board of Directors meeting was held to amend the By-Laws consistent with Article XII, Section 12.01. A majority vote of the Directors approved the following Amendments:

Article I, Section 1.02: The official address of the Association is:

"16 Gower Road, Albrightsville, Penn Forest Township, Carbon County, Pennsylvania 18210"

Replace the underlined with Post Office Box 771.

Article II, Section 2.05: Lot definition

"Lot" shall mean and refer to the numbered lots or numbered and lettered lots in the numbered blocks as shown on the subdivision plans of _____

Add the following: Jonas Mountain Phase II

Article II, Section 2.09: Undeveloped Lot definition

"Undeveloped lot" shall mean and refer to any lot which _____

Add the following: has no residential building situated upon it

Article III, Section 3.09: Quorum and Adjournment

If any meeting of members cannot be organized because a quorum has not attended of members entitled to vote, present in person or by proxy, shall have the power, except at otherwise provided by statute, to adjourn the meeting to such time and place as they may determine.

Replace the underlined with: ...has not been constituted as defined herein, the Board of Directors shall have the power, except as ...

ARTICLE IV, Section 4.01 (II): DIRECTORS, Term and Number

"...No officer shall hold the same office more than three consecutive years of his four (4) year term.

Replace the underlined with: ... more than two consecutive terms.

Article IV, Section 4.02: Vacancies:

Vacancies and newly created Directorships resulting from the increase in committees may be filled by a majority of the remaining Directors, though less than a quorum, and each person so elected shall be a Director until his successor is elected by the members at the next annual meeting of members or at a special meeting duly called for that purpose.

Replace the underlined with: ... majority vote of ...

Article VI, Section 6.04: The Secretary and Assistant Secretaries, third sentence

The secretary shall keep in safe custody the seal of the corporation and. When authorized by the Board of Directors, affix the same...

Replace the underlined with: ... corporation and when ...

Article IX, Section 9.01, part a): General Membership Meetings

The annual general membership meeting shall be held July of each year on a date specified by the Board of Directors

Replace the underlined with: ... in June or July of each year ...

Article XI, Section 11.09: Areas of Committee Responsibility: Architectural Control

Responsible for the compliance and enforcement of the Rules regarding structures within the Community as outlined in the protective Covenants. This committee shall disapprove such plans arbitrarily, but shall give the reasons for the disapproval and indicate the changes required to be made to obtain such approval

Replace the underlined with: ... shall not disapprove ...

Article XI, Section 11.05: Chairpersons:

Each committee shall elect a Chairperson and a Co-Chairperson by and from the members of the committee for a one (1) year term. The Chairperson shall not be a member of the Board of Directors. The Chairperson or Co-Chairperson can be re-elected. The duties and responsibilities of the Chairperson and Co-Chairperson shall be to chair meetings, follow-up Committee assignments, be responsible to the Board for the committee's budget proposal and be responsible for presenting Committee recommendations to the board.

Replace the underlined with: ... The Chairperson shall not be a member of the Board of Directors unless elected by the general membership of the Association...

On July 26, 2004, a meeting was held with the Board of Directors and Members. After discussion concerning a proposed Amendment to the By-Laws, a vote was taken pursuant to the Motion to Amend the By-Laws, and the following Amendment was approved:

Article XII, Section 12.01: Amendment of By-Laws:

These By-Laws may be altered, amended or repealed by a majority vote of the members entitled to vote thereon at any regular or special meeting duly convened after notice to the members of that purpose or by a majority vote of the members of the Board of Directors at any regular or special meeting duly convened after notice to the Directors of that purpose, subject to statutory restriction and to the power of the members to change such action by the Directors.

Delete the underlined

On June 23, 2007, at a duly convened POA meeting attended by members, proposed amendments to the By-Laws were discussed and a vote was taken pursuant to the Motion to Amend the By-Laws. The following amendments were approved:

Article II: Definitions

Add Section 2.10 Email is a legal form of communication and may be substituted for hard copy mailings to members who have valid email addresses for the purposes of meeting notifications, proxy requests, informational notes to members and other forms of communication.

Article III, Section 3.09: Quorum and Adjournment:

Members representing ten (10) percent of the number of votes eligible to vote, present in person or represented by proxy, shall be required and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute or by the articles of incorporation or by these By-Laws. ...

Replace the underlined with: ...Members representing twenty five (25) percent of the number of members eligible to vote, present in person or represented by proxy, shall be required and shall constitute a quorum at all meetings of the members...

Article XIII, Section 8.07: Expenditure of Monies for Expenses

The Board of Directors may not expend or approve an expenditure, for more than \$10,000.00 on single expense, including a major improvement, without a meeting and a vote of approval of more than 75% of the members of the Association.

Replace the underlined with: The Board of Directors may not expend or approve an expenditure for more than \$10,000.00 on a single expense, including a major improvement, without a meeting and a vote of approval of more than 50% of the members of the Association entitled to vote...

Article XII, Section 12.01: Amendment of By-Laws

These By-Laws may be altered, amended or repealed by a majority vote of the members entitled to vote thereon at any regular or special meeting duly convened after notice to the members of that purpose...

Replace the underlined with: These By Laws may be altered, amended or repealed by a majority vote of the total members of the Association entitled to vote. This action may occur at any regular or special meeting duly convened after notice to the members of that purpose...

On October 18, 2008, at a duly convened Special POA meeting attended by members, proposed amendments to the By-Laws were discussed and a vote was taken pursuant to the Motion to Amend the By-Laws. The following amendment was approved:

Article V, Section 5.02: Basis of Annual Assessment Fee:

Beginning with January, 2001, the annual assessment shall be \$70.00 per lot. After January 1, 2001, the annual assessment may be increased at a rate of no more than 15% per year, by a majority vote of the members, at a meeting held in accordance with Articles III and IX of these By-Laws. If an increase of more than 15% is found needed, the increase must be approved by a vote of 75% or more of the members, at a meeting held in accordance with Articles III and IX of these By-Laws.

Replace the underlined words with: majority vote of the total members of the Association entitled to vote

On June 13, 2009, at a duly convened POA meeting attended by members, proposed amendments to the By-Laws were discussed and a vote was taken pursuant to the Motion to Amend the By-Laws. The following amendments were approved:

Article V, Section 5.03: Lots Limited to a Fixed Annual Assessment Fee:

The following lots are subject to a fixed annual assessment fee of \$35.00, as long as that lot is owned solely or partially by the developer, Jay Knappenberger, Nancy Knappenberger, Robert Knappenberger and/or Eric Knappenberger or their heirs and assigns and that lot remains undeveloped:

Lot 1, 5, 7, 18, 19, 24, 31, 34, 44, 45, 46, 47, 55, 56, 64, 63, 62, 61, 79, 80, 86 and 87.

The following lots are subject to a fixed annual assessment fee of \$35.00, as long as that lot is owned solely or partially by the developer, Eleanor Gower, Donald Gower, Donald Gower as custodian of Nicholas Gower and Danielle Gower, Nanette Gower, Curt Gower, and Curt Gower as custodian for Erica Gower, or their heirs and assigns and that lot remains undeveloped:

Lot 2, 3, 4, 8, 9, 10, 11, 12, 13, 14, 15, 17, 21, 22, 23, 25, 26, 27, 28, 29, 30, 32, 33, 37, 38, 39, 40, 42, 49, 50, 51, 52, 53, 58, 59, 60, 65, 66, 67, 68, 71, 76, 77, 78, 81, 85 and 88.

Any additional lots created and owned by any of the above mentioned owners - developers and has direct access to the existing roads will be subject to a fixed annual assessment fee of \$35.00 as long as that lot is owned solely or partially by the developer and that lot remains undeveloped.

The assessment fee of the above referenced lots in this Section 5.03, will remain in effect until the ownership of the lots is transferred to someone other than an heir or descendant of the above referenced persons or the lot is no longer considered an undeveloped lot.

In addition to the above mentioned lots, any undeveloped lot owned by a Non-Developer who is not mentioned above is also subject to a fixed annual assessment fee of \$35.00 as long as the lot remains undeveloped for the entire year. In the year that the lot changes from undeveloped to developed the annual assessment per Section 5.02 is applicable.

In addition, when the association fee is raised as per Section 5.02 subsequent to June 13, 2009, then the fee for a vacant lot will be raised by the same percentage increase.

Article VIII, Section 8.07: Expenditure of Monies for Expenses:

The Board of Directors may not expend or approve an expenditure for more than \$10,000.00 on a single expense, including a major improvement, without a meeting and a vote of approval of more than 50% of the members of the Association entitled to vote.

In addition, the Board of Directors may expend or approve an expenditure for more than \$10,000 on a single expense for a major road improvement using road assessment funds specifically designated for such purposes.

