

BY-LAWS

SPRUCE HILL FARMS PROPERTY OWNERS ASSOCIATION, INC.

AS APPROVED BY THE  
GENERAL MEMBERSHIP MEETING  
JULY 23, 1994

AS AMENDED (ARTICLE X, PARAGRAPH 2) BY THE  
GENERAL MEMBERSHIP MEETING  
JUNE 4, 1996

AS AMENDED (ARTICLE I, PARAGRAPH 1) BY THE  
GENERAL MEMBERSHIP MEETING  
JUNE 14, 2008

BY-LAWS  
SPRUCE HILL FARMS PROPERTY OWNERS ASSOCIATION, INC.  
(A NOT FOR PROFIT CORPORATION)

ARTICLE I - OFFICES

1. The registered office of the corporation shall be located at the law office of KEVIN A. HARDY, ATTORNEY AT LAW, P.C., P.O. Box 818, 134 Broad Street, Stroudsburg, PA 18360.
2. The corporation may also have offices at such other places as the Board of Directors may from time to time appoint or the business of the corporation may require.

ARTICLE II - SEAL

1. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Pennsylvania".

ARTICLE III - MEMBERSHIP MEETING

1. Meetings of the members shall be held at the registered office of the corporation or at such other place or places, within Monroe County, Commonwealth of Pennsylvania, as may from time to time be selected.
2. The annual meeting of the members shall be held on a Saturday, at 11:00 o'clock a.m., within ninety (90) days after the end of the fiscal year selected each year by the Board of Directors, whereat they shall elect directors and transact such other business as may properly be brought before the meeting. If the annual meeting shall not be called and held during any calendar year, any member may call such meeting at any time thereafter, provided that all relevant requirements set forth herein concerning the giving of notice, etc. are strictly adhered to.
3. The presence, in person or by proxy, of members entitled to cast at least thirty-five (35%) percent of the votes which all members are entitled to cast on a particular matter shall constitute a quorum for the purpose of commencing any annual or special meeting, unless otherwise provided by statute. The members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough members leaving less than a quorum. Adjournments of any annual or special meeting may be taken, but any meeting at which directors are to be selected shall be adjourned only from day to day, or for such longer periods not exceeding fifteen (15) days each, as may be directed by members who are present in person or by proxy and who are entitled to cast at least a majority of the votes which all such members would be entitled to cast at an election of directors until such directors have been elected. If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided by statute,

adjourn the meeting to such time and place as they may determine, but in the case of any meeting called for the election of directors, those who attend the second of such adjourned meetings, although less than a quorum, shall nevertheless constitute a quorum for the purpose of electing directors and conducting all other business set forth on the original agenda unless precluded by statute.

4. Every member entitled to vote at a meeting of members, or to express consent or dissent to corporate action in writing without a meeting, may authorize another person or persons to act for him/her by proxy. Every proxy shall be executed in writing by the member, or by his/her duly authorized attorney in fact, and filed with the Secretary of the corporation prior to the commencement of the meeting whereat the proxy is to be effectuated. A proxy, unless coupled with interest, shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until notice thereof has been given to the Secretary of the corporation. No un-revoked proxy shall be valid after one (1) meeting and any adjournments thereof from the date of its execution, unless a longer time is expressly provided therein, but in no event shall a proxy, unless coupled with an interest, be voted on after three (3) years from the date of its execution. A proxy shall not be revoked by the death or incapacity of the maker unless before the vote is counted or the authority is exercised, written notice of such death or incapacity is given to the Secretary of the corporation. A member shall not sell his vote or execute a proxy to any person for any sum of money or anything of value. A proxy coupled with an interest shall include an un-revoked proxy in favor of a creditor of a member. Elections for directors must be by ballot, except upon demand made by a majority of the members present at the election and before the voting begins. Except as otherwise provided in the Articles, in each election of directors, cumulative voting shall be allowed.
5. Written notice of the annual meeting shall be given to each member, at least twenty-one (21) days prior to the meeting.
6. 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 the judges of election be not so appointed, the chairman of any such meeting may, and on the request of a majority of the members present, in person or by proxy shall, make such appointment at the meeting. The number of judges shall be three (3). On request of the chairman of the meeting, or of a majority of the members present, in person or by proxy, the judges shall make a report in writing of any challenge or question or matter determined by them, and execute a certificate of any fact found by them. No person who is a candidate for office shall act as judge.
7. Special meetings of the members may be called at any time by the President, or the Board of Directors, or one-fourth of the members of the Association entitled to cast a vote at the time of the special meeting. At any time, upon written request of any person or persons who have duly called a special meeting, it shall be the duty of the Secretary to fix the date of the meeting, to be held not more than sixty (60) days after the receipt of the request, and to give due notice thereof. If the Secretary shall neglect or refuse to fix the date of the meeting and

give notice thereof, the person or persons calling the meeting may do so.

8. Business transacted at all special meetings shall be confined to the objects stated in the call and matters germane thereto, unless all members entitled to vote are present in person or by proxy and consent.
9. Written notice of a special meeting of members, stating the time and place and object thereof, shall be given to each member at least fourteen (14) days before such meeting, unless a greater period of notice is required by statute.
10. The Secretary shall make, at least five (5) days before each meeting of members, a complete list of the members entitled to vote at the meeting, arranged in alphabetical order, with the address of, and the number of lots owned by each, which list shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and kept at the time and place of the meeting, and shall be subject to the inspection of any member during the whole time of the meeting.

#### ARTICLE IV - DIRECTORS

1. The business of this corporation shall be managed by its Board of Directors, nine (9) in number. The directors need not be residents of this Commonwealth. They shall be members of the corporation and be in good standing. They shall normally be elected by the members at the annual meeting of the members of the corporation, except for the reorganization meeting. At the reorganization meeting, directors shall be elected and serve through the first annual meeting as though same were elected at the first annual meeting. At the reorganization meeting three (3) directors shall be elected to serve a term of one (1) year, three (3) directors shall be elected to serve a term of two (2) years, and three (3) directors shall be elected to serve a term of three (3) years.
2. In addition to the powers and authorities by these By-Laws expressly conferred upon them, the Board may exercise all such powers of the corporation and do all such lawful acts and things which are not by statute or by the Articles or by these By-Laws directed or required to be exercised or done by the members.
3. The meetings of the Board of Directors may be held at such place within Monroe County, as a majority of the directors may from time to time appoint, or as may be designated in the notice calling the meeting.
4. Each newly elected Board may meet at such place and time as shall be fixed by the members at the meeting at which such directors are elected and no notice shall be necessary to the elected directors in order legally to constitute the meeting, or they may meet at such place and time as may be fixed by the consent of all directors.
5. Regular meetings of the Board shall be held upon notice at the registered office of the corporation, or such other time and place as shall be determined by the Board. Each Director

shall attempt to attend these meetings. Should a Director not attend three (3) consecutive regular meetings, the other members of the Board may remove said Director upon receipt of a majority vote of the entire Board, minus the involved Director. If the Director is removed from office, the vacancy shall be filled as specified in Article VI, paragraph 2.

6. Special meetings of the Board may be called by the President on five (5) days notice to each director, either personally or by mail 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 a majority of the directors in office.
7. A majority of the directors in office shall be necessary to constitute a quorum for the transaction of business, and 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. Any action which may be taken at a meeting of the directors may be taken without a meeting if a consent or consents in writing, setting forth the action so taken, shall be signed by all of the directors and shall be filed with the Secretary of the corporation.
8. Directors as such, shall not receive any stated salary for their services, PROVIDED, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.
9. The entire Board of Directors or any individual Director may be removed by a vote of fifty-one (51 %) percent of all members entitled to cast a vote at a meeting of the members. The votes must be cast by members who are present in person only; no proxy votes will be allowed. The membership shall present the charges in writing against the Director or Directors being removed at least thirty (30) days prior to the meeting at which the vote for removal shall take place. In case the Board or any one or more Directors are so removed, new Directors may be elected under the procedures set forth in Article III and proxy votes will be counted at this juncture.

#### ARTICLE V - OFFICERS

1. The executive officers of the corporation shall be chosen by the directors and shall be a President, Secretary and Treasurer. The Board of Directors may also appoint a Vice President and such other officers, agents and/or committees as it shall be deemed necessary, which appointments shall be valid for such terms and shall convey such authority and the delegation of such duties as from time to time shall be prescribed by the Board. Any number of offices may be held by the same person. It shall not be necessary for the officers to be directors.
2. Officers as such, shall not receive any stated salary for their services, PROVIDED, that nothing herein contained shall be construed to preclude any officer from serving the corporation in any other capacity and receiving compensation therefor.
3. The officers of the corporation shall hold office for one (1) year and until their successors

are chosen and have qualified, except that the officers elected at the organization meeting shall serve until the first annual meeting. Any officer or agent elected or appointed by the Board may be removed by a majority vote of the entire Board of Directors whenever in its judgment the best interests of the corporation will be served thereby.

4. The President shall be the chief executive officer of the corporation; he/she shall have general and active management of the business of the corporation, shall see that all orders and resolutions of the Board are carried into effect, subject, however, to the right of the directors to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the corporation. He/she shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation. He/she shall be EX-OFFICIO a member of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.
5. The Secretary shall attend all sessions of the Board and all meetings of the members and act as clerk thereof, and record all the votes of the corporation and the minutes of all its transactions in a book to be kept for that purpose; and shall perform like duties for all committees of the Board of Directors when required. He/she shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, and under whose supervision he/she shall be. He/she shall keep in safe custody the corporate seal of the corporation, and when authorized by the Board, affix the same to any instrument requiring it.
6. The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation, and shall keep the monies of the corporation in a separate account to the credit of the corporation. He/she shall disburse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all his/her transactions as Treasurer and of the financial condition of the corporation.

#### ARTICLE VI - VACANCIES

1. If the office of any officer or agent, one (1) or more, becomes vacant for any reason, the Board of Directors may choose a successor or successors, who shall hold office for the unexpired term in respect of which such vacancy occurred.
2. Vacancies in the Board of Directors, including vacancies resulting from an increase of the number of directors, shall be filled by a majority vote of the remaining members of the Board though less than a quorum, and each person so elected shall be a director until his/her successor is elected by the members, who may make such election at the next annual meeting of the members or at any special meeting duly called for that purpose and held prior thereto.

## ARTICLE VII - INDEMNIFICATION OF DIRECTORS

1. The Association shall have power to indemnify any person who was or is a party or has threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she is or was a representative of the Association, or is or was serving at the request of the Association as a representative of another corporation, partnership, joint venture, trust or other enterprise. The indemnification shall be against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him/her in connection with such action, suit or proceeding, if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, if he/she had no reasonable cause to believe his/her conduct was unlawful.
2. The Association shall have the power to indemnify any person who was or is a party, or has threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he/she is or was a representative of the Association, or is or was serving at the request of the Association as a representative of another corporation, partnership, joint venture, trust or other enterprise. The indemnification shall be against expenses (including attorney's fees), actually and reasonably incurred by him/her in connection with the defense or settlement of such action or suit if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Association unless and only to the extent that the Court of Common Pleas of Monroe County or the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Common Pleas of Monroe County or such other Court shall deem proper.
3. To the extent that a representative of this Association has been successful on the merits, or otherwise, in defense of any action, suit or proceeding referred to in paragraph 1 or paragraph 2 above or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses (including attorney's fees), actually and reasonably incurred by him/her in connection therewith.
4. A Director of the Association shall stand in a fiduciary relation to the Association and shall perform his/her duties as a Director, including his/her duties as a member of any committee of the Board upon which he/she may serve, in good faith, in a manner he/she reasonably believes to be in the best interests of the Association, and with such care, including reasonable inquiry, skill and diligence as a person of ordinary prudence would use under similar circumstances. In performing his/her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and

other financial data, in each case prepared or presented by any of the following:

- a) One or more officers or employees of the Association whom the Director reasonably believes to be reliable and competent in the matters presented:
  - b) Counsel, Public Accountants and other persons as to matters which the Director reasonably believes to be within the expertise or professional competence of such person; and
  - c) The committee of the Board upon which he/she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence. A Director shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted.
5. In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interest of the Association, consider the effects of any action upon employees, suppliers and customers of the Association and upon communities in which offices or other establishments are located, and all other pertinent factors, the consideration of which shall not constitute a violation of paragraph 4.
6. Absent breach of the fiduciary duty, lack of good faith or self dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Association.
7. The Directors of the Association shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:
- a) The Director has breached or failed to perform the duties of his office under paragraph herein above; and
  - b) The breach or failure to perform constitutes self dealing, wilful misconduct or recklessness.
8. The provisions of paragraphs 4, 5 and 6 of this Article shall not apply to:
- a) The responsibility or liability of the Director pursuant to any criminal statute; or
  - b) The liability of the Director for the payment of taxes pursuant to local, state or federal law.
9. Unless ordered by a Court, any indemnification under paragraphs 1, 2, 3 and 7 of this Article shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances



because he/she has met the applicable standard of conduct set forth in such paragraphs. Such determination shall be made:

- a) By the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to such action, suit or proceeding;
  - b) If such quorum is not obtainable, or, even if obtainable a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel on a written opinion; or
  - c) By the members of this Association.
10. The indemnification and advancement of expenses provided by or pursuant to paragraphs 1, 2 and 3, or any other provisions of law providing for indemnification or advancement of expenses applicable to any non-profit corporation, shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any By-Law, Agreement, vote of members or Directors or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding that office. The provisions of law applicable to any non-profit corporation shall be applicable to any By-Law, contract or transaction authorized by the Directors under this section. This Association may create a fund of any nature, which may, but need not be, under the control of the trustee, or otherwise secure in any manner its indemnification obligations, whether arising under or pursuant to this section or otherwise.
11. Indemnification pursuant to paragraph 10 shall not be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a Court to have constituted wilful misconduct or recklessness.
12. Indemnification pursuant to paragraph 10 under any By-Law, Agreement, vote of members or Directors or otherwise, may be granted for any action taken or any failure to take any action and may be made whether or not the Association would have the power to indemnify the person under any other provision of law except as provided for in this section and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Association.
13. Expenses incurred by any officer, Director, employee or agent in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he/she is not entitled to be indemnified by the Association.
14. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article, shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.
15. The Association shall have power to purchase and maintain insurance on behalf of any

person who is or was a representative of the Association or is or was serving at the request of the Association as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him/her and incurred by him/her in any such capacity arising out of his/her status as such.

#### ARTICLE VIII - CORPORATE RECORDS

1. There shall be kept at the registered office or principal place of business of the corporation an original or duplicate record of the proceedings of the members and of the directors, and the original or a copy of its By-Laws, including all amendments or alterations thereto to date, certified by the Secretary of the corporation.
2. Every member shall, upon written demand, under oath, stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the books or records of account, and records of the proceedings of the members and directors, and make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person's interest as a member. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the member. The demand under oath shall be directed to the corporation at its registered office in this Commonwealth or at its principal place of business.

#### ARTICLE IX - MEMBERSHIP

1. Every owner of a lot appearing on the Plan of the Lots of Spruce Hill Farms, Monroe County, Pennsylvania, as recorded in Plat Book Volumes 12, 14 and 15, at Pages 103,7 and 9, respectively, shall be a member of the Corporation.
2. The owners of each lot shall be entitled to one (1) vote regardless of the number of owners of such lot. Owners of more than one (1) lot shall be entitled to one (1) vote for each lot owned. In the case of more than one (1) owner of a lot, the owners shall designate one (1) person at each meeting who shall vote for that lot at the meeting.
3. The Board of Directors may fix a time, not more than thirty (30) days prior to the date of any meeting of members, for the determination of the members entitled to notice of, or to vote at, any such meeting. Those individuals eligible for membership as described in Article IX, Paragraph 1, who are owners of record, as shown in the Office of the Recorder of Deeds in and for Monroe County, Pennsylvania, on that date, notwithstanding the recording of a deed, or other notice of transfer of any lot after any record date fixed as aforesaid, shall be the members eligible to receive notice of any such meeting. Proof of such ownership shall be conclusively and undisputably evidenced by non reversionary and vested fee simple title as shown in the aforesaid Office of the Recorder of Deeds on the date of determination. The corporation is not required to research the title records to determine ownership of lots. It may

assume that no transfer of title has taken place since the last membership meeting unless notified of a change of ownership accompanied by a copy of a recorded deed or other sufficient evidence of transfer. If no record date is fixed for the determination of members entitled to receive notice of, or vote at, a members' meeting, the record date shall be deemed to be the fifteenth (15) day preceding the date of such meeting. No vote shall be cast for any lot unless there has been paid in full for that lot all dues and assessments due and owing to the Association at or prior to the date in which notice of the particular meeting is dispatched. A member whose dues and assessments are paid in full by the appropriate date shall be referred to as a member in good standing.

4. The Board of Directors shall formally fix and state at the members' annual meeting the dues or assessments to be assessed to the lots in Spruce Hill Farms, and the method and time for the collection of same, for the maintenance and repair of the roads and common areas within the Development and the operation and general business of this Association.

#### ARTICLE X - DUES AND ASSESSMENTS

1. On behalf of the Association, the Board of Directors shall adopt and promulgate membership dues and assessments, fines, late charges, and other charges against the lots and owners thereof, which shall be used to defray the costs of operating, maintaining, repairing, constructing and replacing the amenities and common areas, including roads, and all other costs and expenses incurred by the Association in further achieving the Association's purposes. The Board of Directors may adjust the annual dues and assessments from that year's fixed annual amount subject to the vote and approval of a majority of the members entitled to cast a vote at an annual or special meeting.
2. The dues and assessments levied by the Association, as provided herein, shall be paid by the members on or before the date or dates fixed by resolution of the Board of Directors. Written notice of the dues and assessments and the date of payment shall be sent to the members at the address last given to the Association by each member. All dues will be due within sixty (60) days of the date written notice is sent. If any charge levied against any lot is not paid when due, it shall become a lien upon said lot until paid in full. The Board, on behalf of the Association, may bring such actions as it shall determine appropriate at law or in equity, by way of imposition and foreclosure of a lien upon a member's lot or otherwise, to collect the delinquent dues and assessments including costs of collection, Court and Sheriffs Costs, administrative costs, attorney's fees in an amount equal to twenty-five percent (25%) of the amount that is due and owing, and interest at a rate fixed by resolution of the Board which does not exceed eighteen percent (18%) per annum. The sale or transfer of any lot, either voluntarily or involuntarily, including by Sheriff Sale or Tax Sale, shall not extinguish any lien for charges provided for herein, except discharges of any lien pursuant to the Bankruptcy Laws of the United States.
3. The Grantor and Grantee of a residential unit in a voluntary conveyance, and the previous owner and the Grantee in an involuntary conveyance, including Sheriff Sale or Tax Sale, shall be jointly and severally liable for all unpaid dues and assessments pertaining to said

property up to the date of conveyance, and the Grantee shall be solely liable for all dues and assessments after the date of conveyance.

4. A member who has become delinquent in the payment of the required dues and assessments shall have the right to request that he/she be permitted to pay the delinquent amount in installments. All said requests shall be made to the Board of Directors. The entire Board, in its sole discretion after majority vote, may permit payment in installments. The delinquent member would have to show just cause as to the need for such payment plan, which plan would be established by the Board. As long as such installment payments, if approved, continue to be paid in full by the end of the fiscal year within which the dues and/or assessments were levied, all membership rights and privileges shall remain in effect.

#### ARTICLE XI - RENTERS/TENANTS

1. A member may lease his/her residential unit for occupancy. When leased, and due notice thereof is given to the Association, the member shall be deemed to have assigned limited non-voting membership privileges to the tenant, provided, however, that the tenant shall not be permitted to use the common areas and facilities of the Association unless all dues and assessments have been paid current.
2. By the mere acceptance of a lease and/or the act of occupancy of a member's home in the Association, a Tenant shall be deemed bound and shall abide by all rules, regulations, policies and By-Laws of the Association.
3. If a Tenant refuses to abide by all rules, regulations, policies and By-Laws of the Association, the Board of Directors may, at a regular meeting at which a quorum is present, after a majority vote, fine the member who leased the residential unit to the Tenant. Written notice, sent fifteen (15) days prior to the Board of Directors taking this action, will be necessary to the member who leased the residential unit. Written notice will also be provided to the Tenant within fifteen (15) days of the regular meeting in issue, so the Tenant may provide the Board with a written explanation prior to a fine being levied. If, however, a majority of the entire Board of Directors is aware that the Tenant is no longer occupying the leased residential unit at the time fixed for notice to the Tenant and member, the Board of Directors will provide the member who leased the residential unit with an opportunity to provide the Board with a written explanation prior to a fine being levied.

#### ARTICLE XII - MISCELLANEOUS PROVISIONS

1. All checks or demands for money and notes of the corporation shall be signed by such officer or officers as the Board of Directors may from time to time designate.
2. The fiscal year shall begin on the 1<sup>st</sup> day of April in each year. See Article III, paragraph 2.
3. Whenever written notice is required to be given to any person, it may be given to such

person, either personally or by sending a copy thereof through the mail, or by telegram, charges prepaid, to his/her address appearing on the books of the corporation, or supplied by him/her to the corporation for the purpose of notice. If the notice is sent by mail or by telegraph, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office for transmission to such person. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting of members, the general nature of the business to be transacted.

4. Whenever any written notice is required by statute, or by the Articles or By-Laws of this corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except in the case of a special meeting of members, neither the business to be transacted at nor the purpose of the meeting need be specified in the waiver of notice of such meeting. Attendance of a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.
5. One or more directors or members may participate in a meeting of the Board, of a committee of the Board or of the members, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.
6. Except as otherwise provided in the Articles or By-Laws of this corporation, any action which may be taken at a meeting of the members may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all of the members who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary of the corporation.
7. If a member refuses to abide by all rules, regulations, policies and By-Laws of the Association, the Board of Directors may, at a regular meeting at which a quorum is present, after a majority vote, fine the member. Written notice will be provided to the member in such case within fifteen (15) days of the regular meeting in issue by ordinary mail to his/her address appearing in the books of the corporation so the member may provide the Board with a written explanation prior to a fine being levied. This provision will not apply to a Tenant; rather Article XI will apply to a Tenant.

#### ARTICLE XIII - ANNUAL STATEMENT

1. The President and the Board of Directors shall present at each annual meeting a full and complete statement of the business and affairs of the corporation for the preceding year. Such statement shall be prepared and presented in whatever manner the Board of Directors shall deem advisable and need not be verified by a certified public accountant.

#### ARTICLE XIV - SAVING CLAUSE

1. In the event that any section or part of these By-Laws shall be found by a Court of competent jurisdiction to be invalid or unconstitutional, all other remaining sections or parts shall remain in full force and effect.

#### ARTICLE XV - AMENDMENTS

1. These By-Laws may be amended or repealed by the majority vote of members in attendance at any regular or special meeting of the members, duly convened, with a quorum present, after notice to the members of that purpose.