

# WINONA LAKES PROPERTY OWNERS ASSOCIATION

## BY-LAWS

REVISED July 9, 2010

### ARTICLE I — Name and Jurisdiction

**Section 1.1** The name of this organization shall be the Winona Lakes Property Owners Association.

**Section 1.2** The jurisdiction of this association shall extend only unto the lots and common properties known as Winona Lakes. Section 1 through 20, Eastern Pocono Park, Blocks 1,2,3 and the section known as Cakeout (Kahkout), as described in Books and Records of the Offices of the Recorders of Deeds in and for Monroe and Pike counties, Pennsylvania.

#### **Section 1.3** Definitions

1. ASSOCIATION; Shall mean Winona Lakes Property Owners Association (WLPOA).
2. ASSOCIATION PROPERTIES; All real properties owned by or under the jurisdiction of the Association.
3. COMMON PROPERTIES; All those real properties as are depicted on the subdivision maps or plots of Winona Lakes, or any other name by which the development may have been known, which properties are not subdivided as individual lots.
4. LOT; Shall mean and refer to any plot of land shown upon any recorded subdivision of the properties with the exception of Common Properties as heretofore defined.
5. OWNER; Shall mean and refer to the equitable owner (one or more persons or entities) holding title to any lot situated within the properties, whether such ownership be in fee simple or as installment land sales contract vendee, notwithstanding any applicable theory of mortgage and does not mean mortgagee, unless mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
6. OWNER-MEMBER; That individual who shall be the voting member of any lot. Nothing herein shall grant to any owner-member more than one vote for each lot owned.
7. BOARD; Shall mean and refer to the Board of Directors of Winona Lakes Property Owners Association.

8. MEMBER IN GOOD STANDING; A member, whether owner-member or a social member, shall be deemed to be in good standing if said member has timely paid all financial obligations of membership and has, if having been not in good standing, been declared to be in good standing by the Board in accordance with Article IV, Section 4.3A hereof.
9. SCHEDULE "A"; Shall mean and refer to the covenants and restrictions affecting all owners and properties in Winona Lakes.
10. CO-OWNER; A person who has a legal or equitable ownership interest in any lot, other than a mortgagee or contract vendee, and who is not an owner-member.
11. SOCIAL-MEMBER; A social-member shall be an owner of land adjacent to Winona Lakes, as described in Article I, Section 1.2, who request to join the Association for the purpose of using its social and recreational amenities only. Such members will have no voting rights and shall not be eligible to hold any elected office in the Association. Social-members shall pay the same financial obligations as owners and shall be required to adhere to association rules and regulations

## **ARTICLE II — Purposes and Policies**

**Section 2.1** The Association was formed to administer a recreational and residential community for the following purposes: to foster, develop and promote the health, and safety of the members, convenience, and general welfare of property owners at the development, and maintenance of roadways, and common recreational facilities at the said development.

**Section 2.2** The Association was formed to regulate, inspect, administer, and approve structure and plans for structure, and obtain compliance generally with the restrictions and conditions as to the use of said lots and of related facilities, including roads, bridges, rights of way and parking areas.

**Section 2.3** The Association was formed to protect the value of property of members of the Association; to provide information and a forum for discussion of programs and plans affecting the community; and to have unlimited power to engage in and to do any lawful business for which corporations may be incorporated under Pennsylvania Non-profit Corporation Law.

## **ARTICLE III — Offices**

**Section 3.1** The registered office shall be located in the Clubhouse of Winona Lakes, located on Alpine Drive, Middle Smithfield Township, Monroe County, Pennsylvania, or at such other place as may be designated by the Board of Directors.

**Section 3.2** The Association may also have officers at such other places as the Board of Directors may from time to time determine, and shall notify the

members of the location and address of such offices. No offices shall at any time be maintained in any private residence.

## **ARTICLE IV — Membership**

### **Section 4.1**

- (A) All lots in Winona Lakes shall have only one voting owner member and who will be a member of the Association. The owner-member that has the voting right will receive two (2) membership cards: one for the voting member and one for a designated person that resides in the same house. Their children that reside with them will also be issued cards. No cards can be issued to anyone who is a voting member and is in bad standing in the association. The voting member will also receive four (4) guest passes. All cards will be issued or updated annually and validated by the treasurer of the association or his/her designated person and will be evidence of the good standing of the member whose name appears thereon. All cards will be considered null and void if the status of the voting member involved changes to “Bad Standing” or “Not in good standing.” A member may not resign membership while owning a lot in the development. Membership will automatically cease when ownership of property in Winona Lakes ceases.
- (B) A voting member in good standing, abiding by the by-laws concerning renters may assign his/her membership card, including the designated-member card, to the renter to use the social facilities. The voting owner-member must give up his/her cards and the renters will be issued temporary cards. There can be no more than two temporary renter adult cards and no more than four temporary renter children’s cards issued per property. Renters will not be entitled to any guest passes. Renters will have no voting rights and shall not be eligible to hold any elected office in the Association. The aforementioned privileges may not be used more than twice in our fiscal year ending September 30.
- (C) Renter or Renter-member. Any renter(s) may use the recreation facilities of WLPOA if all of the following criteria are met:
- a) Owner-member is in good standing.
  - b) Renter is properly registered with the Association office.
  - c) Have written statement from the owner-member that he/she gives up his/her recreation rights to the renter.
  - d) Renters, their family members, guests and/or invitees who fail to remain in strict conformity with Governing Documents of the Association, including but not limited to all Bylaws, Covenants, Rules and Regulations, etc., shall be subject to immediate revocation of all assigned WLPOA cards, rights and or privileges.
- (D) A Social-member shall be an owner of land adjacent to Winona Lakes, as described in Article I, Section 1.2, who request to join the Association for the purpose of using its

social and recreational amenities only. Such members will have no voting rights and shall not be eligible to hold any elected office in the Association. Social-members shall pay the same financial obligations as owners and shall be required to adhere to association rules and regulations. All such memberships must be submitted for Board approval.

## **Section 4.2**

- (A) Any change in such dues, except for the cost of living increases as herein provided for must be voted and approved by the membership by majority vote of the members voting on the issue and such a vote thereupon shall be undertaken by mail ballots only. The mail ballot procedure for purpose of dues change shall be conducted by the Election Committee. Ballots setting forth the approval or disapproval of the change shall be mailed by the Secretary of the Association to all members in good standing and shall be returnable to the Association by mail at a date to be determined by the Election Committee, which date shall be not less than fifteen days, nor more than thirty days from the date of notice of the ballot. The ballots shall be opened and counted by the Election Committee who shall report to the President and the Board the results at the next meeting of the Board of Directors.
- (B) The Board of Directors will impose an increase in the dues upon any increase in the cost of living for the preceding reporting year, as computed and reported by the Consumer Price Index, as said index is published by the United States Bureau of Labor & Statistics for the region including Middle Smithfield Township and Lehman Township, using 1982-1984 as the base year.
- (C) Assessments, other than annual dues, shall be imposed for a specific purpose as determined by 3/4 majority vote of the Board of Directors.

## **Section 4.3**

- (A) An owner member who has paid all financial obligations of membership, and who has not been found by the Board of Directors to be in violation of the Rules and Regulations of the Association, as covered in these By-Laws and Winona Lakes Property Owners Association covenants (see appendix I), shall be considered a member in good standing. Any member who is delinquent in the payment of any financial obligation or membership assessed against such member or any property owned by such member or in which he shall have an interest shall cease to be a member in good standing of the Association, and shall be considered to be in violation of the Rules and Regulations until such time that all dues and charges against such member shall be paid and all violations have been corrected, and approved, and the member shall have been reinstated by the Board at the next regular Board meeting.
- (B) When a member ceases to be an owner, such person's membership shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of a written notice to the Association that such person is no longer an owner. When a transfer of property is made, it is the obligation of the selling owner to advise the buying owner of

his/her becoming a member by virtue of the transfer. Upon transfer of title to any property in the community, the parties to the transfer shall immediately notify the Association of the transfer by providing the Association a copy of the signed and acknowledged deed by which title was transferred. The new owner shall pay all applicable transfer fees.

- (C) The association may enter into installment payment agreements with members requesting so for financial hardships. This will be done at the discretion of the community manager in association with the executive committee. Members on approved payment plans will not be charged interest to the outstanding amount but will be assessed with an administrative fee which will be incorporated into the payment agreement. Members on approved payment plans will sign an agreement for this plans which states the monthly amount, due dates and rights and privileges of membership, and consequences should the member fail to meet the obligations of the agreement. Any member on an approved payment plan who also has an outstanding amount placed with an outside agency for collection must make consecutive monthly payments to that organization as well in order to take advantage of privileges afforded those on payment plans. Owners adhering to payment plans and any prior payment arrangements with an outside agency have all the rights and privileges of membership except voting on any matters put before the membership and running for an elected position on the Board of Directors.

**Section 4.4** The Association shall issue membership card annually to each Owner/Social member in good standing and to the member spouse and children, which card shall be validated by the Treasurer of the association or his/her designee and shall be evidence of the good standing of the member whose name appears thereon.

#### **Section 4.5**

**Section 4.6** In the event any owner is a Corporation, Association or Partnership, the said owner shall designate which officer, director or partner thereof shall be and constitute the voting member. That voting member will receive two (2) adult passes, one for the voting member and one for his/her designated member.

## **ARTICLE V — Voting Rights**

**Section 5.1** An Owner Member shall be entitled to one vote for each lot owned by said member, provided all financial obligations of membership have been paid in accordance with the provisions of Article IV and owner has not been found to be in violation of covenants, by-laws and regulations of the association.

#### **Section 5.2**

- (A) When more than one person owns such lot, the vote shall be exercised by the Owner Member and in no event shall more than one vote be cast per lot.
- (B) In the event the owner of a lot is a corporation, association or partnership, the person designated as the Owner Member as required in Section 4.6 shall have the voting right.

**Section 5.3** In any event, no owner, corporation, association or partnership may cast more than ten (10) votes regardless of the number of lots owned.

**Section 5.4** Any changes in Owner-Membership shall be reported in writing to Winona Lakes Property Owners Association by November 1 of the current year so that the Association can properly establish an election record date. Only Owner-Members that are recorded in the Association's books and records as of the election record date will be entitled to vote if said members are in accordance with sections 5.1 through 5.3 of Article V.

## **ARTICLE VI — Membership Meetings**

**Section 6.1** The Board of Directors shall determine the places of meetings of the members. The location of the meeting shall be made part of the call to each member. All such meetings shall be held on weekend dates. The Secretary shall give notice of such meetings to the members in the official publication or by special written notice.

**Section 6.2** There shall be at least two general membership meetings each year to be held on the third Saturday of August and the third Saturday of October. The August meeting shall hereinafter be called the Annual Budget Meeting and the October meeting shall hereinafter be called the Annual Election Meeting. The exact time that each respective meeting will convene shall be determined by the Board of Directors. In the event such meetings cannot be held, the Board shall determine an alternative date therefor.

**Section 6.3** Special meetings of the general membership may be called by the President at such times as the President may deem necessary, or upon written request of a majority of the Board of Directors, or upon written request specifying the reason therefore, signed at least fifteen percent (15%) of the owner members in good standing, delivered to the Secretary of the association. Upon receipt, it shall be the duty of the Secretary to immediately transmit same to the President, who shall fix the time of the meeting, which shall be held not less than twenty (20) or more than sixty (60) days thereafter.

**Section 6.4** Written notice of the Annual Budget Meeting, Annual Election Meeting and of any Special Meeting of the members stating the place, the date and hour and the general nature of the business to be transacted thereat, shall be given to each member entitled to vote at such address as appears on the books of the Association at least thirteen (13) days before such meeting, unless a greater period of notice is required by statute.

**Section 6.5** Business transacted at any special meetings and any adjournment thereof, shall be confined to the business stated in the original call of meeting.

**Section 6.6** A quorum for the purpose of transacting any business in a meeting of the members shall be at least ten (10%) percent of the Owner Members in good standing, subject, however, that if any meeting of members cannot be organized because a quorum

of members entitled to vote was not in attendance, the Board of Directors shall adjourn the meeting to such time and place as they determine to be not less than fourteen (14) days and not to exceed twenty-one (21) days (minimum 2 weekends-maximum 3 weekends from the date of the original membership meeting) at which adjourned meeting any number of qualified members present shall constitute a quorum and shall have the right to transact business. Notice of such adjourned meeting shall be sent to all members in good standing not later than five (5) days after the adjourned meeting date.

**Section 6.7** Any notice required to be given to the membership under these By-laws may be timely given in the official publication, the “WinonaGram”.

## **ARTICLE VII — Board of Directors**

**Section 7.1** There shall be a total of nine (9) Directors of which a minimum of two (2) shall be elected at the Annual Election Meeting of the membership and shall serve in such capacity without compensation. Their term shall commence immediately following the meeting of the membership at which time the Board of Directors are elected. Each Director shall hold office until his successor is elected or appointed as provided for in these by-laws. Each Director shall be over the age of 21, shall be an owner-member or spouse of an owner-member in good standing of the Association and shall be subject to the restrictions as per Section 9.5 of these By-Laws.

- (A) A Director must be, and at all times during his or her term remain, a member in good standing. Any Director who loses such standing shall be considered as having automatically forfeited his or her position. The vacant position will then be filled as otherwise outlined herein.
- (B) Any Director who is deemed to have forfeited his or her position in account of a loss of in good standing shall be notified by the Board in writing. Within seven (7) days of such notice, the affected Board Member may submit a written request to the Board seeking an appeal of the forfeiture. Should the affected Board Member fail to submit the aforesaid written request for appeal within the time allotted, the forfeiture of position shall be deemed final and absolute. Should the affected Board Member submit a timely request for appeal, the remaining Board Members shall convene a hearing at the next regularly scheduled Board meeting in order to evaluate the merits of the appeal. The affected Board Member shall be given an opportunity to present his or her position.

In evaluating the merits of the appeal, the remaining Board Members shall not grant exceptions to the automatic forfeiture provisions hereof except in cases of real and bona fide hardship outside of the control of the affected Board Member. The granting of an appeal must be by a two-thirds majority of the remaining Board Members present at the appeal hearing. Subsequent to the notice of forfeiture, and pending the outcome of an appeal (if any), the affected Board Member may not vote or participate in any Board Functions.

- (C) Any Committee Member who misses three (3) consecutive regularly convened Committee meetings or five (5) regularly convened Committee meetings in any fiscal year shall be considered as having automatically forfeited his or her position on the

Committee. Likewise, all Committee Members must be and at all times during his or her term remain, a Member in good standing. Any Committee Member who loses such standing shall be considered as having automatically forfeited his or her position. Any forfeiture of position by a Committee Member shall be automatic and not subject to the appeal provisions of 7.1b above.

**Section 7.2** Each Director shall serve for a term of three (3) years. Vacancies in the Office of Director shall be filled by the remaining members of the Board, as soon as possible, and the person or persons appointed as Director(s) shall serve until the next Annual Meeting, at which time a successor(s) shall be elected to serve the balance of the unexpired term(s). The Board of Directors shall have the right to appoint any qualified member of the Association to the vacant directorship.

**Section 7.3** The Board of Directors shall be vested with the duty and obligation of determining all matters of policy and decisions of the Association and such other duties as set forth by these By-Laws. Subject to the restrictions of these By-Laws, the Board shall (A) Hire a Community Manager, Management Company or a sufficient number of people to adequately perform the day-to-day operation of Winona Lakes. The personnel that will be hired to perform such duties, shall not be property owners, renters or members of their families. This is set forth in consideration of the well being of the community and its members. The employment of property owners, renters or members of their families may only be considered as a temporary solution to an emergency situation and only at the discretion of the Board of Directors.

- (B) Set policy by which the business and affairs of the Association shall be managed in trust for the members.
- (C) Promulgate Rules and Regulations for the general welfare, health and safety of the members.
- (D) Levy dues, fees, charges, assessments and other financial obligations of membership as authorized in the budgets, these By-Laws, Association's Rules and Regulations, and/or covenants.
- (E) Adopt appropriate procedures to put into effect the provisions of these By-Laws.
- (F) To sue or defend suit in the Association Name.
- (G) To purchase, take, receive, lease as lessee, take by gift or bequest, or devise or otherwise acquire and to own, hold, use and otherwise deal with any real or personnel property or any interest therein, situated in or out of this State, which may be necessary or proper.
- (H) To borrow money, enter into contracts, issue notes or other evidence of debt, for money or labor done or money or property actually received, and to secure any of its obligations of mortgage, pledge security agreement or deed of Trust to any of its property franchises and income.

- (I) To purchase, take by gift or bequest or otherwise acquire and to hold shares, bonds, securities or other evidences of debt of any other person or corporation and to exercise all rights and privileges of such ownership, subject to limitations imposed by law.
- (J) To determine whether the conduct of any member, his household or guests have violated any rules or By-Laws of the Association and if so, to fix the penalty for such violation.
- (K) To set pay scales for employees of the Association within budgetary limits.
- (L) To take such action and steps as are necessary to enforce any deed covenants, reservations or restriction, or By-Laws, Rules or Regulations promulgated by the Association.
- (M) The Board of Directors shall elect a President, Vice President, Secretary and Treasurer who shall serve for one year and not serve more than four (4) consecutive annual terms in the same position. The Board may further elect from its members such assistant Secretaries and/or Assistant Treasurer for a term not to exceed one year, as it shall deem necessary and appropriate.
- (N) Subject to any necessary approval of funds therefore, the Board shall see that a budget is prepared and adopt said budget at the regularly scheduled July meeting for the ensuing fiscal year. Said budget shall be presented to the members at the Annual Budget Meeting in August for the ensuing fiscal year.
- (O) To cause to be conducted an annual audit of the Association's financial affairs by a certified public accountant, and to cause to be conducted at any time it deems necessary and in the best interest of the Association, an interim audit thereof.
- (P) The Directors shall cause an official publication to be published by the Association not less than four (4) times a year. The editor of the official publication shall be selected by the Board and said editor may be a paid employee of the Association.
- (Q) To hear and decide appeals from members seeking relief from any schedule of payment of financial obligations of membership adopted by the Board. No relief therefrom shall be granted except in the case of real and bonafide hardship and by the vote of two-thirds of the members of the Board then in office.

**Section 7.4** The Board of Directors shall deal with all matters of administration through the Community Manager. Individual Committee Chairpersons may deal with such matters, but only with the approval of the Board. The board shall evaluate the performance of the community manager within the first six (6) months of his/her employment and at least annually thereafter.

## **Section 7.5**

(A) The first meeting of the Board following the annual election, whether said meeting be a regular or special meeting, shall be an organizational meeting. At that meeting the Board shall:

1. Elect officers from amongst its members.
2. Set the calendar of regular meetings for the coming year.
3. Approve members of standing committees as appointed by the President.

(B) Regular meetings shall be held on the 3rd Saturday of each month or an alternative weekend date as chosen by the Board, and shall be open to the membership at all times except as provided in subdivision (G) of this section. In the event that any member of the Board shall be absent from three (3) regularly scheduled consecutive meetings or a total of five (5) Board meetings in a year, the year being measured from the Annual Election Meeting to the Annual Election Meeting, by action taken at the meeting in which such third consecutive or fifth cumulative absence occurs, declare the office of said absent Director to be vacant. The business to be taken up at regular meetings, insofar as applicable shall include the following:

1. Quorum roll call
2. Approval of the minutes of previous meetings
3. Reinstatement of members
4. Attorney's report
5. Treasurer's report
6. Manager's report
7. Committee reports
8. Awarding contracts
9. Hearing upon, adoption or amendment of proposed changes to the Rules & Regulations or policies on second reading
10. Other unfinished business
11. New business

12. Proposed changes (additions, deletions and modifications) to the Administrative Code, Rules and Regulations and policies on first reading.
  13. Communication (a) written and (b) oral petitions, hearings and comments by members
  14. Secretary's report
  15. Miscellaneous
  16. Adjournment
- (C) Motions affecting the Rules & Regulations or policies shall be introduced on first reading and shall not be acted upon until the succeeding meeting of the Board. The agenda for each regular meeting shall be prepared and posted at the offices of the Association prior to the date of the meeting. All motions affecting the Rules & Regulations or policies of the Association shall be published in the official publication. Except for emergency matters which may be added to the agenda at any time with the approval of the President, the agenda for each regular meeting of the Board of Directors shall include only those matters of Association business as have been submitted in writing to the President at least twenty-one (21) days prior to the meeting.
- (D) Special meetings of the Directors shall be called at the request of the President, the Community Manager or 3 Directors, on at least 72 hours notice of each of the Directors. The request and the call for a special meeting shall specify the purpose, time and place of the meeting, and no other business may be transacted. All special meetings of Directors shall be on a weekend day.
- (E) In the event of an emergency, upon receipt of any such request, the President shall forthwith give notice of such meeting by telephone or written notice to each Director and the Community Manager as to such place as he/she shall have previously designated for that purpose. Notice of at least forty-eight (48) hours shall be given for each emergency meeting. Emergency meetings of the Board of Directors may be called by the President or the Community Manger on 48 hour's notice. In the event a matter of such emergency arises that an emergency meeting cannot timely convene, the President may bring the issue before such members of the Board of Directors as can be reasonably contacted by telephone or similar communication equipment and action on such issue may be taken based on the results thereof. Any actions taken at such emergency meeting or by telephonic communication shall be brought before the Board of Directors again at the next ensuing regular meeting thereof for their review.
- (F) A majority of the Directors then in office shall constitute a quorum. If less than a quorum shall be present at any meeting of the Director, those present shall adjourn.
- (G) Closed meetings may be held upon resolution of a majority of Board Members present at any open meeting of the Board and only for the following purposes (providing that said

resolution shall specify the purpose of the closed meeting and only those matters referred to in said resolution may be discussed):

1. To discuss the reputation and character, physical condition, mental health and/or the professional competence of an individual. The meeting shall be opened if the individual involved so request.
2. To consider the removal from office, discipline or dismissal of, or to hear complaints brought against a director, officer, employee, staff member or to consider the discipline of individual members of the Association. The meeting shall be opened if the individual involved so request.
3. To discuss strategy with respect to collective bargaining or litigation.
4. To consider the purchase, exchange, lease or value of real property, if open discussions are believed to have a detrimental effect on the negotiating position of the Association.
5. Or any such other emergency matters as deemed necessary by the majority of the Board present.

**Section 7.6** A Board Member of the Association may be removed from his office for good cause by a two-thirds majority of the Directors then in office at a special meeting called for that purpose not less than fifteen (15) days nor more than thirty (30) days after a motion to remove, which shall include specific cause, has been made, seconded and approved by majority of the Directors then in office in an open meeting of the Board. The Board may adjourn to closed session to consider the motion and examine the evidence relating to cause, provided that the vote on the motion to remove shall be made by roll call and recorded in open meeting. The Board may suspend the authority of a Director pending resolution of the motion to remove said Director from office.

**Section 7.6a** A Board Member of the Board of Directors of the Association may be removed from his/her office, with or without cause, by a majority vote of the Owner Members in good standing of the Winona Lakes Property Owners Association. In order for a Board Member or Board Members to be removed by a majority vote of the Owner Members in good standing, a petition to remove a Board Member or Board Members must be signed by at least (15%) percent of the Owner Members in good standing and must be submitted to the Board of Directors at a regularly scheduled meeting. Upon receipt of a petition, the Association Secretary shall transmit to the President the petition who shall then deliver to the Association Solicitor the petition along with a list of members in good standing. The Association Solicitor shall verify and qualify all signatures. The Association Solicitor shall present to the Board at the next regular meeting, the petition along with a recommendation to either ratify or reject the petition. Should the petition be recommended for ratification by the Association Solicitor, the Board shall ratify the petition at that meeting.

Upon any proper ratification of any petition, the Board shall within 7 days, send to all Owner Members in good standing a ballot to remove the Director or Directors. The ballot shall be mailed with a return addressed envelope of the Association Auditor for that fiscal year. All ballots must be received within 30 days of the date of mailing and shall remain in the possession of the Association Auditor at all times to be counted and tabulated on the first business day following the 30 day voting period. Should the 30 day period end on a Sunday or a legal holiday, the voting Owner Member will have until the close of the next business day for the ballot to be received.

Should any Director or Directors be removed, within 7 days the Association Auditor shall send a notice to all Owner Members in good standing notifying the membership of the vacancy or vacancies. For a period of 21 days from the vacancy notice mailing date, any Owner Member in good standing may, in person submit an approved application along with an optional biography of 250 words or less for the vacant position at the Association Office during regularly scheduled hours of operation. At the end of the application period, the Community Manager shall mail to all Owner Members in good standing a ballot with the names of the eligible candidates along with their uncensored biographies if submitted by the candidate. The return ballots shall be mailed back in the official addressed envelope to the Association Auditors. All ballots must be received within 30 days of the date of mailing and shall remain in the possession of the Association Auditor at all times to be counted and tabulated on the first business day following the 30 day voting period. Should the 30 day period end on a Sunday or legal holiday, the voting member will have until the close of the next business day for the ballot to be received. Should the Board of Directors be removed in its entirety, the Association Solicitor and the Community Manager shall administer the affairs of the Association and have full financial signature authority until such time as a new Board of Directors can be seated following a mail ballot election with ballots cast by Owner Members in good standing and overseen by the Association Solicitor and Community Manager.

## **ARTICLE VIII — Officers**

**Section 8.1** The officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be members in good standing, to be elected for a one (1) year term by the Board of Directors from its membership at the first Board meeting after the annual meeting of the membership. These officers shall serve without salary. Any officer may attest all bonds and mortgages and all contracts of the Association.

**Section 8.2** An officer of the Association may be removed from his office for good cause by a two-thirds majority of the directors then in office at a special meeting called for that purpose not less than fifteen (15) days nor more than thirty (30) days after a motion to remove, which shall include specific cause, has been made, seconded and approved by a majority of the Directors then in office in an open meeting of the Board.

The Board may adjourn to closed session to consider the motion and examine the evidence relating to cause, provided that the vote on the motion to remove shall be made by roll call and recorded in open meeting. The Board may suspend the authority of an officer and assign his duties to another officer of the Association pending resolution of the motion to remove said officer from office.

**Section 8.3** The President shall be Chief Executive Officer of the Association; preside at all the meetings of the Board and the members; see that all orders and resolutions of the Board of Directors are carried out. The President shall with approval by the Board execute all bonds and mortgages and all contracts of this Associations and affix the Corporate seal thereto. The President shall generally coordinate the activities of all other officers of this Association and see that duties are properly performed; appoint all committee members, subject to the approval of the Board, and be a member of all committees; and report to the Board all matters within his/her knowledge that may affect this Association.

**Section 8.4** The Vice-President shall, in the absence of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board may prescribe or the President may delegate.

**Section 8.5** The Secretary shall attend all meetings of the Board and all meetings of members and act as a clerk thereof, and record all votes and minutes of all proceedings to be kept for that purpose, in a permanent file, cause to be sent notices of all meetings to the members and/or Board, and perform such other duties as may be prescribed by the Board or the President. The Secretary shall be the official custodian of the Association's records and Corporate Seal.

**Section 8.6** The Treasurer, under the direction of the Board, shall oversee the handling and disbursements of the funds of the Association, shall keep full and accurate accounts of receipts and disbursements and books belonging to this Association, all monies and valuable things in depositories designated by the Board. The Treasurer shall be qualified to be and shall appropriately bonded at the expense of the Association.

**Section 8.7** Any disbursements of the funds of the Association shall, provided that same shall be only on proper voucher, be signed by two of the four signatories which are The President, the Vice-President, the Treasurer and/or the Community Manager.

**Section 8.8** The Board may require any officer or employee to be bonded in such amount as the Board may deem requisite, at the expense of the Association.

**Section 8.9** No member shall hold more than one (1) elected office at a time.

**Section 8.10** In the event that a director is subject to the provisions of Article IX, Section 9.5a, b, c or d, such director shall resign or shall be subject to removal by the Board upon investigation and submission of findings by ethics committee.

**Section 8.11** Vacancies in the positions of officers shall be filled by the Board as soon as possible and the person(s) appointed to the vacant position(s) shall serve until the next Annual Election meeting.

## **ARTICLE IX — Election Procedures**

### **Section 9.1**

- (A) The election committee, composed of not less than five (5), no more than seven (7), all of whom shall be Owner-Members of this Association in good standing, shall present to the Board of Directors, at the regularly scheduled Board meeting in July by 12:00 (noon) Eastern Daylight Savings Time, a list of eligible candidates for positions to be filed by the election at the Annual Election Meeting. Additional nominations may be made by petition signed by ten (10) members in good standing who have the consent of the candidate, provided said petition shall be filed with the Chairperson of the Election Committee not later than the date of the regularly scheduled Board meeting in August by 12:00 (noon) Eastern Daylight Savings Time. No member shall sign a number of petitions greater than the number of candidates to be elected at the next Annual Election Meeting. All candidates must utilize the official Winona Lakes Property Owners Association filing form and personally sign the form in the presence of the Community Manager or his designee. No member of the Election Committee nor member of their immediate family shall be a candidate for election. Immediate family is defined as spouse, child, sibling or parent.
- (B) In the event there are more board seat openings than applications or petitions received and the length of term on the board is the same for the available seats, the Board of Directors may determine that an elections will not be held and the application/petitions that have been received shall be appointed as board members at the Reorganization meeting in October.

**Section 9.2** Ballots containing names of the candidates shall be mailed by the Secretary of the Association of his/her designee to all members in good standing at least thirteen (13) days before the election meeting. Members shall indicate their choices and return their ballots to the Election Committee in an envelope provided. The ballots may be mailed or delivered in person at the Election Meeting.

**Section 9.3** Ballots shall be opened and counted at the Annual Election Meeting. The results of the balloting shall be declared at the Annual Election Meeting and certified by the Secretary of the Association or his/her designee.

**Section 9.4** The term of office shall commence immediately following the Annual Election Meeting and end at the Adjournment of the Annual Election Meeting in the year in which the term expires.

**Section 9.5** Notwithstanding the preceding provisions, no nominations for directors and no petitions for the same will be considered if the proposed nominee is:

- (A) An active supplier of goods or services to the Association, an employee of such supplier, or
- (B) A person convicted of a felony in any court in the United States or
- (C) Has not been an Owner Member in good standing for the entire preceding year, or
- (D) The proposed nominee has conflict of interest. The Board shall determine all cases of conflict of interest after investigation and submission of findings by the Ethics Committee.

**Section 9.6** If for any reason an election cannot be conducted at the Annual Meeting, or if conducted, the results thereof cannot be certified, the Board shall have the right to conduct the annual election at such later date and time as it shall set, provided, however, that in so doing it shall attempt to comply with the scheduling provisions and all other terms of this Article.

## **ARTICLE X — Committees**

**Section 10.1** The standing committees of the Association shall be the following:

- (A) Executive, consisting of the President and two (2) Board members
- (B) Management
- (C) Ethics
- (D) Architectural, Land Use and Planning
- (E) Election
- (F) Recreation
- (G) Maintenance
- (H) Finance, Auditing and Planning
- (I) WinonaGram (Official Publication)
- (J) Such other committees as the President or the Board may from time to time establish. All committees will elect their own chairperson and secretary.
- (K) The Treasurer shall be a member of the Finance/Audit and Planning Committee. The Community Manager shall be a member of the Management, Architectural, Recreation and Maintenance Committees.

- (L) All committees with the exception of the Executive and Recreation Committees shall be limited to a maximum of seven (7) members.
- (M) The President shall appoint the committee members subject to the approval of the Board of Directors.

## **ARTICLE XI — Capital Improvements and Acquisitions**

**Section 11.1** Notwithstanding any other provisions contained herein, the board may make financial expenditures, other than for routine and emergency maintenance matters, not accounted for in the budget, exceeding \$40,000 only with the approval of three-fourths (3/4) majority of the Directors at a regularly scheduled meeting of the Board of Directors.

## **ARTICLE XII — Damage to Property**

**Section 12.1** When property of the Association is damaged by a member or his guest, tenant, or family, such damages will be repaired immediately by the Association, and the member shall be billed for immediate reimbursement to the Association, and for such other amounts in accordance with fines approve by the Board.

**Section 12.2** No parking is permitted on any WLPOA road or right of way. During the winter season, from November 1 through March 31, any vehicle parked on WLPOA roads or right of way shall be towed at the owner's expense. The name and phone number of the towing company shall be posted in the WLPOA Clubhouse. At all other times a warning sticker will be placed on the vehicle. Should there be a second offense(s) the vehicle will be towed, with all charges and expenses being paid by the vehicle's owner.

- (A) Any vehicle not having a current registration or inspection sticker will be considered a stored vehicle subject to removal. Antique vehicles must have proper certification.

## **ARTICLE XIII — Seal**

**Section 13.1** This association shall have a seal which shall be inscribed with the name of the association, the year of its organization, and the words, "Corporate Seal, Pennsylvania."

## **ARTICLE XIV — Amendments**

**Section 14.1** Amendments to these by-laws may be proposed by the Board or at least fifteen (15%) percent of the Owner Members in good standing. Any such proposed amendment and a ballot providing for the approval or disapproval of said amendment shall be mailed together with a return envelope to each member in good standing.

Any proposed amendment receiving the affirmative vote of more than fifty (50%) percent of the owner members in good standing voting thereon within thirty (30) days of the mailing of the ballot therefor shall be deemed adopted.

## **ARTICLE XV — Community Manager**

**Section 15.1** The affairs of the association shall be administered by a Community Manager, and such personnel as may be, from time to time, authorized by the Board of Directors. The Manager shall be responsible to the Board of Directors for the management of the affairs of the Association, the maintenance of its property, and the execution of the policies and decisions of its property, and the execution of the policies and decisions of the Board of Directors. The Manager shall not be a Director.

**Section 15.2** The Manager shall be appointed by the Board of Directors and serve at the direction of the Board. A motion to remove the Manager may be made, seconded and carried by two-thirds of the members of the Board then in office.

## **ARTICLE XVI — Ombudsman**

**Section 16.1** An Ombudsman shall be elected at the annual meeting and shall serve a one (1) year term. The nomination of candidates for the office of Ombudsman shall be in accordance with provisions of Article IX of these By-Laws.

- (A) The Ombudsman shall be subject to the same eligibility requirements of a Board Member and as such, shall be subject to the automatic forfeiture and appeal provisions of Article VII.

**Section 16.2** The Ombudsman shall investigate complaints by members involving delays, injustices and infringements of the by-laws, and the Rules and Regulations of the Association, by the officers or Board Members and shall submit written findings to the Board for evaluation and appropriate action.

**Section 16.3** The Ombudsman shall have free and uncensored access to the Winonagram for the purpose of publishing findings on complaints and investigations.

## **ARTICLE XVII — Architectural Approval of Construction**

**Section 17.1** No building or structure shall be erected upon any lot or lots at Winona Lakes without first obtaining all required permits from any applicable public body or governmental unit and Winona Lakes Property Owners Association; Architectural, Land Use Committee and Planning Committee as to the location, elevation, plan and design of the proposed improvement.

**Section 17.2** An owner member who plans to construct a residence or any other improvements upon a lot or lots at Winona Lakes shall apply to Architectural, Land Use and Planning Committee for approval of the plans for said construction prior to the commencement of any work on said lot or lots.

**Section 17.3** All application for approval of construction shall be submitted on application forms approved by the Land Use/Architectural Committee and shall be accompanied by construction plans, a deposit agreement and the monetary deposit required by the Board of Directors of the Association, in order to secure the adequate clean-up of the lot after the completion of construction and the building permit fee.

**Section 17.4** All construction shall be in accordance with applicable Building Regulations as may be adopted and approved by the Board of Directors of the Association from time to time.

**Section 17.5** All construction must be completed within twelve (12) months from the date of issuance of WLPOA building permit, or a new permit must be obtained from WLPOA Community Manager and payment of applicable fees.

**Section 17.6** The Architectural Committee shall approve or disapprove all permit applications within 30 days of submission.

## **ARTICLE XVIII — Miscellaneous**

**Section 18.1** Dues Notices shall be submitted to the membership not later than thirty (30) days prior to the beginning of the fiscal year therefor. Said notices shall include the lot, block and section number, the member's name and permanent address, the amount due for the current ensuing fiscal year and all unpaid prior balances. All such amounts shall be due and payable in full within thirty (30) days from the due date thereof, except as otherwise provided by the Board. Interest at the rate of one and one-half (1½%) percent per month shall be added to the amount due the Association for all payments received after the due date. In the event full payment has not been received, the Association shall employ all appropriate methods for securing collections of the same, including, but not limited to the filing of suits and the seizure and/or sale of the delinquent member's real and/or personal property. In the event any such proceedings are brought, there shall be added to the amount due the Association's reasonable costs of collection, including court costs and attorney's fees.

**Section 18.2** Conduct of Meeting. All meetings of the membership shall be conducted in accordance with Robert's Rules of Order (as currently revised).

**Section 18.3** Conflict of Interest.

- (A) No contract or other transaction between the association and one of its Directors, Officers or Employees, or between the association and any other corporation, firm or business entity of any type or kind in which one or more of the Association's Directors, Officers or Employees are interested, shall be void or voidable solely by reason of the common interest (or solely because the Directors, Officers or Employees are present at the meeting of the Board at which time the contract or transaction is approved or solely because the Directors' votes are counted for the purpose) if the contract is fair and reasonable as to the Association at the time it is authorized, approved or ratified and either.
1. The fact of the interest is disclosed or known to the Board and the Board authorizes, approves or ratifies the contract or transaction by unanimous written consent, provided at least a majority of Directors so consenting are disinterested, or by affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or
  2. The fact of the common interest is disclosed or known to the members of the Association and they authorize, approve or ratify the contract or transaction.
- (B) Common or interested Directors may be counted in determining the presence of a quorum at a Board meeting at which a contract or transaction described in this subsection A aforesaid of this Section is authorized, approved or ratified.

**Section 18.4** Liability of Directors, Ombudsman and Committee Members.

- (A) Each member of the Board of Directors shall stand in a fiduciary relation to the Corporation.
- (B) Each Director of the Corporation shall perform the duties as such Director (including the duties as member of any committee or committees), or refrain from performance of such duties, in good faith and in a manner reasonably believed to be in the Corporation's best interests. Furthermore, in performing or refraining from performing such duties, each Director shall exercise that degree of care as an individual of ordinary prudence would exercise under similar circumstances.
- (C) In determining whether a Director acted or refrained from acting in good faith, the Director shall be entitled to rely on information, reports, statements, and the like, including financial data as prepared by corporate employees/officers whom the director reasonably believes to be competent in the matter presented. Also, a director may rely upon information, reports, data, accounts and similar materials as prepared by counsel and accountants whom the Director reasonably believes to exercise professional and/or expert competence in the matter presented. Finally, a Director may rely on the reports, etc., of any committee or the Board of Directors as to matters within its designated authority, provided, however, that the Director does not serve upon such committee.

- (D) A Director shall be deemed to act or fail to act in the absence of good faith when that Director has knowledge regarding the matter in question that would cause such Director's reliance in the information, data, reports and the like provided by others as set out above to be unwarranted.
- (E) In determining what is or is not in the Corporation's best interests, a Director may consider the following factors, including, but not limited by way of specification, to the effects or any action or failure to act upon corporate employees, upon corporate suppliers or customers, and upon communities where the appropriate office is situate, as well as other pertinent factors.
- (F) When breach of fiduciary duty, lack of good faith, and self-dealing are absent, it shall be presumed that a Director's actions or a Director's failure to act shall be in the best interests of the Corporation.
- (G) A Director shall not be eligible for monetary damages as such for action or actions taken or for the failure to act unless:
1. The Director has breached or failed to perform the duties as Director under the standard of care described herein above; and
  2. The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.
- (H) In so far as applicable, Section 18.4B through G will also include the Ombudsman and Committee members appointed by the President and approved by the Board.
-

# WINONA LAKES

## SCHEDULE "A"

Under and subject to the following covenants, easements, reservations, charges and conditions, which are part of a general development scheme of the land referred to herein, and shall run with and bind the land to be conveyed hereunder.

- 1) The premises hereby conveyed shall be used for private, single family residential purposes only. Private garages in harmony with main buildings may be erected.
- 2) No building, structure or fences shall be erected upon the premises hereby conveyed without first obtaining the approval, in writing, of the grantor, as to location, elevation, plan and design. A structure or construction must be completed within twelve months after same is started.
- 3) Any building erected on the premises shall be subject to all governmental regulations relative to construction, in addition to the covenants, easements, reservations, charges and conditions herein contained.
- 4) No building shall be erected on any lot within twenty-five feet of any road, nor within fifteen feet of the side or rear lines of said lot, except in the case of corner lots, whereon no building shall be erected within twenty-five feet of the side road. In the event of a conflict of the provisions of this paragraph with any local subdivisions or zoning ordinances, such ordinances shall control.
- 5) Water supply and sewage disposal systems must conform to all applicable health and building codes. Installations of said systems shall be performed simultaneously with the construction of a residence on the lot.
- 6) Grantor reserves the right to grant easements for utilities over, under and across a ten foot strip along the boundary lines of the premises hereby conveyed.
- 7) Grantor grants and conveys to grantee the right of ingress, egress and regress to and from grantor's lot and upon that portion of grantor's land shown as streets on the recorded map of the land of which the premises hereby-conveyed are a part; provided, however, that such use shall be subject to the following;
- 8) Grantor's right to convey the ownership, or the control of said streets to the property owners' association, with reservations, or to dedicate said streets to public use, but no dedication to public use is intended to be made by this instrument.
- 9) No animals shall be kept on any lot other than commonly accepted domestic pets.

- 10) No signs of any type shall be erected or maintained on the premises. The grantee agrees to remove any signs within five days after notice from the grantor, and in the event same are not removed within five days, the grantor reserves the right to enter onto the premises hereby conveyed, for the purpose of removing such signs, and the grantee agrees to pay the reasonable cost of Said removal.
- 11) The grantee by acceptance of this instrument, and fulfillment of his obligations hereunder, will become a voting member of the Winona Lakes Property Owners' Association, with the right to participate in its proceedings and decisions, and agrees to comply with its by-laws, charges and dues.
- 12) All garbage, trash and rubbish shall be kept in sanitary containers at all times, and promptly removed. No unlicensed motor vehicles or farm implements, and no junk, building materials, or other items that would tend to degrade the Winona Lakes Development, shall be kept on the premises. The grantee agrees to remove any such items within five days after notice from the grantor, and in the event same are not removed within five days, the grantor reserves the right to enter onto the premises hereby conveyed, for the purpose of removing any said items, and the grantee agrees to pay the reasonable cost of said removal.
- 13) No tent, trailer, mobile home or temporary type of structure of any kind shall be placed or used upon any part of the premises hereby conveyed, at any times. The grantee agrees to remove any such tent, trailer, mobile home or temporary structure, within five days after such notice from the grantor, and in the event same are not removed within five days, the grantor reserves the right to enter onto the premises hereby conveyed, for the purpose of removing any said objects, and the grantee agrees to pay the reasonable cost of said removal.
- 14) Firing of guns of any kind is prohibited at all times on the premises hereby conveyed, and on the premises of which this lot is a part, except in areas specifically reserved for that purpose.
- 15) The grantee is hereby granted the privilege of boating, bathing, fishing and ice skating in and on the waterways on the premises of which this lot is a part of the privilege of using the playgrounds and public areas shown on the filed maps of Winona Lakes. None of the foregoing privileges shall be engage in for any commercial purpose whatsoever, and no boats powered by internal combustion engines shall be used on the waterways. The grantees of waterfront lots are hereby granted the privilege of erecting and maintaining a dock into the waterways, adjoining each such waterfront lot, subject to having first obtained written approval of the grantor as to design, size, location and specifications of said dock, and thereafter the said dock shall be maintained in attractive manner. The grantee agrees to remove any nonconforming dock or similar structure within fifteen days after notice from the grantor, and in the event same are not removed, the grantor reserves the right to enter onto the premises hereby conveyed, for the purpose of removing said dock or structure, and the grantee agrees to pay reasonable cost of said removal.

The grantor reserves the right to convey the ownership or control of said waterways and/or playgrounds and public areas to the property owners' association, with reservations.

- 16) Failure to enforce promptly any of the above provisions shall not be deemed a waiver of the right to do so thereafter, and the invalidation of any of the above provisions by decision of any competent Court shall in no way affect any of the other provisions, which shall remain in full force and effect.
- 17) The provisions of this instrument shall bind the grantor and the grantee and their respective successors, heirs, executors, administrators and assigns.
- 18) Seller grants to the Purchaser a minimum grace period of 60 days after the due date of any payment before the purchaser may be declared in default and at least 14 days before the expiration of such grace period the Seller shall notify the Purchaser in writing by certified or registered mail of the amount then due under the contract and the exact expiration date of said grace period and the Purchaser shall not be deemed in default in the payment of any installment due under the contract unless and until such notice shall have been given.
- 19) The use of ATV's on Winona Lakes roadways is strictly prohibited.