

BY-LAWS OF THE LAKE HENRY COTTAGERS' ASSOCIATION, INC.

As Approved by the Membership

June 24, 2023

ARTICLE I

Name and Objective

Section 1. This Association shall be called and referred to as the Lake Henry Cottagers' Association, Inc. (LHCA) a non-profit corporation organized under the Articles of Incorporation dated May 2, 1974 and existing under the laws of the Commonwealth of Pennsylvania.

Section 2. The objectives of the Lake Henry Cottagers' Association, Inc. are to promote the health, safety, welfare and enjoyment of all members utilizing the waters and shoreline of Lake Henry by improving, promoting and protecting Lake Henry for the beneficial use and enjoyment of its members and guests, and to discourage and preclude any detrimental use of the Lake through commercial exploitation of its waters and shoreline.

ARTICLE II

Government

Section 1. The government of the LHCA shall be vested in the Board of Directors consisting of the elected Officers, elected Directors and Lifetime Board Members. Each member of the Board shall be a member in good standing of the Association and elected or appointed as provided in the By-Laws.

ARTICLE III

Membership

Section 1. Membership in the LHCA shall consist of all persons holding a valid certificate of membership.

Membership eligibility is confined to those persons and their spouse owning property that has deeded rights of easement to access the waters of Lake Henry, or from prior developers written agreements granting a license to access Lake Henry, and those property owners that have applied for membership based on their lakefront eligibility and/or plot designated Lake access rights. No membership shall be independent of the property with such rights. When the certificate of membership is held by an entity such as a partnership, limited liability company, trust, etc., the person or party authorized to act for the entity must provide the LHCA with satisfactory documentation from that entity that authorizes that person or party to act on behalf of said entity.

Section 2. Membership shall be by cottage, residence or property owned, with all persons or entities owning said property being considered members provided, however, that all members from a single property collectively pay one set of dues, fees or assessments for each property owned and have one vote per issue at any meeting of the general membership.

Section 3. The membership of the LHCA shall meet at least annually at a place to be designated by the President or in his/her absence by the Secretary, traditionally on the last Saturday of June.

Section 4. Members in good standing shall have the right to vote at said meetings by written proxy, provided, however, that a representative of the property so voting shall have signed the said proxy.

Section 5. A quorum at any meeting of the LHCA shall consist of representation from 25% of the membership of the LHCA in good standing in attendance.

Section 6. Annual dues, fees or assessments shall be set in advance at a rate to be determined at the Annual meeting of the LHCA. Payment of such dues, fees or assessments shall constitute acknowledgement and acceptance of the requirements of these By-Laws, including, without limitation, those pertaining to boating. Dues, fees or assessments not paid by August 1 will have a service charge determined by the membership. Any fees, assessments or annual dues not paid within the grace period shall be deemed delinquent and a monetary lien shall be filed, at the Board's discretion, on the delinquent member's real estate. Additionally, any member that owes

more than two years of dues, fees, or assessments may have their membership and lake rights suspended until all outstanding dues, fees, assessments, and service charges are paid in full.

Section 7. An initiation fee as a prerequisite of membership in the LHCA shall be set at a value equal to the then current LHCA dues for a two year period or as set by the Board of Directors and approved by the membership at the Annual Meeting.

Section 8. Pursuant to the adoption of a policy by the Board of Directors and concerns of environmental & ecological impact; a moratorium is hereby placed on all new memberships from applicants effective July 1, 2010. In furtherance of the environmental & ecological policy, any applications for new memberships into the LHCA shall be presented to the Board for review and response. Such applications shall include descriptions of any and all uses and proposed uses of any developed and undeveloped land, as well as an appropriate environmental & ecological assessment so that its results can be evaluated for acceptability. Upon completing its review, the Board shall call for a meeting of the general membership to hear and vote on the application. The Board may make such recommendations as it sees fit in the call for the meeting.

This moratorium is not applicable to the transfer of existing memberships for associated properties with membership rights to Lake Henry.

ARTICLE IV

Directors

Section 1. The Board of Directors of the LHCA shall convene at the call of the President normally in the Spring, Summer, and Fall, plus at the Annual Membership meeting. However, upon the written petition of any three members of the Board, the Secretary shall issue the call for a meeting in the name of the President. Any such call shall be in writing at least three days prior to the time designated for such meeting. Attendance by Directors is expected at all such meetings, and no Director shall miss more than two meetings during his or her term without justifiable reasons as determined by the President or those members calling the meeting.

Section 2. The President, or any officer of the LHCA, shall preside at all meetings of the Board of Directors.

Section 3. Said meetings shall be at a place or places designated by the person calling the meeting.

Section 4. The Board of Directors shall be elected by majority at the annual meeting of the LHCA for a term of three years. Each year there will be three board members elected for a new three year term.

Section 5. Lifetime Board Members will be nominated by the Board of Directors for valued years of service to the LHCA. Two permanent Lifetime Board Members will represent the other two lake bottom owners of Lake Henry and its surrounding area. A third permanent Lifetime Member will represent the owners of the land on which the Lake Henry dam, access to the dam and its outflow are located. Nominated Lifetime Board Members will be presented to the general membership by the Board of Directors for their approval at a general membership meeting.

Section 6. Any Board Member leaving the Board shall have another LHCA member appointed by the President to fill his/her term until the next general membership meeting, at which time a member would be elected to fulfill the unexpired term.

Section 7. Any Director may be removed for good cause by a 2/3 vote by the Board of Directors.

Section 8. The maximal amount of money that may be obligated by the Board of Directors, without the consent of the general membership, is \$ 10,000.00 except in emergency situations, when the Board of Directors would not be restricted.

Section 9. Real property owned solely by the LHCA shall only be transferred or otherwise divested subject to ratification by the membership.

ARTICLE V

Officers

Section 1. The President shall be the chief executive of the LHCA, and shall preside at all meetings of the LHCA and the Board of Directors. The President shall be a voting member of the Board of Directors and a member ex-officio of all committees. The term of the President will be two years.

Section 1a. The Past President will remain on the Board of Directors for two years after leaving office.

Section 2. The President-Elect shall act in the absence of the President. In the event of death, resignation or disability of the President, that person shall succeed to the said office until the next annual meeting. The President-Elect shall be a voting member of the Board of Directors. The President-Elect will assume the Presidency of the Association two years after taking this office. The office of the President will not be open to nominations, as the President-Elect will always assume the Presidency.

Section 3. The Vice-President shall act in the absence of the President and the President-Elect and will be the third person in the succession to the Presidency. The Vice President shall be a voting member of the Board of Directors. It is assumed that the Vice-President is willing to proceed on to the President-Elect position, if nominated and elected by the general membership. The term of the Vice-President will be two years.

Section 4. The Secretary will be an officer with full voting rights on the Board of Directors. The Secretary shall be the fourth person in succession to the Presidency and it is assumed the Secretary is willing to proceed on to the Vice Presidency, if nominated and elected by the general membership. The Secretary will work with the President to arrange for the taking of minutes at any meetings of the Board of Directors, and the Annual and any Special Meeting of the membership, as well as insure all committees are fully operational. The term of the Secretary shall be two years.

Section 5. The Recording Secretary shall have all the powers and duties normally associated with said office and shall be a voting member of the Board of Directors. Among those duties are general responsibility for maintaining the Association records, issuing Resale Certificates, new Membership Certificates, calls for meetings of the Board of Directors and the members, as well as related mailings. In addition, the Recording Secretary collaborates with the Census Committee and the Treasurer. The term of the Recording Secretary will be two years. The Recording Secretary will not be asked to move through the chairs.

Section 6. The Treasurer shall have all the powers and duties normally associated with said office. The Treasurer shall be a voting member of the Board of Directors and shall be bonded at the expense of the LHCA in the amount determined by the Board of Directors. The Treasurer shall dispense the LHCA funds without a counter signature, but will issue a monthly accounting to the President of all income and expenses. The funds shall be deposited in a bank insured by the F.D.I.C.

Annually the Treasurer shall arrange to have an internal audit prepared for a spring Board of Directors meeting and shall present the audit to the general membership in June. The Treasurer shall have the option of moving through the chairs of office or standing for re-election after serving the two-year term.

Section 7. Officers shall be elected bi-annually at the General Membership Meeting of the LHCA for a term of two years. Three members of the Board of Directors shall be elected annually to a term of three years.

Section 8. Any officer may be removed for good cause by a 2/3 vote of the Board of Directors.

ARTICLE VI

Amendment

These By-Laws may be amended at any regular or special meeting of the LHCA by majority vote, provided, however, that at least ten days prior to such meeting, written notice of the Amendment to be considered at such meeting shall be given to each member.

ARTICLE VII

Responsibilities and Regulations

This article is devoted to the rules and regulations which the LHCA has evolved over its history, to maintain order on the Lake and the surrounding properties.

Section 1. Any regulation passed by the Board must be brought before the general membership and passed as an amendment to these By-Laws to be binding on all members.

Section 2.

- a) Activities on the lake shall be limited to members in good standing and their guests. Ice fishing, snowmobiling and other seasonal activities on the lake are at your own risk and should proceed with caution.

Exception: The Maplewood Fire & Rescue Company may petition the LHCA membership to hold an ice fishing fundraising event on the lake, once annually. If approved by the membership, the organization must comply with all applicable laws and regulations, and any insurance, security, and other restrictions recommended by the Board. Applications must be made and reviewed annually for approval.

- b) Lake Henry, like many lakes in the Poconos, has rock outcroppings and numerous tree stumps creating potential hazards for watercraft. Boating or jet skiing on the lake is at your own risk and users should proceed with caution. Cottagers are responsible to ensure that all users and guests are fully aware of the potential hazards. All users must become familiar with their surroundings and in particular the areas of the lake they are utilizing, which fluctuates throughout the season, and is dependent on many factors including, but not limited to, rainfall and various seasonal changes. Neither LHCA nor individual Cottagers are liable for accidents on the lake; use of the lake is at your own risk.

- c) Stumps may only be marked with DEP approved "non-hazardous" markers; NO rebar.

Section 3. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for commercial purpose. All owners shall be responsible for control of their pets to prevent the disturbance of others.

Section 4. No structure of a temporary nature - trailer, basement, tent, shack, garage, barn or other out-building shall be used on any lot as a temporary or permanent residence. Provided, however, that the use of camping tents, visiting motor homes, and the like for a period of less than 10 days shall not be deemed prohibited by this section as long as such uses comply with applicable state and local requirements and these By-Laws.

Section 5. No lot shall be used or maintained as a dumping ground for rubbish. No automobile, trailer or other vehicle, not bearing a current license and inspection, unless housed in a garage, may be kept on premises or any road or street contingent thereto. Trash, garbage or other waste shall be kept in sanitary containers and regularly removed from the premises.

Section 6. No live tree, measuring in excess of five inches in diameter on the stump (one foot from the ground) shall be cut from the premises without written approval of the Board of Directors.

Section 7. Any building erected shall be for residential use only. It shall not be used for any purpose of any trade, manufacture or business of any description, or as a school, hospital or other charitable institution of any kind whatsoever, nor as a hotel, camp, colony, tourist camp or place of resort and shall be used for dwelling purposes only. This clause, however, shall not restrict the owner thereof from renting for residential purposes the premises which the owner occupies and is so equipped for his personal occupancy, but to restrict the owner from erecting residential structures for rental purposes only. Furthermore, any rentals for residential purposes are subject to applicable local and state requirements, including, without limitation, those pertaining to short term rentals.

Section 8. BOATING:

- a) All boats on Lake Henry must abide by all Pennsylvania State Boat Regulations and Laws; including those requiring a Boating Safety Certification.
- b) No motors, except electric, shall be used after midnight or before dawn.

Section 9. All members of the LHCA are responsible for their guests, who must abide by the rules of the LHCA. Any infractions of the rules by a guest, the member will be held fully responsible and subject to penalties and/or fines.

Section 10. SHARING THE COST OF MAINTENANCE AND IMPROVEMENT TO LAKE HENRY: The Lake bottom is owned by the Lake Henry Cottagers' Association, Inc. and two other lake bottom parties, who are members of the LHCA. Therefore, there are some expenses that should rightfully be shared by all Lake Bottom owners of the lake. Such projects are authorized by the Board of Directors and are paid for by the LHCA. These projects may result in an allocation of the cost among the various owners of the lake including members of the LHCA. All private roads will be maintained by the lot owners using those roads.

Section 11. Pursuant to a vote of a quorum of the members at the Annual Meeting in 2022, the remaining funds from a series of special assessments for the purpose of upgrading and protecting the dam of Lake Henry are to be retained by the LHCA. Such funds are to continue to be segregated from operating funds, and are to be used for capital improvements and other special expenses pertaining to the LHCA's obligations to maintain and preserve the dam and associated features of Lake Henry (Dam Reserve). At the Annual Meeting the Board shall provide an accounting of the Dam Reserve as part of the annual internal audit. Dispensing of funds in the Dam Reserve are subject to the requirements and limitations of Article IV, Section 8 hereof.

Section 12. Activities that create a potential fire hazard to other cottagers' houses and/or to the surrounding forest, such as wind borne sky lanterns containing a lit candle/flammable fuel cell, or any uncontrolled open flame are prohibited.

Section 13. Use of devices, chemical and other agents to control aquatic vegetation is prohibited without express approval of the LHCA Board. Failure to comply with requirement is grounds for a fine, to be levied by the LHCA, or revocation of LHCA membership and privileges.

ARTICLE VIII

Non-Compliance with By-Laws, Penalties and Fines

Section 1. A concern or complaint against any member of the LHCA for any infraction of the rules, regulations or By-Laws, either by a member, a member's family or guest, shall be reported in writing, signed by the person issuing the concern or complaint, and sent or given to any member of the Board of Directors. Said Board Member shall promptly refer the matter to the Chair of the Grievance Committee, who shall then promptly issue in writing an acknowledgement of receipt to the issuing member and any other member whose compliance with the By-Laws is questioned.

Section 2. Grievance Committee. The grievance committee will be made up of members of the Board of Directors and will have a chairman appointed by the President. The goal of the committee is to achieve an amicable resolution and further understanding of the By-Laws and the objectives of Article I, and to recommend fines and penalties as a last resort.

Section 3. The committee will review the matter brought forth by the member within 20 days and, if necessary, will advise the parties to appear before the Board of Directors, to provide the details and any defenses to the purported infraction.

Section 4. The Board of Directors, after hearing the parties will issue a decision in keeping with the offense. The member(s) found in breach of the By-Laws, by a majority vote, may be suspended from the LHCA and the privileges thereof, and/or issued a fine as shown below:

1st offense: Warning and/or \$100.00 fine.

2nd offense: Three month suspension and/or \$200.00 fine.

3rd offense: One year suspension and/or \$500.00 fine. A member suspended under this subsection must appear before the Board of Directors to regain membership.

The Board of Directors may, in its discretion, increase any fine for a violation to the full cost of remediation.

Any fine or assessment not paid may be placed as a lien on the member's cottage, or subject to such further action as provided for in the By-Laws.

ARTICLE IX

Standing Committees and Ad-Hoc Committees

Standing Committees:

1. Dam Committee – To address responsibilities of the LHCA with regard to the Emergency Action Plan and other requirements of the Pennsylvania Department of Environmental Protection pertaining to the Lake Henry dam and outflow spillways, including, but not limited to, clean-up, maintenance, monitoring, inspections, and Emergency Action Plan updates.

2. Ecology Committee - To monitor, evaluate, and promote the water quality of the Lake, manage aquatic treatment of invasive species, and promote adherence to best management practices for soil, waste disposal and any other conditions and species affecting this resource. The committee will typically report the results of their evaluations and any recommendations at the Annual Meeting of the members.

3. Grievance Committee - To respond to complaints and make recommendations as to assessment of penalties and fines as outlined in ARTICLE VIII of the By-Laws of this Association.

4. Property/Protective Shoreline/Right-of-Ways/Amenities Committee - To address issues raised by the membership or the Census Committee relating to membership criteria as well as property owned by the LHCA. It is the local cottagers who are responsible for the upkeep of the right-of-ways and amenities that benefit their properties.

5. Finance Committee- At the direction of the President, the finance committee shall assist the Treasurer in his/her duties or on such special projects as the President or Treasurer may suggest from time to time.

Ad-Hoc Committees:

1. Nominating Committee - At the direction of the President the nominating committee shall be appointed and shall consist of three members of the Board of Directors. The committee is to identify and encourage members in good standing to seek positions on the Board of Directors and participate in committees established under the By-Laws.

2. Census/Membership Committee – Responsible for reviewing cottager memberships to ensure the data is accurate. The LHCA-owned parcels are reviewed and confirmed according to Wayne County tax information and membership records maintained by the Recording Secretary. The goal is to complete an LHCA census every two years. The results of the census are reported to the membership at the Annual Meeting, along with acknowledgement of new members, the passing of members, and changes of ownership impacting LHCA-owned parcels. The number of members is confirmed. Changes are monitored and records are maintained by the Recording Secretary. Subject to Board approval, discrepancies may be referred to the Property Committee to address.

3. Social/Newsletter/Community Liaison – The Social/Newsletter/Community Liaison shall consist of at least one member of the Board, who shall be designated chair by the President, and such members in good standing with an interest in encouraging beneficial fellowship and information exchange among the membership, local governments and local service organizations.

All elected Officers and Directors, except the Treasurer and Recording Secretary, shall serve on at least one Standing or Ad-Hoc committee. This shall not prevent the Treasurer or Recording Secretary, or permanent Directors, from so serving. Following the Annual Meeting, the Secretary shall prepare a list of committee membership for that year.