

MILLBROOK PROPERTY OWNERS ASSOCIATION

BY-LAWS

ARTICLE I:

The following By-Laws shall govern the operation of the sub-division created by the Declaration of Restrictions and Covenants for the community of Millbrook, Palmyra Township, Greentown, and Paupack, Pa. The Millbrook Property Owners Association, Inc., hereinafter referred to as the "Association" is a Pennsylvania Non-Profit Corporation organized and existing under the laws of the Commonwealth of Pennsylvania for the purpose of administering the subdivision created by the Declaration of Restrictions and Covenants by Millbrook. The office of the Association shall be at the subdivision, or at such other place that may be subsequently designated by the Board of Directors of the Association.

ARTICLE II: GENERAL PROVISIONS

SECTION 1 – PURPOSE

The purpose or purposes of the Association are:

(a). to insure the present and future residential living conditions relating to health, safety, public morals, convenience, comfort, and beauty, on lots in a development of lands situate in Pike County, Pennsylvania, known as Millbrook.

(b). to promote the welfare, social, and recreational interests of the members by providing for the administration, maintenance, and management of such roads, well and water system, buildings, facilities, recreational areas in connection therewith, as may come into the control and management of the Association for community purposes.

(c). to regulate and control recreational and related facilities and equipment in furtherance of the general plan of the community.

(d). to levy and assess special fees and dues for the use of well and water system, roads, recreational areas, or the like, where deemed necessary and proper for its purposes.

(e). to engage in such other and incidental activities so as to carry out the general purposes herein stated.

SECTION 2 – MEMBERSHIP:

Any person, firm, corporation, partnership, association, trust, or other legal entity who has received a Deed for a lot in Millbrook shall become a member of the Association. If a lot is owned by more than one (1) person, then all of the persons so owning said lot shall be members of the Association. Homeowner Member is to be designated as all persons listed on the deed for a lot where a home has been fully constructed.

SECTION 3 – MEMBER IN GOOD STANDING:

A member in good standing shall mean and refer to a member who has paid in full all outstanding dues, assessments, fines, citations, late charges, fees, legal costs of litigation, restitution for damages, and any other charges levied pursuant to the authority contained in the Covenants and By-Laws.

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Association dues shall be paid on/or before February 1st of each calendar year. A monthly late fee, as established by the Homeowners Association, will be assessed to delinquent accounts.

ARTICLE III – ASSOCIATION MEETINGS

SECTION 1 – SEMI-ANNUAL ASSOCIATION MEETINGS:

Association meetings are held twice a year, the Saturdays of Memorial Day and Labor Day weekends.

SECTION 2 – SPECIAL ASSOCIATION MEETINGS:

Special Association meetings for any purpose or purposes may be called by the President, and shall be called by the President or the Secretary at the request, in writing, of the majority of the Board of Directors, or at the request in writing, of twenty percent (20%) of members in good standing of the Association. Each such request shall state the purpose or purposes of the proposed meeting. The business transaction at all special Association meetings shall be confined to the subject stated in the notice thereof.

SECTION 3 – PLACE OF MEETINGS:

All Association meetings shall be held at the Millbrook Beach Area or such other suitable place which is reasonable and convenient to the members, and shall be designated by the Board of Directors and stated in the notice of the meeting.

SECTION 4 – NOTICE OF MEETING:

The Secretary shall mail or deliver written notice of all Association meetings to each member at his address as shown in the records of the Association. Such notice shall be delivered or mailed to each member by first class or bulk mail, postage pre-paid at least ten (10) days, but not more than sixty (60) days prior to the date of meeting. Each such notice shall state the time, date, and place of such meeting, the items on the agenda, including the general nature of any proposed amendment to the Declaration or By-Law, any budget or assessment changes, and shall also state whether it is an annual or special meeting. In the case of a special Association meeting, the notice hereof shall briefly state the business to be transacted at such meeting. Upon notice being given in accordance with the provisions hereof, the failure of any member to receive any actual notice of any Association meeting, shall not in any way invalidate the meeting or any business transacted thereat.

SECTION 5 – QUORUM:

The presence, in person, of Homeowner members representing twenty percent (20%) of the total votes eligible to be voted by all of the Homeowner members shall constitute a quorum at all meetings of the Association.

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SECTION 6 – VOTING:

(a). Only one Homeowner member from each Home shall be entitled to vote at any duly called Association meeting.

(b). The votes of Homeowner members present, at any duly called Association meeting at which a quorum has been established, casting a majority of their total votes, shall decide any question under consideration and shall constitute the act of and be binding upon the Association, except as otherwise provided for by law, by the Declaration, or by these By-Laws.

SECTION 7 – DESIGNATION OF VOTING MEMBER:

If a Home is owned by more than one (1) person, then one (1) person only shall be entitled to cast a vote for such Home. Such a person shall be designated as the voting member in a certificate to be signed by each of the record owners of each home and filed with the Secretary. Alternate(s) for the voting member can also be designated on this certificate provided they are named in the deed. If a home is owned by a corporation, the officer or employee of said corporation shall be designated in a certificate which is signed by the President or Vice-President of said corporation and filed with the Secretary of the Association. The person so designated in such certificate who is entitled to cast a vote for the Home shall be valid until revoked or until superseded by a subsequent certificate, or until a transfer of such Home, whichever occurs earlier.

SECTION 8 – PROXIES:

Votes on all issues will be cast in person at the general meetings by members in good standing. Proxies will not be accepted.

SECTION 9 – ORDER OF BUSINESS:

The order of business at all annual Association meetings shall be as follows:

- (a). Proof of notice of meeting
- (b). Reading minutes of preceding annual meeting
- (c). Reports of officers
- (d). Reports of committees, if any
- (e). Unfinished business
- (f). New business
- (g). Nomination of candidates (Alternates) for election to the Board of directors
- (h). Appointment of election inspectors (counting of ballots)
- (i). Election of Directors

SECTION 10 – ADJOURNMENT:

Any Association meeting whether or not a quorum is present may be adjourned from time to time by the affirmative vote of members casting a majority of the total votes represented at such meeting, in person. In the absence of a quorum, no other action may be transacted at any Association meeting.

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ARTICLE IV – BOARD OF DIRECTORS

SECTION 1 – NUMBER, TERM AND QUALIFICATIONS:

The affairs of the Association shall be governed by a Board of Directors composed of seven (7) persons and shall not exceed seven (7) alternates, each of whom shall be a Homeowner member of the Association. Each Director shall serve a term of two (2) years. An elected Director cannot serve more than two (2) consecutive two (2) year terms but can be re-elected to the board after an absence of two years. Only one (1) Homeowner member of a household may serve on the Board of Directors at the same time.

SECTION 2 – ELECTION:

Elections to fill vacant or expiring seats on the Board shall be done according to the rules as noted under "Article III, Section 6-Voting" at the Fall Association general meeting. (See also Article V, Section 2 – Election of Officers)

SECTION 3 – REMOVAL OF DIRECTORS:

At any annual Association meeting or any special Association meeting duly called for such purpose, any one or more of the Directors may be removed with or without cause by a two thirds (2/3) vote of all persons present entitled to vote at any meeting of the Association, at which a quorum is present. A successor shall then and there be elected for the remainder of the term to fill the vacancy which was created. Should the membership fail to elect such a successor, the Board of Directors shall fill the vacancy in the manner provided in Section 5 below. Any director whose removal has been proposed by the member shall be given prompt written notice of his proposed removal, and shall be provided with a reasonable opportunity to attend and be heard at the meeting at which his removal is voted upon.

SECTION 4 – RESIGNATION OF DIRECTORS:

Any Director may resign at anytime by sending written notice of his resignation to the Secretary. Such resignation shall take effect upon receipt thereto by the Secretary. Any Director who ceases to be an owner shall automatically be deemed to have resigned. Any Director who is more than sixty (60) days delinquent in the payment of any assessment or any other amount owed the Association shall be deemed to have resigned from the Board of Directors, effective upon the Board's receipt of notification of such delinquency from the Secretary or Treasurer.

SECTION 5 – VACANCIES:

If the office of any Director becomes vacant by reason of his death, incapacity, resignation, removal of office or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor to fill such vacancy. The person appointed to fill the vacancy shall serve the unexpired term of the Director he replaced. The election held for the purpose of filling such vacancy may be held at any annual or special meeting of the Board of Directors.

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SECTION 6 – ORGANIZATION BOARD MEETING:

The organizational meeting of each newly constituted Board of Directors shall be held immediately following the annual Association meeting held on the Saturday of the Labor Day weekend. No notice of the organizational Board meeting shall be required.

SECTION 7 – REGULAR BOARD MEETINGS:

Regular meetings of the Board of Directors may be held at such time; date and place as shall be determined from time to time by the President, provided however, that at least one (1) such meeting shall be held during each calendar year. Notice of regular meetings of the Board of Directors shall be given to each Director and to the Secretary, personally or by mail, telephone or E-Mail, at least five (5), but not more than sixty (60) days prior to the scheduled meeting date.

SECTION 8 – SPECIAL BOARD MEETINGS:

Special meetings of the Board of Directors may be called by the President, and in his absence by the Vice President or by a majority of the Directors by giving at least five (5), but not more than sixty (60) days' notice to each Director and to the Secretary, personally or by mail, telephone or E-Mail, provided however, that notice of special Board meetings by telephone conference, if given personally or by telephone, shall only be required to be given at least forty-eight (48) hours prior of such meeting. Notices of special Board meetings shall state the time, date, place and purpose of the special Board meeting to which they pertain.

SECTION 9 – MEETINGS BY TELEPHONE CONFERENCE:

Both regular and special Board meetings may be conducted by telephone conference to the extent permitted by law. Any Director who is not physically in attendance at a regular or special meeting of the Board of Directors, but who is in telephone contact with the other Directors during such meeting and is thereby able to participate in the discussions, reports, debates, votes and other matters conducted thereat, shall be deemed to be in attendance at said meeting for all purposes, including but not limited to creating a quorum.

SECTION 10 – ACTION BY WRITTEN CONSENT:

Any action requiring approval of the Board of Directors may be taken without a meeting if all the Directors consent in writing to the action taken, or to be taken, at anytime prior to the intended effective date of such action.

SECTION 11 – QUORUM OF BOARD OF DIRECTORS:

At all meetings of the Board of Directors, the majority of the Directors shall constitute a quorum for the transaction of business. The vote of the majority of the Directors present at a Board meeting, at which a quorum has been established, will constitute a decision of the Board of Directors.

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SECTION 12 – COMPENSATION:

No Director shall receive any compensation from the Association for acting as such, and no Director shall be reimbursed for any costs incurred for travel, meals, accommodations or related expenses incurred in order to attend meetings by the Board of Directors, unless such compensation is approved by the affirmative vote of members casting a majority of the total votes eligibly voted by all the members of the Association.

SECTION 13 – LIABILITY AND INDEMNIFICATION:

(a). No Director, officer, employee or agent of the Association shall be liable to the Association for any loss or damage suffered by, and on account of any action or mission by him as a director, officer, employee or agent, if he acted in good faith and in a manner reasonably believed to be in, or not opposed to the best interests of the Association.

(b). The Association shall indemnify each person who was or is a party, or is threatened to be a party, to any threatened, pending, or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association because he is or was a Director, officer, employee or agent of the Association against expenses, including reasonable attorney fees, judgments, fines and amounts paid in settlement, actually and reasonable incurred by him in connection with such action, suit or proceeding if he acted in good faith in a manner reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. The Association shall purchase and maintain insurance on behalf of any person who is and was a Director, officer, employee or agent of the Association against any liability asserted or incurred by him in any such capacity or arising out of the status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this section. Any such insurance company as is designated by the Board and the premiums therefore shall constitute a common expense.

SECTION 14 – POWERS AND DUTIES:

The Board of Directors shall have all of the powers and duties necessary for the maintenance, repair, replacement, restoration, improvement and operation of the Association, and may do all such acts and things, except as provided for by law, by the Declaration or by these By-Laws, or may not be delegated to the Board of Directors by the members. Such powers and duties shall include, but shall not be limited to the following:

(a). to exercise all the powers specifically set forth in the Declaration and in these By-Laws, and to exercise all powers incidental thereto.

(b). to levy, collect and enforce assessments against the owner pursuant to these By-Laws and the Declaration of Restrictions and Covenants.

(c). to employ, dismiss and control the personnel necessary for the maintenance and operation of the common areas, including the right and power to employ legal counsel, accountants, contractors and other professionals as needed.

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(d). to promulgate rules and regulations for the conduct of affairs of the Board and of the Association within its purposes.

(e). to open bank accounts on behalf of the Association and its members, and to designate the signatures required thereon.

(f). to procure insurance pursuant to the provisions of the Declaration of Restrictions and Covenants and these By-Laws.

(g). to stop the services to any member who fails to pay the proper rates for property levy or assessment, and to revoke membership of such member.

(h). to perform all other acts deemed by the Board to be necessary, desirable or appropriate in order to insure the proper maintenance, repair and replacement restoration, improvement and operation of the common facilities, and to insure operation and administration of the Association.

(i). To maintain property insurance on the common facilities, insuring the facilities against all common risks of direct physical loss. Said insurance shall be not less than eighty percent (80%) of the cash value of the insured property. In addition, comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Board covering all occurrences commonly insured against for death, bodily injury, property damage arising out of or in connection with the use, ownership or maintenance of the common areas shall be procured by the Board of Director.

ARTICLE V – OFFICERS:

SECTION 1 – DESIGNATION:

The officers of the Association shall be the President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors.

SECTION 2 – ELECTION OF OFFICERS:

The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each newly constituted Board of Directors.

SECTION 3 – TERM AND REMOVAL OF OFFICERS:

Each officer of the Association shall hold office until his successor is elected, except that each officer's position shall immediately become vacant when and if he ceases to be an owner or, in the case of the President, Secretary and Treasurer, if he ceases to be a Director, whether by resignation, removal, death, incapacity, ineligibility or otherwise. Any officer may be removed at any Board meeting with or without cause, by the Board of Directors, provided however, that no officer shall be removed except by the affirmative vote for removal of the majority of Directors. Any officer whose removal has been proposed shall be given prompt written notice of his proposed removal and shall be provided with a reasonable opportunity to attend and be heard at the Board meeting at which his removal is voted

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upon. If the office of any officer becomes vacant for any reason, the vacancy shall promptly be filled through the election of a successor by the Board of Directors.

SECTION 4 – PRESIDENT:

The President shall be the Chief Executive Officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties, with Board Approval, which are incident to the office of President of a stock corporation organized under the laws of the Commonwealth of Pennsylvania.

SECTION 5 – VICE PRESIDENT:

The Vice-President shall assume the powers and duties of the President whenever the President is absent from any meeting of the Association or of the Board of Directors, or is unable to act in his capacity of President. If neither the President nor Vice-President is able to act, a majority of the remaining Directors shall appoint some other officer to act in the place of the President on an interim basis.

SECTION 6 – TREASURER:

The Treasurer shall keep full and accurate financial records and books of accounts showing all receipts and disbursements are responsible for the deposit of all money and other valuables in such depositories as made from time to time be designated by the Board of Directors. The Treasurer shall make a complete and accurate report of the finances of the Association at each annual meeting of the members or at any other time upon the request of the Board of Directors.

SECTION 7 – EXECUTION OF INSTRUMENTS:

All agreements, contracts, deeds, leases, checks, and other instruments of the Association that exceed \$1,000.00 in value, shall be executed by any two (2) officers, or by such other person or persons as may be designated by the Board of Directors, provided however, that only the President, Secretary or the Treasurer may certify and record amendments to the Declaration or to these By-Laws on behalf of the Association.

SECTION 9 – COMPENSATION:

No officer shall receive any compensation from the Association for acting in his capacity as an officer of the Board.

ARTICLE VI – AMENDMENT:

These By-Laws may be amended only by a sixty percent (60%) vote of the members present at a regular or special meeting of the Association, providing notice of the purport of the proposed amendment has been stated in the call of the meeting.

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ARTICLE VII – MESCELLANEOUS:

SECTION 1 – ACQUISITION OF LOTS UPON FORECLOSURE:

In any foreclosure sale of a lot, the Association or its designee may acquire in the name of the Association the lot being foreclosed upon. The term foreclosure issues in this section shall mean and include the foreclosure of any lien, including the Association lien for any unpaid assessment, or the sale of a lot to avoid foreclosure. The powers of the Association to acquire at any foreclosure sale shall never be interpreted as a mandatory requirement that the Association obtain said lot, it being the intent of this provision to be permissive in nature.

SECTION 2 – NOTICES:

Each owner shall register his mailing address with the Secretary upon becoming an owner, and shall promptly notify the Secretary of any subsequent changes of address. Any notices required by the Declaration or by these By-Laws shall be sent by first class or bulk mail, postage prepaid to such owner's recent address shown in the records of the Association. All notices shall be deemed to have been given when mailed postage pre-paid, except notices of change of address which shall be deemed to have been given when received.

SECTION 3 – LIABILITY SURVIVES TRANSFER OF A LOT:

The transfer of a lot shall not relieve or release the former owner from any liabilities or obligations incurred in connection with the ownership during the period, or impair rights or remedies which the Association may have against a former owner arising out of, or in anyway connected with such ownership and the covenants and obligations incident thereto.

SECTION 4 – CAPTIONS:

The captions used in these By-Laws are inserted solely as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent, if any, of the provisions thereof.

SECTION 5 – NUMBER AND GENDER:

Whenever the context so requires the use of any noun or pronoun number in these By-Laws shall be deemed to include the plural and plural shall include the singular.

SECTION 6 – WAIVER:

No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches therefore which may occur.

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SECTION 7 – INTERPRETATION:

The provisions of these By-Laws shall be liberally construed to effectuate the purpose of insuring that the subdivision shall at all times be operated and maintained in a manner so as to optimize and maximize its enjoyment and utilization by each owner as a development.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal this 23 day of May, 2013.

MILLBROOK ASSOCIATION

ATTEST:

Chip Yanusko
PRESIDENT

Debbie Austin
SECRETARY

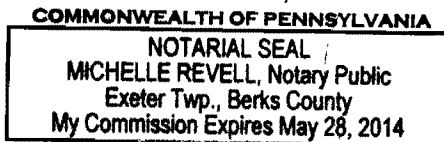
COMMONWEALTH OF PENNSYLVANIA

SS:

COUNTY OF Berks

ON THIS the 23 day of May, 2013, before me, the undersigned officer, personally appeared Chip Yanusko who acknowledged himself/herself to be the PRESIDENT OF MILLBROOK PROPERTY OWNERS ASSOCIATION, a Pennsylvania Non-Profit Corporation, and that he/she as such Officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself/herself as President.

IN WITNESS WHEREOF, I have hereto set my hand and notarial seal.



Michelle Revell
NOTARY PUBLIC

My Commission Expires: 5/28/2014

Millbrook Board of Directors:

| | | |
|-----------------|---------------------------------------|---------------------|
| Chip Yanusko | <u>Chip Yanusko</u> | Date <u>5/25/13</u> |
| Joe Muratore | <u>Joe Muratore</u> | Date <u>5/25/13</u> |
| Jim Taylor | <u>Jim Taylor</u> | Date <u>7/6/13</u> |
| Debbie Austin | <u>Debbie Austin</u> | Date <u>7/6/13</u> |
| Jerry Kissel | <u>Jerry Kissel</u> | Date <u>5/25/13</u> |
| Ed Kosakowski | <u>Ed Kosakowski</u> | Date <u>5/25/13</u> |
| Vacant position | (previously filled by Joe D'Annibale) | |

MILLBROOK PROPERTY OWNERS ASSOCIATION

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MILLBROOK HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

The following rules and regulations apply to all residents of the Millbrook Association. Many of these rules and regulations can be found in your property deed or have been established and voted upon by the members at the general meetings over the years.

- All sewage must be disposed of be septic tank.
- That premises or any building erected in Millbrook, shall not at any time be used for the purpose of any trade, manufacture or business of any description or as a school, hospital or other charitable institution or as a hotel or place of resort.
- Raising poultry and livestock will not be permitted.
- Those using same shall share the costs of maintenance of roads, paths, and community landing area as well as the cost and construction of docks.
- All property owners using such facilities shall share their proportionate amount of the cost of maintenance, to be ascertained by a majority of the property owners using same.
- No unlicensed vehicles shall be operated between the hours of 10 p.m. and 10 a.m. daily. Exception to this rule is that such vehicles can be used for transportation from point A to point B. The speed limit for all vehicles operated on Millbrook roads is 10 miles per hour.
- No vehicles are to be parked or operated on or along the walkway to the boat dock. The only exception to this PP&L regulation is work weekend.
- Unlicensed vehicles are not to be operated on the power line.
- Adults must also adhere to posted speed limits. 10 MPH
- Dogs are not permitted on the beach area. Dogs are permitted on the boat ramp.
- When walking dogs in Millbrook, pet owners should pick up droppings. Residents that do not have pets do not want to clean up after yours.
- Boats are not to be operated in or near the swimming area. No picking up or dropping off of passengers at the swim or diving docks.
- Fishing is permitted from boat docks on weekdays.
- Boat slips are the property of the Association, rented to individuals for an established fee for their sole use. They may not be sublet, loaned, traded or used for sale promotion of property or transferred to others with the sale of property. Any exceptions to this rule should be brought to the attention of the Board of Trustees.
- Application for boat slips must be made in writing and kept on file by the Boat Dock Committee and dated when received.
- No application for a boat dock will be accepted unless the individual is current property owner, has committed to build within six (6) months, and is a paid up member of the association. The Boat Dock Committee and the Board of Trustees shall coordinate in this respect.
- Millbrook owners who use the beach are responsible for removing their trash at the end of each day. This also applies to people using the boat area as well as both parking areas.
- Baby diapers are not to be disposed of by throwing them into the trees/bushes surrounding the lakefront. Parents are responsible for taking messy diapers with them for proper disposal.
- Association members are responsible for the behavior of their guests. Be sure to familiarize them with Millbrook rules and regulations, especially those that apply to the use of motorized vehicles on both the roads and around beach/dock area.

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- Since we have many new families in the development, we all should be sure to use the vehicle tags, swim tags, and ATV tags in order to be able to identify people. These tags are available by contacting any board member.

These rules and regulations have been formulated in respect to the rights of all Millbrook residents. We must respect Millbrook property rules and regulations at all times if we expect to continue to enjoy a congenial atmosphere. It is our development, planned for our mutual enjoyment. Adhering to these simple, common sense regulations will provide for continued safety and enjoyment. If you should see these rules and regulations being abused, tactfully discuss the infractions with that individual. Most members are willing to comply, and often just did not know of the improper behavior. If you see someone abusing community property, please point it out to that individual; remember it's your money that provides for this community property.

Thank you for your attention.

Millbrook Association
Board of Trustees