

**MEADOW RUN - MOUNTAIN LAKE PARK ASSOCIATION
CONSTITUTION**

Effective: August 28, 1949

Amended: August 23, 1975

Revised and Approved August 19, 1989

Amended: June 19, 1999

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ARTICLE I

Name and Purpose

Section 1.The name of this organization is the Meadow Run - Mountain Lake Park Association which is a non-profit corporation organized under the laws of the Commonwealth of Pennsylvania on August 4, 1949.

Section 2.The purpose of this organization is to protect the interests and property rights defined in the deeds of lot owners of Meadow Run and Mountain Lake, and to maintain and govern the lakes, roads, and common areas for the betterment of the community.

ARTICLE II

Membership

Section 1.All lot owners in the Meadow Run - Mountain Lake Park as shown on the maps prepared by C. L. Hartwell, Civil Engineer, of Wilkes-Barre, PA on May 20, 1940 are considered to be members of the Association, as all properties sold there are bound by certain common deed covenants which acknowledge the authority of the Association as well as other restrictions and privileges.

Section 2.All members have the privilege of being heard in an orderly fashion at General Membership Meetings of the Association and have the duty to abide by the Deed Covenants, Constitution, and rules set forth by the Association in the By-Laws.

Section 3.A member in good standing is one who abides by the Deed Covenants, Constitution, and By-Laws and is current with all financial obligations to the Association. Members in good standing have the privilege to vote in elections for The Board of Directors, to vote on amendments to the Constitution, to serve on committees, and to serve on the Board of Directors.

ARTICLE III

Board of Directors

Section 1. The Board of Directors shall be composed of nine (9) members in good standing.

Section 2. Directors shall serve for a term of three (3) years. The terms were staggered at the August 28, 1949 meeting so that three (3) terms will expire each year thereafter. Newly elected Directors will begin their term on January 1st following the annual elections.

Section 3. The duties of the Board shall be: to manage the business of the Association in a manner consistent with the best interests of the Association and its members; to enforce and protect the Constitution, By-laws, and Deed Covenants; to pass such rules into the By-laws as shall be deemed necessary to maintain good order and to carry out the responsibilities of the Association.

Section 4. Directors and officers shall be non-salaried positions.

Section 5. Officers of the Association shall be: President, Vice-President, Secretary, and Treasurer.

Section 6. Officers shall be elected by the Board from among its members at the first Board Meeting of each year. A Director may run for and hold, if elected, only one (1) office in any year. Officers shall serve a term of one (1) year.

Section 7. Duties of Officers

A. President - To call and preside at all meetings of the Association and of the Board of Directors.

To see that the Constitution and By-Laws of the Association are enforced.

To see that rule of order is observed at meetings and to decide points of order.

To appoint committees with the approval of the Board of Directors.

To perform other duties as may be prescribed hereinafter in this Constitution and amendments thereto and in the By-laws.

To submit a report on the state of affairs of the Association at the end of each year.

B. Vice-president - The Vice-president shall temporarily assume the powers and duties of the President in the event of the absence or incapacitation of the President.

C. Secretary - To keep accurate minutes of the meetings of the Association and of the Board of Directors and to maintain a permanent file of all official minutes.

To carry out the correspondence of the Association with outside parties as directed by the Board.

To carry out written communication with the membership of the Association as directed by the Board.

To maintain a permanent file of all correspondence sent or received by the Association.

To hire, if necessary, a recording secretary, with the approval of the Board. Salary of the recording secretary to be determined by the Board.

D. Treasurer - To receive and account for all monies paid to the Association and to deposit said monies in Association bank accounts in a timely fashion.

To set up and maintain such bank accounts and other financial arrangements as shall be directed by the Board.

To make disbursements from Association funds as approved by the Board.

To maintain a permanent and complete financial record of the Association and to provide updated reports at each meeting of the Association and of the Board.

To prepare a complete financial statement at the end of each year for audit by a C.P.A. chosen by the Board.

To maintain a complete, permanent, and updated record of the financial status of all members.

ARTICLE IV

Meetings

Section 1. General Membership Meetings: a minimum of three (3) per year to be held in June, July, and August at the Community House at regular, well publicized times.

Section 2. Board of Directors Meetings: the Board shall meet at regularly schedule times as often as is necessary to conduct the business of the Association.

General members may attend Board Meetings to address specific matters, which may require action by the Board, only upon written notice to and invitation by the Board.

Section 3. Special Meetings: special meetings of the Association or of the Board of Directors shall be called when necessary by the President or by two-thirds of the Board of Directors.

Special meetings are meant to address specific matters of urgency and not the regular business of the Association.

ARTICLE V

Committees

Section 1. All members in good standing are eligible to serve on committees. All committees, except the nominating committee, shall be chaired by a Director.

Section 2. The standing committees and their duties are as follows:

A. Rules - The Rules Committee shall review the Constitution and By-laws as often as is deemed necessary and make recommendations to the Board of proposed amendments and revisions. The Rules committee shall also investigate and research any matters directed to it by the Board. The committee shall also ascertain that a complete and up-to-date copy of the Constitution and By-laws is posted in the Community House.

B, Protection - The Protection Committee shall make recommendations to the Board as to the protection of the rights, privileges, and restrictions found in the By-laws and Deed Covenants. The committee shall also carry out any enforcement measures directed by the Board.

C. Social - The Social Committee shall present a tentative calendar of events for approval of the Board of Directors on or before the April meeting of the Board. The committee shall also make recommendations as necessary to the Board and shall be responsible for the organization of social events.

D. Building and Grounds - The Building and Grounds Committee shall inspect the Community House and grounds (not including roads and dams) and make recommendations to the Board as to maintenance and improvement of Association property. The committee shall carry out any upkeep directed by the Board.

E. Membership - The Membership Committee shall make all reasonable effort to welcome new members into the Association as quickly as possible and shall provide new members with copies of the Constitution, By-laws, and any other pertinent information concerning the Association. The committee shall maintain a current listing of all members.

F. Health - The Health Committee shall report to the Board any real or potential health hazards observed in the area and make any appropriate recommendations. The committee shall also take samples of lake water at least once each year for bacterial and/or chemical analysis from any areas of the lakes deemed appropriate and make a report and recommendation to the Board.

G. Fish and Game- The Fish and Game Committee shall monitor the fish population and related lake conditions as well as any situations which relate to wildlife and report its findings and recommendations to the Board.

H. Roads - The Road Committee shall monitor road conditions and make recommendations to the Board as to upkeep and improvement of the roads. The committee shall carry out and/or supervise any roadwork authorized by the Board.

I. Dams - The Dams Committee shall closely monitor the conditions of the dams and review the annual engineer's inspection report and any other reports or correspondence from engineers and governmental regulating bodies regarding the dams. The committee shall keep the Board apprised of dam conditions and related matters and make appropriate recommendations to the Board.

Section 3. The Board may set up ad-hoc committees to deal with specific situations which may arise from time to time. These committees shall be chaired by a Director and shall follow the stipulations of the Board as to their purpose and powers. The continuing necessity of such committees shall be reviewed at the first Board Meeting of each year.

ARTICLE VI

Election of Directors

Section 1. Nomination: At the June General Membership Meeting, the Board will appoint a Nominating Committee of at least three (3) members in good standing, none of whom may be Board members. The committee shall elect its own chairman. The purpose of the Nominating Committee shall be to place in nomination at the July General Membership Meeting the names of members in good standing whom the committee feels would serve the Association well as members of the Board of Directors. The committee shall nominate at least as many candidates as there are positions up for election. When there is an unexpired term to be filled by election, the candidates for that term shall be clearly designated.

After the Nominating Committee submits its list of candidates at the July General Membership Meeting, the floor shall be opened for nominations from the membership. All nominated candidates should accept their nomination in person or by signed written statement if they are unable to be present. Nominations will then be closed by a motion and vote of the Board of Directors. The names of all candidates nominated at the July Meeting shall appear on the election ballots to be prepared by the nominating Committee which shall supervise the voting and tabulate the results.

Any candidate withdrawing him/herself from the elections shall do so in writing to the Board of Directors who shall inform the Nominating Committee. That candidate's name shall be removed from the election ballots. Should there be fewer candidates than the number of open terms due to withdrawals; nominations shall be reopened prior to the elections at the August General Membership Meeting. Only members present at that election meeting are eligible to be nominated. Anyone so nominated shall be added to the election ballots by the Nominating Committee.

Section 2. Elections: Elections shall be held at the August General Membership Meeting by secret ballot. One ballot shall be allotted per membership in good standing

regardless of the number of properties owned or of the number of people listed as co-owners. Only those such members present at the election or represented by someone carrying their duly authorized proxy will be given ballots. The three candidates with the highest vote totals shall be elected to the Board of Directors. If there is an unexpired term up for election, the candidates for that term shall be clearly designated on the ballot and the candidate obtaining a plurality shall be elected to that term.

Voting shall be limited to the candidates listed on the ballot by the Nominating Committee. No write-in votes are allowed.

Section 3. Proxy: In the event that a member is unable to attend a meeting for election of Directors or a vote on an amendment to the Constitution, they may cast their vote by a representative carrying a duly authorized and notarized proxy letter. Proxies shall be notarized and subject to the following requirements: each proxy shall be executed in writing by the member or his duly authorized attorney in fact and filed with the Board of Directors of the Association; a proxy shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary; the revocation of a proxy shall not be effective until notice thereof has been given to the Board of Directors of the Association; no unrevoked proxy shall be valid after eleven (11) months after its execution; and a proxy shall not be revoked by the death or incapacity of the maker unless before the vote is counted or the authority is exercised, written notice of such death or incapacity is given to the Board of Directors of the Association.

ARTICLE VII

Quorum

Section 1. Quorum for a Board of Directors meeting shall be five (5) Directors.

Section 2. Quorum for elections or vote on amendments to the Constitution shall be twenty (20) members in good standing including the Board of Directors.

ARTICLE VIII

Amendments to the Constitution

Proposed amendments to the Constitution must be approved by a two-thirds (2/3) vote of the Board of Directors before the proposed amendments can be presented to the general membership. The proposed amendment must then be approved by two-thirds (2/3) of the membership in good standing present or represented by proxy at a meeting designated for such a vote. Ballots are to be allotted as stipulated in Article VI, Section 2. Once a proposed amendment is approved by the Board of Directors, as above, it shall be circulated in writing to all members with notice as to date, time, and place of the vote. If a quorum is not present at that time, the amendment may be passed by approval of two-thirds (2/3) of the Board of Directors. All amendments shall be posted as quickly as possible at the Community House.

ARTICLE IX

Removal of Officers or Directors

Section 1. Directors may be removed for violation of the Constitution, By-laws, or Deed Covenants or any actions or failure to act deemed serious and detrimental to the Association by a two-thirds (2/3) vote of the Board.

Section 2. An Officer may be removed by two/ thirds vote of the Board for dereliction of duty.

Section 3. Absence from three (3) consecutive meetings without good cause shall be sufficient grounds for removal.

ARTICLE X

Vacancy of Office or Board Seat

Section 1. In the event of a vacancy on the Board of Directors, the remaining Directors shall appoint a member to sit on the Board until the next annual election. At that election, the Association will vote for candidates nominated to fill the remainder of that term.

Section 2. In the event of vacancy in the office of Vice-president, Secretary, or Treasurer, the President shall appoint a Director to fill the remainder of the term of office subject to the approval of the Board.

Section 3. In the event of vacancy of the Presidency, the Vice-president shall assume that office for the remainder of the year and shall appoint a new Vice-president as noted above.

Section 4. In the event of vacancy of both President and Vice-president, the Secretary shall call a special meeting of the Board as soon as possible. At that meeting a new slate of officers shall be elected by the Board.

ARTICLE XI

Order of Business

Section 1. Order of Business shall be:

- A. Call to Order;
- B. Pledge of Allegiance (General Membership Meeting);
- C. Minutes;
- D. Treasurer's Report and Submission of Bills;
- E. Report of Standing Committees;
- F. Report of Special Committees;
- G. Old Business;
- H. New Business; and
- I. Adjournment

Section 2. The President may occasionally vary the order of business if deemed necessary to insure a proper and efficient handling of business.

ARTICLE XII

Liability of Directors

Section 1. Directors of the Meadow Run-Mountain Lake Park Association shall not be personally liable for monetary damages as such for any action taken or any failure to take action unless:

- A. The Director has breached or failed to perform the duties of his office under section 8369 of the Pennsylvania Directors Liability Act of 1986 Relating to standard of care and justifiable reliance; and
- B. The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

Section 2. The provisions of this section shall not apply to:

- A. The responsibility or liability of a Director pursuant to any criminal statute; and
- B. The liability of a Director for payment of taxes pursuant to local, state or federal law.

ARTICLE XIII

By-laws

Section 1. The By-laws shall be rules passed by a majority of the Board of Directors which shall govern the lakes, roads, facilities, and common areas of the Association as well as any other pertinent matters which require regulation by the Association in order to maintain good order and carry out the purpose of the Association and the duties of the Board as prescribed above.

Section 2. An up-to-date copy of the By-laws shall be posted in the Community House.

ARTICLE XIV

Fidelity Bond

A fidelity bond of a minimum of \$10,000 shall be kept in force to cover all Directors who are authorized to sign checks for disbursement of Association funds.