

BYLAWS OF
RHODO MOUNTAIN ESTATES HOMEOWNERS' ASSOCIATION

Article I. **INTRODUCTORY PROVISIONS**

Section 1.01. Name. The name of the corporation, referred to in these Bylaws as the "Association," is Rhodo Mountain Estates Homeowners Association.

Section 1.02. Applicability. These Bylaws provide for the covenants of the Association pursuant to the requirements of the Pennsylvania Uniform Planned Community Act (the "Act") with respect to the planned community created by the recording of the Declaration of Covenants, Restrictions, Easements, Charges and Liens for Rhodo Mountain Estates, A Planned Community in the Office of the Recorder of Deeds of Carbon County, Pennsylvania.

Section 1.03. Definitions. Capitalized terms used herein without definition shall have the meaning specified for such terms in the Declaration to which these Bylaws pertain or, if not defined therein, the meaning specified or used for such terms in the Act.

Section 1.04. Compliance. Pursuant to the provisions of the Act, every Owner and all persons entitled to occupy a Lot shall comply with these Bylaws.

Section 1.05. Office. The office of the Association and Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

Article II. **ASSOCIATION**

Section 2.01 Composition. The Association is hereby organized on the date hereof as an Association pursuant to the Act. The Association shall consist of all Owners acting as a group in accordance with the Act, the Declaration and these Bylaws. A person shall automatically become a Member of the Association when he acquires legal title to a Lot. An Owner cannot resign from membership or transfer membership except appurtenant to transfer of title to his Lot. Transfer of membership shall be automatic with transfer of title but the association may treat the prior Owner as the Member until satisfactory evidence of the recording of the instrument transferring title is presented to the secretary. The Association shall have the responsibility of administering the Community, establishing the means and method of collecting assessments and charges, and performing all of the other acts that may be required or permitted to be performed by the association pursuant to the Act and the Declaration. The foregoing responsibility shall be performed by the Executive Board as more particularly set forth in these Bylaws.

Article III. MEETINGS OF MEMBERS

Section 3.01 The first annual meeting of the Members shall be held within sixty (60) days of the recording of the Declaration. Subsequent regular annual meetings of the Members shall be held on the same day of the same month of each year thereafter, at seven o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following that is not a legal holiday.

Section 3.02 Special Meetings. Special meetings of the Members may be called at any time by the president or by the Executive Board, or on written request of the Members who are entitled to vote one-fourth of all the votes of the Membership.

Section 3.03 Notice of Meetings. Notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, at least ten days before the meeting to each Member entitled to vote at the meeting, as set forth in Section 13.02 herein. The notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.04 Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty (20%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, a quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

Section 3.05 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease on conveyance by the Member of his or her Lot.

Section 3.06. Voting. During the period of Declarant control, if a vote among the Members should result in a tie, the tie shall be broken by the Declarant.

Article IV. SELECTION AND TERM OF OFFICE OF DIRECTORS

Section 4.01 Number. The affairs of this Association shall be managed by a Executive Board. The Executive Board shall be comprised of three (3) persons all of whom shall be at least eighteen (18) years of age and Lot Owners.

Section 4.02. Term of Office. Pursuant to Section 4.4 of the Declaration, one (1) of the original Executive Board Members shall have a term of three (3) years, one (1) shall have a term of two (2) years and one (1) shall have a term of one (1) years. All future Executive Board Members shall be elected by the Lot Owners as a whole and shall serve for three-year staggered terms.

Section 4.02 Removal. Any director may be removed from the Board, with or without cause, by a two thirds (2/3) vote of the Members of the Association. In the event of death, resignation, or removal of a director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 4.03 Compensation. No director shall receive compensation for any service he or she may render to the Association; however, any director may be reimbursed for actual expenses incurred in the performance of his or her duties.

Section 4.04 Action Taken Without Meeting. The directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Article V. NOMINATION AND ELECTION OF DIRECTORS

Section 5.01 Nomination. Nomination for election to the Executive Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Executive Board, and two or more Members of the Association. The Nominating Committee shall be appointed by the Executive Board prior to each annual meeting of the Members, to serve from the close of the annual meeting until the close of the next annual meeting, and the appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Executive Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. The nominations may be made from among Members or non-members.

Section 5.02 Election. Election to the Executive Board shall be by secret written ballot. At the election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Article VI. MEETINGS OF DIRECTORS

Section 6.01 Regular Meetings. Regular meetings of the Executive Board shall be held monthly without notice, at the place and hour that may be fixed from time to time by resolution of the Board. Should the meeting fall on a legal holiday, then that meeting shall be held at the same time on the next day that is not a legal holiday.

Section 6.02 Special Meetings. Special meetings of the Executive Board shall be held when called by the president of the Association, or by any two directors, after not less than three days' notice to each director.

Section 6.03 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Article VII. POWERS AND DUTIES OF EXECUTIVE BOARD

Section 7.01 Powers. The Executive Board shall have power to:

(a) Adopt and publish rules and regulations governing the use of the Common Elements, the personal conduct of the Members and their guests, and establish penalties for the infraction of the rules and regulations;

(b) Suspend the voting rights of a Member during any period in which the Member shall be in default in the payment of any assessment levied by the Association; these rights may also be suspended after notice and hearing, for a period not to exceed sixty days for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) Declare the office of a Member of the Executive Board to be vacant in the event the Member shall be absent from three consecutive regular meetings of the Executive Board; and

(e) Employ a manager, an independent contractor, or other employees as they deem necessary, and prescribe their duties.

Section VII.02 Duties. It shall be the duty of the Executive Board to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and present a statement of its acts and corporate affairs to the Members at the annual meeting of the Members, or at any special meeting when the statement is requested in writing by one-fourth of the Members who are entitled to vote;

(b) Supervise all officers, agents, and employees of this Association, and see that their duties are properly performed;

(c) As more fully provided in the Declaration:

(i) Fix the amount of the annual assessment against each Lot at least thirty days in advance of each annual assessment period;

(ii) Send written notice of each assessment to every Owner subject to assessment at least thirty days in advance of each annual assessment period; and

(iii) Foreclose the lien against any property for which assessments are not paid within thirty days after due date or assess a late charge, or bring an action at law against the owner personally obligated to pay the assessments.

(iv) Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; if a certificate states an assessment has been paid, the certificate shall be conclusive evidence of the payment;

(v) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

(vi) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(vii) Cause the Common Elements to be maintained.

Article VIII. OFFICERS AND THEIR DUTIES

Section 8.01 Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be Members of the Executive Board, a secretary, and a treasurer, and other officers as the Board may from time to time by resolution create.

Section 8.02 Election of Officers. The election of officers shall take place at the first meeting of the Executive Board following each annual meeting of the Members.

Section 8.03 Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he or she shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

Section 8.04 Special Appointments. The Board may elect other officers as the affairs of the Association may require, each of whom shall hold office for the period, have the authority, and perform the duties that the Board may, from time to time, determine.

Section 8.05 Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Resignation of an officer shall take effect on the date of receipt of the notice or at any later time specified in the notice, and unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 8.06 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to fill a vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 8.07 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Paragraph 8.04 of this Article.

Section 8.08 Duties. The duties of the officers are as follows:

(a) The president shall preside at all meetings of the Executive Board; see that orders and resolutions of the Board are carried out; sign all leases, mortgages, deeds, and other written instruments; and co-sign all checks and promissory notes.

(b) The vice-president shall act in the place and stead of the president in the event of his or her absence, inability, or refusal to act, and shall exercise and discharge all other duties as may be required of him or her by the Board.

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring the seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform all other duties as required by the Board.

(d) The treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse the funds as directed by resolution of the Executive Board; sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members within thirty days of completion.

Article IX. COMMITTEES

Section 9.01 The Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Executive Board shall appoint other committees as deemed appropriate in carrying out its purpose.

Article X. BOOKS AND RECORDS

Section 10.01 The books, records, and papers of the Association shall be subject to inspection by any Member upon request. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

Article XI. COMPLAINTS AND DEFAULT

Section 11.01 As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments that are secured by a continuing lien on the property against which the assessment is made. Any assessments that are not paid when due shall be delinquent. If an assessment is not paid within thirty days after the due date, the assessment shall bear interest from the date of delinquency at the rate of nine percent (9%) per annum, and the Association may (a) declare the entire balance of such annual or special assessment due and payable in full; (b) upon Notice to the Owner, suspend the Owner's Good Standing, (c) charge a late fee, or (d) bring an action at law against the Owner personally obligated to pay the assessment or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of the action shall be added to the amount of the assessment. No Owner may waive or otherwise escape liability for the assessments by nonuse of the Common Elements or abandonment of his or her Lot.

Section 11.02 Relief. Each Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, the Rules and Regulations and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by an Owner shall entitle the Association, acting through its Executive Board, to the following relief:

(a) Additional Liability. Each Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of any Members of his family or his employees, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include any increase in casualty insurance rates occasioned by improper use, misuse, occupancy or abandonment of any Lot or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

(b) Costs and Attorney's Fees. In any proceedings arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be determined by the court.

(c) No Waiver of Rights. The failure of the Association, the Executive Board or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Rules and Regulations or the Act shall not constitute a waiver of the right of the Association, the Executive Board or the Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies, privileges granted to the Association, the Executive Board or any Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.

(d) Abating and Enjoining Violations by Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaw contained herein or the breach of any provision or covenant of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights: (1) to enter the Lot in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, anything or condition (other than alteration or demolition of items of construction) that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; or (2) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity the continuance of any such breach, including, without limitation, requiring the alteration or demolition of items of construction.

Section 11.03 Good Standing. The Membership rights and privileges of any Owner, including the powers to vote, stand for election to the Board, eligibility for appointment to any committee, serve as a Member of the Board or any committee, may not be enjoyed while an Owner is not in good standing. An Owner shall be in good standing until such time as the Board suspends the Owner's good standing status, whereupon the Owner's Membership rights shall be deemed to have been suspended by the Board.

Section 11.04 Procedure for Suspension of Membership Rights. The procedure for suspension of Membership under this Article shall be as follows:

(a) Membership privileges may be suspended at any time after a material breach of the Owner's duties and obligations under the Declaration, Bylaws and Rules and Regulations upon majority vote of the Board. The Board's Secretary shall give any Owner determined by the Board to be in material violation of any covenant, easement, restriction, rule or regulation ten (10) days' notice of the suspension of the Owner's good standing status and the suspension of the Owner's rights and privileges. The notice shall be transmitted in accordance with the procedures stated in these Bylaws. The notice shall set forth the nature of the violation or violations, and advise the Owner of the Owner's right to make a written request to appear before the Board to appeal the revocation and suspension. The suspension notice to the Owner may be incorporated into any other notice transmitted to the Owner in accordance with the procedures stated herein.

(b) An Owner may make a written request to appear before the Board to appeal the suspension. The Owner's written request to appear before the Board to appeal shall be served upon the Board Secretary within seven (7) days from the date of the Owner's receipt of the suspension notice from the Board. The Secretary shall schedule an appeal hearing, and all parties shall proceed in accordance with the applicable due process provisions of the governmental documents.

(c) If, during the ten (10) day notice period, or prior to any appeal hearing, the violations are fully cured, as determined by the Board, then the Board shall revoke the suspension, but the Board may impose a fine for the violation or beach, and/or levy an assessment against the Owner for any costs or fees incurred by the Board, including reasonable attorney's fees, in obtaining the cure.

(d) If the Owner has not fully cured all violations prior to the appeal hearing, the Board may, after giving the Owner an opportunity to be heard, and in addition to any other penalties, fines and/or sanctions available, continue the suspension of the Membership rights and privileges of the Owner for a period not longer than the period of time the Owner takes to fully cure the violations. The Owner, and the Association, may be represented by counsel at the appeal hearing.

(e) An Owner may present a written petition to the Board at any time stating action taken by the Owner to cure his or her violation, and requesting the Board to take action to determine whether the violation has been fully cured, and to restore the Owner's good standing status and Membership rights and privileges. The Board may act upon the petition, or it may hold a hearing to consider the Owner's petition. The Board shall provide the Owner with prompt written notice of the action taken in response to such a petition, including a description of the additional remedial action, if any, which an Owner is required to perform to fully cure the Owner's violation of the Requirements.

(f) Procedures before the Board on any hearing with respect to any Owner's good standing status and/or Membership rights and privileges shall be conducted by the Board in accordance with the applicable provisions of such due process procedures as may be stated in the governing documents, and such Rules and Regulations as may be adopted by the Board from time to time.

Article XII. AMENDMENTS

Section 12.01 Amendments to Bylaws. Bylaws may be modified or amended only by vote of the Owners entitled to cast a majority of the votes in the Association, except as otherwise expressly set forth herein or in the Act; provided, however, if any amendment would have material effect upon any of the rights, privileges, powers and options of the Declarant, such amendment shall require the written approval of the Declarant. Additionally, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, then at any time from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from an independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Section 12.02 Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Article XIII. MISCELLANEOUS

Section 13.01 The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 13.02 Notices. All notices, demands, bills, statements or other communications under these Bylaws (each of which is herein called a "Notice") shall be in writing and shall be deemed to have been duly given upon compliance with the following provisions of this Section 13.02, addressed (a) if to an Owner, an officer of the Association or a Member of the Executive Board, at the address which such person designates in writing and files with the Secretary or, if no such address is designated, at the address of the Lot of any such person who is a Lot Owner, or (b) if to the Association, the Executive Board at the principal office or at such other address as shall be designated by notice in writing to the Lot Owners pursuant to this Section. If a Lot is owned by more than one Person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

(a) A notice shall be deemed to have been given and received:

(i) If given by telecopy, when the telecopy is transmitted to the addressee's specified telecopy number and confirmation of complete receipt is received by transmitting party during normal business hours or on the next business day if not confirmed during normal business hours.

(ii) If hand delivered to a party against receipted copy, when the copy of the notice is received by or on behalf of such party;

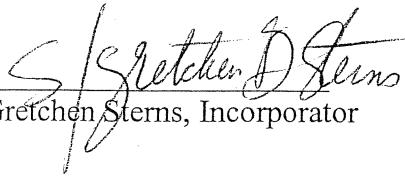
(iii) If given by a nationally recognized and reputable overnight delivery service, on the day on which the notice is actually received by the addressee thereof; or

(iv) If given by any other means or if given by mail with the United States Postal Service, postage prepaid, the day it is posted.

(b) If any Notice is sent by telecopy, the transmitting party may as a courtesy send a duplicate copy of the Notice to the other party by regular mail. In all events, however, any Notice sent by telecopy transmission shall govern all matters dealing with delivery of the Notice, including the date on which the Notice is deemed to have been received by the addressee thereof.

(c) If Notice is tendered under the provisions of these Bylaws and is refused by the intended recipient of the Notice, the Notice shall nonetheless be considered to have been given and shall be effective as of the date provided in these Bylaws. Notwithstanding anything herein to the contrary, any Notice that is given in a manner other than that provided in these Bylaws, and that is actually received by an addressee, shall be effective with respect to such addressee upon his receipt of such Notice.

We, being all of the directors of Rhodo Mountain Estates Homeowners' Association, sign these Bylaws on this 30th day of November, 2007.


Gretchen Sterns, Incorporator