

# BYLAWS OF TREASURE LAKE PROPERTY OWNERS ASSOCIATION, INC.

## ARTICLE I

- Section 1.1** NAME: This Corporation shall be known as the Treasure Lake Property Owners Association, Inc. (The "Association"), a Pennsylvania non-profit corporation whose business address is 13 Treasure Lake, DuBois, PA, 15801.
- Section 1.2** PURPOSE and OBJECTIVE: The general purpose of the "Association" is to further and promote the community welfare of the Treasure Lake property owners, including but not limited to, the holding, management, maintenance and enhancement of such real properties, infrastructures and easements owned by the Association and those which the Association has acquired or may acquire in the future. In exercising this obligation the Association may take such steps as it deems necessary to promote the safety, security, and well-being of its property owners.
- Section 1.3** AFFILIATIONS: All Treasure Lake organizations, or groups, as of the date of adoption of these By-Laws, shall continue to be recognized as being affiliated with or otherwise under the auspices of the Association until their dissolution.
- 1.3.1 Procedures For Affiliations or Sponsorship: No organization or group may be affiliated with the Treasure Lake Property Owners Association, Inc. without the approval of a majority of the Board of Directors. Application for affiliation with or sponsorship by the Association shall be submitted in writing to the Board for review and consideration. The application may be in letter form and shall contain a brief description of the applicant (s) / organization (s) purpose, its structure, and its requirements for membership. Upon receipt of such an application, the Board shall make its study and decision to approve or disapprove such affiliation within sixty (60) days after receipt of the organizations application by the Board Secretary. The Board of Directors may, for just cause, withdraw affiliation upon a majority vote to do so.

## ARTICLE II MEMBERSHIP

- Section 2.1** REGULAR MEMBERSHIP: Regular membership of the Association shall consist of the following: all persons, partnerships, or corporations, who acquire title, legal or equitable, to any form of real estate within the Treasure Lake sub-division, Sandy Township, Clearfield County, Pennsylvania, other than the Treasure Lake land developer, its successors or assigns.
- Section 2.2** ASSOCIATE MEMBERSHIP: Associate memberships shall be divided into two groups: Full Associate and Limited Associate memberships.
- 2.2.1 Full Associate Membership. Full Associate Membership shall be afforded, with all rights and privileges as that of a Regular Membership, to all persons residing legally in the same household as a Regular Member. However, Full Associate members shall not have the right to vote, hold elective office, or chair any committee of the Association.
- 2.2.2 Limited Associate Membership. Limited Associate membership may be granted for usage of amenities which allow public access as deemed by the Board of Directors. Rules and Regulations regarding Limited Associate Membership will be defined by the Board of Directors.
- Section 2.3** ASSIGNMENTS of MEMBERSHIP: Neither class of memberships described in Sections 2.1 or 2.2 inclusive shall be assignable.
- Section 2.4** MEMBERSHIP STANDING: To be recognized as a Regular member in good standing of the Association, a person must:
- 2.4.1 Possess ownership of, or an equitable interest in a lot or lots situated within the environs of the Treasure Lake sub-division (including the area known as Cayman Landing, Silverwoods and Wolf Run) Sandy Township, Clearfield County, Pennsylvania. Such ownership must be capable of being verified by a Deed of Trust on that lot or lots.
- 2.4.2 Have paid, or otherwise current with all financial obligations to the Treasure Lake Property Owners Association, as witnessed by the Financial Records of the Treasure Lake Property Owners Association, Inc, to include Association annual assessments, as well as any and all outstanding fines, fees, or penalties imposed by the Association on the property owner(s) and members.
- 2.4.3 In determining the eligible standing of an Association Regular member, no residency requirements within the Treasure Lake community shall be applicable.
- Section 2.5** PRIVILEGES of REGULAR MEMBERSHIP. The privileges of Regular Membership shall include:
- 2.5.1 The right of access to the lot or lots owned by the respective members over and across the roads owned or maintained by the Association.
- 2.5.2 The use of such facilities as the Association may acquire or establish for the convenience of its members.
- 2.5.3 The use of such facilities as the Association may acquire or establish for recreational purposes.
- 2.5.4 The right to petition and vote with respect to all matters that may be referred to the vote of the Regular members by law or by the By-Laws.
- 2.5.5 The right to attend all open Board meetings, hearings, and meetings of the membership.
- Section 2.6** DISCIPLINARY MEASURES:
- 2.6.1 The right granted under Section 2.5.1 shall be absolute and cannot under any circumstances be withdrawn by the Association.

- 2.6.2 The rights conferred by Sections 2.5.3, 2.5.4, 2.5.5 and 2.5.6 shall be revoked automatically if the member (1) is in default of any monetary obligation owed to the Association, or (2) is otherwise in default of any other provisions of the Association's legal documents, such as the Declaration of Restrictions, these By-Laws, Association Policies, etc., and has been given ten (10) days written notice of non-monetary default. The member's rights shall be restored after all defaults have been cured as determined by the Board of Directors.
- 2.6.3 If a Member, his or her guests, tenants or invitee, or a member of his or her immediate family (Full Associate Member) creates a nuisance upon any of the Association's properties, or by intentional actions or omissions, causes damage or expense to the Association in a determinable amount, or violates the Rules and Regulations of the Association, including, but not limited to the Association Rules of the Road, he or she shall be subjected to disciplinary measures as provided for by the Board of Directors in its Administrative Code.
- 2.6.4 The rights and remedies provided in this Section 2.6 shall not be exclusive of any other rights and remedies which the Association may have at law or otherwise to discipline its members.

**ARTICLE III  
GOVERNMENT**

**Section 3.1 BOARD OF DIRECTORS**

- 3.1.1 The general management of the affairs of the Association shall be vested in the Board of Directors, who shall be elected as provided in the By-Laws.
- 3.1.2 The Board shall consist of not more than nine (9) Directors, including a President, a Vice President, a Secretary and a Treasurer.
- 3.1.3 The President shall be a member ex-officio of all standing committees.
- 3.1.4 The Board of Directors may hire a General Manager to handle day to day management of the activities of the Association. The duties of this position shall be determined by the Board of Directors.

**Section 3.2 DUTIES and POWERS of the BOARD of DIRECTORS**

- 3.2.1 The Board shall have general charge and management of the affairs, funds, and property of the Association. They shall have full power and it shall be their duty to carry out the purpose of the Association according to its charter, Declaration of Restrictions and By-Laws.
- 3.2.2 The Board shall have the power to make Rules and Policies for the conduct of the members and the use of the Association property and to determine whether the conduct of any member is detrimental to the welfare of the Association and to fix penalty for such misconduct or any violation of the by-laws, rules or policies.
- 3.2.3 The Board shall have the power to:
  - 3.2.3.1 Vote the expenditures of money, as deemed necessary.
  - 3.2.3.2 To contract for lease or purchase in the name of the Association.
- 3.2.4 The Board may accept or acquire and administer any property or rights from anyone for the benefit of the Association.
- 3.2.5 The Board shall have the power and authority to do any and all acts to carry out and achieve its objectives, without limiting the foregoing. It shall have the duty, responsibility, power and authority to:
  - 3.2.5.1 Arrange for garbage and refuse collection by private haulers for members of the Association.
  - 3.2.5.2 Provide standards of safety for the protection of the members of the Association and its employees.
  - 3.2.5.3 Maintain, repair and keep open all roads in the Treasure Lake Development owned by or under the control of the Association.
  - 3.2.5.4 Operate and maintain all other properties and amenities owned or acquired by the Association for the benefit of the Association.
  - 3.2.5.5 Provide such other services as may be deemed necessary but not limited to those areas or items listed above.
- 3.2.6 The Board shall have the power to impose an assessment or charge upon the members in such amounts as it shall deem necessary for the Association to properly perform its functions and for the services furnished by the Association. No such charge shall ever be made against, or be payable by Treasure Lake Property Owners Association Inc. or its successors and assigns, the Association itself or any corporation(s) that may be created to acquire title to, and operate, the water or sewer utilities servicing the area, or any lakes, dams, beaches, lake access tracts, marinas, golf courses, tennis courts, swimming pools, clubhouse grounds, campgrounds, or other like recreational facilities.
- 3.2.7 The Board may engage and employ such persons at such compensation as it may deem necessary to carry out and achieve any of the objectives and purposes of the Association. However, no person serving as an elected or appointed director or as an employee can receive and be compensated in any form, any benefit, from the Treasure Lake Property Owners Association during their full term of office. Any elected or appointed director shall make known any financial interest in any company

transacting business with the Treasure Lake Property Owners Association during their full term of office (A full term of office is defined as that time for which a director is elected or appointed to service).

**Section 3.3** CONFLICT of INTEREST. Defined: Any Director, Officer or employee having a compensatory interest in a privately owned company, or more than 1% of the outstanding stock of a publicly held corporation with whom Association business is conducted. No contracts, agreements and transactions between the Association and any of its Directors, Officers, employees, or any other entity in which one (1) or more of the aforesaid Directors, Officers, or employees are deemed to have an interest shall be entered into by the Association, unless:

- 3.3.1 The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors and;
- 3.3.2 The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, if any, and the contract or transaction is specifically approved in good faith by a vote of six (6) members, or;
- 3.3.3 The contract or transaction is fair to the Association at the time it is authorized, approved, or ratified by the Board of Directors or Association Members.
- 3.3.4 Any Director, Officer, or employee of the Association shall be deemed to have vacated his or her office or position of employment if found to be involved in or a party to a conflict of interest, the circumstances of which he/she has failed or neglected to disclose to the Board of Directors and/or the Association prior to approval or ratification of such contracts or transactions by the Board of Association Members, when applicable.
- 3.3.5 The provisions of 3.3.4 concerning removal from office or employment by virtue of conflict of interest in the exercise of assigned duties and responsibilities is hereby incorporated by reference as a part of Article V, Section 5.8 of these By-Laws. In such cases, after reasonable inquiry and investigation of the circumstances and facts pertaining to the alleged conflict, a majority vote of the remaining members of the Board of Directors shall be sufficient to determine whether there is just cause for vacating the respective Board office or position of employment.

#### ARTICLE IV

#### Section 4.1 MEETINGS

- 4.1.1 Regular Meetings. The Board of Directors shall hold regular meetings for the purpose of conducting the business of the Association. Regular meetings of the Board of Directors are to be held monthly, at times and locations designated by the Board of Directors, to conduct the business of the Association. Informal work sessions of the Board may be scheduled as necessary. All Association members in good standing may attend all Board meetings except those dealing with personnel items, legal issues, potential real estate purchase transactions or other items deemed to be of a confidential nature.
- 4.1.2 Order of Business. The order of business shall be determined by the Board of Directors, and shall include, but not limited to:
  - 4.1.2.1 Quorum count
  - 4.1.2.2 Minutes of previous meeting
  - 4.1.2.3 Treasurers report or financial report
  - 4.1.2.4 Department committee reports
  - 4.1.2.5 Unfinished (old) business
  - 4.1.2.6 New business
  - 4.1.2.7 Adjournment
- 4.1.3 Special Meetings. The President or Secretary may call special meetings of the Board of Directors on their own initiative whenever, in their judgement, it may be necessary; or otherwise by the Secretary upon the request of any two members of the Board of Directors. Five (5) days notice of a special meeting shall be given to all Directors, and shall be deemed sufficient notice of such meetings. The five (5) day notice may be waived upon unanimous consent of all Directors.
  - 4.1.3.1 Notice. Notice of a special meeting shall be the same as of regular meetings except that the notice shall include the purpose for which the meeting is being called.
  - 4.1.3.2 Order of Business. The order of business is limited to the purpose for which the meeting has been called.
- 4.1.4 Annual Membership Meeting. There shall be an annual membership meeting of the members in July of each year. The exact date, time and location shall be set forth in the notice thirty (30) days before such meeting.
  - 4.1.4.1 Order of Business. The order of business shall be as stated in subparagraphs 1 through 7 under Section 4.1.2.
- 4.1.5 Special Membership Meeting. The President may call a special membership meeting after first having secured the approval of the Board of Directors or upon receipt of a petition signed by at least six (600) hundred Regular members in good standing.
  - 4.1.5.1 Notice. Same as for general membership meetings except that the notice shall include the purpose for which the meeting is being called.
- 4.1.6 Quorum. At meetings of the Board of Directors a majority of the total numbers of directorships authorized shall constitute a quorum. Six hundred (600) Regular members in good standing, including proxies, shall constitute a quorum at general or special membership meetings.

**ARTICLE V  
VOTING AND ELECTIONS**

**Section 5.1** VOTING ELIGIBILITY.

- 5.1.1 Defined. Units of real estate within the subdivision of Treasure Lake, and defined as lots by the Declaration of Restrictions, may have more than one owner which may result in more than one Regular Member of the Association. However, all voting within the Association by individual single residential lots shall be limited to one (1) vote for each parcel or unit of real estate giving rise to membership.
- 5.1.2 The voting eligibility for all other types of real estate ownership and real estate usage concepts within the Treasure Lake Subdivision (i.e. ownership interest at Wolf Run Manor and Silverwoods) will be determined based on the details of an agreement as amended and signed by the Recreation Land Corporation, Silverwoods Association, Inc., Wolf Run Manor Association, Inc., and the Treasure Lake Property Owners Association, Inc. on December 30, 1988 and as amended on May 9, 1989. (A copy of the agreement with amendment is on file at the office of the Treasure Lake Property Owners Association, Inc.)
- 5.1.3 Voting shall be in person or by proxy executed in writing by the member or his duly authorized representative. No proxy will be recognized as valid after 11 months from the date of its execution. However, all Regular members of each respective parcel or unit of real estate must indicate assent to vote for that parcel or unit in the manner prescribed by the Board of Directors.
- 5.1.4 In order for the votes to be counted, voting parcels or units must be in good standing relative to payment of all financial obligations collected by the Association, and otherwise be in good standing with respect to the Rules and Regulations of the Association.

**Section 5.2** ELECTION of BOARD DIRECTORS. The Directors of the Association shall be elected at the Annual membership meeting of the Association held in July of each year based on the policies and procedures approved by the Board of Directors and as outlined in the Operating Manual of the Association. Voting shall be by written ballot.

**Section 5.3** TERMS of OFFICE. The Board of Directors shall be divided into classes such that one-third of said Directors shall be elected each year. All elected Directors shall serve for terms of three (3) years. However, Directors elected by the Board of Directors under Article V Section 5.9 of the by-laws, shall serve only until the next annual election. No Director(s) shall be elected for more than two (2) consecutive terms, not including any additional period elected to fill a Board vacancy per Article V. After a one (1) year absence, former Directors shall again be eligible to be nominated and elected to the Board.

**Section 5.4** NOMINATING and ELECTION COMMITTEES.

- 5.4.1 Nominating Committee. Prior to the annual election, the President of the Board of Directors shall establish a Nominating Committee, and, with the advice and consent of the Board of Directors, appoint a member of the Association in good standing to be chairperson of this committee. The chairperson will appoint an even number of additional members in good standing, but not less than two (2) such additional members, to the Nominating Committee. One member of the Nominating Committee shall also be a member of the Election Committee. It shall be the exclusive responsibility of the Nominating Committee to present nominees to be placed on the ballot to stand for election to the Board of Directors of the Association. Additional nominations of Board candidates may not be made from the floor.
- 5.4.2 Election Committee. An Election Committee shall be appointed by the President of the Board of Directors, prior to each Annual membership meeting. This committee shall perform their duties according to the policies and procedures established by the Board of Directors and as outlined in the operating manual of the Association. Additionally, this committee shall act as judges of election and perform such duties as specified by the laws of Pennsylvania relating to judges of election for non-profit corporations.

**Section 5.5** ELIGIBILITY of NOMINEES. To be eligible to be a nominee for the Board of Directors, and to continue to serve on the Board, all candidates must agree to and maintain the following conditions:

- 5.5.1 Be a Regular member of the Association in good standing and have met all financial obligations to the Association.
- 5.5.2 Provide signed endorsements from no fewer than five (5) Regular members of the Association in good standing with their application.
- 5.5.3 Submit their completed application with all endorsements as a nominee prior to the applicable deadline for such submissions.
- 5.5.4 Agree to the restrictions as outlined in the Declaration of Restrictions and the By-Laws of the Association.
- 5.5.5 Be willing to serve on the Board of Directors, if elected.

**Section 5.6** REMOVAL FROM OFFICE. After election to the Board of Directors of the Association, the Board may remove any Director(s) for any of the following reasons:

- 5.6.1 If, within thirty (30) days after notice of their election, the newly elected Board Member(s) do/does not accept such office either in writing or by attending a meeting of the Board of Directors, the newly elected Board Member(s) shall be removed from the Board;
- 5.6.2 If any Board member is absent from twenty-five percent (25%) of the regularly scheduled business meetings (3 meetings) within the twelve (12) month period beginning with the July Board meeting, they have forfeited their right to serve on the Board of Directors and shall be removed from it. A successor(s) shall be elected to serve until the next annual election according to procedures established in Section 5.9 of this Article.

NOTE: This removal action does not require a majority vote by the remaining Board Members. **Removal is mandatory upon the 3rd absence.** The only absences that will not count toward the 25% limit are:

1. Death in the family;
2. Serious illness or injury involving the Board Member, or a member of their immediate family requiring hospital stay or home care under a doctor's orders.

NOTE: All other reasons, including vacation time, will count toward the 25% limit.

- 5.6.3 Declaration of unsound mind by a court order.
- 5.6.4 Conviction of any felony.
- 5.6.5 Failure to fulfill the responsibilities for Directors as specified in the By-Laws of the Association, or by law.
- 5.6.6 Any Member in good standing or Director of the Association may petition the Court to remove from office any Director in case of fraudulent or dishonest acts, or gross abuse of authority or discretion with reference to the Association, or for any other proper cause and may thereafter bar from any office any Director so removed for a period prescribed by the Court. The Association shall be made party to such action.

**Section 5.7** VACANCIES IN OFFICE. Vacancies occurring on the Association Board of Directors resulting from Board removal, resignation, death or other reasons, shall be filled by election by the Board. The Board should give serious consideration to the unsuccessful candidates from the last election. However, if the Board cannot elect from this group by a majority vote, the Board may then elect any Association Regular member who is in good standing. The person(s) elected by the Board shall serve until the next annual election. The person(s) elected by the Board of Directors must agree to the requirements as listed in Sections 5.5.1, 5.5.4, and 5.5.5 of this Article.

**Section 5.8** OFFICER VACANCIES. Vacancies occurring among the officers of the Board of Directors shall be filled by nominations from the Board, of a Board member. A majority vote of the Board will be required to confirm election.

## ARTICLE VI OFFICERS

**Section 6.1** ELECTION of OFFICERS. The Board of Directors shall elect one of their number President, one of their number Vice-President, one of their number Secretary; and one of their number Treasurer. Secretary and Treasurer may be one person if a majority of the Board so designate by vote. The meeting to elect officers shall be held within one month following the Annual membership meeting of the Association.

- 6.1.1 Terms of Officers. Officers shall be elected for one (1) year terms and shall otherwise continue to serve as officers until their successors have been elected by the Board of Directors.

**Section 6.2** DUTIES of OFFICERS.

6.2.1 PRESIDENT: The President shall be elected by the Board from among the Directors. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of affairs and officers of the Association. The President shall preside at all meetings of the Board and shall have the general power and duties of management usually vested in the office of president of a corporation, together with such powers and duties as may be prescribed by the Board or the By-Laws.

6.2.2 VICE-PRESIDENT: The Vice-President shall be elected by the Board from among the Directors. In the absence or disability of the President, the Vice-President shall perform all duties of the President, and when so acting shall have all the powers of and be subject to the same restrictions as the President. The Vice-President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or the By-Laws.

6.2.3 SECRETARY: The Secretary shall:

- (1) Keep, or cause to be kept, at the Association's principal office or other such place as the Board may order, a Book of Minutes of all meetings of Directors and Members, with the time and place of holding same, whether regular or special, and if special, how authorized, notice thereof given, the names of those members present at Directors' meetings, the number of members present at members' meetings, and the proceedings thereof, and records of the number of member votes cast by written ballot, or by proxy, when applicable.
- (2) Keep, or cause to be kept, appropriate current records showing the members of the Association, together with their addresses.
- (3) Give, or cause to be given, notice of all meetings of the Board required by the by-laws or by law to be given.
- (4) Keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be hereafter prescribed by the Board or by the By-Laws.

6.2.4 TREASURER: The Treasurer shall:

- (1) Keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements, and be the Board liaison to the Finance Committee.
- (2) Keep and maintain, or cause to be kept and maintained, the books and records which shall be reviewed as required, but in no event less than once a year, under the direction of the Treasurer and the results thereof reported to the Association membership. An audit shall be performed no less than every three (3) years or as prescribed by the Board, under the direction of the Treasurer and the results thereof reported to the Association membership. Such books and records shall be open at all reasonable times to inspection by any Director or member in good standing.

**Section 6.3** SIGNATURE AUTHORITY. All checks, leases, contracts and other instruments executed for the benefit of the Association shall be signed by the President, Vice-President, Secretary, Treasurer, or by such other person or signature authority as required by state law and as the Board of Directors may designate. The signatures of at least two (2) Board Members or an Officer and a Board Member (if the designated officer is not a Board Member) shall be required for withdrawal of monies from the Association's reserve accounts.

**ARTICLE VII  
FINANCE**

**Section 7.1** DEFINITIONS:

- 7.1.1 Operating Expenses. As used in this Article, Operating Expenses shall mean all of the recurring expenses of the Association other than the expenses described in Subsections 7.1.2 and 7.1.3 of this section.
- 7.1.2 Capital Expenses. As used in this Article, Capital Expenses shall mean all items of expenditure for the purchase or improvement of real estate, construction, re-construction, or improvement of Association buildings and structures, and the purchase of machinery and equipment exceeding an acquisition cost of two thousand (\$2000) dollars.
- 7.1.3 Capital Project. As used in this Article, Capital Project shall mean a proposal to purchase or construct a facility of the Association involving expenditures totaling more than twenty-five thousand (\$25,000) in the aggregate.

**Section 7.2** BUDGETS and BUDGET PREPARATION:

- 7.2.1 Expenditures. All expenditures of the Association shall be provided for in the budgets described in this section. The budgets shall consist of an operating budget and a capital budget, and the Board of Directors shall have the duty to adopt said budgets for each fiscal year. Further, as an adjunct to the budget process, the Board of Directors shall fix the amount of the annual assessment.
- 7.2.2 Operating Budget. Each operating expense item shall be included in an annual operating budget and shall be classified as to type and amount in a manner approved by the Board of Directors and consistent with generally accepted accounting principles.
  - (a) Once an operating budget has been approved by the Board of Directors, no budget line item shall be exceeded by ten percent or one thousand dollars (10% or \$1000) unless reviewed by the Treasurer, General Manager and/or the Board President. Said items will be reported to the Board of Directors by the Treasurer. The excesses so approved by the Board of Directors, shall be transferred from another line item within the same function, or if not possible, then from the emergency reserve funds as a last resort.
  - (b) All unexpended funds remaining in the operating budget for any one fiscal year, at the conclusion of said year, shall be carried forward in the general fund, used to reduce debt, or placed in one of the reserve accounts, after being reviewed by the Finance Committee, which will make a recommendation to the Board of Directors for approval.
- 7.2.3 Capital Budget. Each item of capital expense shall be classified as to type and amount in a manner approved by the Board of Directors and consistent with general accounting principles.
  - (a) All expenditures over five thousand dollars (\$5000) must first go through the bidding process as prescribed by the Board of Directors in its administrative policies/guidelines regarding the expenditure of Association funds. Once a capital budget has been approved by the Board of Directors, no budget line item within said budget may be exceeded at any time, unless otherwise approved by the Board.
  - (b) Unexpended sums budgeted for capital expenses, or otherwise authorized for a capital project which has been completed, shall be applied either to the reduction of the debt or to a capital reserve account, after consideration of the Finance Committee and recommendation to the Board of Directors.
- 7.2.4 Hearings, Approvals and Publication. The Board of Directors shall hold at least one (1) public hearing at least seven (7) days prior to the Board taking final action on a proposed operating budget. The notice for these hearings shall include a summary of the proposed budget plus the anticipated dues, fees and assessments to be levied upon the membership if said budget is approved. The budget, so prepared, shall be set and approved on or before the last day of March preceding the fiscal year for which it was prepared. Once approved, the General Manager shall print the budgets in reasonable detail in the official publication and posted on the bulletin boards located throughout the Treasure Lake community.

**Section 7.3** UNRESTRICTED CAPITAL RESERVE ACCOUNT. The Unrestricted Capital Reserve Account shall remain sacrosanct with its only use to be set aside for approved capital expenditures. The Board of Directors shall have the right to borrow therefrom with an annual interest rate of five percent (5%) payable (principle and interest) by May 31 following the fiscal year in which the funds were borrowed.

**Section 7.4** DUES, FEES, and ASSESSMENTS. The Board of Directors shall fix membership dues, fees and assessments. The method and basis for determining the amount of annual dues by type of lot shall not be charged unless approved by favorable vote as stated in the Declaration of Restrictions.

- 7.4.1 Special Assessments. Special assessments to meet unbudgeted operating or capital expenses shall be deemed additional dues and shall be computed as a stated percentage of each member's annual dues.
  - (a) The Board of Directors shall hold a minimum of two (2) public hearings at least fourteen (14) days apart, with the last occurring at least seven (7) days prior to the Board taking final action. The notice for these hearings shall include a summary of the proposed budget plus the anticipated special assessment to be levied upon the membership if said budget is approved.
  - (b) A special assessment shall only be approved by a minimum of six (6) Directors voting in the affirmative.
- 7.4.2 Billing. The General Manager shall prepare and mail dues notices to the entire membership no later than April 1 of each year. Said notices shall indicate the lot number, the member's name and permanent address and the amount due for the fiscal year in question, and all unpaid prior balances. All such amounts shall become due and payable on the first day of May of each year, except as otherwise provided for by the Board of Directors.

**ARTICLE VIII  
COMPENSATION, LIABILITY and INDEMNIFICATION**

- Section 8.1** COMPENSATION. The Officers, Directors and Association members serving on any Standing or Special Committees shall not receive any salary, gratuity, or compensation in any other form for services rendered to the Association. However, the Board of Directors is hereby authorized and empowered to reimburse reasonable out-of-pocket expenses incurred on the behalf of the Association upon written request and justification for such reimbursement as may be prescribed by the Board.
- Section 8.2** LIMITS on PERSONAL LIABILITY of DIRECTORS. A Director of the 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 a breach or failure to perform the duties of his or her office under Section 8363 of the Director's Liability Act, Title 42 of the Pennsylvania Consolidated Statutes (relating to standard of care and justifiable reliance);
  - (b) the breach or failure to perform constitutes self-dealing, wilful misconduct or recklessness; and,
  - (c) provided, however, that this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or liability of a Director of the payment of taxes under state or federal laws.
- Section 8.3** MANDATORY INDEMNIFICATION. The Association shall, to the fullest extent now or hereafter permitted by law, including, but not limited to, the Director's Liability Act, Title 42 of the Pennsylvania Consolidated Statutes, indemnify and make advances on behalf of any person who was or is a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal administrative or investigative (including any action by or in the right of the Association) by reason of the fact he or she is or was a Director or Officer of the Association, or is or was serving at the request of the Association as a Director, Officer, committee member, employee or agent of another association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgements, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding. Indemnification may be denied if a majority of the Board of Directors vote disapproval thereof, at a Special Meeting, with ten (10) days notice given, called for that purpose, upon a determination made by the Board of Directors that the person seeking indemnification was not attempting to advance the best interest of the Association.

**ARTICLE IX  
ASSESSMENTS**

- Section 9.1** ANNUAL ASSESSMENT. The annual assessment of members for operating and capital budgets will be determined by the Board of Directors each fiscal year based upon the proposed budgets.
- Section 9.2** DUE DATE. The annual assessments shall be payable by all members on or before May 1 of each year and shall be paid to the Treasure Lake Property Owners Association, Inc.
- Section 9.3** SUSPENSION of VOTING RIGHTS. The Board of Directors shall have the authority to suspend the voting rights of any Regular member whose assessments, fines, penalties or other fees are unpaid as of July 1 of any year.
- Section 9.4** AUTHORITY to RESTRICT USE. The Board of Directors shall also have the authority to restrict use by any such members and guests of any facilities and property owned by or under lease or contract by the Association.

**ARTICLE X  
AMENDMENTS**

The Bylaws of the Association may be amended in the manner prescribed below.

- Section 10.1** RESOLUTION for BY-LAW AMENDMENT. A resolution for amendment of these Bylaws may be proposed by petition signed by at least 600 Regular Members in good standing of the Association, or by the recommendation of at least two-thirds (2/3) of the Board of Directors at a Special meeting of said Board to be called for that purpose only; provided, however, that the purpose of this meeting has been clearly stated in the call for the meeting. However, no amendment(s) shall be considered for adoption by the membership of the Association if, after consultation and review by the Board and a Bylaws Committee, the proposed amendment(s) is/are determined to be inconsistent with the Declaration of Restrictions or with Pennsylvania law. Such allegation of inconsistency(ies) must be documented in writing.
- Section 10.2** ADOPTION of AMENDMENTS. Amendments to these Bylaws may be adopted only upon the affirmative vote of two-thirds (2/3) of the votes cast by eligible voters at any Special, or Annual Membership meeting, a quorum being present; provided, written notice of such meeting for the purpose of amending the Bylaws, along with a copy of the proposed amendment(s) is/are mailed not less than 60 days prior to the date set for such meeting.
- Section 10.3** SECONDARY AMENDMENTS. At any annual or special meeting of the Association membership called to consider amendment of these Bylaws, proper written notice having been given, no second degree amendments to the proposed original amendatory language may be recognized from the floor.
- 10.3.1 Motions to Modify. Any and all additional proposals for further amendment must be submitted to the Board within ten (10) days of the time and date set for the annual or special meeting. Thereafter, the Board of Directors of the Treasure Lake Property Owners Association will make a determination as to whether, and in what form, such secondary amendatory language will be submitted to the membership.
- Section 10.4** EFFECTIVE DATE of AMENDMENTS. Unless otherwise agreed to by a majority of those members present and casting votes for the ratification of amendments, all such actions shall become effective on the first day of the month following the month in which such approval took place.

**ARTICLE XI  
COMMITTEES**

- Section 11.1** ESTABLISHMENT of COMMITTEES. The Board of Directors may establish such committees as it determines to be essential to the fulfillment of Association programs and objectives. The chairmanship of all committees shall be appointed by the President and confirmed by the majority Board. Only members in good standing, as defined in ARTICLE II section 2.4 shall be considered.
- 11.2 STANDING COMMITTEES. The following Standing Committees are hereby established by the Association and these Bylaws. These committees shall have the authority to administer the activities of the Association within the general scope of their assigned responsibilities, as hereinafter defined. However, such committees shall not, by their conduct, operate in such manner as to relieve the Board of any authority or responsibility granted specifically to it by the Declaration of Restrictions, these Bylaws, or by civil law. The President shall be ex-officio of all standing committees.
- 11.2.1 Property Control. In accordance with Section 5 of the Declaration of Restrictions, the Property Control Committee shall be comprised of three (3) members, to be appointed by the Board. It shall be the responsibility of this committee to review all plans and specifications for any structures or improvements thereto on any lot or lots, and, upon approval thereof, to issue an appropriate permit to the property owner(s) for the construction, improvement, remodeling, reconstruction, additions or alterations thereto. It is also authorized to monitor the prohibitions and requirements pertaining to the use and activities conducted on any lot or lots within the Treasure Lake subdivision, as defined in Section 8a through 8t of the Declaration of Restrictions, and to take such steps as necessary to bring to the attention of the owner(s) of the property (ies) the nature of the violation.
- 11.2.2 Budget and Finance Committee. The Budget and Finance Committee shall prepare and make recommendations to the Board concerning the annual operating budgets of the Association; it shall prepare budget changes or amendments as well as supplemental budget requirements. It shall also review Association budget and accounting procedures and recommend such changes as necessary to be compliant with standard practices. Consistent with the financial position of the Association and its anticipated future monetary requirements, the Budget and Finance Committee recommends the use of funds for investment or savings purposes. It also supervises preparation of the annual report of budget operations and, acting in cooperation with the Treasurer, implements recommendations resulting from the annual audit of the Association. The Treasurer shall be a member of this committee.
- 11.2.3 Judicial Committee. The Judicial Committee is to function as a voluntary quasi-magisterial body to review and hear the facts of cases referred to it by the Property Control Committee and the Security Department involving infractions and/or violations of the provisions of the Declaration of Restrictions, as well as the enforcement of Treasure Lake security and safety policies designed from time to time to protect residents of the community, their property, and their welfare. The committee, under this provision, is granted the authority to act on behalf of the Board to impose established penalties and costs resulting from convictions of such violations.
- 11.2.3.1 Judicial Procedure. Each person or persons who citation(s) has been referred for hearing to the Judicial Committee by either the Property Control Committee or the Security Department, shall have the right to appeal the decision rendered by the Judicial Committee and shall be so advised at the time of the hearing before that Committee. However, it shall be the duty and responsibility of the Board of Directors to establish and implement the procedures governing such appeals as from time to time may be deemed necessary to assure the fair and equitable closure of violation cases which have been referred for hearing. Additionally, the following Standing Committees are established with such duties as the Board of Directors may prescribe from time to time. In general, however, the responsibilities of these Standing Committees shall be, but not limited to the following:
1. Recommendations to changes and additions in the Association's administrative policies, codes, and procedures;
  2. Analyzes and conducts studies as necessary to make recommendations to the Budget and Finance Committee, after consultation with the General Manager, regarding proposed operating and capital expense items for inclusion in the Annual Budget of the Association;
  3. Performs in-depth studies as necessary from time to time to enhance the appearance, condition and the uses of recreational, as well as the service facilities of the Treasure Lake community.
- 11.2.4 Safety and Security. The Safety and Security Committee shall be responsible mainly for monitoring adequate security, property protection, and general safety of all Treasure Lake residents.
- 11.2.5 Recreation. The Recreation Committee shall plan and make recommendations to the Recreation Director for the implementation of recreational programs for the diverse population of the Treasure Lake community.
- 11.2.6 Cayman Landing. The Cayman Landing committee shall review and monitor the operation of the campground and make recommendations to the Board to enhance its use and maintenance, and its overall recreational atmosphere.
- 11.2.7 House. The House Committee shall monitor the physical structures, appearance, and general operations of the several food and beverage establishments within Treasure Lake.
- 11.2.8 Golf. The Golf Committee reviews the operations of the Silver and Gold golf courses and makes recommendations to the Board for the enhancement, use and maintenance of these courses and their peripheral facilities.
- 11.3 Special Committees. Special Committees may be established by the Board as it deems necessary. The duties, authority and membership of such committees shall accordingly be defined by the Board, in keeping with Article II, Section 2.4. However, in no event shall such committees be delegated authority to participate in the management of the Association. Upon fulfillment of its assigned objectives, or its dissolution by the Board, each committee shall cease to exist.
- 11.4 Committee Membership. Each of the Standing Committees shall consist of no less than three (3) members who shall serve at the pleasure of the Board. The membership of all standing committees shall be approved by the Board of Directors at the regular organizational meeting of the Board. A minimum of one (1) Director shall be a member on any standing committee, but at no time shall the Directors compose the majority membership. The chairperson of all committees shall be appointed by the President of the Association.



## DECLARATION OF RESTRICTIONS

This Declaration made this 28th day of May, 1968, by TREASURE LAKE, INC. a Pennsylvania corporation, herein referred to as "Declarant".

### WITNESSETH

WHEREAS, Declarant is the owner of real property in Sandy Township, Clearfield County, which is specifically described in the deed dated February 7, 1968 and recorded on February 9, 1968 in the Recorder of Deeds Office, Clearfield County, in Deed Book Volume 535, page 394, hereinafter called the Property; and

WHEREAS, Declarant has and will subdivide portions of the aforesaid property into lots, some of the subdivisions heretofore made being recorded and others will be recorded in the Recorder of Deeds Office, Clearfield County (said subdivisions being hereinafter called the "Subdivisions"); and

WHEREAS, Declarant is about to sell and convey certain of said lots to be used for residential purposes and to develop the entire property into an integrated community enjoying pleasant residential and vacation living conditions, integral recreational facilities and harmonious commercial establishments for the convenience of the residents, intending to preserve to as large an extent as possible the natural beauty of the site, but before selling and conveying the residential lots Declarant, for the benefit and complement of all of the residential lots in the subdivision and in the light of its general plan or scheme of improvement set out above, desires to subject them to and impose upon them mutual and beneficial restrictions, covenants, conditions and charges, hereinafter collectively referred to as "Restrictions";

NOW, THEREFORE, Declarant hereby declares that all of said lots are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the following Restrictions, all of which are declared and agreed to be in furtherance of the general plan for the subdivisions, improvement and sale of said lots and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. All of the Restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof subject to such Restrictions.

### 1. APPLICABILITY

A. These Restrictions shall apply to all subdivided numbered lots which are for residential purposes only, but these restrictions shall not be applicable to such lands now or hereafter designated on the plat or otherwise as parcels or as lands of Declarant, which parcels and lands are intended for commercial, multiple dwelling, condominium or hotels, or recreational uses. Declarant is withholding these parcels pursuant to its general development scheme and the absence of restrictions thereupon is intended to further that scheme by providing additional conveniences to the residential property owners and by stimulating a truly integrated community.

### 2. TERM

A. These Restrictions shall affect and run with the land and shall exist and be binding upon all parties and all persons claiming under them until January 1, 1995. By accepting a deed to residential property subject to these Restrictions, the residential owners agree that after January 1, 1995 these Restrictions shall be extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then owners of the lots subject thereto has been recorded, agreeing to change the covenants in whole or in part, provided, however, that at any time after January 1, 1980, these Restrictions may be amended by the vote of the then record owners of two-thirds (2/3) of such residential lots to make variations in the Restrictions as to details to suit varying circumstances or changed conditions, but not to make changes that would annul any material part hereof.

B. Declarant reserves to itself, its successors and assigns the right to revoke at any time prior to the sale of any lot within a Section or Subdivision all or any part of these Restrictions if, in its opinion, such a revocation would further the general development scheme it has previously set out, and would be for the benefit of the other residential lots, and further to vacate any or all of the streets, parks, recreational facilities and any other amenity now or hereafter shown on any recorded plans, provided, however, that Declarant will not prevent access to or installation of utilities to lots in any other Section of the Subdivision.

### 3. MUTUALITY OF BENEFIT AND OBLIGATION

A. The Restrictions and agreements set forth herein are made for the mutual and reciprocal benefit of each and every lot in the Subdivisions and are intended to create mutual, equitable servitudes upon each of said lots in favor of each and all of the other lots therein; to create reciprocal rights between the respective owners of all of said lots; to create a privity of contract and estate between the grantees of said lots, their heirs, successors and assigns, and shall, as to the owner of each such lot, his heirs, successors or assigns, operate as covenants running with the land for the benefit of each and all other lots in the Subdivisions and their respective owners.

### 4. EXCLUSIVE RESIDENTIAL USE AND IMPROVEMENTS

A. No lot shall be used except for single family residential purposes. No structure shall be erected, placed or permitted to remain on any lot other than one (1) detached, single family residence dwelling and such outbuildings as are usually accessory to a single family residence dwelling including a private garage.

### 5. PROPERTY CONTROL COMMITTEE

A. All plans and specifications for any structure or improvement whatsoever to be erected on or moved upon or to any lot, and the proposed location thereof on any lot or lots, the construction material, the roofs and exterior color schemes, any later changes or additions after initial approval thereof and any remodeling, reconstruction, alterations, or additions thereto on any lot shall be subject to and shall require the approval in writing before any such work is commenced of the Property Control Committee (herein called "Committee"), as the same is from time to time composed.

B. The Committee shall be composed of three (3) members to be appointed by Declarant. Committee members shall be subject to removal by Declarant and any vacancies from time to time existing shall be filled by appointment of Declarant, or in the event of Declarant's failure to so appoint within two (2) months after any such vacancy, then by the Board of Directors of the Treasure Lake Property Owners Association, Inc. (hereinafter called "Association"); provided, however, that at any time hereafter the Declarant may, at its sole option, relinquish to the Board of Directors of the Association the power of appointment and removal reserved herein to the Declarant. Such transfer of power must be evidenced in writing.

C. There shall be submitted to the Committee two (2) complete sets of the final plans and specifications for any and all proposed improvements, the erection or alteration of which is desired, and no structures or improvements of any kind shall be erected, altered, placed or maintained upon any lot unless and until the final plans, elevations, and specifications therefore have received such written approval as herein provided. Such plans shall include plot plans showing the locations on the lot of the building, wall, fence or other structure proposed to be constructed, altered, placed or maintained, together with the proposed construction material, color schemes for roofs and exteriors thereof and proposed landscape planting. A filing fee of \$30.00 shall accompany the submission of such plans to defray Committee expenses. No additional fee shall be required for resubmission of plans revised in accordance with Committee recommendations.

D. The Committee shall approve or disapprove plans, specifications and details within thirty (30) days from the receipt thereof. One (1) set of said plans and specifications and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them and the other copy thereof shall be retained by the Committee for its permanent files.

E. The Committee shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions, if the design or color scheme of the proposed building or other structure is not in harmony with the general surroundings of such lot or with the adjacent buildings or structures; if the plans and specifications submitted are incomplete or in the event the Committee deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare or right of all or any part of the real property subject hereto, or the owners thereof. The decisions of the Committee shall be final and not subject to appeal or review.

F. Neither the Committee nor any architect or agent thereof or of Declarant shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications.

G. Wherever the Committee shall approve plans and specifications for a boat shelter, pier, float or similar structure on or extending into any lake, such approval shall constitute a mere revocable license from Declarant or its successor or successors in interest to said lake for the construction, placement and maintenance of the proposed structure.

### 6. SIZE AND PLACEMENT OF RESIDENCES AND STRUCTURES

A. Every residence dwelling constructed on a lot subject to these restrictions shall contain at least the following number of square feet of fully enclosed floor area devoted to living purposes (exclusive of roofed or unroofed porches, terraces, garages, carports and other outbuildings):

1. Lake Front Lots, i.e., those which are not separated from the lake by another lot in the Subdivision, 1000 square feet;
2. Lake View Lots, i.e., lots other than Lake Front Lots, 800 square feet.

B. Each dwelling shall be of single story construction, provided, however, that split level or two story residences may be constructed on lots where, in the opinion of the Committee, the terrain of such lot lends itself to such construction, and the erection of such a structure would not detract from the general development scheme.

C. The Committee shall have the authority to establish regulations pertaining to the height and size requirements of all other types of structures, including but not limited to fences, walls, copings and boat docks. Such regulations shall, in the Committee's sole discretion, conform with the general development scheme.

D. In order to preserve the natural quality and aesthetic appearance of the existing geographic areas within the Subdivisions, all property lines shall be kept free and open. No fences shall be permitted on any lot or lot lines except if, in the sole opinion of the Committee, a fence or other enclosure will contribute to and be in keeping with the character of the area.

E. No above-grade structure (except approved fences or walls) may be constructed or placed on any lot in any subdivision except within the building lines shown on the recorded plan, and if any building lines are not shown or if the plan is not recorded, then the building lines, other than those which may be shown on a recorded plan, shall be:

- a. Fifty (50) feet from the front line of each lot;
- b. Ten (10) feet from each lot side line;
- c. Twenty-five (25) feet or twenty-five percent (25%) of the depth of the lot, whichever is greater, from the rear line of each lot.

## 7. PARTICULAR RULES FOR APPLICATION OF SETBACK REQUIREMENTS

A. If the line from which a setback is to be measured is a meandering line, the average length of the two lot lines intersecting the meandering line shall be determined, and using that average length, an imaginary straight line shall be drawn through the meandering line and the setback measurement shall be made along a line perpendicular to such imaginary line.

B. The term "side line" defines a lot boundary line that extends from the street on which the lot abuts to the front or rear line of the lot.

C. Except for Lake Front Lots, the term "rear lot line" defines the boundary line of the lot that is farthest from and substantially parallel to, the line of the street on which the lot abuts, except that on corner lots it may be determined from either street line.

D. A corner lot shall be deemed to have a front line on each street on which the lot abuts, and such lot need have only one rear yard as defined by 6-E(c).

## 8. GENERAL PROHIBITIONS AND REQUIREMENTS

A. The following general prohibitions and requirements shall prevail as to the construction or activities conducted on any lot in the Subdivisions:

- a. No outside toilet shall be constructed or permitted on any lot. All plumbing fixtures, dishwashers, toilets or sewage disposal systems shall be connected to a septic tank or other sewage system constructed by the lot owner and approved by the appropriate governmental authority and Declarant, and when a central sewer becomes available, it shall be exclusively used.
- b. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any lot, provided, however, that the Committee may grant permission for any such temporary structure for storage of materials during construction. No such temporary structures as may be approved shall be used at any time as a dwelling place.
- c. Once construction of improvements is started on any lot, the improvements must be substantially completed in accordance with plans and specifications, as approved, within six (6) months from commencement.
- d. No residence shall be occupied until the same has been substantially completed in accordance with its plans and specifications and a certificate of occupancy has been issued by the Committee.
- e. All structures constructed or placed on any lot shall be built of substantially new material and no used structures shall be relocated or placed on any such lot.
- f. No animals or livestock of any description, except the usual household pets, shall be kept on any lot.
- g. No sign (including but not limited to "For Sale" or similar signs), billboard, or other advertising structure of any kind may be erected or maintained upon any lot except after applying to and receiving written permission from the Committee.
- h. No stripped, partially wrecked, or junk motor vehicle, or part thereof, shall be permitted to be parked or kept on any street or lot.
- i. Every fuel storage tank shall be buried below the surface of the ground or screened by fencing or shrubbery to the satisfaction of the Committee. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept as not to be visible from any street, lake or recreation area.
- j. All outdoor clothes poles, clothes lines and similar equipment shall be so placed or screened by shrubbery as not to be visible from any street,

lake or recreation area.

- k. No structure erected upon any lot may be used as a model exhibit or house unless prior written permission to do so shall have been obtained from the Committee.
- l. All lots, whether occupied or unoccupied, shall be well maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted.
- m. No noxious, offensive or illegal activities shall be carried on on any lot nor shall anything be done on any lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood.
- n. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon or in any lot and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any lot.
- o. No vehicle shall be parked on any street in the Subdivisions. No truck shall be parked for storage overnight or longer, on any lot, in such a manner as to be visible to the occupants of other lots or the users of any street, lake or recreation area.
- p. Any dwelling or outbuilding on any lot which may be destroyed in whole or in part by fire, windstorm or for any other cause or act of God must be rebuilt or all debris removed and the lot restored to a sightly condition with reasonable promptness, provided, however, that in no event shall such debris remain longer than six (6) months.
- q. No tree over six inches in diameter shall be removed from any lot without the prior written consent of the Committee.
- r. No radio station or shortwave operators of any kind shall operate from any lot or residence. No exterior television or radio ~~antenna~~ of any kind shall be constructed or erected on any lot or residence after such time as a central television system has been made available at rates commensurate with those prevailing in the area.
- s. No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any lot or upon any recreational area in the Subdivisions. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted. In order to enhance the appearance and orderliness of the Subdivisions, the Declarant hereby reserves for itself, its successors and assigns, the exclusive right to operate, or from time to time to grant an exclusive license to a third party to operate a commercial scavenging service for the purpose of removing garbage, trash and other like household refuse. Such refuse collection and removal service shall be provided not less often than once each week on a day or days designated by the Declarant or its successors or assigns. The charge for such refuse collection and removal service is to be paid by the lot owner and shall be commensurate with the rates charged by commercial scavengers serving other Subdivisions of high standards in the area, and shall be subject to change from time to time.
- t. There shall be no access to any lot on the perimeter of the Subdivisions except from designated roads within the Section or Subdivision.

## 9. VARIANCES

A. The Committee may allow reasonable variances and adjustments of these Restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein; provided, however, that such is done in conformity with the intent and purposes of the general development scheme and provided also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood or the Subdivisions.

## 10. EASEMENTS

A. Declarant reserves for itself, its successors and assigns, for purposes incident to its development of the real property subject to these Restrictions, the following easements and/or rights-of-way:

- a. A 15-foot easement and right-of-way over each lot as Declarant may deem necessary for the use and maintenance of storm and sanitary sewers and the installation of utility services.
- b. A 10-foot wide easement along each side of all road rights-of-way and a 7 1/2 foot wide easement along all other property boundary lines for the purpose of installing, operating and maintaining utility lines and mains. It also reserves the right to trim, cut and remove any trees and brush and to locate guy wires and braces wherever necessary for the installation, operation and maintenance, together with the right to install, operate and maintain gas, water and sewer mains and other

services for the convenience of the property owners and appurtenances thereto, reserving also the right of ingress and egress to such other areas for any of these purposes.

- c. Such other easements or right-of-way as may be needed for the natural and orderly development and occupation of the Subdivisions.

B. Declarant reserves for itself, its successors or assigns an exclusive easement for the installation and maintenance of radio and television transmission cables within the rights-of-way and easement areas reserved and defined above.

C. On each lot, the rights-of-way and easement areas reserved by Declarant or dedicated to public utilities purposes shall be maintained continuously by the lot owner but no structures, plantings or other material shall be placed or permitted to remain or other activities undertaken which may damage or interfere with the installation or maintenance of utilities, which may change the direction or maintenance of utilities, which may change the direction of flow or drainage channels in the easements, which may obstruct or retard the flow of water through drainage channels in the easements, or which damage or interfere with established slope ratios or create erosion or sliding problems, provided, however, that where the existing location of a drainage channel would hinder the orderly development of a lot the drainage channel may be relocated, provided such relocation does not cause an encroachment on any other lot in the Subdivision. Improvements within such areas shall also be maintained by the respective lot owner except for those for which a public authority or utility company is responsible.

D. The lots shall be burdened by such additional easements as may be shown on any recorded plats.

E. Every lot in the Subdivision, if any, that lies contiguous to a lake shall be subject to a flowage easement to an elevation on the lot equal to the high water elevation of such lake.

## 11. OWNERSHIP, USE AND ENJOYMENT OF STREETS, PARKS AND RECREATIONAL AMENITIES

A. Each of the streets in the Subdivisions now or hereafter designated on any plat is a private street, and every park, recreational facility, and other amenity within the Subdivisions is a private park, facility or amenity and neither Declarant's execution nor recording of the plat nor any other act of Declarant with respect to the Property is, or is intended to be, or shall be construed as a dedication to the public of any of said streets, parks, recreational facilities and amenities other than as reflected therein. An easement for the use and enjoyment of each of said streets and areas designated as parks is reserved to Declarant, its successors and assigns; to the persons who are from time to time, members or associate members of the Treasure Lake Property Owners Association, Inc.; to the members and owners of any recreational facility; to the residents, tenants, and occupants of any multi-family residential buildings, guest house, inn or hotel facilities, and all other kinds of residential structures that may be erected within the boundaries of the Property and to the invitees of all the aforementioned persons; the use of which shall be subject to such rules and regulations as may be prescribed by Declarant or the Association, if the Association is the owner of the facility or property involved.

B. The ownership of the recreational amenities within the Property which may include but shall not be limited to lakes, dams, marinas, beaches, lake access tracts, golf courses, tennis courts, swimming pools, clubhouses and adjacent clubhouse grounds, and campgrounds shall be in Declarant or its successors or assigns and the use and enjoyment thereof shall be on such terms and conditions as Declarant, its successors or assigns, shall from time to time license; provided, however, that any or all of such amenities may be conveyed to the Association, which conveyance shall be accepted by it, provided the same is free and clear of all financial encumbrances.

## 12. TREASURE LAKE PROPERTY OWNERS ASSOCIATION, INC.

A. Every person before acquiring title, legal or equitable, to any lot in the Subdivisions must be a member of the Treasure Lake Property Owners Association, Inc., a Pennsylvania non-profit corporation, herein referred to as "Association", and no such person shall acquire such title until he has been approved for membership in the Association, nor shall the owner of a lot or lots in the Subdivisions convey title to said lot or lots to any person who has not been approved in writing for membership in the Association, provided, however, that such membership is not intended to apply to those persons who hold an interest in any such lot merely as security for the performance of an obligation to pay money, e.g., mortgages, deeds of trust, or real estate contract purchases. However, if such person should realize upon his security and become the real owner of a lot, he will then be subject to all the requirements and limitations imposed in these Restrictions on owners of lots within the Subdivision and on members of the Association, including those provisions with respect to alienation and the payment of an annual charge.

B. The general purpose of the Association is to further and promote the community welfare of property owners in the Subdivisions.

C. The Association shall be responsible for the maintenance, repair and upkeep of the private streets and parks owned by it within the Subdivisions. The

Association shall also promulgate and enforce all regulations necessary for the use and enjoyment of such streets and parks and such other properties as it may from time to time own.

D. The Association shall have all the powers that are set out in its Articles of Incorporation and all other powers that belong to it by operation of law, including (but not limited to) the power to levy against every member of the Association a uniform annual charge per single-family residential lot within the Subdivisions, the amount of said charge to be determined by the Board of Directors of the Association after consideration of current maintenance needs and future needs of the Association, for the purposes set forth in its Articles of Incorporation; provided, however, that the uniform annual charge shall in no event be less than \$30.00 per year for road maintenance and after a clubhouse is built, \$10.00 per month for membership in the club. No such charge shall ever be made against, or be payable by, the Declarant, the Association itself, or any corporation or corporations that may be created to acquire title to, and operate, the water or sewer utilities serving the area, or any lakes, dams, beaches, lake access tracts, marinas, golf courses, tennis courts, swimming pools, clubhouse grounds, campgrounds, or other like recreational facilities.

- a. Every such charge so made shall be paid by the member of the Association or its designee on or before the first day of May of each year, for the ensuing year. The Board of Directors of the Association shall fix the amount of the annual charge per lot on or before the first day of April of each year, and written notice of the charge so fixed shall be sent to each member.
- b. If any such charge shall not be paid when due, it shall bear interest from the date of delinquency at the rate of six percent (6%) per annum. The annual charge shall, if unpaid within 30 days of its due date, become a lien or encumbrance upon the land and acceptance of each deed, not including acceptance by a mortgagee, shall be construed to be a covenant to pay the charge. The Association may publish the names of the delinquent members, and may record a lien to secure payment of the unpaid charge plus costs and reasonable attorneys' fees. Every such lien may be foreclosed at any time. In addition to the remedy of lien foreclosure, the Association shall have the right to sue for such unpaid charges, interest costs, and reasonable attorneys' fees, in any court of competent jurisdiction as for a debt owed by any delinquent member to the Association. Every person who shall become the owner of the title (legal or equitable) to any lot in the Subdivisions by any means shall be conclusively held to have covenanted to pay the Association or its designee all charges that the Association shall make pursuant to any paragraph or subparagraph of these Restrictions or its By-Laws. Any lot acquired is taken subject to the lien for any prior unpaid charges.
- c. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association certifying that the charges on a specified lot have been paid or that certain charges against said lot remain unpaid, as the case may be. A reasonable charge may be made by the Board of Directors of the Association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any charges therein stated to have been paid.

E. The fund accumulated as the result of the charges levied by the Association shall be used exclusively to promote the recreational facilities of, and the health, safety and welfare of the members of the Association and in particular for the improvement and maintenance of the streets, those areas designated as parks, and other property within the Subdivisions which shall have been conveyed to or acquired by the Association.

F. The lien of a mortgage or deed of trust representing a first lien placed upon any lot for the purpose of permanent financing and/or constructing a residence or other improvement thereon recorded in accordance with the laws of Pennsylvania, shall be, from the date of recordation, superior to any and all such liens provided for herein.

G. The Board of Directors of the Association shall have the right to suspend the voting rights (if any) and the right to use of the recreational facilities of the Association or of Declarant of any member:

- a. For any period during which any Association charge (including the charges and the fines, if any, assessed under paragraphs 12-D, 13 and 14 of these Restrictions) owed by the member remains unpaid;
- b. During the period of any continuing violation of the restrictive covenants for the Subdivision, after the existence of the violation shall have been declared by the Board of Directors of the Association;
- c. During the period that any utility bill for water or sewer service rendered to the member or associate member shall remain unpaid.

## 13. MOTOR VEHICLE SPEED LIMITS

A. Speed limits for streets and the rules governing the use of parks within the Subdivisions shall be as promulgated from time to time by the Declarant, its

successors and assigns. Appropriate postings of these speed limits shall be made. The Association shall have the power to assess fines for the violation of the motor vehicle speed limits in accordance with a schedule of fines promulgated by the Association. Every such fine shall be paid promptly upon its being assessed; if it is not, the Association may add the amount of the fine to the annual charge made by the Association, pursuant to subparagraph 12-D of the Restrictions and the amount of such fine shall be collectible by the same means as are prescribed in said subparagraph for the collection of delinquent annual charges of the Association or through the use of the sanctions prescribed in subparagraph 12-G of the Restrictions.

B. No vehicle except a duly licensed vehicle shall be operated on any street and no such vehicle shall be operated except by a duly licensed operator.

#### 14. ASSOCIATION'S RIGHT TO PERFORM CERTAIN MAINTENANCE

A. In the event an owner of any lot shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, the Association shall have the right, through its agents and employees, to enter upon said lot and repair, maintain and restore the lot and the exterior of the buildings and any other improvements erected thereon. Such right shall not be exercised unless two-thirds of such Board of Directors shall have voted in favor of its being exercised. The cost of such exterior maintenance shall be added to and become part of the annual charge to which such lot is subject and until paid shall be a lien on said lot.

#### 15. PROVISIONS IN RESPECT OF LAKES AND LOTS CONTIGUOUS THERETO

A. The water in, and the land under, Treasure Lake or lakes as shown on the plan, is and will be owned by the Declarant, its subsidiaries or its successors and assigns. The title that will be acquired by the grantee of the Declarant's title to any lot fronting on said lake (and by the successors and assigns of such grantee) shall extend only to such point as designated on the plan and in no event shall it extend beyond the shoreline of the lake to which such lot is fronting or contiguous. No such grantee, nor any of such grantee's successors or assigns, shall have any right with respect to any stream that is a tributary to said lake or with respect to said lake, the land thereunder, the water therein, or its elevation, use, or condition, and none of said lots shall have any riparian rights or incidents appurtenant; provided, further, that title shall not pass by reliction or submergence or changing water elevations. The Declarant, its successors and assigns shall have the right at any time to dredge or otherwise remove any accretion or deposit from any of said lots in order that the shoreline of the lake may be moved toward or to, but not inland beyond, the location of said shoreline as it would exist as of the date hereof.

#### 16. RESERVATION OF EASEMENT OF DECLARANT FOR OPERATION OF LAKE

A. The Declarant reserves to itself, and its successors and assigns, such an easement upon, across and through the lakefront portion of each of said lots contiguous to said lake as is reasonably necessary in connection with operating said lake. Without limiting the generality of the immediately preceding sentence, it is declared that neither the Declarant nor any successor or assign of the Declarant shall be liable for damages caused by ice, erosion, washing, flooding or other action by the water.

#### 17. RIGHTS OF FIRST REFUSAL

A. Whenever the owner of any lot in the Subdivision shall receive a bona fide offer to purchase said lot, which offer is acceptable to said owner, or shall independently decide to put said lot on the market, said owner shall offer to sell said lot at the price and on the same terms contained in said bona fide offer or (if said owner shall independently have decided to put said lot on the market) at the price and on the terms acceptable to said owner, first to the Declarant, its successors or assigns, which shall have ten (10) days within which to accept or refuse such offer. If Declarant refuses to purchase said lot at the price and on the terms proposed by said owner, said owner shall be free, subject to the limitations contained herein requiring the purchaser to have been approved for membership in the Association, to sell said lot to the party who shall have made said bona fide offer or (if said owner shall independently have decided to put said lot on the market) to the third party, in either case at a price and on terms not substantially more favorable to the purchaser than those offered, as aforesaid, to Declarant or its successors or assigns.

#### 18. CHARGES FOR WATER SERVICE

A. Every owner (legal or equitable) of a lot in the Subdivisions shall be conclusively presumed to have covenanted, by acquiring title to his lot (regardless of the means of such title acquisition) to pay charges for water service to the Association or its designee as follows: At the rate of TWO DOLLARS (\$2.00) per month commencing upon the availability of water service to the lot; at such time as the owner of a lot shall elect to have service connected, he shall pay a connection charge of THREE HUNDRED EIGHTY-FIVE DOLLARS (\$385.00); thereafter, he shall pay for water service at reasonable consumption rates, subject to a minimum monthly charge of not less than FOUR DOLLARS (\$4.00), as established by Declarant or its designee. Said availability or consumption rates may be billed monthly or quarterly or semi-annually.

#### 19. CHARGES FOR SEWER SERVICE

A. Notwithstanding the provisions of Paragraph 8-A(a) above as the same applies to septic tanks or other sewage systems, every owner (legal or equitable) of a lot shall be conclusively presumed to have covenanted, by acquiring title to his lot (regardless of the means of such title acquisition) to pay charges for sewer service as provided in this paragraph. Owners of all dwellings shall be required to connect to said sewer service as follows: Within 30 days after the time said services should be made available in the case of dwellings already constructed; before the time of occupancy in the case of dwellings constructed after said service should be made available. Charges for sewer service shall be at the rate of at least TWO DOLLARS (\$2.00) per month commencing upon the availability of sewer service to the lot; at such time as the owner of a lot has service connected, he shall pay a connection charge of SEVEN HUNDRED EIGHTY-FIVE DOLLARS (\$785.00), or such other charge as may be authorized by the governing body having jurisdiction, to the Association or its designee; thereafter, he shall pay for sewer service at reasonable rates, subject to a minimum monthly charge of not less than FOUR DOLLARS (\$4.00) per month. Said availability or use rates may be billed monthly or quarterly or semi-annually in arrears at the option of the utility. Easements in addition to those reserved throughout these Restrictions and on any plans shall be granted for the practical construction, operation and maintenance of said sewer facilities upon request of the applicable utility.

#### 20. REMEDIES

A. The Declarant, Association or any party to whose benefit these Restrictions inure may proceed at law or in equity to prevent the occurrence, continuation or violation of any of these Restrictions and the court in any such action may award the successful party reasonable expenses in prosecuting such action, including attorneys' fees.

B. The remedies hereby specified are cumulative, and this specification of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law, in equity, or under any statute. No delay or failure on the part of Declarant, the Association or an aggrieved party to invoke an available remedy in respect of a violation of any of these Restrictions shall be held to be a waiver by that party or (or an estoppel of that party to assert) any right available to him upon the recurrence or continuation of said violation or the occurrence of a different violation.

#### 21. GRANTEE'S ACCEPTANCE

A. The grantee of any lot subject to the coverage of this Declaration, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent owner of such lot, shall accept such deed or contract upon and subject to each and all of these Restrictions and the agreements herein contained, and also the jurisdiction, rights and powers of Declarant, and by such acceptance shall for himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, and to and with the grantees and subsequent owners of each of the lots within the Subdivision to keep, observe, comply with and perform said Restrictions and agreements.

B. Each such grantee also agrees, by such acceptance, to assume, as against Declarant, his successors or assigns, all the risks and hazards of ownership or occupancy attendant to such lot, including but not limited to its proximity to any recreational facility.

C. Each such grantee whose lots are adjacent to available underground electrical service, if any, also agrees to complete the underground secondary electrical service to their respective residences.

#### 22. SEVERABILITY

A. Every one of the Restrictions is hereby declared to be independent of, and severed from the rest of the Restrictions and of and from every other one of the Restrictions and of and from every combination of Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability, or "running" quality of any other one of the Restrictions.

#### 23. CAPTIONS

A. The captions preceding the various paragraphs and subparagraphs of these Restrictions are for convenience of references only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

#### 24. PRIOR RESTRICTIONS

A. These Restrictions are amendments and additions to all restrictions heretofore imposed on any of the Property or lots sold therefrom by Declarant or its predecessors in title.

IN WITNESS WHEREOF, the said Declarant has caused its common and corporate seal to be affixed to these presents by the hand of its President, and the same to be duly attested by its Secretary, dated the day and year first above written.

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