

**BY-LAWS**  
**OF**  
**QUEEN ESTHER ESTATES LOT OWNERS ASSOCIATION**

**ARTICLE I**

**PURPOSE**

The Queen Esther Estates Lot Owners Association (hereinafter referred to as the “Association”) shall be responsible for the maintenance of the lake and surrounding area, including the dam at the Queen Esther Estates subdivision in Athens Township, Bradford County, Pennsylvania.

The Association shall be responsible for the maintenance and upkeep of all private drainage facilities, including swales and the detention pond. In general, the Association shall be responsible for the maintenance and/or replacement of all community-owned property and equipment.

Privileges of the lake shall be restricted to lot owners and their invited guests. Use of the lake shall be subject to the following conditions:

- A. No area of the lake or of the surrounding land may be used as a public beach.
- B. No area of the lake or of the surrounding land may be used for any commercial enterprise.
- C. No docks may be constructed around the lake.
- D. No motor boats or boats with motors attached may be placed on or used in the lake.
- E. The lake is to be used for swimming, fishing, skating and any similar recreational use.

## ARTICLE II

### OFFICES

The principal office of the Association shall be located in the Township of Athens, County of Bradford, and Commonwealth of Pennsylvania. The Association may also have such offices at such other places within or without the State as the Board of Directors may from time to time determine.

## ARTICLE III

### MEMBERS

1. All owners of lots in Queen Esther Estate in Athens Township, Bradford County, Pennsylvania shall, upon acceptance of a deed for a lot, become a member of the Association. The owner or owners of each lot shall constitute one "member" with one vote accompanying the ownership of each lot. Members owning more than one lot shall be entitled to a vote for each lot owned.

2. (a) All resolutions or rules and regulations relating to members adopted by the Board of Directors of the Association shall be affixed to the By-Laws of the Corporation, and shall be deemed to be a part thereof. Such resolutions or rules and regulations adopted by the Board of Directors may prescribe, with respect to all members, the amount and manner of imposing and collecting any initiation fees, dues or other fees, assessments, fines and penalties, and, except as may hereinafter otherwise be provided, the rights, liabilities and other incidents of membership. Billing for dues shall be done upon a quarterly basis, by written notice and mailed or hand delivered. If any costs or dues so apportioned and allocated are not paid by a member within 30 days of the delivery

of a billing therefore, the Association shall take appropriate legal action for collection. Members whose payments are delinquent shall be assessed six (6%) percent interest per annum and shall reimburse the Association all costs and reasonable attorney fees incurred in any collection action.

(b) The right or interest of a member shall not terminate except upon the happening of any of the following events: death, dissolution or liquidation of the Corporation, or the member's termination of ownership in the subdivision.

3. (a) The Annual Meeting of Members of the Association shall be held on such date or dates as shall be fixed from time to time by the Board of Directors of the Corporation. The first Annual Meeting shall be held on a date selected after the formation of the Corporation. Each successive Annual Meeting shall be held on a date not more than twelve months following the preceding Annual Meeting. Special Meetings of members may be held on such date or dates as may be fixed by the Board of Directors of the Association from time to time and by the members on such date or dates as shall be permitted by law.

(b) Any Annual or Special Meeting of Members may be held at such place within or without the State as the Board of Directors of the Association may from time to time fix. In the event the Board of Directors shall fail to fix such place or time, or in the event members are entitled to call or convene a Special Meeting in accordance with law, then, in such event, such meeting shall be held at the residence of the Chairman of the Board.

(c) Annual or Special Meetings of Members may be called by the Board or Directors or by any officer of the Association instructed to do so by the Board of Directors, except to the extent that directors may be required by law to call a meeting, and shall be called by the Secretary on behalf of the members, when required to do so by law.

(d) Written notice stating the place, day and hour of the meeting shall be given for all meetings. Such notice shall state the person or persons calling the meeting. Notice for the Annual Meeting shall state that the meeting is being called for the election of directors and for the transaction of such other business as may properly come before the meeting. Notices of Special Meeting shall state the purpose or purposes for which the meeting is called. At any Special Meeting, only the business stated in the Notice of Meeting may be transacted thereat. Notice of Meeting shall be given either personally or by first class mail no less than 10 days nor more than 50 days before the date of the meeting, to each member at his address recorded on the records of the Corporation, or at such other address which the member may have furnished in writing to the Secretary of the Corporation. Notice shall be deemed to have been given when deposited with postage prepaid in a post office or other official depository under the exclusive jurisdiction of the United States Post Office. Any meeting of members may be adjourned from time to time. In such event, it shall not be necessary to provide further notice of the time and place of the adjourned meeting if announcement of the time and place of the adjourned meeting is given at the meeting so adjourned. In the event the Board of Directors fixes a new record date for an adjourned meeting, a new notice shall be given, in the same manner as herein provided. No notice need be given to any member who executes and delivers a Waiver of Notice before or after the meeting. The attendance of a member in person or by proxy at the meeting without protesting the lack of notice of a meeting, shall constitute a waiver of notice by such member. Any notice of meeting to members relating to the election of directors, shall set forth any amendments to the By-Laws of the Association adopted by the Board of Directors, together with a concise statement of the changes made.

(e) At every meeting of members, there shall be presented a list or record of

members as of the record date, certified by the officer responsible for its preparation, and upon request therefor, any member who has given written notice to the Corporation, which request shall be made at least 10 days prior to such meeting, shall have the right to inspect such list or record at the meeting. Such list shall be evidence of the right of the persons to vote a such meeting, and all persons who appear on such list or record to be members may vote at such meeting.

4. At each Annual Meeting of Members, the Board of Directors shall present an Annual Report. Such report shall be filed with the records of the Association and entered in the minutes of the proceedings of such Annual Meeting of Members.

5. (a) Meetings of the members shall be presided over by the following officers, in order of seniority - the Chairman of the Board, President, Vice-President or, if none of the foregoing is in office or present at the meeting, by a Chairman to be chosen by a majority of the members in attendance. The Secretary or an Assistant Secretary of the Association shall act as Secretary of every meeting. When neither the Secretary nor an Assistant Secretary is available, the Chairman may appoint a Secretary of the meeting.

(b) The order of business at all meetings of members shall be as follows:

Roll call.

Reading of the minutes of the preceding meeting.

Report of standing committees.

Officer's reports.

Old business.

New business.

6. Every member may authorize another person to act for him by proxy in all matters

in which a member may participate, including waiving notice of any meeting, voting or participating in a meeting, or expressing consent or dissent without a meeting. Every proxy shall be signed by the member or his attorney in fact, and shall be revocable at the pleasure of the member executing it, except as otherwise provided by law.

7. Except as provided by law, the members entitled to cast a majority of the total number of votes entitled to be cast at the meeting, shall constitute a quorum at a meeting of members for the transaction of any business. The members present may adjourn the meeting despite the absence of a quorum. Each membership shall entitle the holder thereof to one vote. In the election of directors, a plurality of the votes cast shall elect. Except to the extent provided by law, all other action shall be by a majority of the votes cast, provided that the majority of the affirmative votes cast shall be at least equal to a quorum. Whenever the vote of members is required or permitted, such action may be taken without a meeting on the written consent setting forth the action taken signed by all the members entitled to vote.

8. The Board of Directors of the Association shall fix a record date for the purpose of determining members entitled to notice of, to vote, to express consent or dissent from any proposal without a meeting, to determine members entitled to receive distributions or allotment of rights, or for any other proper purpose. Such record date shall not be more than 50 days nor less than 10 days prior to the date of such meeting or consent or the date on which any distribution or allotment of rights, as the case may be, is to be made. In the event no record date is fixed, the record date for the determination of members entitled to vote at a meeting of members shall be the close of business on the day next preceding the day on which notice is given, or if no notice is given, the day on which the meeting is held. The record date for determining members for any purpose other than that

specified in the preceding sentence shall be the close of business on the day on which the resolution of directors relating thereto is adopted. Establishment of a record date shall apply to any adjournment of any meeting, unless a new record date is fixed by the Board of Directors for such adjourned meeting.

9. The Board of Directors may cause to be issued certificates, cards or other instruments permitted by law evidencing membership in the Association. Such membership certificate, card or other instrument shall be non-transferable, and a statement to that effect shall be noted on the certificate, card or other instrument. Membership certificates, cards or other instruments, if issued, shall bear the signatures or facsimile signatures of an officer or officers designated by the Board of Directors and may bear the seal of the Association or a facsimile thereof.

#### ARTICLE IV

#### BOARD OF DIRECTORS

1. The Association shall be managed by a Board of Directors. Each director shall be at least 18 years of age, and shall be a member of the Association during his/her directorship. The initial Board of Directors shall consist of two (2) persons. Thereafter, the number of directors constituting the entire Board shall be no less than two (2), and no more than seven (7). Subject to the foregoing, the number of Board of Directors may be fixed from time to time by action of the members or of the Directors. The number of Directors may be increased or decreased by action of the members or the Board of Directors, provided that any action by the Board of Directors to effect such increase or decrease shall require the vote of a majority of the entire Board of Directors. No decrease shall shorten the term of any director then in office.

2. The first Board of Directors shall consist of those persons elected by the Incorporator,

or her heirs, assigns, or successors or named as the initial Board of Directors in the Certificate of Incorporation of the Association, and they shall hold office until the first Annual Meeting of Members, and until their successors have been duly elected and qualified. Thereafter, at each Annual Meeting of Members, the membership shall elect directors to hold office until the next Annual Meeting. Each director shall hold office until the expiration of the term for which he/she was elected, and until his/her successor has been duly elected and qualified, or until his/her prior resignation or removal as hereinafter provided.

3. (a) Any or all of the members of the Board of Directors may be removed with or without cause by a 2/3 vote of the members of the Association. The Board of Directors may remove any director thereof for cause only.

(b) A director may resign at any time by giving written notice to the Board of Directors or to an officer of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board of Directors or such officer. Acceptance of such resignation shall not be necessary to make it effective.

4. Newly-created directorships or vacancies in the Board of Directors may be filled by a vote of majority of the Board of Directors then in office, although less than a quorum. Vacancies occurring by reason of the removal of directors without cause shall be filled by a vote of the members. A director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his/her predecessor.

5. (a) A regular Annual Meeting of the Board of Directors shall be held immediately following the Annual Meeting of Members. All other meetings shall be held at such time and place as shall be fixed by the Board of Directors from time to time.



(b) No notice shall be required for regular meetings of the Board of Directors for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, the President, or by a majority of the directors then in office.

(c) Written, oral, or any other method of notice of the time and place shall be given for special meetings of the Board of Directors in sufficient time for the convenient assembly of the Board of Directors. The notice of any meeting need not specify the purpose of such meeting. The requirement for furnishing notice of a meeting may be waived by any director who signs a Waiver of Notice before or after the meeting or who attends the meeting without protesting the lack of notice to him.

6. Except to the extent herein or in the Certificate of Incorporation of the Association provided, a majority of the entire members of the Board of Directors shall constitute a quorum. At any meeting held to remove one or more directors a quorum shall consist of a majority of the directors present at such meeting. Whenever a vacancy on the Board of Directors shall prevent a quorum from being present, then, in such event, the quorum shall consist of a majority of the members of the Board of Directors excluding the vacancy. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except to the extent provided by law and these By-Laws, the act of the Board of Directors shall be by a majority of the directors present at the time of vote, a quorum being present at such time. Any action authorized by resolution, in writing, by all of the directors entitled to vote thereon and filed with the minutes of the Association shall be the act of the Board of Directors with the same force and effect as if the same had been passed by unanimous vote at a duly called meeting of the Board.

7. The Chairman of the Board, if any, shall preside at all meetings of the Board of

Directors. If there be no Chairman or in his/her absence, the President shall preside and, if there be no President or in his/her absence, any other director chosen by the Board, shall preside.

8. Whenever the Board of Directors shall consist of more than three persons, the Board of Directors may designate from their number, an executive committee and other standing committees. Such committees shall have such authority as the Board of Directors may delegate, except to the extent prohibited by law. In addition, the Board of Directors may establish special committees for any lawful purpose, which may have such powers as the Board of Directors may lawfully delegate.

## ARTICLE V

### OFFICERS

1. The Board of Directors may elect or appoint a Chairman of the Board of Directors, a President, a Vice-President, a Secretary, and a Treasurer, and such other officers as they may determine. The President may but need not be a director. Any two or more offices may be held by the same person except the office of President and Secretary.

2. Each officer shall hold office until the Annual Meeting of the Board of Directors, and until his successor has been duly elected and qualified. The Board of Directors may remove any officer with or without cause at any time.

3. (a) The President shall be the chief executive officer of the Association, shall have the responsibility for the general management of the affairs of the Association, and shall carry out the resolutions of the Board of Directors.

(b) During the absence or disability of the President of the Association, the Vice-President, shall have all the powers and functions of the President. The Vice-President shall perform

such duties as may be prescribed by the Board of Directors from time to time.

(c) The Treasurer shall have the care and custody of all of the funds and securities of the Association, and shall deposit said funds in the name of the Association in such bank accounts as the Board of Directors may from time to time determine. The Treasurer shall, when duly authorized by the Board of Directors, sign and execute all contracts in the name of the Association when counter-signed by the President; he/she may also sign checks, drafts, notes, and orders for the payment of money, which shall have been duly authorized by the Board of Directors and counter-signed by the President.

(d) Bond. The Treasurer shall give bond for the faithful discharges of his or her duty in such sums and with such surety as the Board shall determine. The bond shall be in an amount at least three times the aggregate of all annual membership dues owed by all members of the Associate.

## ARTICLE VI

### MISCELLANEOUS

1. The Association shall keep at the principal office of the Association, complete and correct records and books of account, and shall keep minutes of the proceedings of the members, the Board of Directors, or any committee appointed by the Board of Directors, as well as a list or record containing the names and address of all members.

2. The Association seal shall be in such form as the Board of Directors shall from time to time prescribe.

3. The fiscal year of the Association shall be fixed by the Board of Directors from time to time, subject to applicable law.

4. (a) All By-Laws of the Association shall be subject to alteration or repeal, and

new by-laws may be made, by a majority vote of the members entitled to vote in the election of directors, at a special meeting of the members called for such purpose.

(b) The Board of Directors shall have the power to make, alter or repeal, from time to time, By-Laws of the Association, except that the Board may not amend or repeal any by-law in which control thereof is vested exclusively in the members. If any by-law regulating an impending election of directors is adopted, amended or repealed by the Board, there shall be set forth in the notice of the next meeting of members for the election of directors, the by-law so made, amended or repealed, together with a concise statement of the changes made.

## ARTICLE VII

### LIABILITY AND INDEMNIFICATION

1. General Rule. A Director shall not be personally liable for monetary damages as Director for any action taken, or any failure to take any action, unless:

(a) the Director has breached or failed to perform the duties of Director in accordance with the standard of conduct contained in §5712 of the Act and any amendments and successor acts thereto; and

(b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness;

Provided, however, the foregoing provision shall not apply to (a) the responsibility or liability of a Director pursuant to any criminal statute, or (b) the liability of a Director for the payment of taxes pursuant to local, state or federal law.

2. Indemnification. The Association shall indemnify any officer or Director [or employee or representative of the Association] who was or is a party or is threatened to be made a

party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, (and whether or not by, or in the right of, the Association) by reason of the fact that such person is or was a representative of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association, and with respect to any criminal proceeding, had no reason to believe such conduct was illegal, provided, however, that no persons shall be entitled to indemnification pursuant to this Article in any instance in which the action or failure to take action giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness; and provided, further, however, in instances of a claim by or in the right of the Association, indemnification shall not be made under this section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the Association unless and only to the extent that the Court of Common Pleas of the judicial district embracing the county in which the registered office of the Association is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or other court shall deem proper.

3. Procedure. Unless ordered by a court, any indemnification under section 2 of this Article or otherwise permitted by law shall be made by the Association only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because he or she has met the applicable standard of conduct set forth under that section. Such determination shall be made:

(a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action or proceeding; or

(b) if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

4. Advancement of Expenses. Expenses incurred by a person entitled to indemnification pursuant to this Article or otherwise permitted by law in defending a civil or criminal action, suit or proceeding shall, in any case required by Section 2 of this Article, and may, in any other case, be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay the amount so advanced if it shall ultimately be determined that such person is not entitled to be indemnified by the Association.

5. Continuing Right to Indemnification. The indemnification and advancement of expenses provided pursuant to this Article shall continue as to any person who has ceased to be an officer or Director [or employee or representative] of the Association and shall inure to the benefit of the heirs, executors and administrators of such person.

6. Other Rights. This Article shall not be exclusive of any other right which the Association may have to indemnify any person as a matter of law.

## **ARTICLE VIII**

### **INCORPORATION OF LOT OWNERS ASSOCIATION AGREEMENT**

The Lot Owners Association Agreement which is recorded in the Office of the Register and Recorder of Bradford County, Pennsylvania, in Book 118 at Page 435 is hereby incorporated into these by-laws.