

BYLAWS OF DEER LAKE IMPROVEMENT ASSOCIATION

Approved by the Members at the Annual Meeting on August 29, 1959

As Amended and Restated through July 27, 2023

ARTICLE I (Name and Fiscal Year)

The name of the Association is Deer Lake Improvement Association, a non-profit corporation, organized and existing under the laws of the Commonwealth of Pennsylvania. The fiscal year of the Association begins on October 1st and ends on September 30th.

ARTICLE II (Purpose)

The purpose of the Association is to provide a means whereby the owners of lots in Deer Lake Corporation's Plan of Lots Number 1 and Number 2, Wharton Township, Fayette County, Pennsylvania, may cooperate in the development, maintenance and improvement of the lake, park areas, roads and other property interests, and in the advancement of measures for protecting the peaceful enjoyment, health, safety and security of the members of the Association, their families and guests.

ARTICLE III (Membership)

Section 1 (Eligibility)

Each owner of record of one or more lots in the aforesaid Deer Lake Corporation Plans of Lots or any other portion of the tract conveyed to Deer Lake Corporation by deed of Charles Seaton estate dated December 21, 1938 and recorded in Deed Book Volume 549, page 75 shall be a member of the Association. Shared, multiple and/or non-individual owners of any lot will be deemed to be one member. Any owner of record must provide relevant membership information upon any transfer of ownership or upon request by the Association. The Board of Directors may adopt additional rules and regulations governing membership determination and procedures.

Section 2 (Requirements and Privileges of Members)

Section 2(a) (General)

Members shall comply with: all covenants in the respective deeds from Deer Lake Corporation to themselves or their predecessors in title; all covenants contained in the deed from Deer Lake Corporation to this Association, recorded in Fayette County, Pennsylvania in Deed Book Volume 878, page 17; all provisions of the Declaration of Protective and Restrictive Covenants of the Deer Lake Corporation, recorded as aforesaid in Deed Book Volume 877, page 476; the extensions thereof recorded as aforesaid in Deed Book Volume 947, Page 631, and Deed Book Volume 1227, Page 49;

all provisions of these Bylaws; and all rules and regulations for the protection of the peaceful enjoyment, health, safety, and security of its members, their families and guests as and when promulgated by the Board of Directors.

Section 2(b) (Maintenance of Property)

Members shall maintain the exterior of their property, including any yards, grounds, sheds, carports, garages or other structures, in compliance with all applicable Deer Lake, Township, County or State laws, regulations, ordinances, zoning requirements, covenants, and rules and regulations. Any violation of this section will result in the issuance of a citation to the member pursuant to Section 2(d). Such a citation shall carry with it the duty to cure the violation within fourteen (14) days of issuance of the citation. In the event a member is incapable of curing a violation within the foregoing fourteen (14)-day period, then, provided the member commences to cure such default within such fourteen (14)-day period and diligently and continuously pursues the cure thereof in compliance with a cure plan provided to the Board, the time for curing such violation shall be extended, in the sole discretion of the Board, for an additional period as reasonably may be necessary for the member to complete the cure of such violation. Each day that a violation continues after the initial citation and fourteen (14)-day cure period, and in the absence of cure efforts as noted above, shall constitute a separate violation. Any member aggrieved by the issuance of a citation shall have the right to appeal the citation to the Hearing Committee in accordance with Article IV, Section 6(c). Nothing stated above shall limit any other remedy at law or in equity available to the Board to enforce compliance with this Section.

Section 2(c) (Loss of Membership Privileges)

A suspension of membership privileges as provided for in these Bylaws and/or any rules and regulations adopted by the Board of Directors will deprive the member, the member's family and any guests from the use of the Association's common areas except to utilize the roadways for ingress and egress to the member's own property. This includes, but is not limited to a loss of the right to vote and to attend any Association meetings, and a loss of privileges to use the lake itself and any swimming and boating privileges, the beaches, tennis courts, playground and pavilions. Violations will be considered to constitute trespassing on private property; the Board shall have the authority to issue citations and to pursue other legal action against trespassers. Any member aggrieved by the loss of membership privileges shall have the right to appeal the related citation to the Hearing Committee in accordance with Article IV, Section 6(c).

Section 2(d) (Citations, Fines and Penalties)

The Board of Directors has the authority to issue citations to members for violations of the Declaration and Covenants, these Bylaws, and/or any rules and regulations adopted by the Board, as committed by the member and/or any of their family or guests. The issuance of a citation requires the vote of a majority of the then sitting Board members (excluding the President and any Board member who prepared the citation). A citation shall carry a fine of \$100 for a first offense, \$250 for a second offense, and \$500 for any further citation for the same violation issued within any 24-month period. The recipient of the citation shall remit payment of the fine within fourteen (14) days of the mailing of the citation. In addition, if the citation is for an action that puts the Association and/or any of its members (or their families or guests), employees or contractors at significant safety, financial or other risk, the Board may

in its discretion, as an additional penalty, suspend all or part of the member's privileges as described in Section 2(c) for up to eighteen (18) months. Any member aggrieved by the issuance of a citation shall have the right to appeal the citation to the Hearing Committee in accordance with Article IV, Section 6(c). Nothing in this section or these Bylaws limits the authority of the Board to take any other actions for violations of the Declaration and Covenants, these Bylaws, and/or any rules and regulations adopted by the Board that the Board deems appropriate.

Section 3 (Assessments and Accounts)

Section 3(a) (Annual Assessments, Special Assessment and Fees)

Each member shall pay an annual assessment as periodically established by recommendation of the Board of Directors and approved by the membership. In addition, each member shall pay any special assessment as recommended by the Board of Directors for capital improvements or other reasons, and approved by the membership; all special assessment receipts shall be accounted for separately and used only to pay for the projects for which the special assessment was made. Provided, however, the total of all annual and special assessments in effect at any time may never exceed one-third of the then current, aggregate assessed value of all houses and lots owned by all members of the Association. The Board of Directors shall also have the power to impose uniform fees upon an individual member for new construction, major renovations, property transfers, boat storage, dock ownership and other activities related to that specific member of the Association and that do not benefit the entire membership. A member shall continue to be responsible for paying any new annual and special assessments and/or fees that become due from the member during any period in which the member's privileges are suspended as described in Section 2(c). All such assessments and fees shall be payable at such times as provided in rules and regulations adopted by the Board of Directors.

Section 3(b) (Delinquent Membership Accounts)

Members who have not paid their annual assessments, special assessments, fees, fines and/or any other amounts owed to the Association pursuant to these Bylaws and/or any rules and regulations adopted by the Board of Directors by the respective due dates thereof, will be considered delinquent. Delinquent accounts shall accrue interest at a rate established by the Board complying with legal restrictions and not to exceed ten percent (10%) beginning thirty (30) days after the due date. Such interest shall be payable as an additional assessment against the member. The Board shall have the power, on its own initiative or through its authorized agents, to bring an action at law against delinquent members. The Board may also impose as an additional assessment against such member, the costs incurred by the Association in collecting such past due assessments, including, but not limited to, all related legal and administrative expenses. The Board of Directors shall also have the authority, after two (2) weeks written notice of such delinquency to indefinitely suspend the delinquent member's membership privileges as described in Section 2(c), unless in the interim the member enters into and thereafter complies with a written agreement to resolve the delinquencies in a timeframe, and with a schedule of payments, as recommended by the Treasurer and satisfactory to the Board (which shall have sole discretion whether or not to accept any such agreement). The Board may adopt additional rules and

regulations to provide additional procedures for payment and collection of any assessments, fees, fines and/or any other amounts owed to the Association.

Section 4 (Regular Meetings)

The Spring Meeting of the members of the Association shall be held on the Saturday of Memorial Day weekend each year, for the purpose of updating the members on ongoing Association matters and the transaction of such other business as may properly come before the meeting. The Annual Meeting of the members of the Association shall be held on the third Saturday of August each year, for the purpose of electing Directors consistent with the provisions of Article IV, Section 1, and the transaction of such other business as may properly come before the meeting. Such meetings shall be held at such times of day and at such places, in or convenient to Deer Lake, as the Board of Directors shall determine. The dates of the Spring and/or Annual Meetings of the Association shall not be rescheduled, except due to extraordinary circumstances and with the unanimous approval of the Board of Directors.

Section 5 (Special Meetings)

Special Meetings of the Association may be called at any time upon due notice, by the President, or in his absence by a Vice President, or by three members of the Board of Directors. Also, upon a request in writing as duly signed by at least twenty-five members of the Association in good standing, the President shall be required to timely call a Special Meeting for the consideration of the matters specified in such written request.

Section 6 (Notice of Meetings)

Except as provided in Article VI, notice of each Regular or Special Meeting shall be mailed by the Secretary to all members at their respective last known address at least ten and not more than sixty days prior to the date of such Meeting. The notice of any Special Meeting shall state the purpose of the meeting and the matters to be given consideration. In the event that, prior to any upcoming Regular Meeting, there are more announced candidates for Directors than open positions up for election at that time, and if requested by any candidate sufficiently in advance of such date, the Board will separately notify the members by email and schedule a special session at least seven days prior to the Regular Meeting, for the purpose of allowing all such candidates to meet and address the members.

Section 7 (Quorum)

Twenty-five members (or 10% of the total of all members eligible to vote, if greater) shall constitute a quorum for the transaction of the business at any Regular or Special Meeting of the membership of the Association.

Section 8 (Voting)

Except in the case of joint or multiple ownership of any Deer Lake property, each member shall be entitled to one vote on all matters presented to any Regular or Special Meeting. Only one vote may be

cast for all co-owners of property held in joint or multiple ownership; in case the owners cannot agree, no vote shall be recorded for such owners. A greater-than-50% majority vote of those members present and voting shall be required to authorize any action requiring the approval of the members at any meeting at which a quorum exists, unless a different percentage vote is specified in these Bylaws. Except as provided in Article VI, voting by proxy, absentee ballot and/or electronic ballot is not permitted.

ARTICLE IV (Directors)

Section 1 (Responsibilities, Elections, Terms)

Management of the affairs of the Association and the promulgation and enforcement of rules and regulations for the protection of the peaceful enjoyment, health, safety, and security of its members, their families and guests shall be vested in a Board of seven Directors who shall be elected by the members at the Annual Meetings of the Association. Each Director shall be elected for a term of two years, but the term of office of Directors shall be staggered. Following long-standing procedures, at each Annual Meeting three or four Directors (as the case may be) shall be elected. Those elected will begin their term of office effective as of the October 1st following the Annual Meeting (or effective immediately, if the Annual Meeting was postponed later than October 1st). A Director must be a member in good standing on the date of election and throughout their term of office, and shall perform their duties during their term in good faith and in a manner they reasonably believe to be in the best interests of the Association. A Director may be removed for cause by action of the Board. A Director may be removed with or without cause by a vote of two-thirds of the members present and voting at any Regular or Special Meeting of the Association.

Section 2 (Vacancies)

A director may resign at any time by giving written notice to the Board of Directors and the resignation shall take effect upon receipt of said notice unless stated otherwise. In the event of a vacancy in the Board of Directors, the remaining Directors shall elect a member to serve as Director until his successor is elected at the next Annual Meeting, at which time the successor will commence serving the remaining year of the original Director's term or a new two-year term, as applicable.

Section 3 (Board Meetings)

The group consisting of any continuing and newly-elected Directors shall meet and organize as soon as practicable after each Annual Meeting of the members of the Association, and such group will be considered the Board of Directors effective as of the October 1st following the Annual Meeting (or effective immediately, if the Annual Meeting was postponed later than October 1st). Other meetings of the Board of Directors shall be held at such times as the Board shall determine, or upon the call of the President or two members of the Board. Reasonable and timely notice shall be given to each Director of all meetings. Meetings of the Board of Directors shall be held at such place or places as the Board may determine. A greater-than-50% majority of those Directors present may take any action at any meeting at which a quorum exists. One or more Directors may participate in a meeting by means of conference telephone or other electronic technology; such participation will constitute presence in

person at the meeting. The Board is also specifically authorized to take action without meeting on any question or issue, except election of officers, by written instrument(s) duly signed by a majority of the Board; for this purpose, an email will be considered a written instrument. Any such written action of the Board of Directors shall be preserved with the minutes of the meetings of the Board.

Section 4 (Quorum)

A majority of the Board of Directors shall constitute a quorum.

Section 5 (Election of Officers)

At the organizational meeting described in Section 3 following the Annual Meeting of the members, the group of continuing and newly-elected Directors shall elect the officers specified in the next succeeding Article of these Bylaws to serve for one year and until their successors have been elected and qualified; provided, that such terms will commence effective as of the October 1st following the Annual Meeting (or effective immediately, if the Annual Meeting was postponed later than October 1st). An officer may be removed with or without cause by action of the Board. In the event of a vacancy in any office, the Board shall elect a successor to serve for the balance of the unexpired term.

Section 6 (Committees, Accounts, Funds)

Section 6(a) (General)

The Board of Directors may from time to time appoint such Committees from its own number or from other members of the Association, or both, as may be deemed necessary or advisable in the conduct of the affairs of the Association. Any member of a Committee must be in good standing. The Board may also establish such accounts and create such funds for the support of special or general projects related to the purpose of the Association as may from time to time be determined.

Section 6(b) (Lake Committee)

A Lake Committee shall be established as a permanent committee charged with the long-term care of the Association's common areas for future generations, made up of a minimum of five and a maximum of nine members appointed by the Board. The Lake Committee shall be in an advisory capacity only, and report to the Board of Directors.

Section 6(c) (Hearing Committee and Adverse Action Appeals)

A Hearing Committee shall be established to hear appeals from certain adverse actions taken by the Association against any member where such right of appeal is provided for under these Bylaws and/or any rules and regulations promulgated by the Board, made up of a minimum of three and a maximum of six members appointed by the Board. No currently sitting Board member, no spouse of a Board member, and no individual who served on the Board within the prior three years is eligible to serve. In

the event an appeal is filed and an appeal fee of \$100 is paid (to cover administrative costs of the appeal), a panel consisting of a minimum of three members of the Hearing Committee shall convene a hearing at which the appellant, and the preparer of the citation (or other person responsible for the adverse action which is the subject of the appeal), and any other witnesses to the subject matter, may appear and speak. No such appeal shall last more than ninety minutes, unless extended by the Hearing Committee for cause shown, provided that the parties and all witnesses who express an intention to present evidence shall be heard. The findings of the Hearing Committee shall be reduced as soon as practicable after the hearing to a brief writing, which shall be provided to both parties. Such findings shall be final unless appealed to the President of the Association within seven calendar days of issuance thereof by the Hearing Committee; any decision of the President shall be final.

Section 7 (Directors' Liability)

To the fullest extent permitted by law, a Director shall not be personally liable as a Director for monetary damages, for any action taken, or any failure to take any action. This section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute, or the liability of a Director for the payment of taxes pursuant to Local, State or Federal law. This section shall also not apply to any actions filed prior to the date of the original amendment adding this section to the Bylaws, nor to any breach of performance of duty by a Director prior to such date; provided, no later amendment to or repeal of this section shall apply to or have any effect on the liability or alleged liability of any Director for, or with respect to, any acts or omissions of such Director occurring prior to such amendment or repeal.

Section 8 (Indemnification)

Section 8(a) (Mandatory Indemnification of Directors and Officers)

The Association shall indemnify, to the fullest extent now or hereafter permitted by law, each Director or officer (including each former Director or officer) of the Association who was or is made a party to or a witness in or is threatened to be made a party to or a witness in any threatened, pending or completed action at law or equity whether civil, criminal, administrative or investigative by reason of the fact that they are or were an authorized representative of the Association, against all expenses (including attorneys' fees and disbursements), judgments, fines (including excise taxes and penalties) and amounts paid in settlement actually and reasonably incurred by them in connection with such action.

Section 8(b) (Mandatory Advancement of Expenses to Directors and Officers)

The Association shall pay expenses (including attorneys' fees and disbursements) incurred by a Director or officer of the Corporation referred to in Section 8(a) in defending or appearing as a witness in any action described in Section 8(a) in advance of the final disposition of such action. The expenses incurred by such Director or officer shall be paid by the Association, only after receipt of a written document from such Director or officer agreeing to repay all amounts advanced if it shall ultimately be determined that they are not entitled to be indemnified by the Association as provided in Section 8(d).

Section 8(c) (Permissive Indemnification and Advancement of Expenses)

The Association may, as determined by the Board of Directors from time to time, indemnify to the fullest extent permitted by law, any person who is a party to or a witness in, or is otherwise involved in, any threatened, pending or completed action at law or equity, whether civil, criminal, administrative or investigative, by reason of the fact that they are or were an authorized representative of the Association, against all expenses (including attorney's fees and disbursements), judgments, fines (including excise taxes and penalties), and amounts paid in settlement actually and reasonably incurred by them in conjunction with such action, suit or proceeding. The Association may, as determined by the Board of Directors from time to time, pay expenses incurred by any such person by reason of their participation in such action referred to in this Section 8(c) in advance of the final disposition of such action, upon receipt of a written document from such person agreeing to repay such amount if it shall ultimately be determined that they are not entitled to be indemnified by the Association as provided in Section 8(d).

Section 8(d) (Scope of Indemnification)

Indemnification under this Article shall not be made by the Association in any case where a court determines that indemnification of the alleged act or failure to act giving rise to the claim for indemnification (such as gross negligence or willful misconduct) is expressly prohibited by any such laws as may have been in effect at the time of such alleged action or failure to take action.

Section 9 (Auditors)

The Board of Directors shall each year appoint an auditor or auditors from an independent accounting firm to examine the books of account of the Association and records of the Treasurer and any depository accounts. A report of the examination shall be presented annually at a Regular Meeting of the Association.

ARTICLE V (Officers)

Section 1 (Number of Officers)

The officers of the Association shall be as follows: a President and one or more Vice-Presidents who shall be elected from the membership of the Board; and a Secretary and a Treasurer who shall be members of the Association, but who may or may not be members of the Board.

Section 2 (President - Duties)

The President shall be chief executive officer of the Association. The President shall preside at all meetings of the Association and at all meetings of the Board of Directors. The President shall be authorized to sign all contracts and other instruments on behalf of the Association and shall direct the other officers of the Association in the performance of their duties, and shall be an ex-officio member of all Committees. At each Annual Meeting the President shall present a report to the members on the state of affairs of the Association.

Section 3 (Vice-President/s)

The Vice-President or Vice-Presidents, if more than one shall be elected, shall perform such duties as may be assigned to the respective officer by the Board of Directors. In the absence of the President, the Vice President, or if there be more than one, the Vice-President designated by the Board of Directors, shall perform the duties of the President.

Section 4 (Secretary)

The Secretary shall give the notices herein specified of all meetings of the Association, and shall also give due notice of all meetings of the Board of Directors. The Secretary shall keep and preserve full minutes of proceedings of all such meetings. The Secretary shall be the custodian of the seal of the corporation and of all permanent non-financial records of the Association. The Secretary shall be authorized on behalf of the Association to prepare, execute, certify and record any amendments to the Association's Declaration and/or Covenants, as approved by the members in compliance with applicable law.

Section 5 (Treasurer)

The Treasurer shall have custody of all Association funds; shall maintain complete and accurate accounts of receipts and disbursements, including member accounts; shall deposit all monies as designated by the Board of Directors and shall disburse funds as authorized by the Board. In addition, the Treasurer will prepare financial reports and an account of the financial condition of the Association. The Treasurer will be given the authority customarily provided the position in a non-profit corporation. To the extent required by applicable law and/or in the amount and form determined by the Board of Directors, the Treasurer shall provide a satisfactory fidelity bond; the premium for such bond shall be paid by the Association.

ARTICLE VI (Amendment)

These Bylaws and any rules and regulations promulgated by the Board may be amended at any Regular or Special Meeting of the Association at which a quorum exists, upon a vote of at least 51% of the total of all members eligible to vote, provided that notice of the proposed amendment to be voted upon shall have been given with the notice of the Meeting, at least fourteen and not more than sixty days prior to the date of such Meeting. Solely for the purpose of voting on any amendment to these Bylaws, absentee ballots shall be permitted, provided that such ballots must be submitted via email to the independent reviewer appointed by the Board for such purpose, by the commencement of the scheduled Meeting.