

Bryn Gweled Homesteads Bylaws

As amended December 2, 2016

ARTICLE I Name and Office

The name of the corporation is Bryn Gweled Homesteads, and its address is Bryn Gweled Homesteads, Southampton, Bucks County, Pennsylvania, 18966.

ARTICLE II Purpose

Section 1. The purpose of the corporation is to establish, maintain, and develop a homestead community for the mutual benefit of all its members, who are seeking stable, productive homes on adequate ground free from land speculation, with the positive advantages of land controlled by the community, permanent provision for recreation and a wholesome outdoor life, opportunity for individual freedom and creative initiative, as well as for sharing in the responsibility for and development of community facilities and activities.

Section 2. The rights of members of the corporation to absolute freedom of religion, politics, association, expression, production, and exchange shall never be abridged nor impaired by the group, except insofar as the freedom of individual members conflicts with the rights of other members of the corporation.

Section 3. The success of Bryn Gweled Homesteads will depend upon the sustained interest of the members and their ability to maintain, develop, and further these purposes, thus providing an atmosphere where families of any race or creed or beliefs, with the above interests in common, may live fully.

ARTICLE III Membership

Section 1. Charter members were those who signed the articles of incorporation.

All new applications for membership in the corporation shall be referred to the Membership Committee for such investigation as the committee shall deem necessary. Upon completion of such designated procedures, and following a report from the committee, approved applicants for membership shall be elected by an affirmative vote of not less than four-fifths of all the members of the corporation qualified to vote, by written or electronic ballot.

The term of approved applicant status is limited to 5 years. An approved applicant may apply in writing for a 3-year renewal of approved status prior to the termination date of their approved status. Upon recommendation by the Membership Committee, renewal of approved status may be granted by four-fifths approval of all members of the corporation qualified to vote. The Membership Committee shall inform new members of their election.

An approved applicant will become a corporate member of Bryn Gweled Homesteads upon the execution of a lease to him/her/them for a lot or lots of ground within

the community, and upon payment of a \$50-per-person entrance fee. At the next regular date for payment of land assessments the new member or members shall pay an installment of the land assessment appertaining to his/her/their lot, after adjustment has been made for the time elapsed between the commencement of the corporation's fiscal year, and the date such application was accepted and lease executed. Approved applicants may terminate their approved status by written resignation.

If a member is unable to vote because of illness or absence, cannot be contacted after repeated attempts by the committee, or declines to vote, the vote shall be counted as four-fifths for and one-fifth against membership applications.

Section 2. Each member shall have one vote at the meetings of the corporation and shall be entitled to the use of all land in the community not under lease and other facilities and property of the corporation in common with other members, subject to the regulations that shall be made from time to time by the Board of Directors or by the corporation. Members shall be responsible for the observance of all such rules and regulations by their families and guests so long as they may be upon the land of the corporation.

Section 3 (a). Membership in the corporation shall depend upon ownership of a leasehold interest in one or more lots, to be designated by the respective member on the official plan of the corporation. But a maximum of two individuals shall be specified on each leasehold agreement. A member's rights shall in all cases be subject to the terms of his/her/their lease or leases provided that such terms shall not be inconsistent with these bylaws.

Members may sublet their leaseholds or a portion thereof (subject to the conditions of such leases and the regulations of the Board of Directors), to such persons as shall be approved by the Board of Directors. Sublet agreements must receive annual approval by the Board of Directors. Leases shall be assignable only to members of the corporation after the approval of the Board of Directors has first been obtained.

Section 3 (b). Members shall be the owners of all buildings and improvements upon the ground leased to them, which buildings and improvements are designated and considered as severable and set apart from any leasehold interest of members in the land; members shall have the right to sell, convey, give, devise, encumber, or in any other way dispose of the same subject to these bylaws, or as the same may be lawfully amended in the future, save and excepting the provisions of Article III, Sec. 3 (c).

Section 3 (c). Notwithstanding any of the provisions of these bylaws, members may borrow money, and as security therefore may, upon the recommendation of the Board of Directors and with the approval of the membership, mortgage, assign, pledge, or in any other way encumber their interests in the land or buildings and improvements erected thereupon in favor of creditors. Further, these bylaws shall not apply to or restrict in any way creditors from receiving full or partial satisfaction of members' obligations to them according to the tenor thereof, whether the same be by foreclosure execution, or by voluntary conveyance or assignment of members' equities or redemption, or otherwise.

Further, these bylaws shall not restrict creditors in any way in their disposition of the aforesaid leasehold or improvements erected thereupon.

Section 4. Nonmembers, whether or not they have any interest in the property of the corporation, are not entitled to the use of the roads, facilities, or any other privilege of the community except by permission, and under the supervision of the Board of Directors, and this permission may be refused or withdrawn at any time.

Section 5 (a). Persons who have resigned or otherwise ceased to be members and the legal representatives of deceased members or any other nonmembers who may own any interest in such leases may assign their leasehold interests to members of the corporation but to no one else; and it is distinctly understood that they have no interest in the property of the corporation other than the right to assign their leases, unless any such person or persons shall be elected or reelected to membership in the corporation as provided in Section 1 of this article.

Section 5 (b). Any adult son or daughter (natural or adopted) of a member-owner who receives an interest by will or inheritance in a home or other improvement on a Bryn Gweled lot shall apply for membership or sell his/her/their property within four years of the death of the member-owner. If any such person wishes to apply for membership in Bryn Gweled Homesteads, he/she must successfully complete membership proceedings within five years of the death of the member-owner. Upon recommendation by the Membership Committee, the aforementioned time limit can be extended to a specified date by a four-fifths approval of all members of the corporation qualified to vote.

Section 5 (c). Any minor who receives an interest by will or inheritance in a house or other improvements on a Bryn Gweled Homesteads lot may apply, through his/her/their legal or natural guardians or the personal representatives or trustees of the estate under which the minor inherits, for an exception to the provisions of Section 5 (b) and 5 (d).

Section 5 (d). Any person not a member of Bryn Gweled Homesteads who acquires a property interest in a house or other improvement shall sell his/her/their property within two years or shall apply for and successfully complete membership within four years.

Section 5 (e). If heirs or any other nonmember owners do not comply with provisions of Sections 5 (b), 5 (c), or 5 (d), after three months following the expiration periods shown, Bryn Gweled Homesteads shall, at its discretion, accept surrender of the lease and purchase the improvements thereon upon the same basis as specified in Article III, Section 6, for expelled members and termination of lease.

Section 6. Upon the recommendation of the Membership Committee (to whom all charges and complaints shall be referred for consideration and correction if that be possible), a member may be expelled by vote of not less than four-fifths of all the members of the corporation qualified to vote for willful violation of any rule or regulation of the corporation or Board of Directors, or for other conduct which shall be deemed by the

Membership Committee sufficiently detrimental to the corporation. No member shall be expelled without notice and a hearing before a committee of investigation composed of three members of the corporation to be designated respectively by the corporation, by the offending member, and by the two so chosen. An expelled member shall forfeit all interest in the property of the corporation, but shall have the same rights with regard to the lot or lots leased to him or her as are provided in Section 5(a) of this article for other nonmembers holding leases, and shall be entitled to the value of the improvements on the leasehold, less any arrearage and encumbrance (loans from the corporation, mortgage and taxes), and less costs and expenses, including attorneys' fees incurred by the corporation in expulsion of the leaseholder and termination of the lease. This Section does not apply to collection of arrearages in payment of Land Assessment, which is governed by Article IV, Section 6 hereof.

Section 7. No voluntary resignation shall be accepted from a member unless all land assessments and any other amounts due to the corporation shall have been fully paid, nor until the member's lease shall have been either assigned to another member or surrendered to the corporation. If and when the member's lease is surrendered, the corporation shall pay to the resigning member the value of the buildings and other improvements upon such lot. The Board of Directors shall decide in its judgment whether and when to accept surrender as aforesaid. In cases of unimproved lot, the member resigning shall be entitled to surrender the lease, within three months, from the date the member's resignation was accepted.

Section 8. Members of the corporation shall not be personally liable for the debts, liabilities, or obligations of the corporation.

ARTICLE IV Taxes, Certificates and Land Assessments

Section 1. All taxes assessed against the corporation by any government or governmental agency in respect of leased lots and/or improvements thereon shall be payable by the leaseholder.

Section 2. Not later than eight (8) days before the annual meeting of the corporation, the Board of Directors shall submit to the members a budget for the following year, in which provision shall be made for:

(a) All taxes assessed by any government or governmental agency against the corporation and against the land, buildings, and improvements within the community excluding taxes specified in Section 1 above.

(b) The estimated cost of maintaining all roads and other improvements undertaken by the corporation as well as either

(1) the original cost thereof; or

(2) a payment into a reserve fund set up to distribute the cost of making such roads and improvements over a period of years.

(c) All expenses for the management of the community during the year, and the accumulation of any contingency reserves considered necessary or desirable by the Board of Directors.

Section 3. A point value shall be set by the Board of Directors and approved by the members of the corporation for each lot without considering the value of any buildings or improvements thereon. The total budget as computed under Section 2 (if approved by the corporation) shall be divided among the member families in proportion to the point value of their respective lot or lots.

Section 4. The proportionate share of the total budget thus calculated for each member of the corporation shall be the amount of his/ her/their land assessment for the ensuing year.

Section 5. Not later than June 1st each year, copies of the budget, and apportionment and calculation of his/her/their annual dues or land assessments, in accordance with the foregoing sections of this article, shall be furnished by the treasurer to every member of the corporation. If members believe their land assessments to be incorrect or unreasonable they may, after notifying the president or treasurer of the reasons why, file an appeal to the Board prior to July 1st. If not satisfied with the decision of the Board, the member may request arbitration. Arbitration shall be before a single, neutral arbitrator agreed upon by the parties. The appealing member shall continue to pay monthly installments of the land assessment as originally fixed, until a decision is reached.

Section 6. Land assessments shall be payable in equal monthly installments, at such dates as the Board of Directors may determine. Any installment of land assessments remaining unpaid after the same is due, plus any payments paid by the corporation on behalf of the leaseholder as specified in policies, rules and regulations adopted by the corporation shall be considered the total arrearage. The total arrearage shall bear late charges as determined by the Board of Directors, and interest at the rate of 6% per annum from such due date until paid. When a leaseholder's total arrearage is in an amount equal to or in excess of one year's Land assessment (dollar amount, not time), the arrearage is considered delinquent.

Any member who has a delinquent arrearage shall lose their right to vote on any matter, including on bylaw revisions and approval of applicants, and may not serve in any elective position.

Collection of delinquent accounts shall proceed in accordance with policies, rules and regulations adopted by the corporation. In addition to the remedies provided in policies adopted by the corporation, at the point that an unaddressed arrearage amount equals the equivalent of five years of assessments (dollar amount, not time), the corporation will initiate a process of lease termination. Leasehold termination is the process by which the community acquires possession of all improvements on the lot, and sells the lot improvements to satisfy arrearage debts. The leaseholder will be given thirty (30) days notice before initiating termination and eviction proceedings as provided by law. Upon taking possession of all improvements, BG will sell all of the improvements and the terminated leaseholder shall be entitled to the value of the improvements on the leasehold, less any arrearage and encumbrance (loans from the corporation, mortgage and taxes), and less costs and expenses, including attorneys' fees incurred by the corporation in expulsion of the leaseholder and termination of the lease.

Section 7. The corporation shall issue to its members Series C certificates which shall be a permanent method of carrying the capitalization of the corporation. Series C certificates shall bear no interest and shall be redeemable at par at, and only at, cessation of membership. There shall be established a per-point amount of such certificates which may be changed from time to time by two-thirds vote of all the members of the corporation. Each member family shall be required to purchase Series C certificates in an aggregate amount equal to the per-point amount multiplied by the point value of its lot or lots as determined under Article IV, Section 3. The minimum rate of such purchase for each family shall be set by the Board of Directors which may take into account special circumstances. Until a member family has purchased its full established amount it shall pay interest on any deficiency at a rate to be set by the membership.

Section 8. The corporation may when deemed necessary issue to all leaseholders Series S certificates to create and maintain a Series S capital fund (Septic Fund) for use by the Corporation to help fund repair and /or replacement of individual on-site sewage disposal systems, which have a documented regulatory failure to meet standards set by government authorities. Expenditures by the Corporation from the Septic Fund for such repair and/or replacement may be made only when the cost of the repair and/or replacement exceeds a cost (Deductible) to be adjusted periodically by majority vote of the Septic Fund membership. The expenditure shall be limited to Septic Fund members and to an amount not to exceed a specified maximum to be approved by the Septic Fund membership. No Leaseholder shall receive the benefit of any Septic Fund expenditures for more than one incident of repair and/or replacement of an on-site sewage system for the duration of the leasehold, regardless of the amount disbursed from the Septic Fund. No leaseholder may receive S Fund reimbursement for expenditures on an undeveloped leasehold, new construction or any septic system changes occasioned by capital improvements.

Issued Series S certificates shall bear no interest, shall be redeemable at face value only, and shall only be redeemable upon cessation of membership in the corporation by all holders named on the face of the certificate. (Septic Fund members leaving the Fund who have received a benefit shall receive a refund of the face value of the certificate only to the extent that the face value of the Certificate exceeded the amount of the benefit.) Upon affirmative vote of the Board of Directors to issue Series S certificates in the face amount set by a two-thirds majority of the membership of the corporation, all leaseholders shall be required to purchase one Series S certificate per lot lease at the time of lease issuance. Until leaseholders have purchased their full established amount, including annual payments, they shall pay interest on any deficiency at a rate to be set by the membership. In the event a claim is made by a member against the Septic Fund, deficiencies in initial purchase of Septic Fund S Certificates or in payment of periodic assessments to replenish the Septic Fund, will be added to the deductible in force at that time. Future assessments to replenish the Septic Fund will apply to all current or future holders of Series S Certificates. Leaseholders who have previously elected to decline to purchase Series S certificates shall continue to be exempt from both making annual payments into the S Fund and receiving S Fund benefits for the duration of their lease.

The Bryn Gweled Septic System Committee shall periodically review the costs of repair and/or replacement of on-site sewage disposal systems and, when appropriate, shall make recommendations to the Board of Directors and the Septic Fund membership for

changes in the amounts of annual payments, deductibles, and maximum reimbursements per system. All changes to amounts covered by this By Law shall be made in accordance with Article VIII of this Bylaw.

Section 9. The interest of the members in the property of the corporation shall not be equal, but shall be determined as follows: (a) each member family shall have a primary and preferential interest in the lot or lots leased to it by the corporation to the extent of its holding of Series C certificates and (b) for each member family there shall be determined the number of points for which it has paid land assessments for each of the previous twenty years; such numbers shall be totaled and such total shall be that family's proportional interest in ground not under lease and all other property of the corporation. In this determination members who are lineal descendants (natural or adopted) of former members may treat as their payments land assessments paid by such former members (shared as they may decide if two or more members are descendants of any former member). If at the time of such determination any member family has not purchased the full amount of Series C certificates established for it, under Article 4 Section 7, its share shall be reduced by the deficiency therein.

ARTICLE V Directors

Section 1. The affairs and property of the corporation shall be managed by a board of seven directors who shall be elected from the membership of the corporation prior to the annual meeting, and shall hold office for terms of three years, or until qualified successors are elected. The directors shall be elected in three classes so that the terms of two shall expire the first year, two the second year, and three the third year provided that upon the expiration of the term of any director, his or her successor shall be elected for a term of three years. Any vacancy occurring in the Board of Directors may be filled by the board until the members of the corporation shall have elected a **qualified** successor at either the annual or a special meeting of the corporation called for the purpose of electing a successor for the unexpired term.

Section 2. The Board of Directors shall have full power and it shall be their duty to carry out the purposes of the corporation as set forth in its articles and these bylaws. The Board shall authorize the granting of leases to the members of the corporation, as well as all contracts, except such as the Board may from time to time by reason of the smallness of the amount involved authorize the officers or an appointed member of the corporation to execute.

Section 3. The Board may appoint a project manager(s) and create ad hoc committees and special task forces to attend to such matters as the board may from time to time delegate.

Section 4. The Board of Directors shall make a comprehensive written report at the annual meeting of the corporation showing the result of operations for the preceding year and the financial condition of the corporation and shall submit a budget. Such other reports as the members of the corporation may require from time to time shall likewise be submitted to the corporation by the Board of Directors.

Section 5. The Board of Directors shall hold stated meetings at such times as it may determine, and special meetings when called by the president upon two days' notice. Special meetings shall also be called by the corresponding secretary upon the written request of any two members of the board upon five days' notice. Four members shall constitute a quorum of the board.

Section 6. Any director may be removed from office by a vote of two-thirds of all the members of the corporation qualified to vote at a special meeting of the corporation called for that purpose or, after discussion at such a meeting, by written or electronic ballot.

Section 7. No member of the Board of Directors shall be reelected until after a lapse of one year.

ARTICLE VI Officers

Section 1. The officers of the corporation shall be a president, vice president, treasurer, corresponding secretary, and recording secretary. The members of the corporation shall elect the president and vice president from among the members of the Board of Directors who carry over from the previous year, to serve for one year, or until qualified successors are elected. Officers are subject to removal by a two-thirds vote of all members of the corporation qualified to vote. The secretaries and treasurer need not be members of the Board of Directors. Any vacancies occurring in any of these offices shall be filled by the Board of Directors for the unexpired term.

Section 2. The president shall preside at the meetings of the corporation and of the Board of Directors, and shall be ex-officio a member of all committees.

Section 3. In the absence or incapacity of the president, the vice president shall perform his/her duties.

Section 4. The treasurer shall collect all dues and other money owing to the corporation, and shall deposit all funds in the name of the corporation in such institution as the Board of Directors may designate. The treasurer shall have custody of all deeds and other title papers of the corporation. The treasurer shall keep the accounts of the corporation and shall report thereon at such times as the Board of Directors or the corporation may require. The accounts of the treasurer shall be audited annually and the treasurer shall furnish such bond as the Board of Directors may require. All checks, drafts, notes, and orders for the payment of money shall be signed by the treasurer or such other person as the Board may designate.

Section 5. The corresponding secretary shall give notice of all meetings of the corporation and of the Board of Directors and perform such other duties as may from time to time be required by the Board of Directors.

Section 6. The recording secretary shall keep the minutes of all meetings of the corporation and shall have the custody of the Seal of the corporation.

ARTICLE VII Standing Committees

Section 1. The Membership Committee shall consist of six members, two to be elected each year for a three-year term.

Section 2. The Nominating Committee shall consist of six members, two to be elected each year for a three-year term.

Section 3. The Housing Committee shall consist of six members, two to be elected each year for a three-year term.

Section 4. Additional standing committees may be established by the corporation.

Section 5. No member of the Membership, Nominating, or Housing Committees shall be reelected until after the lapse of one year. Any member of a standing committee may be removed by a two-thirds vote of all members of the corporation qualified to vote, by written or electronic ballot.

Section 6. Any vacancy occurring in a standing committee may be filled by the board until the members of the corporation shall have elected a successor at either the annual or a special meeting of the corporation called for the purpose of electing a successor for the unexpired term.

ARTICLE VIII Meetings

Section 1. The annual meeting of the corporation shall be held at Bryn Gweled Homesteads on such day in the month of May as the members of the corporation may appoint. Notice of the time of holding the annual meeting shall be given to all members of the corporation not less than fifteen (15) days in advance. At the annual meeting the corporation shall adopt a budget for the ensuing year.

Section 2. Periodic business meetings of the members of the corporation shall be held at regular intervals, as may be determined by the members from time to time. Special meetings of the corporation may be called by the president or by the Board of Directors, and shall be called upon demand in writing of one-third of all the members of the corporation. Notice of the time, place, and purpose of a special meeting shall be given to all members of the corporation not less than five (5) days in advance thereof (but such notice may be waived by affirmative vote of not less than a majority of all the members of the corporation, provided that any action to be taken after such waiver shall be approved by not less than a majority of all the members of the corporation). Business transacted at a special meeting shall be confined to matters stated in the call thereof, and the written vote of absent members upon such questions shall be counted with those of members present at the meeting.

Section 3. Twenty member families of the corporation actually living on the homesteads, represented in person, shall constitute a quorum of any meeting of the corporation, except that any member present may call for a majority of member families resident on the homesteads to be present before the continuation of any business meeting.

Section 4. The order of business at meetings of the corporation shall be as follows: attendance; reading and approval of the minutes of the preceding meeting; reports of the Board of Directors, officers and committees; old business; new business .

Section 5. Except as may be otherwise specifically provided in these bylaws, power of final decision upon all matters affecting the corporation shall be in the members. Any action which could be taken at an annual or special meeting may be taken at a regular meeting of the corporation. Decisions of the membership are ordinarily made by a vote of simple majority, except as the board may in its discretion require to be decided by a higher percentage of the membership, or unless a higher percentage is specifically required by these bylaws or the Articles of Incorporation.

ARTICLE IX Policies and Procedures

The corporation shall adopt policies and procedures to implement these bylaws, as set forth in the Bryn Gweled Handbook.

ARTICLE X..... Seal

The seal of the corporation shall consist of a round disk with the words Bryn Gweled Homesteads on its circumference and the date 1940.

ARTICLE XI..... Amendments

These bylaws may be amended, altered, or repealed by an affirmative vote of two-thirds of all the members of the corporation qualified to vote at any meeting of which five (5) days' written notice setting forth the nature of the proposed amendment shall have been sent to all the members of the corporation), or after discussion of the proposed amendment at such a meeting, by a vote of two-thirds of all the members of the corporation qualified to vote, by written or electronic ballot.

If a member is unable to vote because of illness or absence, cannot be contacted after repeated attempts by the committee, or declines to vote, the vote shall be counted two-thirds for and one-third against bylaw amendments.