

**AMENDED AND RESTATED BYLAWS OF
THE HENLOPEN ACRES PROPERTY OWNERS CORPORATION**

In accordance with the Bylaws of THE HENLOPEN ACRES PROPERTY OWNERS CORPORATION (the "**Corporation**") last revised June 17, 2017 (the "**Existing Bylaws**"), the undersigned hereby take the following actions to adopt the following resolutions.

WHEREAS, in 1930, Wilbur S. Corkran ("**Corkran**") purchased land that would become the Town of Henlopen Acres. Corkran's vision of a beautiful, quiet residential community is well preserved by the Town ordinances and preservation requirements.

WHEREAS, the part of Henlopen Acres that is situated immediately south of the Henlopen Acres Beach Club extending to the lands owned by the State of Delaware to the south, comprising roughly 9.21 acres is also described and known as the beach and dune lands from the mean high water mark of the surf to the Delaware State owned road called "Ocean Drive" leading to North Shores and extending from the foot of the bridle path adjacent to Pine Reach Road northward to the Henlopen Acres Beach Club;

WHEREAS, the beach and dune lands described herein was deeded to the Corporation on February 26, 1964 by Deed recorded in the Office of the Recorder of Deeds for Sussex County, Delaware (the "**Land Records**") in Deed Book 572, page 301 (the "**Property Deed**") in accordance with the Last Will and Testament of the late Wilbur S. Corkran recorded in the office of the Register of Wills, Sussex County, Delaware in Will Record 52, page 326 (the "**Corkran Will**");

WHEREAS, although the beach and dune lands described herein are a part of the Town of Henlopen Acres, the beach and dune lands are privately owned and controlled by the Corporation. The beach and dune lands described herein to contribute significantly to "the pine woods setting on an ocean beach";

WHEREAS, the beach and dune lands described herein are pristine and natural in character providing a beautiful and peaceful beach for the members of the Corporation and their families. The Corporation has the fiduciary duty to protect and maintain the beach and dune lands in their natural state and for their intended use by those owning property in the Henlopen Acres community pursuant to the Property Deed;

WHEREAS, pursuant to Article IV of the Existing Bylaws, the Board of Governors is expressly authorized to make, amend or repeal any Bylaw of the Corporation subject to approval of the membership;

WHEREAS, the Board of Governors has determined it is in the best interest of the Corporation to amend and restate the Existing Bylaws subject to approval of the membership; and

RESOLVED, that the membership has approved the amendment and restatement of the Existing Bylaws in their entirety as set forth herein (the "**Amended and Restated Bylaws**").

ARTICLE I

PURPOSE

1.1 Corporation. The Corporation is a non-stock, non-profit Delaware corporation, organized under the Act with its principal office at the address on file with the Delaware Secretary of State. These Bylaws are adopted for the administration, regulation and management of the affairs of the Corporation.

1.2 Purpose. The purposes for which the Corporation is formed are (a) the maintenance and preservation of that certain beach and dune lands known as a part of "Block W" situated in the Town of Henlopen Acres, in Sussex County, Delaware (the "**Property**"), as said Property is described in Exhibit "A" attached hereto, being the same as that certain property described in the Property Deed.

1.3 Controlling Laws and Instruments. These Bylaws are controlled by and shall always be consistent with the provisions of the general laws of the State of Delaware, the Act, the Property Deed, and the Articles of Incorporation of the Corporation filed with the Delaware Secretary of State, as any of the foregoing may be amended from time to time.

ARTICLE II

OFFICES OF THE CORPORATION

2.1 Principal Office. The Board of Governors, in its discretion, may fix and may change from time to time, the location, within the State of Delaware, of the principal office of the Corporation.

2.2 Mailing Address. The mailing address of the Corporation is HAPOC, P.O. Box 322, Attention: Board of Governors Secretary, Rehoboth Beach, Delaware 19971. The Board of Governors, in its discretion, may fix and may change from time to time, the location, within the State of Delaware, of the mailing address of the Corporation.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.1 Membership.

A. Every person or entity who is a record owner of a fee or undivided fee interest in any lot ("Lot") in the Town of Henlopen Acres as that area is described in the deed from Henlopen Acres, Inc. to Wilbur S. Corkran dated July 22, 1930 and recorded in the Land Records in Deed Record 280, Page 223 shall be a member of the Corporation, provided, however, that if any Lot is owned by more than one individual, such owner or owners shall be entitled to only one membership in

this Corporation and one vote on any issue irrespective of the number or extent of his or her property holdings in Henlopen Acres. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for such membership

B. No initiation fee is required for membership in the Corporation. Assessments may be levied upon the membership by the Board of Governors, such assessment not to exceed annually Two Hundred and Fifty Dollars (\$250.00) for each Lot without approval of the membership expressed as a majority of the members who voted. Assessments shall be used to preserve and maintain the Property and defray Corporation expenses.

ARTICLE IV

MEETINGS OF THE CORPORATION

4.1 Place of Meetings. Meetings of the Corporation shall be held at such place as the Board of Governors shall determine.

4.2 Annual Meetings. The annual meeting of the Corporation shall be between April 1 and September 30, on a date and at an hour set forth in the notice of meeting sent to each member of the Corporation in the manner set forth in Section 4.4 below. At such meetings, the members of the Corporation may transact business of the Corporation as may properly come before the meeting.

4.3 Special Meetings. Special meetings of the Corporation may be called at any time by the President, by the Board of Governors, or upon written request of at least twenty-five percent (25%) of the total authorized votes in the Corporation. Business transacted at Special Meetings shall be confined to the purposes of the meeting stated in the notice of the meeting.

4.4 Notice of Meetings. Written notice of each meeting of the Corporation shall be given by, or at the direction of, the President or Secretary of the Corporation by hand delivery or by mailing a copy of such notice, postage prepaid, or by delivery electronically, or by facsimile, or a combination thereof, not less than fourteen (14) days, nor more than forty-five (45) days, before such meeting to each member of the Corporation entitled to vote thereat, addressed to the member's address last appearing on the books of the Corporation, or supplied by such member to the Corporation in writing for the purpose of notices. Such notice shall specify the place, day and hour of the meeting. In the event of a bonafide emergency notice of a Special Meeting shall state that it is a Special Meeting and its purpose(s). Because such notice shall be made at least forty-eight (48) hours prior to the meeting time, it will be made electronically to all members of the Corporation who have provided their current email addresses to the Henlopen Acres Property Owner Corporation. Such Special Meeting will be held by "Zoom" or similar communication facility to enable participation of all members of the Corporation who wish to attend because of short notice. The inadvertent failure of a member to receive such notice with instructions for participation by electronic transmission does not invalidate any meeting or other action of the Board of Governors or the Corporation.

4.5 Quorum. The presence at a meeting of members of the Corporation entitled to cast twenty percent (20%) in the aggregate of the authorized votes in the Corporation shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation or these

Bylaws. Individual members may provide the Board of Governors their proxy to address matters of the corporation. An affirmative vote of members of the Corporation representing fifty-one percent (51%) of the total of the votes of members present, including any proxies provided, at which a quorum is in attendance in person shall be necessary to transact business and to adopt decisions binding on all members, unless the question is one upon which, by the express provisions of law or of the Articles of Incorporation, or these Bylaws, a different vote is required, in which case such express provision shall govern and control.

If such quorum, including proxies, shall not be present at any meeting, no action may be taken which requires the vote of a quorum of members of the Corporation. At the next duly called meeting of the membership of the Corporation after failure of the attending membership at the previous meeting to constitute a quorum, the quorum requirement may be reduced to constitute at least fifteen percent (15%), in the aggregate, of the outstanding votes, provided that in order for the reduced quorum to apply, the purpose of the meeting shall remain the same as that recited in the original notice given to all members at which no quorum was present.

4.6 Voting List. The Board of Governors shall maintain a current roster of the names, addresses, and contact information of each member of the Corporation to which written notice of meetings of the members shall be delivered. Each member of the Corporation shall furnish the Board of Governors with such member's name and current mailing and email address. This requirement to furnish the Board of Governors with such member's name and current mailing and email address shall apply to owners of any Lot which is held by more than one member of the Corporation and to owners of any Lot owned by a corporation, trust or partnership. At least ten (10) days before each meeting, a complete list of the members of the Corporation, with the address of each, shall be compiled by the Secretary of the Corporation. The Corporation shall not release to any member, individual, trust, partnership, or corporation the members current mailing and email addresses.

4.7 Voting. The vote for any Lot, the ownership of which is held by more than one member of the Corporation, may be exercised by any one of them, unless an objection or protest by any other holder of an interest in the Lot is made prior to the completion of the vote, in which case the vote for such Lot shall be exercised as the persons holding such interest shall determine between themselves. Should the joint owners of a Lot be unable, prior to the completion of a vote, to agree upon how they will vote on any issue, the vote of such membership for that Lot on such issue shall not be counted, but the membership whose vote is in dispute shall be counted as present at the meeting for quorum purposes if the objection or protest is lodged at such meeting. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Corporation, prior to the meeting. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairperson of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. The Board of Governors may authorize members of the Corporation to submit a vote by electronic transmission if the electronic transmission contains information that verifies that the vote is authorized by the member.

No member of the Corporation shall be eligible to vote, or to be elected to the Board of Governors, who is shown on the books or management accounts of the Corporation to be more than sixty (60) days delinquent in any payment due the Corporation. Except as provided otherwise

by law, where a vote of the members of the Corporation is required, the Board of Governors shall determine the method by which the questions shall be decided. Such method may include a ballot vote at a meeting or at polling places designated by the Board of Governors, by show of hands or such other method that the Board determines by resolution and notifies the members of prior to any vote. Until the time for voting closes, the Corporation must not open or count election ballots. Any absentee ballot or proxy, to be valid, shall be received in a signed, sealed envelope bearing the identification of the Lot outside, and shall be opened only by the third-party retained to collect and tabulate the votes.

4.8 Open Meetings; Closed Meetings.

(a) All meetings of the Corporation shall be open to all members of the Corporation, except that such meetings may be held in closed session on an individually recorded affirmative vote of two-thirds (2/3rds) of the members of the Board of Governors present for reasons so compelling as to override the general policy in favor of open meetings. If a meeting is held in closed session pursuant to the procedures established herein, a statement of the time, place and purpose of any closed meeting, the record of the vote of each Member of the Board of Governors by which any meeting was closed, and the authority under this Section for closing the meeting shall be included in the minutes of the meeting of the Board of Governors.

ARTICLE V

THE BOARD OF GOVERNORS

5.1 The Board of Governors. The management of the Corporation shall be vested in a Board of Governors who shall be elected by the members of the Corporation in accordance with an Application and Nomination Policy adopted by the Corporation. The Board of Governors shall have general charge of the affairs, property, and assets of the Corporation. It shall be the duty of the Board of Governors to carry out the mission and purposes of the Corporation. The Board of Governors has the right and duty to address safety, health, and liability. Each Governor shall regularly attend Board of Governors meetings. The Board of Governors shall be composed of no more than five (5) persons and no fewer than three (3) persons.

5.2 Qualifications/Nomination. An elected Governor must be an owner of a Lot or be an officer of a corporate owner of a Lot, or a partner in a partnership owning a Lot, or be a member of a limited liability company owning a Lot, or a trustee of a Trust owning a Lot. If a Governor ceases to be an owner of a Lot, or a corporate officer, partner or a trustee of an entity which owns a Lot, such Governor's term as Governor shall immediately terminate, and a new Governor shall be appointed as promptly as possible by the President to take such Governor's place and remaining term. A Governor may be reelected, and shall serve a maximum of two, three-year terms provided that a Governor may serve an additional one or two years if said member started service for someone who departed the Board before end of the departed member's term. Nomination for election to the Board of Governors shall be made by a Board Officer Nominating Committee which shall be composed of two Governors and at least one member of the Corporation, selected by the Board of Governors, who is not currently serving on the Board of Governors and who shall serve as its chair. The Board Officer Nominating Committee shall make as many nominations for election to the Board of Governors as it shall in

its discretion determine, but not less than the number of vacancies that are to be filled and up to a maximum number of Governors. To provide for retention of institutional knowledge, term limits may be waived for up to two years by the Board Officer Nominating Committee in the event an election would result in less than two members of the Board of Governors who have served for at least two years. In addition, any member of the Corporation who wishes to run for election but is not nominated by the Board Officer Nominating Committee, may request, at least 21 calendar days prior to the election date, to be included on the list of candidates for the Board of Governors. Such request shall be in writing and addressed to the Chair of the Board Officer Nominating Committee at henlopenblockw@gmail.com. The names of nominees selected by the Board Officer Nominating Committee shall be designated as its nominees on the ballot.

5.3 Election and Term. Members of the Board of Governors shall be elected by the membership of the Corporation by written ballot. All election materials prepared with funds of the Corporation shall list candidates in alphabetical order, identify incumbents and include biographical information. To facilitate continuity and knowledge transfer, the terms of the elected Governors shall be three (3) years and will be staggered as follows: two Governors will be elected, followed one year later by the election of three Governors. Governors shall continue in office until their successors have been elected, unless a Governor resigns, is removed, or becomes disqualified to be a Governor.

5.4 Resignation/Removal of Governors. Any Governor may resign at any time by giving written notice to the Secretary of the Corporation, stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective.

5.5 Vacancies in Governors. Any vacancy prior to the end of a term of a Governor shall be filled by the President. A Governor appointed by the President to fill a vacancy pursuant to this Article V hereof, shall be appointed for the unexpired term of his or her predecessor in office.

5.6 No Compensation; Conflict of Interest. No Governor shall receive compensation for any service he or she may render to the Corporation. However, any Governor may be reimbursed for his or her actual expenses incurred in the performance of his or her duties. No Governor, nor any member of said Governor's family, may profit from the Corporation and all Governors must comply with the Conflict-of-Interest Policy adopted by the Corporation.

ARTICLE VI

MEETINGS OF THE BOARD OF GOVERNORS

6.1 Regular Meetings. Regular meetings of the Board of Governors shall be held as the needs of the Corporation dictate, but at least one time per year. The annual meeting of the Corporation pursuant to Section 4.2 hereof shall constitute the regular meeting per year required of the Board of Governors. All such meetings shall be open to all members of the Corporation. Meetings of the Board of Governors may be held in closed session only in accordance with Section 4.8 of these Bylaws.

6.2 Purpose of Meetings. The business to be transacted at, and the purpose of, any regular or special meeting of the Board of Governors shall be specified in the notice or waiver of

notice of such meeting.

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

6.4 Waiver of Notice. A Governor may waive any notice before or after the date and time stated in the notice, and such waiver shall be equivalent to the giving of such notice. The waiver shall be in writing, signed by the Governor entitled to the notice, and filed with the minutes or corporate records.

Action Taken Without a Meeting. The Board of Governors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written consent of all the Governors which may be provided by email. Any action so approved shall have the same effect as though taken at a meeting of the Board of Governors.

ARTICLE VII

OFFICERS AND THEIR DUTIES

7.1 Enumeration of Officers. The officers of the Corporation shall be elected by the Board of Governors and shall consist of a President, Vice-President, Treasurer, Secretary and Sergeant-at-arms. In the event there are less than five Governors, no more than two Governors may be elected to occupy two officer positions.

7.2. Election of Officers. The election of officers shall take place at the first regular meeting of the Board of Governors following each annual meeting of the Corporation.

7.3. Term. The officers of the Corporation shall be elected annually by the Board and shall hold office for one (1) year, unless he or she shall sooner resign, or otherwise be disqualified to serve. No Governor shall serve as President for more than three consecutive years. Other officers may serve for up to five consecutive years in the same position. Notwithstanding the foregoing five consecutive year limit in the immediately preceding sentence, any officer, other than the President, who serves for three consecutive years may then serve as President for an additional three consecutive years, for a total limit of six (6) years pursuant to Section 5.2 hereof. Likewise, a President who serves for three consecutive years may then serve as any officer, other than President, for three consecutive years.

7.4. Duties. The duties of the officers are as follows:

(a) President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Governors, shall direct, supervise, coordinate and have general control over the affairs of the Corporation, and shall have the powers generally attributable to the chief executive officer of the corporation. The President shall hire, direct, and discharge all agents and employees, who shall have such authority and perform such duties as may be required to carry out the operations of the Corporation. Any employee or agent

is employed “at will” and may be removed at any time with or without cause. The President shall preside at all meetings of the Board of Governors and the Corporation (subject to paragraph (b) below).

(b) Vice President. The Vice President may act in the place of the President in the case of the President’s absence or inability to act and shall perform such other duties and have such authority as is from time to time delegated by the Board of Governors or by the President.

(c) Secretary. The Secretary shall be the custodian of the records of the Corporation; shall see that all notices are duly given in accordance with the provisions of these Bylaws and the Declaration and as required by law; shall see that the books, reports and other documents and records of the Corporation are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of the Board of Governors; shall keep at the principal office of the Corporation a record of the names and addresses of the members of the Corporation; and, in general, shall perform such other duties as may, from time to time, be assigned by the Board of Governors or by the President.

(d) Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds of the Corporation; shall cause all such funds to be deposited in the name of the Corporation in such depositories as shall be designated by the Board of Governors; shall cause such funds to be disbursed in payment of valid obligations of the Corporation; shall cause to be kept correct and complete financial records and books of account and records of financial transactions and of the financial condition of the Corporation, and shall submit such reports thereof as the Board of Governors may, from time to time, require; shall cause an annual audit of the Corporation’s books to be made by an accountant at the completion of each fiscal year, if so directed by the Board of Governors; and shall prepare an annual budget and a statement of income and expenditures, and such other duties as may from time to time be assigned by the Board of Governors or by the President.

(e) Sergeant-at-Arms. The Sergeant-at-arms shall hold the primary responsibility for maintaining the Property in a tidy and natural state as required by the Property Deed and shall perform such other duties and have such authority as is from time to time delegated by the Board of Governors or by the President.

ARTICLE VIII

AMENDMENTS

These Bylaws may only be amended by the affirmative vote of the members of the Corporation entitled to cast in the aggregate not less than fifty percent (50%) of the total authorized votes in the Corporation.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this _____ day of _____, 2022.

ADD SIGNATURE BLOCKS

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of The Henlopen Acres Property Owners Corporation, a Delaware corporation.

THAT the foregoing Bylaws constitute the Bylaws of said Corporation, as duly adopted at a Meeting of the Corporation thereof, held on the _____ day of _____, 2022.

EXHIBIT "A"

THE PROPERTY

Copy of the Property survey dated March 22, 2021 and conformed and subsequently recorded on June 7, 2021 in Book 341, Page 82 of the Recorder of Deeds for Sussex County, Delaware.