

**BYLAWS
OF
VINE STREET PROPERTY OWNERS ASSOCIATION, INC.**

**ARTICLE ONE
Name, Principal Office and Definitions**

- 1.1 Name. The name of the Association shall be Vine Street Property Owners Association, Inc. (“Vine Street POA”).
- 1.2 Principal Office. The principal office of the Association shall be located at _____ . The Association may have such other offices as the Board may determine from time to time, or as the affairs of the Association may require.
- 1.3 Definitions. The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Vine Street POA, recorded in the Clerk’s Office of the Circuit Court of Rockingham County, Virginia in Deed Book _____, page _____, as amended and supplemented from time to time (the “Declaration”), unless the context indicates otherwise.
- 1.4 Purpose. The purpose of the Association shall be to own and operate the Common Areas at Vine Street POA to provide recreational facilities and activities, and to carry out other functions for the maintenance and governance of Vine Street POA as provided for in the Declaration and the Code of Virginia.

**ARTICLE TWO
Membership, Meetings, Quorum, Voting, Proxies**

- 2.1 Membership. Every Owner shall be a Member of the Association. The provisions pertaining to membership in the Declaration and Articles are incorporated herein by this reference.
- 2.2 Place of Meetings. Meetings of the Association shall be held at the principle office of the Vine Street POA, or at such other suitable place within Rockingham County, Virginia, or, if appropriate, by means of remote communication, as may be designated by the Board.
- 2.3 Annual Meetings. The initial meeting at which the Members of the Association (other than the Declarant) vote, shall hereinafter be referred to as the “Initial Meeting.” After the Initial Meeting, regular annual meetings shall be set by the Board so as to occur at least thirty (30) days, but not more than one hundred twenty (120) days before the close of the Association’s fiscal year on a date and time set by the Board.
- 2.4 Special Meetings. The President may call a special meeting of the Members. In addition, it shall be the duty of the President to call a special meeting if so directed by a resolution

of the Board or upon a petition signed by Voting Members representing at least ten percent (10%) of the Dwelling Units.

- 2.5 Notice of Meetings. The Association's Secretary shall cause written notice stating the place, day, and hour of any Association meeting to be delivered as required by Va. Code Ann. § 55.1-1815. Except as otherwise provided in Va. Code Ann. § 13.1-842, such notice shall be sent not less than fourteen (14) days nor more than sixty (60) days before the date of any annual or regularly scheduled meeting, and at least ten (10) days in advance of any other meeting, by or at the direction of the President or the Secretary or the officers or Persons calling the meeting.

In the case of a special meeting, or when otherwise required by statute or these Bylaws, the time, place, and purpose or purposes for which the meeting is called shall be stated in the notice. No other business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Postal Service addressed to the Member at the address of his or her lot, unless the member has provided to the Association an address other than the address of the Member's lot, with postage prepaid. If sent by facsimile, electronic mail, or such other similar communications device, notice shall be deemed to be delivered when transmitted to the Member at his or her address or number as provided by the Member in writing to the Association. If hand delivered by the Secretary or other officer of the Association, the Secretary or other officer shall certify in writing that the notice was delivered to the Member. The failure of any Member to receive actual notice of a meeting of the Members shall not affect the validity of any action taken at such meeting.

- 2.6 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Voting Member may, in writing, waive notice of any meeting of the Voting Members, either before or after such meeting. Attendance at a meeting by a Voting Member shall be deemed a waiver by such Voting Member of notice of the time, date, and place thereof, unless such Voting Member specifically objects to lack of proper notice at the beginning of the meeting. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised at the beginning of the meeting.

- 2.7 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, the Voting Members who represent a majority of the votes present at the meeting may adjourn the meeting to a date not less than fourteen (14) days nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Voting Members in the manner prescribed for regular meetings.

- 2.8 Attendance at Meetings/Voting. Any Member may be present at any meeting of the Members, but the voting rights shall be vested exclusively as described in the Declaration. Voting for the election of Directors by the Members may be by ballots mailed to the Members. Ballots to be counted shall be returned to the Secretary by the date specified on the ballot. The Board shall determine the method of voting, the form of all ballots, the wording of questions thereon, and the deadline for return of ballots. The Board may include on the ballots any questions on which it seeks an advisory vote. Any other matters may be voted on by mail-in ballot to the extent not prohibited by law.
- 2.9 Proxies. Members may vote in person or by proxy. Each proxy shall be in writing, dated, signed, and filed with the Secretary prior to the meeting for which it is to be effective. Proxies may be delivered to the Secretary by personal delivery, U.S. mail, or facsimile transmission to any Board member or the professional management agent, if any. Unless otherwise provided in the proxy, a proxy shall cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. No proxy shall be valid more than eleven (11) months after its execution. Every proxy shall be revocable and shall automatically cease upon conveyance of the Dwelling Unit which the Member represents.
- 2.10 Majority. As used in these Bylaws, the term “majority” shall mean those votes, Owners, Voting Members, or other group, as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.
- 2.11 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence of the Voting Members (in person or by proxy) representing at least ten percent (10%) of the total votes in the Association shall constitute a quorum at all meetings of the Association.
- 2.12 Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

ARTICLE THREE

Board of Directors Composition, Powers and Meetings

Composition and Selection.

- 3.1 Owner Representation. For so long as the Declarant is a Class B Member, the Declarant may from time to time appoint one (1) or more Owners to act as non-voting counselors to the Board or as voting members of the Board.
- 3.2 Nomination of Directors. Except with respect to Directors appointed by the Declarant, nominations for election to the Board shall be made in accordance with policies and

procedures established, from time to time, by the Board. Such policies and procedures may include, but are not limited to, requiring a specified number of signatures as a precondition to appearing on the ballot or permitting nominations through a Nominating Committee.

The Board shall establish policies and procedures for nominations no later than ninety (90) days prior to any election. Except with respect to “write-in candidates” or nominations made from the floor at any meeting, nominations shall be made no later than forty-five (45) days before the election shall be held.

The Board shall provide for as many nominations on each slate for election to the Board as it, in its discretion, shall determine.

For any election, the Board may, but shall not be obligated to, appoint a Nominating Committee. If appointed, the Nominating Committee shall consist of three (3) or more persons and a Chairperson, who shall be a member of the Board. The remaining members of the Nominating Committee shall be Members, Residents, or Voting Members. The Board may consist of up to five (5) persons.

Any director may be removed from the Board, with or without cause, by a majority vote of the Members. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

Meetings.

- 3.3 Organizational Meetings. The Board shall hold a meeting within thirty (30) days after each annual meeting of the Members.
- 3.4 Meetings. Regular meetings of the Board may be held at such time and place as the Board shall determine, but at least one (1) such meeting shall be held each year. Special meetings of the Board shall be held when requested by the President, Vice President, or a majority of the Directors.
- 3.5 Notice of Meetings. Notice of the time and place of a regular or special meeting shall be communicated to Directors and to Members of the Association as provided in Va. Code Ann. § 55.1-1816. The notice shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. A Member may make a request to be notified on a continual basis of any such meetings. Such request shall be made at least once a year in writing and include the lot owner's name, address, zip code, and any email address as appropriate. Notice of the time, date, and place shall be sent to any Member requesting notice (i) by first-class mail or email in the case of meetings of the board of directors or (ii) by email in the case of meetings of any subcommittee or other committee of the board of directors.

The notice shall be given to each Director by one of the following methods: (a) personal delivery; (b) first-class mail, postage prepaid; (c) telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; or (d) by facsimile, computer, fiber optics, or any such other communication device specified and approved by the individual Director. Notices sent by first-class mail shall be deposited into a United States mailbox not less than four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile, or other device shall be delivered, telephoned, or transmitted at least seventy-two (72) hours before the time set for the meeting.

- 3.6 Waiver of Notice. The transactions of any meeting of the Board, however called or noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.
- 3.7 Quorum of Board of Directors. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.
- 3.8 Compensation. No Director shall receive any compensation from the Association for acting as such; provided, however, any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors. Nothing herein shall prohibit the Association from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the Association in a capacity other than as a Director pursuant to a contract or agreement with the Association.
- 3.9 Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings. All meetings shall be conducted in accordance with Robert's Rules of Order, as published from time to time.

- 3.10 Attendance at Meetings by Members. Members may attend meetings of the Board unless excluded by the Board pursuant to Va. Code § 55.1-1816(C). Also, the Board shall hold informational meetings from time to time, but not less frequently than once each year, to which all Members shall be invited and at which the Board shall report to the Members on what the Board has worked on and accomplished since the preceding meeting and shall open the meeting for questions and comments from the Members.
- 3.11 Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote. Written Consent or consents shall be filed with the minutes of the proceedings of the Board.
- 3.12 Participation by Remote Communication. One or more Directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar remote communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those Directors so participating shall be deemed present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

Powers and Duties.

- 3.13 Powers. The Board shall have all of the powers and duties necessary and appropriate for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these Bylaws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things as are not by the Declaration, Articles, these Bylaws, or Virginia law directed to be done and exercised exclusively by the Voting Members or the membership generally.
- 3.14 Duties. The duties of the Board shall include, without limitation:
- (a) preparation and adoption of annual budgets and establishing each Owner's share of the Common Expenses;
 - (b) levying and collecting assessments from the Owners to fund the Common Expenses;
 - (c) levying and collecting Assessments;
 - (d) providing for the operation, care, upkeep, and maintenance of Areas of Common Responsibility;
 - (e) providing for recreation and social activities for the Members of the Association;

- (f) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and, where appropriate, providing for the compensation of such personnel and for the purpose of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (g) depositing all funds received on behalf of the Association in a bank depository which the Board shall approve and using such funds to operate the Association; provided that any reserve fund may be deposited, in the Directors' best business judgment, in depositories other than banks;
- (h) making and amending rules and regulations, including use restrictions, and establishing penalties for infractions thereof;
- (i) opening of bank accounts on behalf of the Association and designating the signatories required;
- (j) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these Bylaws;
- (k) subject to limitations provided for in the Declaration, enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules adopted by the Board and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (l) obtaining and carrying property, liability, and other insurance, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (m) paying all taxes and/or assessments which are or could become a lien on the Common Area or a portion thereof;
- (n) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;
- (o) keeping books with detailed accounts of the receipts and expenditures of the Association;
- (p) making available at a reasonable cost not to exceed the amounts set forth in Va. Code Ann. § 55.1-1810 or 1811, as may be the case, to any prospective purchaser of a Dwelling Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Dwelling Unit, current copies of the disclosure package required by Va. Code Ann. § 55.1-1809;
- (q) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties;

- (r) indemnifying a Director, officer or committee member, or former Director, officer or committee member of the Association to the extent such indemnity is required by Virginia law and the Articles;
- (s) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration; and
- (t) file the annual report required by regulations of the Common Interest Community Board, together with the required fixed fee pursuant to Va. Code Ann. § 55.1-1835.

3.15 Right of the Declarant to Disapprove Actions. During the time that the Declarant is a Class B Member, the Declarant shall have a right to disapprove any action, policy, or program of the Association, the Board and any committee which, in the judgment of the Declarant, would tend to impair the rights of the Declarant or its designees under the Declaration or these Bylaws, or interfere with development, construction, or marketing of any portion of the Properties, or diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board or any committee as may be granted to the Declarant in the Declaration or these Bylaws. During the time the Declarant is a Class B Member, the following shall apply:

- (a) The Declarant shall be given written notice of all meetings of the Association, the Board or any committee thereof, and of all proposed actions of the Association, the Board or any committee thereof to be approved at such meetings or by written consent in lieu of a meeting. Such notice shall be given by certified mail, return receipt requested, by personal delivery at the address the Declarant has registered with the Secretary of the Association, as it may change from time to time, or by confirmed facsimile transmission at the facsimile number the Declarant has registered with the Secretary of the Association, as it may change from time to time, which notice complies with the requirements for Board meetings set forth in these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at said meeting.
- (b) The Declarant shall be given the opportunity at each such meeting to join in or to have its representatives or agents join in discussions from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. The Declarant, its representatives or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee.
- (c) No action, policy, or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of

subsections (a) and (b) above have been met and the time period set forth in subsection (d) below has expired.

- (d) The Declarant, acting through any officer or Director, agent or authorized representative, may exercise its right to disapprove at any time within ten (10) days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within ten (10) days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions, but shall not extend to the requiring of any action or counteraction on behalf of any committee, the Board, or the Association unless such action or counteraction countermands an action, policy, or program that was not properly noticed and implemented in accordance with these Bylaws. The Declarant shall not use its right of disapproval to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.16 Management. The Association does not have any compensated employees. The Board may, but shall not be required to, contract with a professional management company (the “Managing Agent”) at an amount established by the Board to perform such duties and services as the Board shall authorize for the Association; provided, however, that during the time the Declarant is a Class B Member the management company may not be terminated by the Board without the prior written consent of the Declarant. The Declarant, or an affiliate of the Declarant, may be employed as the management company. The Board may delegate to such management company such powers as are necessary to perform its assigned duties, but shall not delegate policy making authority. The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the management company, if any, which might arise between meetings of the Board.

3.17 Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) Accrual accounting, as defined by generally accepted accounting practices, shall be employed; provided however, that any “shortage” shall be calculated on a cash basis of accounting as provided in the Declaration;
- (b) Accounting and controls should conform to generally accepted accounting practices;
- (c) Cash accounts of the Association shall not be commingled with any other accounts;
- (d) No remuneration shall be accepted by the Managing Agent from vendors, independent contractors, or others providing goods or services to the Association,

whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;

- (e) Any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board; and
- (f) The following financial and related information shall be regularly prepared by the Board and copies made available to all Members of the Association at the expense of the Association:
 - (i) The Board shall cause a reserve budget and an expense budget (collectively referred to as the "Budget") for the Association to be prepared for each fiscal year of the Association. The Board shall post written notice in a prominent place within the Properties that the Budget is available at the business office of the Association or at another suitable location within the Properties. If any Member requests a copy of the Budget, the Association shall provide one copy to the Member without charge by first-class United States mail and deliver such copy within seven (7) days of such request.
 - (ii) The Board shall cause an annual financial statement or annual audit report ("Financial Statement") to be prepared in accordance with generally accepted accounting principles within one hundred twenty (120) days after the close of the Association's fiscal year. The Board shall post written notice in a prominent place within the Properties that the Financial Statement is available at the business office of the Association or at another suitable location within the Properties. If any Member requests a copy of the Financial Statement, the Association shall provide one copy to the Member without charge by first-class United States mail and deliver such copy within seven (7) days of such request. The Financial Statement shall consist of:
 - (A) a balance sheet as of the end of the fiscal year;
 - (B) an income and expense statement for the fiscal year (this statement shall include a schedule of assessments received and receivables identified by the numbers of the Dwelling Units and the names of the Owners assessed); and
 - (C) a statement of change in financial position for the fiscal year.

Such Financial Statement shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant.

- (iii) The Board shall do the following at least quarterly:
 - (A) cause a current reconciliation of the Association's operating accounts to be made and review the same;
 - (B) cause a current reconciliation of the Association's reserve accounts to be made and review the same;
 - (C) review the current year's actual reserve revenues and expenses compared to the current year's Budget;
 - (D) review the most current account statements prepared by the financial institution where the Association has its operating and reserve accounts;
 - (E) review an income and expense statement for the Association's operating and reserve accounts; and
 - (F) review the delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent.

3.18 Borrowing. The Association, acting through its Board, shall have the power to borrow money for any legal purpose, provided, the Board shall obtain the approval by vote or written consent of Voting Members representing at least a majority of the total votes if the proposed borrowing is for the purpose of making discretionary capital improvements or purchasing additional capital assets and if the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed ten percent (10%) of the budgeted gross Common Expenses of the Association for that fiscal year. No mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent of Voting Members representing at least a majority of the total votes of Dwelling Units entitled to use such portion.

3.19 Rights of the Association. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominium associations, cooperative associations, non-condominium homeowners' associations, and other owners or resident associations, both within and outside the Properties.

3.20 Enforcement.

- (a) Notice. Prior to imposition of any sanction as provided in the Declaration, the Board or, if so directed by the Board, the covenants committee, if any is

established by the Board pursuant to Article V, or the Managing Agent shall serve the alleged violator with written notice in the manner required by Va. Code § 55-513 including (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a statement that the alleged violator may present a written request for a hearing to the Board or the covenants committee, if any, within fifteen (15) days of the notice, and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a request for a hearing is received by the Board or the covenants committee, if any, within such time period. If a timely request for a hearing is not received by the Board or the covenants committee, if any, the sanction stated in the notice shall be imposed; provided the Board or the covenants committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured or if a cure is diligently commenced within the fifteen (15) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

- (b) Hearing. If a hearing is requested within the allotted fifteen (15) day period, the hearing shall be held before the covenants committee, if any, or if none, before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. Within seven (7) days of the hearing, the hearing result shall be hand delivered or mailed by registered or certified mail, return receipt requested, to the alleged violator at the address of record with the association.
- (c) Appeal. If a hearing is held before a covenants committee, the violator shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the Managing Agent, President, or Secretary of the Association, within fifteen (15) days after the hearing date.

3.21 Board Training. Each Director shall attend a Board training seminar within the first six (6) months he or she serves as a Director. Such seminar shall educate the Directors about their responsibilities and duties and may be by a live presentation, by video tape or by audio tape, or other format. The Board shall offer the seminar at a time reasonably convenient for the subject Director. In conjunction with this requirement, prior to serving as a Director, each Board member shall certify in writing that he or she has read and understands the Governing Documents. This provision does not apply to the Board members while the community is still within the Declarant Control Period.

3.22 Board Standards. In the performance of their duties, Directors and officers are subject to insulation from liability as provided for Directors and officers of corporations by Virginia

laws and as otherwise provided in the Governing Documents. A Director shall discharge his or her duties in accordance with his or her good faith judgment of the best interests of the Association.

ARTICLE FOUR

Officers

- 4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President shall be elected from among the members of the Board. Other officers may, but need not, be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed by the Board. Except for the offices of President and Secretary, any two or more offices may be held by the same person.
- 4.2 Election and Term of Office. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following the election of Board members.
- 4.3 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Vice President shall act in the President's absence and shall have all powers, duties and responsibilities provided for the President when so acting. The Secretary (or the Managing Agent) shall keep the minutes of all meetings of the Association and the Board and shall have charge of such books and papers as the Board may direct. In addition, the Secretary shall hold the responsibility for filing the annual report required by Va. Code Ann. § 55.1-1835. In the Secretary's absence, any officer directed by the Board shall perform all duties incident to the office of secretary. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, the Managing Agent, or both. It is the duty of the Secretary and Treasurer to prepare the disclosure packages required by Va. Code Ann. § 55.1-1809.
- 4.4 Resignation. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 4.5 Agreements, Contracts, Deeds, Leases, Checks, Etc. All Agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board.
- 4.6 Compensation. Compensation of officers shall be subject to the same limitations as compensation of Directors under Section 3.8 hereof.

ARTICLE FIVE
Committees Designated by the Board

- 5.1 General. The Board may establish such committees as it deems appropriate to perform such tasks and functions as the Board may designate by resolution. Committee members serve at the Board's discretion for such periods as the Board may designate by resolution; provided, however, that any committee member, including the committee chair, may be removed by the vote of a majority of the Directors. Each committee shall operate in accordance with the terms of the resolution establishing such committee.
- 5.2 Covenants Committee. In addition to any other committees which the Board may establish pursuant to Section 5.1, the Board may appoint a covenants committee consisting of at least three (3) and no more than five (5) members. Acting in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt, the covenants committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.20 of these Bylaws. The Board may also appoint a subcommittee consisting of at least three (3) and no more than five (5) members to function as the jury or trier of facts for all hearings held pursuant to Section 3.20.

ARTICLE SIX
Miscellaneous

- 6.1 Fiscal Year. The fiscal year of the Association shall be January 1 through December 31 unless otherwise established by Board resolution.
- 6.2 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (as published from time to time) shall govern the conduct of Association proceedings when not in conflict with Virginia law, the Articles, the Declaration, or these Bylaws.
- 6.3 Conflicts. If there are conflicts between the provisions of Virginia law, the Articles, the Declaration, and these Bylaws, the provisions of Virginia law, the Declaration, the Articles, and the Bylaws (in that order) shall prevail.
- 6.4 Books and Records.
- (a) Access by Members. Access by Members to the books and records of the Association shall be governed by Va. Code Ann. § 55.1-1815.
 - (b) Access by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make a copy of relevant documents

at the expense of the Association in furtherance of such Director's duties as a Director.

6.5 Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first-class postage prepaid, as follows:

- (a) If to a Member or Voting Member, at the address which the Member or Voting Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Dwelling Unit of such Member or Voting Member; or
- (b) If to the Association, the Board, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6 Amendment.

- (a) By Declarant. For so long as Declarant is a Class B Member, Declarant may unilaterally amend these Bylaws for the same purposes as it may amend the Declaration under Section Ten of the Declaration. Thereafter, these Bylaws may be amended in accordance with Section 6.6(b).
- (b) By Board. Except as provided above, these Bylaws may be amended only by resolution duly adopted by the Board and, during any time that the Declarant is a Class B Member, consented to, in writing, by the Declarant.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

- (c) Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective when adopted unless otherwise provided in the amendment. Any procedural challenge to an amendment must be made twelve (12) months after its effective date (based on Va. Code Ann. § 55.1-1829(E)), or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

If an Owner consents to any amendment to these Bylaws, it will be conclusively presumed that such Owner has the authority to do so, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

During the time the Declarant is a Class B Member, no amendment may remove, revoke, or modify any power, right, or privilege of Declarant without the written consent of Declarant or the assignee of any such power, right, or privilege.

6.7 Indemnification. The Association shall indemnify the directors, Officers, and members of any committee to the extent that it is contemplated a nonstock corporation may indemnify its directors, officers, and employees pursuant to Va. Code Ann. § 13.1-876; provided, however, that before the Association uses association funds for indemnification, all insurance proceeds must be obtained and applied toward such indemnification. The forgoing right of indemnification shall not be exclusive of any other rights to which a person may be entitled by law, agreement, vote of the Owners or otherwise.

CERTIFICATION

I, the undersigned, do hereby certify that:

- 1. I am the duly elected and acting Secretary of the Association;
- 2. The foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the Board by unanimous consent on the _____ day of _____, 2021.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this _____ day of _____, 2021.

Secretary