

BYLAWS

ST. MARY'S COMMUNITY ASSOCIATION, INC.

ARTICLE I **NAME AND LOCATION**

The name of the corporation is St. Mary's Community Association, Inc. (the "Association"). The principal office of the Corporation shall be that of its registered agent, Attorney Andrew G. Elmore of the law firm Chadwick, Washington, Moriarty, Elmore & Bunn, P.C. with the firm's principal office located at 9990 Lee Highway, Suite 200, Fairfax, Virginia 22030-1720, but meetings of members and directors may be held at such places within the Commonwealth of Virginia as may be designated by the Board of Directors.

ARTICLE II **DEFINITIONS**

Section 1. Member. "Member" is defined as any person entitled to membership in the Association, as set forth in the "Declaration of Covenants," Article III, Section 1. The Declaration of Covenants is defined as that certain Declaration of Covenants and Restrictions Applicable of the St. Mary's Community Association, Inc. (the "Declaration of Covenants"), which has been recorded in the Clerk's Office of the Circuit Court of the County of Powhatan, Virginia, in Deed Book 229, Page 477, on January 16, 1991, and all amendments and annexations thereto.

Section 2. Initially Capitalized Words. Certain initially capitalized words or terms not defined in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, the terms of which are incorporated herein by this reference.

→ Section 3. Fiscal Year. Unless subsequently changed by vote of the Board of Directors, the fiscal year of the Association is July of each year through June of the following year.

ARTICLE III **MEETING OF MEMBERS**

→ Section 1. Annual Meetings. The Association shall hold an annual meeting every year at a time, date, and location determined by the Board of Directors, normally during the month of May of each year.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the Association's President, by the Board of Directors, or upon written petition signed by at least twenty-five percent (25%) of the Members.

Section 3. Quorum and Meeting Notice Requirements. Unless otherwise required by the Virginia Nonstock Corporation Act (Virginia Code Section 13.1-842 and 849), quorum and meeting notice requirements for meetings of the Association Members shall be as expressed in the Declaration of Covenants, Article III, Section 6. Unless otherwise required by the Declaration of Covenants, annual meetings of the Association shall be noticed at least fourteen days in advance.

Section 4. Voting Rights. Unless otherwise required by the Virginia Nonstock Corporation Act (Virginia Code Section 13.1-846-849, 852), Association Members shall have the voting rights expressed in the Declaration of Covenants, Article III, Section 2.

Section 5. Proxies. Unless otherwise required by the Virginia Nonstock Corporation Act (Virginia Code Section 13.1-847), voting proxies for Association Members shall be governed by the provisions in the Declaration of Covenants, Article III, Section 7.

Section 6. Order of Business. The order of business at all meetings of the Association's Members shall be as follows, unless otherwise determined by the presiding Association official or by motion and vote of the attending members:

- (a) Call to order
- (b) Roll call and establishment of a quorum;
- (c) Proof of notice of meeting;
- (d) Approval of minutes of the preceding meeting of the Members;
- (e) Discussion of old business, if needed;
- (f) Reports of officers and Board of Directors;
- (g) Reports of committees;
- (h) Discussion of the Association's annual budget, when appropriate;
- (i) Election of members of the Board of Directors, when appropriate;
- (j) New business, as needed; and
- (k) Adjournment

ARTICLE IV

BOARD OF DIRECTORS: SELECTION, REMOVAL AND COMPENSATION

Section 1. Number and Standard Term. The Members shall elect a board comprised of five (5) directors to manage the affairs of the Association. Directors shall each serve standard terms of one (1) year coincident with the Association's fiscal year starting immediately after their election. Directors may be elected for an unlimited number of terms.

Section 2. Directors Elect a Chairperson and Serve as Officers of the Association. Within one week following their election by the Members, the directors shall elect among themselves a chairperson and the Association's officers to serve terms coincident with their terms as directors: President, Vice President, Treasurer, Secretary, and Chair of the Architectural Review Board. The Director elected to serve as Board Chairperson will serve also as the President and will preside over all general meetings of the Association Members and of the Board. In the President's temporary absence, the Vice President will serve as the Board's Acting Chairperson and will preside over general meetings of the Association Members and of the Board. See Article VII of these Bylaws for the duties of the officers.

Section 3. Nomination. Member nominations for candidates to serve as directors will be accepted via postal or electronic mail by the Secretary following notice of the Association's annual meeting, up to one business day prior to the meeting, and from the floor at the annual meeting. Additionally, the Directors may appoint a nominating committee to place nominees before the Members.

Section 4. Election. Election to the Board of Directors shall be by secret written ballot at the annual meeting of the Members, provided a quorum is present. If a quorum cannot be formed at the Association's annual meeting, the Directors will conduct an election by secret ballots accepted via postal or electronic mail by the Secretary within two weeks of the annual meeting. For election of directors, the Members may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration of Covenants, Article III, Section 4. The persons receiving the largest number of votes shall be elected.

Section 5. Removal. Any director may be removed from the Board, with or without cause, under the voting rights described in the Declaration of Covenants, Article III, Section 4 by fifty-one percent (51%) or more of the votes entitled to be cast by all of the Members at a duly noticed meeting, where notice of the proposed removal action is provided in the notice and for which a quorum is present. Upon the death, resignation, or removal of a director by vote of the Members or by the Board as permitted by Article VI, subsection 1(j), a successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 6. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses reasonably incurred in the performance of his duties.

ARTICLE V **MEETINGS OF DIRECTORS**

→ **Section 1. Regular and Special Meetings.** Regular meetings of the Board of Directors may be held as the Board deems necessary, or as infrequently as quarterly, at such place and hour as may be fixed from time to time by resolution of the Board. Special meetings of the Board of Directors shall be held when called by the Chairperson, or by any two (2) directors, after at least three (3) business days' notice of the meeting is hand delivered or mailed to each Director and each Member specifying the time and place of the meeting and the business to be transacted thereat. Notice of Board meetings shall be in compliance with the Virginia Nonstock Corporation Act, Virginia Code Section 13.1-866 and with the Virginia Property Owners' Association Act, Virginia Code Section 55-510.1.

→ **Section 2. Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 3. Telephone Meetings. If the Directors conduct a telephonic meeting, as permitted by the Virginia Property Owners' Association Act, Virginia Code Section 55-510.1, at least two of the Directors must be physically present at the meeting location identified in the meeting notice to the Members. The equipment used to conduct a telephone meeting must enable all Members attending the meeting to hear all that is said by those Directors not physically present.

ARTICLE VI **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. In addition to all other powers granted in these Bylaws or in the Declaration of Covenants, plus all powers conferred by law or inferred from obligations imposed by them, the Board of Directors shall have power to:

- (a) Subject to the provisions of these Bylaws, the Declaration of Covenants, and the Virginia Property Owners' Association Act, suspend a Member's right to use any of the Common Area (except for the right to use roadways for ingress and egress to such Member's Lot) during any period in which the Member shall be in default in the payment of any assessment levied by the Association for period of 90 days or more;
- (b) Commence to foreclose the liens imposed by the Declaration of Covenants, Article V, Section 8 against any property within the St. Mary's subdivision for which assessments are not paid when due or bring an action at law against the Member personally obligated to pay the same, or both. In addition, to the extent permitted by law, the Board may assess interest as provided in the Declaration of Covenants on each assessment or installment thereof not paid within the grace period, if any, permitted for such late payment.
- (c) Exercise for the Association the right to maintain, improve or develop the Common Area as provided in the Declaration of Covenants;
- (d) Exercise for the Association the right to dedicate or transfer Common Area (if owned by the Association) to any public agency, authority, or utility as provided in the Declaration of Covenants;
- (e) Promulgate rules and regulations governing the use of, and activity upon, the Common Area (if owned or operated by the Association). All rules and regulations promulgated by the Board of Directors shall be published and distributed to each Member at his record address at least thirty (30) days prior to the effective date of such rules and regulations;
- (f) Enforce the provisions of the Declaration of Covenants, the St. Mary's Design and Environmental Standards, these Bylaws, and decisions of the St. Mary's Architectural Review Board and the Board of Directors by any lawful means;
- (g) Declare the office of a member of the Board of Directors to be vacant if such member shall be absent from three (3) consecutive regular meetings of the Board of Directors as determined by a majority of the Board; and
- (h) Exercise for the Association all powers, duties and authority (i) vested in or delegated to the Association and not reserved to the Members by other provisions of these Bylaws or the Declaration of Covenants, and (ii) vested in or delegated to the Board of Directors by other provisions of these Bylaws or the Declaration of Covenants.

Section 2. Duties. In addition to all other duties imposed by these Bylaws or the Declaration of Covenants, it shall be the duty of the Board of Directors to:

- (a) Cause to be kept a record of its acts and corporate affairs;
- (b) Supervise all agents of the Association, and to see that their duties are properly performed;
- (c) As more fully provided in the Declaration of Covenants, to:
 - (i) Fix the amount of the annual assessment and any special assessment as provided for the Declaration of Covenants, Article V to every Member subject thereto; and

- (ii) Send written notice of each assessment to every Member subject thereto at the Member's record address as required by the Declaration of Covenants;
- (d) Provide for the preparation of the disclosure information required by the Virginia Property Owners' Association Act, Virginia Code Section 55-512.
- (e) Procure and maintain adequate liability and hazard insurance on property owned or leased by the Association and appropriate directors and officers liability insurance; and
- (f) File and adjust all claims arising under such insurance.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a president, a vice president, a treasurer, a secretary, the Chairperson of the Architectural Review Board, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Duties. The duties of the officers are as follows:

- (a) President. The president shall: (i) see that orders and resolutions of the Board of Directors are carried out; (ii) sign all leases, mortgages, deeds and other written instruments on behalf of the Association; and (iii) sign on behalf of the Association all promissory notes. In addition, the president shall exercise and discharge such other duties as may be required of him by the Board of Directors and shall have all the rights and duties of a president of a nonstock corporation under the Virginia Nonstock Corporation Act.
- (b) Vice President. The vice president shall act in the place and stead of the president upon the president's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.
- (c) Treasurer. The treasurer shall cause the following to occur: (i) receive and deposit in appropriate bank accounts all monies of the Association; (ii) disburse funds of the Association as directed by resolution of the Board of Directors; (iii) sign all checks of the Association; (iv) keep proper books of account; (v) if required by the Board of Directors, cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; and (vi) prepare a statement of income and expenditures to be presented to the Members at their regular annual meeting, and deliver a copy of such statements to the Members.
- (d) Secretary. The secretary shall cause the following to occur: (i) record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; (ii) keep the corporate seal of the Association and affix it on all papers requiring a seal; (iii) serve notice of meetings of the Board of Directors and of the Members; (iv) keep appropriate current records showing the Members together with their addresses; and (v) perform such other duties as required by the Board of Directors.

- (e) Chairperson, Architectural Review Board. The Chairperson shall lead a panel composed of two to four other Members of the Association duly appointed by the Board of Directors to serve as the St. Mary's Architectural Review Board (ARB) at the pleasure of the Board of Directors. Through the Chairperson, the ARB shall make recommendations to the Board for revisions to the Design and Environmental Standards, and shall act to enforce those Standards. At the discretion of the Board, a management company may be commissioned to assist the ARB in any or all aspects of the ARB's mission. The Chairperson shall maintain or cause to be maintained comprehensive records of all ARB meetings, including due notice of such meetings to the Members, and all correspondence and records associated with its deliberations, decisions, and actions. Within one month following the end of each calendar quarter, the Chairperson will provide the Board with a written report of the ARB's activities and decisions in the past quarter. From time to time, the Board may provide binding direction to the ARB through the Chairperson regarding the ARB's operations.

ARTICLE VIII

LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer, director and committee member of the Association against any and all expenses, including, without limitation, attorneys' fees, reasonably incurred by or imposed upon any officer, director or committee member in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the Board of Directors) to which the officer, director or committee member may be made a party by reason of being or having been an officer, director or committee member of the Association regardless of whether he is an officer, director, or committee member at the time such expenses are incurred. The officers, directors and committee members of the Association shall not be liable to the Members for any mistake of judgment, negligence, or otherwise. The officers, directors and committee members of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors or committee members are liable as Members) and the Association shall indemnify and forever hold each officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member of the Association, or former officer, director or committee member of the Association, may be entitled.

Section 2. Common or Interested Directors. The Board of Directors shall conduct itself in accordance with the Virginia Nonstock Corporation Act, if not in conflict with the Declaration and Bylaws.

Section 3. Exculpation of the Association. The Association shall not be liable for injury or damage to any person or property caused by the elements, any Member, or any other person, or resulting from electricity or water, snow or ice upon or which may leak or flow from any portion of any Common Area or from any pipe, drain, conduit, appliance or equipment. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of articles from any part of the Common Area. No diminution or abatement of any assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to any Common Area or any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

ARTICLE IX
MANAGEMENT AGENT

The Board of Directors may in its sole discretion engage a management company to act as its agent in carrying out the collection and enforcement of assessments; assistance in application and enforcement of the Association's Design and Environmental Standards; and such other duties that are regular and prudent to delegate to a management agent. All agreements with a management company or agent shall be written, shall be for terms not exceeding three (3) years, shall be terminable by the Association with or without cause upon ninety (90) days notice, and shall contain adequate provisions indemnifying the Association for any wrongful acts of the management agent.

ARTICLE X
ENFORCEMENT

Section 1. Sanctions. The Board of Directors shall have the power to impose the sanctions and remedies made available to the Association or the Board of Directors by the Declaration, these Bylaws, the Act or other laws, upon the violation by a Member of any duty created under the Declaration, these Bylaws, any rules or regulations duly adopted by the Association or the Board of Directors, including the Association's Design and Environmental Standards.

Section 2. Notice. Prior to the imposition of any sanction described in Section 1 of this Article, the Board of Directors or its delegate shall serve the alleged violator with written notice of the alleged violation and the Member's right to a hearing.

Section 3. Hearing. Unless the Board of Directors determines that the best interests of the Association will be served by immediately filing for injunctive relief, a hearing shall be held before the Board of Directors, or a tribunal appointed by the Board of Directors, affording the Member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction imposed 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 minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board of Directors may, but shall not be obligated to, suspend any proposed sanction if the violation is cured prior to the date of the hearing. Such suspension shall not constitute a waiver of the right to impose sanctions as a result of future violations by any party of the same or other provisions and rules.

Section 4. Exceptions to Notice and Hearing Requirements. The provisions of Sections 2 and 3 of this Article shall not apply to the following sanctions: a) imposition of late payment fees, fines and interest on delinquent assessments; b) the filing of liens for delinquent assessments; c) actions or suits brought to enforce or foreclose liens for assessments; (d) the acceleration of the balance of any assessment in connection with the nonpayment of the assessment; and (f) unless otherwise required by the Declaration, the enforcement of any provision of the Declaration of Covenants, the Declaration of Rights, these Bylaws, the St. Mary's Design and Environmental Standards, or the rules and regulations of the Association, by self-help.

Section 5. Application of Sanctions. Unless expressly limited by the Board of Directors, the sanctions described in this Article shall apply to the violating Member, his family, guests, tenants and other invitees.

Section 6. Additional Enforcement Rights. The Association shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration of Covenants. In any such action, the Member or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees and costs and administrative fees and costs, actually incurred.

Section 7. Non-Waiver. Failure by the Board of Directors to enforce any covenant or restriction contained in the Declaration, the St. Mary's Design and Environmental Standards, or other rules and regulations adopted by the Association shall not be construed or deemed a waiver of the right to do so thereafter.

ARTICLE XI BOOKS AND RECORDS

The books and records of the Association shall and upon five (5) business days notice be subject to inspection by any Member at the principal office of the Association in accordance with the Act. Additionally, the Declaration of Covenants and these Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XII AMENDMENTS AND CONFLICTS

Section 1. Amendment by Members. These Bylaws may be amended, at a regular or special meeting of the Members in which notice of the proposed amendment was included in the notice of the meeting, by a vote of more than two-thirds (2/3) of the votes entitled to be cast by Members present at the meeting, a quorum being present. For the purposes of this Section 1, the presence at the beginning of the meeting whether by proxy or in person of Members entitled to cast twenty-five percent (25%) of the votes entitled to be cast by all of the Members shall constitute a quorum.

Section 2. Conflicts. If there is any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII FISCAL YEAR

The fiscal year of the Association shall begin on the first day of July and end on the 30th of June of every year.

ARTICLE XIV
INTERPRETATION

These Bylaws shall be governed and construed in accordance with the laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, we, being all of the Directors of St. Mary's Community Association, Inc., have hereunto set our hands this ____ day of ____, 2005.

John Hillis
Chairperson

Eric Schardt
Director

Cindy Swim
Director

Susan Zimmerman
Director

Glenn Tripp
Director

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected Secretary of St. Mary's Community Association, Inc., a Virginia nonstock corporation; and

That the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted by unanimous written consent of the Board of Directors thereof, dated the ____ day of _____, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed by name this ____ day of _____, 2005.

Susan Zimmerman
Secretary

St. Mary's Community Association, Inc.

COMMONWEALTH OF VIRGINIA
COUNTY/CITY OF POWHATAN

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by John Hillis, Chairperson of the Board of Directors, St. Mary's Community Association, Inc.

Notary Public

My Commission Expires:_____.

COMMONWEALTH OF VIRGINIA
COUNTY/CITY OF POWHATAN

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by Eric Schardt, Director, St. Mary's Community Association, Inc.

Notary Public

My Commission Expires:_____.

COMMONWEALTH OF VIRGINIA
COUNTY/CITY OF POWHATAN

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by Cindy Swim, Director, St. Mary's Community Association, Inc.

Notary Public

My Commission Expires:_____.

COMMONWEALTH OF VIRGINIA
COUNTY/CITY OF POWHATAN

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by Susan Zimmerman, Director, St. Mary's Community Association, Inc.

Notary Public

My Commission Expires:_____.

COMMONWEALTH OF VIRGINIA
COUNTY/CITY OF POWHATAN

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by Glenn Tripp, Director, St. Mary's Community Association, Inc.

Notary Public

My Commission Expires:_____.

EXHIBIT A

**St. Mary's Community Association, Inc.
Member's Voting Proxy Statement**

As owner(s) of Lot ____, located at _____ (street address) and, therefore, a Member of the St. Mary's Community Association, Inc. (the "Association"), I (we) hereby appoint and authorize _____ (name of Member's appointed proxy) as my proxy, for and in the name, with full power of substitution, and with all powers I would possess if personally present to attend the meeting of the Members of the St. Mary's Community Association, Inc., to be held on _____, 2__, and I (we) authorize _____ (name of Member's appointed proxy) to cast my vote(s) at such meeting and at any adjournments thereof.

WITNESS the following signature this ____ day of _____, 2005.

(Signature)

(Owner's printed name)

(Signature)

(Owner's printed name)

WITNESS:

(Signature)

(Printed name)

(Address)

All owners of a lot must sign this Proxy if a party who does not also own the Lot acts as proxy hereunder; i.e., both spouses must sign this Proxy if they jointly own the Lot as actual written notice from the above owner to the person presiding over the above-described meeting; (2) upon conveyance by the owner of the property to which the vote pertains; or (3) if the owner giving the proxy personally attends the meeting to which the proxy pertains. This Proxy shall be void if not properly dated and executed and signed by a witness setting forth the name and address of such witness. This Proxy shall terminate upon adjournment of the above-described meeting.