

BY-LAWS  
OF  
ASH HOLLOW HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I. OFFICES

Section 1. Principal Office. The principal office of the corporation shall be at 133 West Boscawen Street, Winchester, Virginia 22601.

Section 2. Other Offices. The Corporation may, in addition to its principal office, have offices at such other places either within or without the Commonwealth of Virginia as the Board of Directors may from time to time appoint or as the business of the Corporation may require.

ARTICLE II. MEMBERSHIP

Section 1. Annual Meeting. The annual meeting of members of the Corporation, for the purpose of electing directors for the ensuing year and for the transaction of such other business as may properly come before the meeting, shall occur on the first Monday of April, or if such date is a legal holiday in the Commonwealth of Virginia then at the same hour on the first business day thereafter which is not a legal holiday.

Section 2. Special Meetings. A special meeting of the members may be called at any time by the President or by the Board of Directors or by at least fifteen (15) members.

Section 3. Place of Meeting. Each annual meeting shall be held at Ash Hollow Estates, or at such other place as designated in writing by the Board of Directors.

Section 4. Notice of Meetings. Written notice of meetings shall be as provided in Section 3 of the Deed of Dedication, i.e., written notice shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. Notice shall be by hand deliver to the dwelling of a member or by mail, postage prepaid. A member who attends a meeting shall be deemed to have had timely and proper notice of the meeting, unless he attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice of any adjourned or recessed meeting need not be given.

41  
21  
Section 5. Quorum. A quorum shall consist of at least sixty-seven (67) per cent of all votes entitled to vote. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth above and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Organization. At every meeting of the members, the President or some other person appointed by him, or, in the absence of the President, a person chosen by a majority vote of the members present in person or by proxy and entitled to vote, shall act as Chairman of the meeting. The Secretary, or in the discretion of the Chairman, any person properly designated by him, shall act as Secretary of the meeting.

Section 7. Business and Order of Business. At each meeting of the members such business may be transacted as may properly be brought before such meeting, whether or not such business is stated in the notice of meeting or in a waiver of notice thereof, except as otherwise by law or by these By-Laws expressly provided. The order of business of all meetings of members shall be as determined by the Chairman, but such order of business may be changed by a majority in voting power of the members present in person or by proxy and entitled to vote at the meeting.

Section 8. Voting Rights. Each member of the association shall have one vote for each lot owned in which said member shall hold the interest required for membership. The required interest for membership is that of a record owner of a fee or undivided fee interest in a lot which is subject to the covenants and deed of dedication including contract sellers. No owner shall have more than one membership.

### ARTICLE III. OFFICERS.

Section 1. Officers. The officers of the corporation shall be President, Secretary, Treasurer and Vice-President. Any two or more offices may be held by the same person; provided only that the same person shall not hold the offices of both President and Secretary.

Section 2. Election Term of Office and Qualifications. The officers and Board of Directors shall be elected annually by the general membership as soon as practical after the annual election of Directors in each year. Each officer shall hold office until his successor shall have been duly chosen and shall qualify or until his death, resignation or removal in a manner hereinafter provided. The President shall be chosen from among the Directors but no other officer need be a Director.

Section 3. Subordinate Officers. The Board of Directors may from time to time establish offices in addition to those designated above with such duties as are provided by these By-Laws, or as they may from time to time determine.

Section 4. Removal. Any officer may be removed, either with or without cause, by resolution declaring such removal to be in the best interests of the Corporation and adopted at any regular or special meeting of the Board of Directors by a majority of the directors then in office. Any such removal shall be without prejudice to the recovery of damages for breach of the contract rights, if any, of the person removed. Election or appointment of an officer or agent shall not of itself, however, create contract rights.

Section 5. Resignations. Any officer may resign at any time by giving oral or written notice to the Board of Directors or the President or the Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later time therein specified; and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. No resignation hereunder, however, or the acceptance thereof by the Board of Directors, shall prejudice the contract or other rights, if any, of the Corporation with respect to the person resigning.

Section 6. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled for the unexpired portion of the term by the Board of Directors.

Section 7. Compensation. No officer or member of the Board of Directors shall be entitled to compensation but may be reimbursed expenses, if so voted by the Board of Directors.

Section 8. President. The President shall be a director and shall be the chief executive and administrative officer of the Corporation and have general supervision of the business of the Corporation, subject, however, to the control of the Board of Directors and of any duly authorized committee of directors. In general he shall perform all duties incident to the office of President and such other duties as may from time to time be assigned to him by the Board of Directors or by any duly authorized committee of directors, and shall have such other powers and authorities as are elsewhere in these By-Laws conferred upon him.

Section 9. The Vice-President. The Vice-President shall perform such duties as from time to time may be assigned to him by the Board of Directors, or by any duly authorized committee of directors or by the President, and shall have such other powers and authorities as are elsewhere in these By-Laws conferred upon him.

Section 10. Treasurer. Except as may otherwise be specifically provided by the Board of Directors or any duly authorized committee thereof, the Treasurer shall have the custody of, and be responsible for, all funds and securities of the Corporation; receive and receipt for money paid to the Corporation from any source whatsoever; deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these By-Laws; against proper vouchers, cause such funds to be disbursed by check, or draft of the authorized depositories of the Corporation signed in such manner as shall be determined in accordance with the provisions of these By-Laws; regularly enter or cause to be entered in books to be kept by him or under his direction, full and adequate accounts of all money received and paid by him for account of the Corporation; in general, perform all the duties incident to the Office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors, or in any duly authorized committee of directors, or by the President; and have such other powers and authorities as are elsewhere in these By-Laws conferred upon him.

Section 11. Secretary. The Secretary shall act as Secretary of all meetings of the members and of the Board of Directors of the Corporation; shall keep the minutes thereof in the proper book or books to be provided for that purpose; shall see that all notices required to be given by the Corporation are duly given and served; shall be the custodian of the seal of the corporation and shall affix the seal or cause it to be affixed to all documents the execution of which on behalf of the Corporation under its corporate seal is duly authorized in accordance with the provisions of these By-Laws; shall have charge of the books, records, and papers of

the Corporation relating to its organization and management as a Corporation, and shall see that any reports or statements relating thereto, required by law or otherwise, are properly kept and filed; shall, in general, perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors, or by any duly authorized committee of directors or by the President; and shall have such other powers and authorities as are elsewhere in these By-Laws conferred upon him.

#### ARTICLE IV. CONTRACTS, CHECKS, DRAFTS, BANK ACCOUNTS, ETC.

Section 1. Execution of Contracts and Other Documents. The Board of Directors of any duly authorized committee of directors, except as by law or by these By-Laws otherwise required, may authorize any officer or officers, agent or agents, in the name of and on behalf of the Corporation to enter into any contract or execute any deed or other instrument, and any such authority may be general or confined to specific instances. Whenever the Board of Directors, in authorizing or directing the execution of any contract, deed or other instrument, shall fail to specify the officer or officers or other agent or agents who are to execute the same such contract, deed, or other instrument shall be executed on behalf of the Corporation by the President or any Vice-President and, where necessary or appropriate, the corporate seal shall be affixed thereto and attested by the Secretary or any Assistant Secretary.

Section 2. Loans. Any officer or officers, or agent or agents of the Corporation thereunto authorized by the Board of Directors or by any duly authorized committee of directors, may effect loans or advances at any time for the Corporation, in the ordinary course of the Corporation's business, from any bank, trust company or other institution or from any firm, corporation or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidence of indebtedness of the Corporation and when authorized so to do may pledge and hypothecate or transfer any securities or other property of the Corporation as security for any such loans or advances. Such authority conferred by the Board of Directors or any duly authorized committee of directors may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts and other orders for payment of money out of the funds of the Corporation shall be signed on behalf of the Corporation in such manner as shall from time to time be determined by resolution of the Board of Directors or of any duly authorized committee of directors.

Section 4. Deposits. The funds of the Corporation not otherwise employed shall be deposited from time to time to the order of the Corporation in such banks, trust companies or other depositories as the Board of Directors or any duly authorized committee of directors may from time to time select, or as may be selected by an officer or officers, or agent or agents of the Corporation to whom such power may from time to time be delegated by the Board of Directors or any duly authorized committee of directors.

#### ARTICLE V. MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Corporation shall end on June 30.

Section 2. Seal. The corporate seal of the Corporation shall contain the name of the Corporation, the year of its creation, and the word "Seal" and shall be in such form as may be approved by the Board of Directors.

#### ARTICLE VI. AMENDMENTS

Section 1. By the Directors. The General Membership by a majority vote thereof shall have the power to make, alter, amend or repeal the By-Laws of the Corporation at any regular or special meeting of the Board. This power may not be exercised by the Executive Committee.

Section 2. By the Members. All By-Laws shall be subject to amendments, alteration or repeal by the stockholders entitled to vote at any annual or at any special meeting. The Members, at any annual or special meeting, may provide that certain by-laws by them adopted, approved or designated may not be amended, altered or repealed except by a certain specified percentage in interest of the members or by a certain specified percentage in interest of a particular class of members. These By-Laws shall be controlling except where they vary the Articles as contained in the Deed of Dedication which is of record in the Clerk's Office of the Circuit Court of Frederick County, Virginia in Deed Book 510, at Page 783, et seq. or as provided by the statute.