

AMENDED BYLAWS
OF
WESTMORELAND OWNERS ASSOCIATION, INC.

ARTICLE I
NAME, PRINCIPAL OFFICE AND DEFINITIONS

Section 1. Identity. These are the Bylaws of Westmoreland Owners Association, Inc., a nonstock Virginia corporation (the "Association"). This Association is organized to administer the affairs of Westmoreland in James City County, Virginia.

Section 2. Principal Office. The principal office of the corporation shall be located at 4808 Courthouse Street, Suite 102, Williamsburg, Virginia 23188 in the County of James City, Virginia, or as such other place as determined by the Board of Directors from time to time.

Section 3. Definitions.

- (a) "Association" shall mean and refer to Westmoreland Owners Association, Inc., its successors and assigns.
- (b) "Common Area" shall mean all real property, now or hereafter acquired, including the improvements thereon, owned by the Association for the common use and enjoyment of the Owners.
- (c) "Declaration" shall mean and refer to the Amended and Restated Declaration of, Conditions, Covenants and Restrictions applicable to the Properties recorded in the office of the Clerk of the Circuit Court for the County of James City, Virginia, as the same may be amended or supplemented from time to time.
- (d) "Good Standing" shall mean a member who is not delinquent in the payment of any obligation due the Association, and who does not have any other violation of the Governing Documents which has not been corrected within the time permitted by the Association for correction.
- (e) "Governing Documents" shall mean the Declaration, the Articles of Incorporation, Bylaws and Rules and Regulations, as amended from time to time.
- (f) "Lot" shall mean and refer to any numbered lot or plot of land shown upon any recorded Subdivision Plat with the exception of the Common Area and right of way areas.

- (g) “Member” shall mean and refer to those persons entitled to membership as provided in Article 3 of the Declaration.
- (h) “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- (i) “Property” or “Properties” shall mean and refer to that certain real property described in the Declaration as the same may be amended from time to time, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE II
MEMBERS, VOTING AND MEMBER MEETINGS

Section 1. Membership. Every person or entity, whether one or more persons or entities, who is the record owner of the fee simple title to any Lot as described on the recorded plats for the Properties referenced in the Declaration, shall be a Member of the Association. Membership is appurtenant to and may not be separated from the ownership of any Lot.

Section 2. Eligibility to Vote. Each Member is entitled to one vote for each Lot owned. When more than one person or entity is the record Owner of a Lot, the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Except as otherwise provided by provisions of the Governing Documents, the affirmative vote of the Members having a majority of the votes represented at a duly called meeting at which a quorum is present shall be the decision of the Members, and shall be binding on all the Members.

Section 3. Quorum. Except as provided otherwise in the Governing Documents, the quorum for a meeting of Members shall be the presence, in person or by proxy, of ten percent (10%) of the Members. If, however, the required quorum is not present or represented at any meeting, the Members entitled to vote at the meeting shall have the power to adjourn the meeting from time to time, without notice, other than an announcement at the meeting, until a quorum shall be present or be represented. Proxies shall continue to be valid at any adjourned meeting, subject to the limitation set forth in Section 4 below.

Section 4. Voting. Votes may be cast in person or by proxy. The proxy must be duly executed by or on behalf of an Owner. No proxy shall be revocable except by actual notice given by the Owner to the person presiding over the meeting. A proxy must be filed with the Secretary or other representative designated by the Board of Directors before the meeting begins. The proxy may also be filed by transmitting it electronically in the manner proscribed in the meeting notice. When a Lot is owned by more than one person or entity, the Association shall deem a vote by one of the named

Owners or a proxy signed and filed by one of the named Owners as a binding vote or proxy appertaining to the Lot. Appointment of a proxy is effective when received by the Secretary, other officer or agent authorized to tabulate votes. A proxy shall be valid for eleven (11) months unless a longer period is expressly provided for in the proxy appointment.

Section 5. Suspension of Voting Rights. The Board of Directors may suspend the voting rights of any Member whose assessment is delinquent or who is in violation of the Governing Documents. Upon payment of the delinquency or correction of the violation, the Member's voting rights shall automatically be restored.

Section 6. Annual Meetings. The annual meeting of the Members shall be held annually during the fourth quarter of the calendar year, at a date, time and place to be determined by the Directors, to elect Directors and transact such other business as may come before the meeting.

Section 7. Special Meetings. Special Meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of twenty five percent (25%) of the Members who must be in Good Standing.

Section 8. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, or their designee, at least fourteen (14) days in advance of any annual meeting but no more than sixty (60) days, and at least seven (7) days in advance of any special meeting but no more than sixty (60) days. Notice may be sent by (i) first class mail at the address last appearing on the books of the Association, or supplied by such Member for notice; (ii) hand-delivered to the Member's residence; or (iii) by electronic transmission to the address supplied and consented to by the Member. Such notice shall specify the place, date and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

ARTICLE III BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number, Election and Term. The affairs of this Association shall be managed by a Board consisting of not less than three (3) nor more than five (5) persons. The number of directors to serve for the ensuing term shall be established by the Board of Directors, then serving, at the time it causes the notice of the annual meeting to be provided to the Members. The number of directors shall always be an odd number. Directors shall be elected to office by the Members. A director's term shall be three (3) years. It is intended that the Board of Directors will have staggered terms.

Section 2. Eligibility. A Director must be a Member or the spouse of a Member residing in the household of the Member. Only one member of a household may serve on the Board at any one time. No Member or spouse of a Member may be elected to the Board or continue to serve if there is any financial obligation due the Association that is more than thirty (30) days in arrears or if there is any violation of the Governing Documents that has not been remedied in the time permitted by the Association.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association at a duly called meeting at which a quorum is present. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and the successor shall serve for the unexpired term of his predecessor.

Section 4. 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 incurred in the performance of his duties upon approval of the Board.

Section 5. Action Taken Without a Meeting. In the event of an emergency, the Directors 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 Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE IV NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and may include two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least ninety (90) days prior to each annual meeting of the Members. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE V MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President, or by any three Directors, after not less than three (3) days' notice delivered in person, by telephone, facsimile, electronic transmission or mail to each Director. In the event of an emergency, the Board of Directors shall give such notice as is reasonable under the circumstances.

Section 3. Notice to Members. Notice of the time, date and place, and in the case of special

meetings, the purpose, of each meeting of the Board of Directors shall be posted where it is reasonably assumed to be available to a majority of the Members and shall be sent by first class mail or email to any Member requesting such notice.

Section 4. Open Meetings. Pursuant to Va. Code Ann. § 55-510.1, all meetings of the Board of Directors, including any subcommittee or committee meeting, shall be open to all Members. The Board of Directors shall not use work sessions or other informal gatherings to circumvent the open meeting requirements required by law.

Section 5. Executive Session. The Board of Directors or any subcommittee or other committee thereof may convene in executive session to consider personnel matters; consult with legal counsel; discuss and consider contracts, pending or probable litigation and matters involving violations of the Declaration or rules and regulations adopted pursuant thereto for which a Member, his family members, tenants, guests or other invitees are responsible; or discuss and consider the personal liability of Members to the Association, upon the affirmative vote in an open meeting to assemble in executive session. The motion shall state specifically the purpose for the executive session. Reference to the motion and the stated purpose for the executive session shall be included in the minutes. The Board of Directors shall restrict the consideration of matters during such portions of meetings to only those purposes specifically exempted and stated in the motion. The Board of Directors shall reconvene to the open meeting to vote if a vote on any matter considered in the executive session is required.

Section 6. Comment Period. Subject to reasonable rules adopted by the Board of Directors, the Board of Directors shall provide a designated period of time during a meeting to allow Members an opportunity to comment on any matter relating to the Association. During a meeting at which the agenda is limited to specific topics or at a special meeting, the Board of Directors may limit the comments of Members to the topics listed on the meeting agenda.

Section 7. Minutes. Pursuant to Va. Code Ann. § 55-510F, draft minutes of the Board of Directors meetings shall be open for inspection and copying (i) within 60 days from the conclusion of the meeting to which such minutes appertain or (ii) when such minutes are distributed to Board members as part of an agenda package for the next meeting of the Board of Directors, whichever occurs first. This shall not apply to any minutes or records of executive sessions.

Section 8. Agenda Materials. Pursuant to Va. Code Ann. § 55-510B, unless otherwise exempt as relating to an executive session, at least one copy of all agenda packets and materials furnished to the Board of Directors or subcommittee or other committee thereof for a meeting shall be made available for inspection by the Members at the same time such documents are furnished to the Directors or any subcommittee or committee thereof.

Section 9. 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.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of law or the Governing Documents.
- (b) Employ, hire, dismiss or contract with managers, independent contractors, or such other employees as they deem necessary, and to prescribe their duties.
- (c) Adopt, publish and enforce rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and for such other areas of Association responsibility as set forth in the Governing Documents.
- (d) Suspend a Member's right to use or benefit from any of the Common Areas for any period during which any assessment, charges, fees, or dues are more than 60 days past due, subject to any limitations in the Property Owners' Association Act (Va. Code Ann. § 55-508, *et seq*);
- (e) Suspend a Member's right to use or benefit from any of the Common Areas for any period during which any other infraction of the Governing Documents by the Member remains uncorrected after the last day of a period established for correction by the Association;
- (f) Assess charges against any Member for any violation of the Declaration or rules and regulations for which the Member or his family members, tenants, guests, or other invitees are responsible, subject to the procedures mandated by Va. Code Ann. § 55-513.
- (g) Suspend a Member's voting rights for any period during which any assessment against a Member's Lot remains unpaid for 60 days or more, or for a violation of the Governing Documents that remains uncorrected after the last day of a period established for correction by the Association;
- (h) Restrict the use of the Common Area or prohibit certain uses that are inconsistent or interfere with the maintenance of the Common Area.
- (i) Declare the office of a member of the Board of Directors to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors or if there is any financial obligation due the Association that is more than thirty (30) days in arrears or if there is any violation of the Governing Documents that has not been remedied in the time permitted by the Association.
- (j) Borrow money, mortgage, pledge, or deed in trust any or all of the Associations' real

or personal property.

(k) Grant permits, licenses and easements under, through and over the Common Areas or other areas of Association responsibility for drainage, utilities, roads, access and other purposes which are reasonably necessary to the continued operation of the Properties, or as deemed by the Board of Directors to be in the best interest of the Association.

(l) Dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be desired by the Association.

(m) Sell, lease, exchange, dispose of, encumber, or mortgage all or any part of the Common Area in accordance with the Governing Documents.

(n) Enter into shared use and maintenance agreements.

(o) Delegate the number and location of parking spaces allocated for each Lot, and establish rules and regulations concerning parking and vehicles.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs.

(b) Supervise all officers, agents and employees of this Association and to see that their duties are properly performed.

(c) As more fully provided in the Declaration, fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; send written notice of each assessment to every Owner; adopt a collection policy for the enforcement of assessments; and enforce collection of assessments that are delinquent.

(d) Cause an annual review or compilation of its books and records by the Finance Committee or a third party service provider hired by the Association; obtain an audit of its books and records by a Certified Public Accountant when determined necessary by the Board of Directors.

(e) Comply with the reserve study requirements of Va. Code Ann. § 55-514.1 as the same may be amended from time to time.

(f) Issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(g) Procure and maintain adequate liability and hazard insurance on property owned by the Association. The Association shall have fire and extended coverage insurance for not less than one hundred percent (100%) of replacement cost of the insurable Association property.

(h) Obtain and maintain a blanket fidelity bond or employee dishonesty insurance policy, in accordance with Va. Code Ann. § 55-514.2, insuring the Association against losses resulting from theft or dishonesty committed by the officers, Directors or persons employed by the Association, or committed by any managing agent or employee of a managing agent. Such bond or insurance policy shall provide coverage in an amount equal to the lesser of \$1 million or the amount of the reserve balances of the Association plus one-fourth of the aggregate annual assessment income of the Association.

(i) Obtain a comprehensive policy of public liability insurance covering all of the Association's property. Such insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of a lot owner because of negligent acts of the Association, or other unit owners. Coverage shall be for at least \$1 million per occurrence for personal injury and/or property damage.

(j) Obtain directors' and officers' insurance to include coverage for any expenses and fees incurred by any of them in defending any suit or settling any claim, judgment, or cause of action to which any officer or director shall have been made a party by reason of his services as a director or officer.

(k) Obtain workers' compensation insurance to the extent necessary to comply with applicable law.

(l) Cause the Common Area to be maintained.

(m) Enforce the Governing Documents and Virginia Property Owners Association Act.

ARTICLE VII ASSOCIATION MANAGEMENT

Section 1. Employment. The Board of Directors may employ or contract for a "Managing Agent" or an "Association Manager," who shall not be a Member of the Association or a resident on the Properties. Any agreement with a Managing Agent or Association Manager shall provide that it is terminable for cause if the cause is not cured within a maximum of thirty (30) days. Any Managing Agent or Association Manager who handles funds for the Association shall be covered by its own fidelity bond, as required by Virginia law, naming the Association as an insured.

Section 2. Duties. The Managing Agent or Association Manager shall perform such duties and services as directed and authorized by the Board of Directors.

Section 3. Restrictions. The Board of Directors may delegate to a Managing Agent or Association Manager all of the powers granted to the Board by the Governing Documents except those powers enumerated in Article VI, Section 1(c), (d), (e), (f), (g), (i), (j), (k), (l), (m), (n), and (o).

Section 4. Standards. The Board of Directors may impose appropriate standards of performance upon the Managing Agent or Association Manager.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, and such other officers as the Board may from time to time create by resolution. All officers shall be Members of the Association.

Section 2. Election of Officers. The officers shall be elected by the Board of Directors. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of the Association shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each or whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. 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 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.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the replaced officer.

Section 7. Multiple Officers. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Members and of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all

leases, mortgages, deeds, promissory notes, and other written instruments and shall have authority to sign all checks, but may assign check signing authority to the managing agent.

(b) Vice President. The Vice President shall exercise the authority of the President in the President's absence, and shall exercise and discharge such other duties as may be required by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal, if any, of the Association and affix it on all papers requiring said seal; shall cause to be served or delegate service of notice of meetings of the Board and of the Members; cause to be kept appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall be responsible for reviewing all financial statements prepared by the managing agent; shall coordinate with the managing agent the opening of all accounts; and coordinate the annual preparation of tax returns. The Treasurer shall oversee the keeping of proper books of account and shall provide such financial reports as requested by the President or the Board. The Treasurer shall oversee the preparation of annual statements of income and expenditures to be presented at the annual meeting of the Members. The Board of Directors may assign these duties to the managing agent, in which case, the Treasurer shall be the Board liaison with the managing agent.

ARTICLE IX COMMITTEES

Section 1. General. The Board of Directors shall appoint committees as deemed appropriate in carrying out its purpose. The Board of Directors shall have the power to determine the number of persons to serve on any committee and the purpose and duties of the committee. The Board shall appoint the Chair of each Committee. Committee members shall be in Good Standing, and shall serve at the pleasure of the Board of Directors.

Section 2. Committees. The following Committees are hereby established.

(a) Architectural Review Committee ("ARC"). The ARC shall have such responsibilities and powers as given in Article 5 of the Declaration.

(b) Nominating Committee. The Nominating Committee shall be established as set forth in Article IV, Section I of these Bylaws.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member in Good Standing in accordance with Va. Code § 55-510 *et. seq.*

ARTICLE XI
AMENDMENTS

Section 1. Amendment. These Bylaws may be amended, at a regular or special meeting of the Members, by the affirmative vote a majority of the Members present, in person or by proxy, at a meeting at which a quorum is present.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XII
MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

Section 2. Use of Technology. The Association shall have the right to avail itself of new technologies, to the extent permitted by law, now or in the future, for notice, payment, signature, voting, consents or approvals required to be obtained under the Governing Documents or the Property Owner's Association Act if such use is a generally accepted business practice and is adopted by the Board of Directors in conformance with Va. Code Ann. § 55-513.3.

THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK

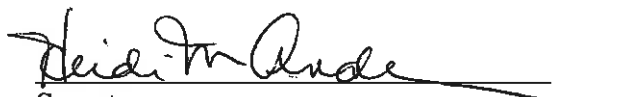
CERTIFICATION

I, the undersigned, do hereby certify that:

I am duly elected and acting Secretary of Westmoreland Owners Association, Inc., a Virginia corporation and the foregoing Bylaws constitute the Amended Bylaws of the Association, as duly adopted at a meeting of the Members at which a quorum of the Members was present. The total number of votes cast for and against the amendment was 44 in favor of the amendment and 6 against the amendment. The motion to amend was approved with 88% of the votes in person or by proxy voting in favor of the amendment.

The foregoing Bylaws were sent by certified mail to Mortgagees in accordance with Va. Code Ann. §55-515.1, and no objections were received. Accordingly, as per Va. Code Ann. §515.1 the Mortgagees have consented to the Amended Bylaws.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 4th day of June, 2012.


Secretary