

**CABIN CREEKWOOD HOMEOWNERS
ASSOCIATION, INCORPORATED**

**COUNTY OF STAFFORD
COMMONWEALTH OF VIRGINIA**

BYLAWS

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CABIN CREEKWOOD HOMEOWNERS ASSOCIATION, INCORPORATED

BYLAWS

ARTICLE I

MEMBERSHIP

Membership in the corporation shall be automatic and compulsory for the owners of all lots in the Cabin Creekwood Subdivision. All of the owners of each lot shall collectively constitute one (1) member, and shall register their name with the corporation promptly on becoming owners of such lot.

ARTICLE II

NAME AND LOCATION

The name of the corporation is:

CABIN CREEKWOOD HOMEOWNERS ASSOCIATION, INCORPORATED

The location of the corporation is:

Stafford County, Commonwealth of Virginia

ARTICLE III

OFFICES

SECTION 1. Registered Office. The registered office of the Corporation shall at the law firm of Chadwick, Washington, Moriarty, Elmore & Bunn, P.C., 9990 Lee Highway, Suite 200, Fairfax, Virginia 22030-1720.

SECTION 2. Additional Offices. The Corporation may also have offices at such other places within the Commonwealth of Virginia, as the Board of Directors may, from time to time, determine or as the business of the Corporation may require.

ARTICLE IV

DIRECTORS

SECTION 1. General Powers; Numbers; Tenure. The business and affairs of the Corporation shall be managed by its Board of Directors (hereinafter referred to as "BOD"), which may exercise all powers of the Corporation and perform all lawful acts not inconsistent with the laws of the Commonwealth of Virginia, the Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation or these Bylaws. The number of directors of the Corporation shall be five (5). One additional member of the BOD may be added each year after recommendation of the BOD

and approval by a majority of members of the Association; however, the total number of directors shall not exceed seven (7). The directors shall be elected at the annual meeting of the Corporation in accordance with the requirements of the Articles of Incorporation.

SECTION 2. Powers of the Directors. The BOD shall have power to:

- a. exercise the powers and duties for all lawful things which may be necessary, useful, suitable or proper for the furtherance or accomplishment of the purposes of the Association vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- b. adopt, enforce and publish rules and regulations governing the use of the common areas and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- c. suspend a member's voting rights and the rights to use facilities or services, including utility services, provided directly through the association for nonpayment of assessments which are more than sixty days past due or for infractions of published rules and regulations;
- d. declare the office of a member of the BOD to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the BOD;
- e. employ a manager, an independent contractor, or such other employees or agents as they deem necessary, and to prescribe their duties; and
- f. establish committees, appoint its members, and cause a policy.

SECTION 3. Duties of the Directors. It shall be the duty of the BOD to:

- a. cause to keep detailed records of receipts, expenditures and financial statements affecting the operation and administration of the Association and maintain those records as required by Section 13.1-932 and Section 55-510 of the Code of the Commonwealth of Virginia;
- b. utilize a banking institution within the Commonwealth of Virginia and cause at least one (1) officer of the BOD access to financial accounts and statements. Bank accounts will be in the name of the Association and shall not be co-mingled with any other Association or Corporation. Non-recurring expenses requires approval of the BOD, and expenses over the amount of \$1,000 shall be countersigned by a director prior to payment by the Treasurer or managing agent.
- c. cause to keep a complete record of all of its acts and corporate members at the annual meeting of the members;

d. procure and maintain adequate liability and hazard insurance on property owned by the Association;

e. cause all officers or employees having fiscal responsibilities to maintain fidelity insurance and to be bonded, as it may deem appropriate;

f. cause the common areas to be maintained;

g. supervise all officers, directors, agents and employees of this Association, and to see that their duties are properly performed per these Bylaws, the Articles of Incorporation, and the Declaration;

h. issue, or to cause an appropriate officer or agent to issue, upon demand by any homeowner or authorized agent within 14 days after receipt of a written request, mailed, hand or electronically delivered, and receipt of the appropriate fee, an association disclosure packet (The Association may charge a fee for the preparation of the packet, but the costs shall not exceed the authorized rate as authorized by Title 55-512 of the Code of Virginia.);

i. conduct a reserve study every five years to determine the necessity and amount of reserves required to repair, replace and restore the capital components, review the results of that study annually to determine if reserves are sufficient, and to make any adjustments the BOD deems necessary to maintain reserves (As of the beginning of the fiscal year for which the budget is prepared, an amount as approved in the study shall be set aside and deposited to the reserve fund. Two (2) signers are required to withdraw any cash from the reserve account.);

j. establish a reasonable, effective and free method for lot owners to communicate among themselves and with the board regarding any matter concerning the association, to include notice of time, date, and place of monthly BOD meetings to be published where it is reasonably calculated to be available to a majority of the lot owners;

k. approve all write-offs of delinquencies upon recommendations of legal counsel; and,

l. as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;

(2) increase the regular assessment not more than five percent (5%) above the maximum annual assessment for the previous year or to levy a special assessment against its members, applicable to that year, if the purpose in so doing is found by the BOD to be in the best interests of the Association and the proceeds of the assessments are used for the maintenance and upkeep of the common areas including capital expenditures provided that the special assessment has two-thirds (2/3) of the votes of members voting at a meeting called for that purpose;

(3) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(4) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.

SECTION 4. Nominations. Nomination for election to the BOD shall be made by a Nominating Committee and from the floor from members at the annual meeting. The Nominating Committee shall be appointed by the BOD prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee and members shall make as many nominations for election to the BOD as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

SECTION 5. Elections

a. Election to the BOD 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. Written ballots utilized in the elections shall be maintained with the minutes of the annual meeting.

b. If authorized by the BOD, any requirement that any vote of the members may be made by written ballot may be satisfied by a ballot submitted by electronic transmission, provided that any such electronic transmission shall either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the member or the member's proxy.

SECTION 6. Qualifications

a. Only members that are current in the payment of all assessments, special assessments, late fees, interest and legal fees, and who are in compliance with all rules and regulations, Bylaws, the Articles of Incorporation and Declaration may vote at the annual meeting or any special meeting or may hold office of the Association or sit on any committee. However, members may reinstate these privileges sixty (60) days after all delinquent amounts are paid and/or all infractions have been resolved.

b. Only one owner(s) of a single lot shall be entitled to hold the office as a director.

SECTION 7. Compensation

a. Directors shall not receive any compensation for their services as directors, but may be entitled to reimbursement for any reasonable

expenses incurred upon satisfactory bills and documentation as may from time to time be approved by the BOD.

b. Any director receiving reimbursement under these provisions shall not be barred from serving the Corporation in any other capacity and receiving reimbursement for reasonable expenses for such other services.

SECTION 8. Vacancies

a. If a vacancy occurs on the BOD, including a vacancy resulting from an increase:

(1) the members may fill the vacancy;

(2) the BOD may fill the vacancy; or

(3) if the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of the directors remaining in office. Each director so chosen shall hold office until the next annual meeting of the Corporation and until his successor is duly elected and shall qualify.

b. Unless the Articles of Incorporation provide otherwise, if the vacant office was held by a director elected by a voting group of members, only the members of that voting group are entitled to vote to fill the vacancy.

SECTION 9. Removal

a. Members of the Association may remove one or more directors with or without cause, unless the Articles of Incorporation provide that directors may be removed only with cause and may only be removed at a meeting called for the purpose of removal. The meeting notice shall state the purpose, or one of the purposes, of the meeting is the removal of a director.

b. If a director is elected by a voting group of members, only the members of that voting group may participate in the vote to remove a director.

SECTION 10. Resignation. Any director may resign at any time by giving written notice to the BOD, the President, or the Secretary of the Corporation. Notice is effective upon delivery. If the resignation is made effective at a later date, the BOD may fill the pending vacancy before the effective date if the BOD provides that the successor does not take office until the effective date.

ARTICLE V

OFFICERS

SECTION 1. Designations. Officers of the Corporation shall be appointed by the BOD per the Articles of Incorporation and shall consist

of a President, Secretary, Treasurer and such Vice Presidents as the board may appoint. All officers shall be elected directors. The BOD may also choose other officers and agents as it shall deem necessary or appropriate. All officers of the Corporation shall exercise such powers and perform such duties as shall from time to time be determined by the BOD. An officer may hold any two or more offices in the Corporation except the offices of President and Secretary.

SECTION 2. Term of Office. The term of office for an officer elected by a voting membership at the annual meeting shall be three years as set forth in the Articles of Incorporation.

SECTION 3. President

a. The President shall be the Chief Executive Officer of the Corporation, and have general charge of the business, affairs and property of the Corporation and general supervision over its other officers, directors and agents. The President shall preside over all meetings, and shall have the power to adjourn any meeting as he/she deems necessary. In general, he/she shall perform all duties incident to the office of President and shall see that all orders and resolutions of the BOD are carried into effect.

b. The President is responsible for the preparation of the agenda in advance of a BOD meeting and shall accommodate the wishes of all members of the BOD who request certain matters to be placed on the agenda.

c. Unless otherwise prescribed by the BOD, the President shall have full power and authority on behalf of the Corporation to attend, act and vote on any meeting of security holders of other corporations in which the Corporation may hold securities. At such meeting the President shall possess and may exercise any and all rights and powers incident to the ownership of such securities which the Corporation might have possessed and exercised if it had been present.

d. The President, or managing agent upon approve of the BOD, is responsible for signing all BOD approved contracts entered into by the Association.

SECTION 4. Vice President

a. The Vice President, if any (or in the event there be more than one, the Vice Presidents in the order designated, or in the absence of any designation, in the order of their election), shall, in the absence of the President or in the event of his disability, perform the duties and exercise the powers of the President and shall generally assist the President and perform such other duties and have such other powers as may from time to time be prescribed by the BOD.

b. The Vice President shall, in the absence of the Secretary, have authority to affix the seal of the Corporation, and shall have authority to affix the same to any instrument requiring it, and, when so affixed, the seal may be attested by his or her signature.

SECTION 5. Secretary

a. The Secretary shall attend all meetings of the BOD, the annual homeowners meeting, or other committees, if required, and record all motions, votes and the proceedings of the meetings and prepare written minutes for approval by the BOD. As more fully provided the Secretary will include:

(1) name of the association, type of meeting, and date and place of meeting;

(2) members and officers attending the meeting;

(3) record of the approval, reading or corrected minutes of the previous meeting;

(4) record of main arguments for or against a proposal but not a word by word report;

(5) name of the member who made the motion and note the action;

(6) state the motion, i.e., budget approval, contractual services, transfer of funds, write-off of any assessments, and underline whether motion carried or failed; and

(7) indicate time of adjournment.

b. In the absence of the Secretary, any director, with the exception of the President, may volunteer and have approval of the BOD to record all notes and proceedings and prepare written minutes for approval of the BOD.

c. The Secretary or the President shall give, or cause to be given, notice of all meetings of the directors and special meetings of the BOD, and shall perform such other duties as may from time to time be prescribed by the BOD or the President, under whose supervision the Secretary shall act.

d. The Secretary, when required, shall affix the seal of the Corporation, and shall have authority to affix the same to any instrument requiring it, and, when so affixed, the seal may be attested by his/her signature. The BOD may give general authority to any other officer, in the absence of the Secretary, to affix the seal of the Corporation and to attest the affixing thereof by his/her signature.

SECTION 6. Treasurer

a. The Treasurer, or designated agent, shall have custody of the corporate funds and other valuable effects, including securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may from time to time be designated by the BOD. He/she shall have authority to employ such bookkeeping and accounting services

at the expense of the Corporation as are necessary to properly account for the financial condition of the Corporation and to file such tax returns and financial reports as required by governmental authority.

b. The Treasurer, or designated agent, shall disburse the funds of the Corporation as may be ordered by the BOD, taking proper vouchers for such disbursements, and shall render to the President and the BOD, at regular meetings of the BOD, or whenever they may require it, an account of all his/her transactions as Treasurer and of the financial condition of the Corporation.

ARTICLE VI

MEETINGS

SECTION 1. Place of Meetings. The BOD may hold regular, annual, and special meetings within the Commonwealth of Virginia.

SECTION 2. Annual Meeting

a. The annual meeting of the members of the Association shall be held in January of each year. Notices regarding the date, time and location for the annual meeting shall be issued by the BOD or it's agent at least fourteen (14) days prior to the date of the annual meeting. Notices will be mailed postage prepaid to the Association member's last address of record on the books of the Association.

b. Order of Business. Unless otherwise specified in the notice of the annual meeting the order of business at the Annual Meeting of Homeowners shall be as follows:

- (1) proof of quorum (10 percent of owners of lots within Cabin Creekwood);
- (2) proxy count;
- (3) introduction of directors;
- (4) minutes from the preceding annual meeting;
- (5) committee reports;
- (6) Treasurer report;
- (7) old business;
- (8) new business;
- (9) resident's forum;
- (10) election of directors to the BOD when so required; and
- (11) adjournment of annual meeting.

c. Quorum. One-tenth of the vote of membership shall constitute a quorum for the purpose of voting to fill vacancies on the BOD and to vote on issues requiring voting by the membership. If a quorum is not present, then the current BOD shall reschedule the annual meeting, with notice to all Association members, until a quorum is established.

d. Election of Directors. The election of vacancies for directors shall take place following each annual meeting of the members. Unless the Articles of Incorporation or Bylaws provide otherwise in the election of directors, every member is entitled to nominate, cast, or their proxy is entitled to cast, their vote for vacancies. If authorized by the BOD, any requirement that any vote of the members may be made by written ballot may be satisfied by a ballot submitted by electronic transmission, provided that any such electronic transmission shall either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the member or the member's proxy.

e. Appointments. The newly elected directors shall convene upon conclusion of the annual meeting and appoint officers and directors as required. Notification of such appointments shall be provided to homeowners where it is reasonably calculated to be available to a majority of the lot owners.

SECTION 3. Board of Directors Meeting

a. Order of Business. Unless otherwise specified in the notice of a meeting, the order of business at the regular BOD meetings shall be as follows:

- (1) proof of quorum (majority of the BOD);
- (2) approval of minutes of preceding meeting;
- (3) committee reports;
- (4) appointment of committee members when so required;
- (5) resident's forum;
- (6) unfinished business;
- (7) new business;
- (8) closed session when so required; and
- (9) reconvene to open meeting when so required.

b. Meetings of the BOD shall be open to all members of record. Notice of time, date and place of each meeting shall be published where it is reasonably calculated to be available to a majority of the lot owners and shall be sent by first class or e-mail to any lot owner requesting such notice.

c. Subject to reasonable rules adopted by the BOD, the 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.

d. The BOD may convene into closed session, which will be attended only by the BOD. No contract, motion, or other action adopted, passed or agreed to in the closed session shall become effective unless the BOD following the closed session, reconvenes in open meeting and takes a vote on such contract, motion or other action which shall have its substance reasonably identified in the open meeting.

e. At all meetings of the BOD, one-half or more of the number of directors shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the BOD, except as may be otherwise specifically provided by law or the Articles of Incorporation. If a quorum is not present at any meeting of the BOD, the President or in his/her absence, the directors, may adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

f. Minutes recorded from an open meeting shall be open for inspection and copying within 60 days from the conclusion of the meeting to which such minutes pertain, or when such minutes are distributed to the BOD as part of an agenda package for the next meeting of the BOD, whichever occurs first.

g. At least one (1) copy of all agenda packets and materials furnished to members of the BOD for an open meeting shall be made available for inspection by the members of the Association at the same time such documents are furnished to the BOD.

h. Any member may record any portion of a meeting required to be open. The BOD may govern the placement of equipment to prevent interference with the proceedings. A member recording a meeting shall provide notice that the meeting is being recorded.

SECTION 4. Special Meeting

a. Special Meetings of the BOD may be called by the President on five (5) days notice to each director, if such notice is delivered personally or sent by e-mail, or on 10 days notice if sent by mail.

b. The Association shall hold a special meeting of members on call by the President, the BOD, or the person or persons having one-twentieth of the votes entitled to be cast at such meeting.

c. Special meetings called at the request of one-twentieth of the members entitled to cast their vote shall be held within 30 days after the date the written request is received by the Corporation's Secretary or agent. Only business within the purpose or purposes described in the meeting notice may be conducted at a special meeting.

SECTION 5. Action Without Meeting. Any action required or permitted to be taken at any meeting of the members, the BOD or any committee, may be taken without a meeting and without action if the action is taken by all of the members entitled to vote on the action. The action shall be evidenced by one or more written consents describing the action taken, signed by all of the members entitled to vote on the action, and delivered to the Secretary or agent for inclusion in the minutes or filing with the corporate records.

SECTION 6. Recording of Proceedings. The Secretary or designated director shall record all votes and proceedings of the meetings. Draft minutes shall be presented to the BOD for approval at the next regularly scheduled meeting. Each director shall be provided with an approved and signed copy of the minutes within 60 days of the recording of the minutes.

ARTICLE VII

COMMITTEES

SECTION 1. Appointment. Unless the Articles of Incorporation provide otherwise, the BOD may create one or more committees, appoint members of the BOD and/or representatives to serve on them, fill vacancies, change the membership of, and to discharge any committee except a committee required to be appointed by the Articles of Incorporation. Each committee shall have two (2) or more members who serve at the pleasure of the BOD. The creation of a committee and appointment of directors and/or representatives shall be approved by the majority of all the directors in office when the action is taken.

SECTION 2. Powers. Title 13.1-864 through 13.1-868 of the Code of the Commonwealth of Virginia, which govern meetings, action without meeting, quorum and voting requirements of the BOD, apply to committees and their members. To the extent specified by the BOD or in the Articles of Incorporation, a committee shall exercise the authority of the BOD except the committee may not:

- a. approve or recommend to members action that requires approval by members, provided that the Executive Committee of the BOD may exercise the authority of the BOD to approve any amendment of the Articles of Incorporation if so authorized by the Articles of Incorporation;
- b. fill vacancies on the BOD or on any of its committees;
- c. amend Articles of Incorporation;
- d. adopt, amend, or repeal the Bylaws; or
- e. approve a plan of merger not requiring member approval.

SECTION 3. Duties. Each committee shall report its activities and results to the BOD in writing annually or on a date to be established by the BOD.

SECTION 4. Compensation. Members of any committee shall not be compensated for their services as members of any such committee but may be entitled to reimbursement of committee expenses approved by the current budget which are incurred in the performance of their duties. Additional reasonable expenses incurred shall be reimbursed, upon approval of the BOD, to committee members upon satisfactory bills and documentation.

SECTION 5. Architectural Control Committee (ACC)

a. The ACC shall be composed of at least three (3) or more representatives. The ACC shall meet as necessary and not less than two (2) of the three (3) members of the ACC attend such meeting, but to make any action taken at such meeting effective if both members do not concur from such member not in attendance, which together with the votes of those in attendance, will show that a majority of the members of the ACC agree to such action.

b. The ACC shall have the power and authority within its discretion and exercise of judgment, to act in compliance with and enforce the Declaration of Covenants, Conditions and Restrictions for the Cabin Creekwood Subdivision in Stafford, Virginia.

c. The current ACC Resolution shall apply.

SECTION 6. Financial Management Committee

a. The Financial Management Committee shall be composed of three (3) directors.

b. It shall be the responsibility of the Financial Management Committee to review prepared financial statements monthly, including a balance sheet, an income statement with comparisons to the budget, check register, listing of delinquent accounts, copies of all bank statements and reconciliation's, as well as any additional statements that the Financial Management Committee may require.

c. Subject to the provisions of Title 13.1-869, Code of Virginia, it shall be the responsibility of the Financial Management Committee to receive and invest the assets of the Corporation and disburse not less than annually and/or as required by the effective Internal Revenue Code investment income of the Corporation. Specifically:

(1) recommend to the BOD not less than annually the recommended disbursement of the investment income of the Corporation;

(2) recommend to the BOD, determinations of sufficient reserve amounts for repairs, replacements and capital components and to recommend adjustments as necessary.

d. The current Financial Management Committee Resolution shall apply.

SECTION 7. Other Committees. The BOD may create, by resolution, adopted by a majority of the BOD, such other committees as it shall deem advisable and with such functions and duties as the BOD shall prescribe. Each committee may have two (2) or more representative to serve at the pleasure of the BOD.

ARTICLE VIII

NOTICES

SECTION 1. Form; Delivery

a. Whenever notice is required to be given to any director, member or committee member, such notice may be communicated in person, in writing, by telephone, wire or wireless communication, mail or other private carrier addressed to such director, member or committee member, at his or her address as it appears on the records of the Corporation, with postage thereon prepaid. Such notice(s) become effective at the earliest of the following:

- (1) when received;
- (2) five days after its deposit in the United States mail, as evidenced by the postmark, if correctly addressed;
- (3) on the date shown on the return receipt; or
- (4) oral notice. Oral notice becomes effective when communicated in a comprehensible manner.

b. Any director or member who attends a meeting waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; objects to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice; or, if the meeting is in non-compliance with governing documents.

ARTICLE VIII

INDEMNIFICATION OF DIRECTORS/OFFICERS

SECTION 1. Per Title 13.1-875-883, Code of Virginia, the Corporation shall indemnify a director who entirely prevails in the defense of any proceeding to which he/she was a party because he/she or was a director of the Corporation against reasonable expenses incurred by him/her in connection with the proceeding. Prior to making any such indemnification of directors, the Corporation shall promptly make or cause to be made a determination as to whether the indemnitee:

- a. conducted himself/herself in good faith;

b. believed that his/her conduct was in the best interests of the Corporation; and

c. in the case of any criminal proceeding, he/she had no reasonable cause to believe that his/her conduct was unlawful.

SECTION 2. A Corporation may not indemnify a director or officer if:

a. in connection with a proceeding by or in the right of the Corporation in which the director was adjudged liable to the Corporation; and/or

b. in connection with any other proceeding charging improper personal benefit to him/her in which he/she was adjudged liable on the basis that personal benefit was improperly received by him/her.

SECTION 3. No indemnification shall be made unless it is determined by the Corporation that such indemnitee acted in good faith and in a manner not opposed to the best interests of the Corporation.

SECTION 4. The termination of a proceeding by judgment, order, settlement, or conviction is not of itself determination that the director did not meet the standards of conduct described in Title 13.1-876, Code of Virginia.

SECTION 5. Any determination shall be made by the BOD, or by a committee duly designated by the BOD, by a majority vote of a quorum consisting of directors or designated committee members who were not parties to such action, suit or proceeding; or if a determination is unobtainable, the BOD may rely upon the advice of legal counsel in a written opinion.

SECTION 6. Indemnification in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding. The BOD may make provisions for insurance to facilitate indemnification of directors and officers of the Corporation.

ARTICLE X

AFFILIATED TRANSACTIONS AND INTERESTED DIRECTORS

SECTION 1. Contracts. No contract or transaction between the Corporation and one of more of its directors, or between the Corporation and any other corporation, partnership, association or other organizations in which one or more of its directors are directors or officers or principals, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director is present at or participates in the meeting of the BOD which authorizes the contract or transaction or solely because his/her or their votes are counted for such purpose, if:

a. The material facts as to his/her relationship or interest

in the contract or transaction are disclosed or are known to the BOD and the BOD in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum.

b. The material facts as to his/her relationship or interest in the contract or transaction are disclosed or are known to the directors entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the directors; or the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the BOD.

SECTION 2. Quorum. Interested directors may be counted in determining the presence of a quorum at a meeting of the BOD which authorizes a contract or transaction.

ARTICLE XI

CONTRACTS

SECTION 1. Competitive Bids

a. The Chairperson of the Financial Management Committee, the President, or managing agent, upon approval of the BOD, is the contracting agent for the association. The Chairperson of the Financial Management Committee, the President, or the managing agent reserves the right to have a contract reviewed by legal counsel and/or insurance representatives.

b. All contracts or transactions over \$500 require competitive bidding.

c. All contracts or transactions in excess of \$500 must either be approved in the annual budget or the reserve study, or constitute an emergency as determined by the BOD.

SECTION 2. Approval. All contract proposals and transactions shall be provided to the Chairperson of the Financial Management Committee, the President, or the managing agent, and shall include the following information before being considered by the BOD:

- a. County and/or State license, if required.
- b. Bond documentation, if required.
- c. Business address, telephone number and e-mail address; or home address, telephone number and e-mail address.
- d. Expected start and end date of contract or transaction;
- e. A fair bid for all costs associated with the contract.
- f. Authorized signature(s) and date.

SECTION 3. Authorized Funds

a. Per the Declaration, Association funds shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the properties and for the improvements and maintenance of the common areas and maintaining the streets.

b. Operating funds of the Association, which have not been clearly identified in the budget and/or in the Reserve Study, will not be used for maintenance of the common areas or roads, or for the recreation, health, safety and welfare of the residents. Only in extreme emergencies will operating funds be used and these funds shall require a majority vote of all homeowners.

ARTICLE XII

GENERAL PROVISION

SECTION 1. Fiscal Year. The fiscal year of the Corporation shall be from January 1st to December 31st of each calendar year.

SECTION 2. Seal. The Corporate seal shall have inscribed thereon the name of the Corporation, the year of its incorporation, the words "Corporate Seal" and "Virginia".

SECTION 3. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and, in the case of any conflict between Title 55 and Title 13 of the Code of Virginia, as amended, and these Bylaws, the Code of Virginia shall control.

ARTICLE XIII

AMENDMENTS

SECTION 1. Powers

a. BOD. The BOD shall, so long as the same shall not be inconsistent with any provision of law and/or the Articles of Incorporation, have the power to make, alter or repeal these Bylaws, and to adopt new Bylaws, by an affirmative vote of a majority of the BOD.

b. Members. Members of the Association shall have the power to make, alter or repeal these Bylaws by written assent of two-thirds of the members voting thereon by mail ballot, provided that written notice of the proposed bylaws or bylaw amendments or revisions shall have been delivered to each member or mailed to his/her last known address as shown on the books of the Association, at least ten days prior to any such meeting or the date on which the mail ballots must be returned to be counted.

SECTION 2. Validity

a. An action to challenge the validity of an amendment adopted by the Association may not be brought more than one (1) year after the amendment is effective.

b. These Bylaws for Cabin Creekwood Homeowner's Association have been duly adopted by the Board of Directors on _____ 2007.

	YES	NO	ABSTAIN	ABSENT
_____ President	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Vice-President	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Vice-President	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Treasurer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Secretary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CERTIFICATION

I, _____, Secretary of Cabin Creekwood Homeowners Association, Incorporated, (the "Corporation"), DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Corporation's Bylaws as reviewed by the Board of Directors of the Corporation as effective on the _____ day of _____, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the Corporation on this _____ day of _____, 2007.

Secretary

