

BY-LAWS
OF
ASHBROOK COMMUNITY ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Ashbrook Community Association, Inc., hereinafter referred to as the "Association." The principal office of the Association shall be located at Brendan & Associates, Inc., 11011 Trade Road, Suite 205, Richmond, VA 23236 or other such address as may be designated by the Board of Directors, but meetings of members and directors may be held at such places within the State of Virginia, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

All definitions heretofore delineated, described and referred to in the Declaration of Covenants, Conditions, and Restrictions of Ashbrook Community Association, Inc. are incorporated herein and made a part hereof by this reference.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1 - Membership. Every owner and tenant shall be a Member of the Association. The Developer shall be a Member of the Association. Every Owner shall be required to submit the name(s) of his Tenants and the duration of their tenancy to the Secretary of the Association. The Association may issue to each Member a Membership card which shall expire upon termination of a Tenant's lease or upon sale by an Owner of his property in Ashbrook.

Section 2 - Voting Rights. All Owners of residential lots shall be designated Type A Members and shall be entitled to two (2) votes except that if a Family Dwelling Unit is occupied by a Tenant as his principal residence, the Owner shall be entitled to one (1) vote and the Tenant shall be entitled to one (1) vote.

The Developers shall be designated a Type B Members and shall be entitled to cast one (1) vote

each for the election of Members of the Board of Directors as set out in Article IV, Section 2.

ARTICLE IV

MEETING OF MEMBERS

Section 1 - Annual Meeting. The first meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the first Monday in June each year thereafter at a time and place selected by the Board of Directors.

Section 2 - 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 one-fourth (25%) of the Members who are entitled to vote.

Section 3 - Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 30 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association. Such notice shall specify the place, day and time of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4 - Quorum. The presence at the meeting of twenty-five percent (25%) of the Members or proxies entitled to cast votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such a quorum shall not be present or represented at any such meeting, a second meeting may be called subject to the giving of proper notice and there shall be no quorum requirement.

Section 5 - Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically terminate upon conveyance by the Member of his lot.

Section 6 - Ballots by Mail. When required by the Board of Directors, there shall be sent with notices of Annual or special meetings of the Association, statement of certain motions to be introduced for vote of the Members and a ballot on which each Member may vote for or against the motion. Each ballot which is presented at such meeting shall be counted and calculated in the

quorum requirements set forth in Article III, Section 4 provided, however; such ballot shall not be counted in determining whether a quorum is present to vote upon motions not appearing on the ballot.

Section 7 - Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep minutes of the meeting and record in a minute book any resolutions adopted at the meeting. The President may appoint a person to serve as Parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern conduct of all meetings of the Association when not in conflict with the Ashbrook Community Association Declaration, the Articles of Incorporation, these By-Laws, or applicable law.

ARTICLE V

BOARD OF DIRECTORS

Section 1 - Number. The affairs of this Association shall be managed by a Board of five (5) directors.

Section 2 - Term of Office. Beginning in 1992, Members shall elect one (1) director for a term of one year, two (2) directors for a term of two years and two (2) directors for a term of three years. At each annual meeting thereafter, the members shall elect director(s) for a term of three (3) years. A director may succeed himself.

Section 3 - Removal. Any director may be removed from the Board of Directors for cause (failure to appropriately carry out the duties of the Board of Directors) by a majority of the Members of the Association at any meeting at which a quorum is present. Upon the death, resignation or removal of a Director, a successor shall be elected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4 - 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.

Section 5 - Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual reasonable expenses

incurred in the performance of his duties provided prior authorization has been given by the Board of Directors.

Section 6 - Action Taken Without A Meeting. 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 approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors or pursuant to a telephone meeting, as permitted by Virginia Law.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1 - Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee except that no nomination shall be required where members of the Board of Directors elect a successor pursuant to Article V, Section 3 of these By-Laws. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors 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 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, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Ashbrook Declaration and Covenants. The persons receiving the largest number of votes shall be elected.

Based on the Ashbrook Covenants at least one (1) director shall be solely elected by the Type A members. As the number of lots are sold and closed, the number of Directors to be elected by the Type A members shall increase accordingly.

Each Type A Membership class shall be entitled to the number of votes based on his ownership of or tenancy in a residential lot or dwelling unit as stated in Article III, Section 2 of these By-Laws, multiplied by the number of directors to be elected by Type A Members. Members may cast all of such votes for any one (1) director or may distribute them among the number to be elected as he may see fit, provided however, that all votes must be cast in whole numbers and not fractions thereof.

The Type B Member (Developer) shall have the right to elect four (4) Directors to the Board of

Directors. The Type B Members may provide the Association with their revocable proxy to allow these directors to be elected by the Membership of the Association. Once all lots have been sold and closed, the Developer shall no longer be entitled to vote to elect Directors.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of Common Areas and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof.
- (b) suspend the voting rights and right to use of the Common Area of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.
- (c) exercise for the Association all the powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration
- (d) declare of the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, and independent contractor, or other such employees as they deem necessary, and to prescribe their duties.

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 and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is required in writing by 25% of the Members who are entitled to vote.
- (b) supervise all officers and agents of this Association
- (c) fix the amount of annual assessment against each developed and sold lot at least sixty (60) days in advance of each annual assessment period;
- (d) send written notice of each assessment to every Owner subject thereto at least sixty

- (60) days in advance of each annual assessment period;
- (e) foreclose the lien against any property for which assessments are not paid within sixty (60) days after due date or bring an action at law against the Owner personally obligated to pay the same;
- (f) issue or cause an appropriate officer or authorized agent 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;
- (h) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

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

Section 2 - Election of Officers. Officers shall be elected at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3 - Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, 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 of 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 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 time later 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 for the remainder of the term of the officer he replaces.

Section 7 - Multiple Offices. 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) The president shall preside at all meetings of the Board of Directors and at the annual meeting; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deed and other written instruments.

(b) The vice-president shall act in the place and stead of the president in the event of his absence or inability to act, and shall exercise and discharge such other duties as may be required of him by the Board:

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and all of the Members; keep the corporate seal of the association and affix it on all papers requiring said seal; serve notice of meetings of the Board and meetings of all the Members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform other duties as required by the Board. These Directors will be elected by the Membership, and affirmed by the Type B members. Or, in such instance as the Type B Members desire, may be appointed to them.

(d) The treasurer shall prepare the annual budget and oversee the managing agent who will deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as approved by the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and prepare a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX

COMMITTEES

The association shall appoint an Architectural Control Committee as provided in the Declaration, and Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records, and papers of the Association shall be subject to inspection by any Member, during reasonable business hours, after five days written advance notice. The Declaration, Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost. Any institutional lender shall also have the right to inspect the books and records as set forth herein.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration of Covenants, Conditions and Restrictions of Ashbrook Community Association, Inc., which by this reference is incorporated herein and made a part hereof, each Member is obligated to pay to the Association annual and special assessments set by the Board of Directors which are secured by a continuing lien upon the Property against which the assessment is made.

ARTICLE XII

AMENDMENTS

These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the quorum of Members present in person or by proxy or by mail ballots.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.