

BY-LAWS
OF
NORTH CLUB ASSOCIATION

The Members of North Club Association (the "Association") do hereby adopt the following as the By-Laws of the Association:

ARTICLE I
NAME AND LOCATION

The name of the corporation is the North Club Association, Inc., hereinafter referred to as the "Association".

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to the North Club Association, Inc., a non-stock, corporation, its successors and assigns.

Section 2. "Common Area" shall mean all real property (including improvements and appurtenances thereto) owned by the Association for the common use and enjoyment of the Members of the Association or any real property for which the Association is charged with the responsibility of maintaining and preserving for the benefit of some or all Members of the Association.

Section 3. "Declaration" shall mean and refer to the Declaration of Restrictive Covenants, Conditions and Rights applicable to the Property recorded in Deed Book 647, Page 290 among the land records of the Office of the Clerk of the Circuit Court of the County of Spotsylvania, Virginia, as amended from time to time.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property, with the exception of the Common Area and areas dedicated as public or private streets, and which is assessed as a unit by the appropriate officers of Spotsylvania County for purposes of real estate taxation.

Section 5. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and the Articles of Incorporation.

Section 6. "Mortgagee" shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage", as used herein, shall include deeds of trust. "First Mortgage", as used herein, shall mean a mortgage with priority over other mortgages as to a given Lot. As used in these By-Laws, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in these By-Laws, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States government or of any state or municipal government. As used in these By-Laws, the term "holder" or "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof.

Section 7. "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.

Section 8. "Property" shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association pursuant to the terms of the Declaration, together with all improvements now or in the future located thereon.

ARTICLE III MEETING OF MEMBERS

Section 1. Voting Rights of Members. The Association shall have the classes of Members as set forth in the Articles of Incorporation of the Association. The rights, privileges and qualifications of each class of Members shall be as set forth in the Articles of Incorporation, the Declaration and these By-Laws.

Section 2. Annual Meetings. The Members shall have one (1) annual meeting held in accordance with these Bylaws each calendar year. Failure to hold an annual meeting shall not, however, invalidate the corporate existence of the Association, terminate the tenure of any director before his successor is elected and qualified or otherwise affect valid corporate acts. Any business of the Association may be transacted at any annual meeting without being specially designated in the notice of

such meeting, except such business as is specifically required by statute, the Articles of Incorporation or the Declaration to be stated in the notice.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the president or by a majority of the Board of Directors, or upon written request of the Members who are entitled to vote forty percent (40%) of all of the votes of the membership.

Section 4. 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, by mailing a copy of such notice, postage prepaid, or by electronic means in accordance with the Virginia Nonstock Corporation Act, Va. Code § 13.1-810, no less than fourteen (14) days in advance of any annual or regularly scheduled meeting, and at least seven (7) days in advance of any other meeting, nor more than sixty (60) 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, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. All meetings shall be held at such place or places within the Commonwealth of Virginia as the Board of Directors may designate from time to time.

Section 5. Quorum. The presence at the meeting of Members, whether in person or represented by proxy, entitled to cast forty percent (40%) of the votes of each class of membership 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 quorum shall not be present or represented at any meeting, a majority of the Members so present or represented and entitled to vote shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 6. 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 cease upon conveyance by the Member of his Lot.

Section 7. Votes Required. On each matter submitted to the Members for a vote, a majority of the votes cast at a meeting duly called at which a quorum is present shall be sufficient for passage or approval, unless otherwise provided in the Declaration, the Articles of Incorporation, these Bylaws or Virginia law.

Section 8. Number of Votes. The qualifications for membership and the number of votes to which each Member is entitled shall be as provided in the Articles of Incorporation. The Association Board may by resolution adopt regulations for any or all meetings of the Members, consistent with the

Declaration, the Articles of Incorporation and these By-Laws, in regard to proof of membership in the Association, evidence of the right to vote, determination of the number of votes to which each Member is entitled, appointment and duties of inspectors of votes, registration of Members for voting purposes and other matters concerning the conduct of meetings and voting. Such regulations and any amendments to them shall (a) be distributed to Members with the notice of the first meeting of Members following their adoption and (b) be available for inspection by any Member at the principal office of the Association during regular business hours.

Section 9. Action Without a Meeting. In accordance with Va. Code §13.1-841, the Corporation may take action without a meeting without prior notice if the corporate action is taken by all members entitled to vote on the corporate action, in which case no corporate action by the board of directors shall be required.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of four (4) directors, who need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and one (1) director for a term of three (3) years and one (1) director for a term of four (4) years; and at each annual meeting thereafter the Members shall elect in place of those whose terms are expiring the respective number of directors for a term of four (4) years.

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. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and 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. Any director may be reimbursed, however, for his actual expenses incurred in the performance of his duties.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting or in advance of the annual meeting through written notice to the Secretary. Any Member age eighteen (18) or over may be nominated.

Section 2. Election. Election to the Board of Directors shall be by written ballot or voice vote. 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 VI
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days' notice to each director.

Section 3. 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 VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend a Member's voting rights and right of use of the recreational facilities and any and all Common Area 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 for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all 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 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;

(e) employ a manager for a term of not more than one (1) year pursuant to a contract which is terminable without cause upon thirty (30) days advance written notice, or such other employees as they deem necessary, provided that any amount of any compensation provided to a manager or other employees shall be subject to the approval of a majority of the Members present in person or by proxy at a meeting of the Members duly called for such purpose, and to prescribe their duties; and

(f) draft, revise, adopt and amend rules and regulations relating to the government of the Association and regarding the administration, interpretation and enforcement of the provisions of the Declaration, consistent with the best interests of the Members, and the laws of the Commonwealth of Virginia, the Articles of Incorporation and the high quality of the community.

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 requested in writing by forty percent (40%) of the Class A Members who are entitled to vote;

(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, 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) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
- (3) foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;
- (d) issue, or to cause an appropriate officer 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;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) Treasurer would "cause an annual income tax return to be prepared and filed".
- (h) cause the Common Area to be maintained; and
- (i) approve an annual budget.

Section 3. Management Agent. The Board of Directors may but shall not be required to employ for the Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon thirty (30) days' written notice thereof to the other party and without cause upon ninety (90) days' written notice to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one (1) year periods. If the standards and regulations of FNMA and/or FHLMC prohibit self-management by the Association and FNMA and/or FHLMC holds an interest in a First Mortgage or deed of trust against any Lots, then no such self-management shall be undertaken by the Association without the prior written consent and approval of all of the holders of the First Mortgages of record on the Lots.

Provided that any Lot subject to these By-laws is then encumbered by a deed of trust or mortgage which is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans Administration ("VA"), and provided further that FHA and/or VA standards and regulations prohibit self-management of the Association, then no such self -management shall be undertaken by the Association without the prior written consent and approval of FHA or VA, as the circumstances may require.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The offices of this Association shall be a President, which shall at all times be held by a member of the Board of Directors, a Vice President, which shall at all times be held by a member of the Board of Directors, and a Secretary and a Treasurer, and such other offices as the Board may from time to time by resolution create.

Section 2. Election of Officers. 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 this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she 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 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 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 for the remainder of the term of the officer he or she 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) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice President. The Vice President shall perform the duties of the President when the President is physically unable to perform his duties due to a medical condition or mental disability, or in the President's physical absence preventing the President from performance of his duties.

(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 of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep 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 receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and 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. Treasurer would "cause an annual income tax return to be prepared and filed".

The Treasurer shall be bonded in accordance with the requirements of Section 55-514.2 of the Code of Virginia, as amended, or such similar law as may be promulgated or adopted in the future.

ARTICLE IX COMMITTEES

The Board of Directors shall appoint an Architectural Committee, as provided in the Declaration. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X INSURANCE

Section 1. Insurance. The Board of Directors of the Association shall obtain and maintain, to the extent reasonably available, at least the following:

(a) a comprehensive policy of public liability insurance with a "Severability of Interest Endorsement" or its equivalent in such amounts and in such forms as may be considered appropriate by the Board of Directors (but not less than One Million Dollars (\$1,000,000.00)), covering all claims for bodily injuries and/or property damage arising out of a single occurrence including, but not limited to, legal liability, hired automobile liability, non-owned automobile liability, liability for property of others, and such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including any and all other liability incident to the ownership and use of the Common Areas and facilities or any portion thereof;

(b) workmen's compensation insurance to the extent necessary to comply with any applicable law;

(c) a "Legal Expense Indemnity Endorsement," or its equivalent, affording protection for the officers and directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or director shall have been made a party by reason of his or her services as such; and

(d) such other policies of insurance, including insurance for other risks of a similar or dissimilar nature and fidelity coverage as required by these By-laws, as are or shall hereafter be considered appropriate by the Board of Directors.

Section 2. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

(a) All policies shall be written or reinsured with a company or companies licensed to do business in the State where the project is located and holding a rating of "A + AA" or better in the current edition of Best's Insurance Guide.

(b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Association, or its authorized representative.

(c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article X be brought into contribution with insurance purchased by the Owners of the Lots or their Mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Association pursuant to the requirements of this Article X shall exclude such policies from consideration.

(d) All policies shall provide that such policies may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to any and all insureds named thereon, including any Mortgagee of any Lot who requests such notice in writing.

(e) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, the Members of the Association and their respective agents, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

ARTICLE XI

CASUALTY DAMAGE--RECONSTRUCTION OR REPAIR

Section 1. Use of Insurance Proceeds. In event of damage or destruction to the Common Areas and facilities, if any, by fire or other casualty, the same shall be promptly repaired, replaced or constructed in substantial conformity with the original plans and specifications for the Common Areas and facilities with the proceeds of insurance available for that purpose, if any.

Section 2. Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the Common Areas and facilities, if any, caused by fire or other casualty not insured against, then and in either of those events, upon resolution of the Board of Directors, the repair, replacement and reconstruction of the damage shall be accomplished promptly by the Association at its common expense.

ARTICLE XII

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. The Declaration, the 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.

ARTICLE XIII ASSESSMENTS

Each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid after thirty (30) days of the due date shall be delinquent. Any delinquent assessment may incur a late fee of twenty-five dollars (\$25.00) and if the assessment is not paid within sixty (60) days after the due date, the assessment shall additionally bear interest from the date of delinquency at the highest rate allowed by law. The Association may bring an action at law against the Member personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Member may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XIV CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words:
THE NORTH CLUB ASSOCIATION, INC. – 1987.

ARTICLE XV AMENDMENTS

Subject to the provisions of the Declaration, these By-laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

ARTICLE XVI
MISCELLANEOUS

Section 1. Fiscal-Year. The fiscal year of the Association shall be the twelve (12) month period ending on the 31st day of December of every year, unless otherwise provided by resolution of the Board.

Section 2. Officers' and Directors' Civil Immunity. No person serving the Association by virtue of holding either an elected or an appointed position shall be liable to the Association or its Members for damages except to the extent provided in Sections 13.1-870.1 and 13.1-870.2 of the Virginia Nonstock Corporation Act, as amended from time to time. The Association shall indemnify and hold harmless all elected and appointed officials to the fullest extent permitted in Section 13.1-876 of the Virginia Nonstock Corporation Act, as amended from time to time. The liability of an officer or director, however, shall not be limited if the officer or director engaged in willful misconduct or a knowing violation of the criminal law.


Section 3. Consistency of Declaration, Articles of Incorporation and By-Laws. These By-Laws shall be construed and interpreted in a manner which is consistent with the terms and provisions of the Declaration and the Articles of Incorporation. The terms and provisions of the Declaration and the Articles of Incorporation (in that order) shall be controlling over any inconsistent provision contained in these By-laws.

IN WITNESS WHEREOF, we, being all of the directors of the North Club Association, Inc., have hereunto set our hands this **22nd** day of **April, 2018**.

President, William J Lynch Jr



Vice-President, Michael Euripides



Secretary, Robb Almy



Treasurer, Betsy Stiel



CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary/treasurer of North Club Association, Inc., a Virginia non-stock corporation; and

THAT the foregoing By-laws constitute the original By-laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the **22nd** day of **April, 2018**.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this **22nd** day of **April, 2018**.

Secretary/Treasurer: _____

Robert A. Coby



Sworn to and subscribed before me, in my presence
this 24 day of May 2018 A Virginia
Notary Public. In and for the State at Large
Patricia Lynch Notary Public
My commission expires January 31, 2020