

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
FOR  
STONECLIFF SUBDIVISION PROPERTY OWNERS ASSOCIATION, INC.**

**ARTICLE 1  
NAME; DURATION**

The name of this corporation is Stonecliff Subdivision Property Owners Association, Inc. (the “Association”), which is incorporated as a nonstock corporation pursuant to Chapter 10 of Title 13.1 of the Code of Virginia (1950), as amended, supplemented or replaced from time to time (“Act”). The duration of the corporation is perpetual.

**ARTICLE 2  
INTERPRETIVE PROVISIONS**

Section 2.1. Definitions. Terms used herein without definition shall have the meanings specified for such terms in Section 13.1-803 of the Act and if not defined in the Act, as defined in the Declaration for Stonecliff.

Section 2.2. Construction of Association Documents. The captions are inserted only for reference, and in no way define, limit or otherwise affect the scope, meaning or effort of any provision. All cross-references are to these Articles of Incorporation unless otherwise indicated. Each provision of an Association Document is severable from every other provision, and the invalidity of any one or more provisions shall not change the meaning of or otherwise affect any other provision. To the extent that any provision of the Association Documents is found to be overly broad or unenforceable and a narrower or partially enforceable construction may be given to such provision, then the narrower or partially enforceable construction shall be applied and, to the extent lawful the provision shall be enforced. If there is any conflict among the Association Documents, the Declaration shall control, except as to matters of compliance with the Act, in which case the Articles of Incorporation shall control. Particular provisions shall control general provisions, except that a construction consistent with the Act shall in all cases control over any construction inconsistent therewith. The provisions of the Association Documents shall control over any conflicting provision of any rule, regulation or other resolution adopted pursuant to same. The Association Documents shall be construed together and shall be deemed to incorporate one another in full. Any requirements as to the content of one shall be deemed satisfied if the deficiency can be cured by reference to any of the others.

Section 2.3. Use of Technology. To the extent permitted by law, the Association, and Owners and occupants may perform any obligation or exercise any right by use of any technological means as set forth in Section 1.3 of the Declaration.

Section 2.4 Amend and Restatement. These articles of incorporation hereby amend and replace in their entirety those certain Articles of Incorporation of the Association dated May 26, 2009.

**ARTICLE 3**  
**PURPOSES AND LIMITATIONS**

Section 3.1. Purposes. The Association does not contemplate pecuniary gain or profit to the Owners. No part of any net earnings shall be paid to any director, Officer or Owner, and as such they will have no interest in or any title to any of the property or assets of the Association except in accordance with the provision herein relating to dissolution. Nothing shall prohibit the Association from reimbursing its directors and Officers for services performed or for all reasonable expenses incurred in performing services for the Association. The purposes for which the Association is organized are to, among other things:

(1) provide for the upkeep of the Common Area and, to the extent provided in the Association Documents, of the Lots;

(2) establish and administer the architectural, landscaping, and maintenance standards governing the Property;

(3) adopt and administer Rules and Regulations governing the use of the Property and where provided in the Declaration, the personal conduct of the members and their guests thereon;

(4) impose, collect, and disburse dues and assessments and such other fees and charges as provided in the Declaration;

(5) enforce the easements, charges, and liens provided in the Declaration to be enforced by the Association;

(6) exercise all other powers and perform all duties and obligations of the Association as set forth in the Association Documents; and

(7) exercise the powers now or hereafter conferred by the Act and other applicable laws as may be necessary or desirable to accomplish the purposes set forth above.

Section 3.2. Limitations.

(a) No Personal Liability. Directors, Officers, Association volunteers,

and committee members shall not be liable to the Association or any Owner for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. Directors and Officers shall have no personal liability with respect to any contract made by them on behalf of the Association. Every agreement made by the Board of Directors, the Officers or the managing agent on behalf of the Association shall, if obtainable, provide that the directors, the Officers or the managing agent, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder.

(b) Indemnification. The Association shall indemnify the directors, Officers, Association volunteers, and committee members to the extent that it is contemplated a nonstock corporation may indemnify its directors, officers, volunteers, and employees pursuant to the Act; provided, however, that before the Association uses Association funds for indemnification, all insurance proceeds must be obtained and applied toward such indemnification. The foregoing right of indemnification shall not be exclusive of any other rights to which a person may be entitled by law, agreement, vote of the Owners or otherwise.

#### **ARTICLE 4** **MEMBERSHIP AND VOTING**

Section 4.1. Membership. Members of the Association are limited to the Declarant (during the Development Period) and the Persons who constitute the Owners of the Lots other than the Declarant. If more than one Person owns a Lot, then all of the Persons who own such Lot shall collectively constitute one Owner and be one member of the Association for purposes of voting and approval. Each such Person is entitled to attend all meetings of the Association. Membership in the Association is mandatory and automatic with ownership of a Lot.

Section 4.2. Classes of Owners; Voting Rights. The Association shall have the classes of Owners as set forth in the Declaration.

Section 4.2 Additional Provisions. Any Person qualifying as a member of more than one voting class may exercise those votes to which Person is entitled for each such class; provided, however, that such Person shall not simultaneously have more than one class of vote for the same Lot. Additional provisions governing voting rights and procedures shall be as set forth in Article 3 of the Bylaws.

Section 4.3. Required Vote. A majority vote of the Owners shall be necessary for the adoption of any matter voted upon, except as otherwise provided in the Association Documents. Directors shall be elected as provided in Article 5. The Bylaws shall be amended only in accordance with the terms thereof. The Association is also bound by the requirements set forth in the Declaration and shall not take any action in violation thereof.

Section 4.4. Cumulative Voting. There shall be no cumulative voting.

**ARTICLE 5**  
**BOARD OF DIRECTORS**

Section 5.1. Initial Director. The initial director of the Association is Alan N. Mendleson, whose business address is 26332 Constitution Highway, Rhoadesville VA 22542. The initial director shall serve until his successors are elected or appointed in accordance with Section 5.2. The Declarant shall be entitled to remove and replace the initial directors at will as more specifically set forth in Section 5.2(a).

Section 5.2. Election of Directors and Terms of Office.

(a) Declarant-Controlled Board of Directors. During the Development Period, the Board of Directors shall consist of between one and three Persons appointed by the Declarant. The Declarant shall elect, remove, and replace such directors at will, and with or without cause, and designate the terms thereof until the meeting described in Section 5.2(b), at which time the Class A Owners shall elect the directors as set forth in Section 5.2(b). Any provision of the Articles of Incorporation to the contrary, members of the Board of Directors elected or appointed by the Declarant shall serve at the pleasure of the Declarant.

(b) Owner-Controlled Board of Directors. At the first annual meeting of the Association following the end of the Development Period or at any special meeting of the Association called by the Declarant to transfer control of the Board of Directors, the number of directors shall be three and the Class A Owners shall elect all three directors to the Board. At or before such meeting, all directors elected by the Declarant shall resign.

Directors elected by the Class A Owners shall serve staggered terms, established as follows. At the meeting described in this Section 5.2(b), the term of one member of the Board shall be fixed at three years, the term of office of one member of the Board shall be two years, and the term of office of the remaining member of the Board of Directors shall be one year. The person receiving the highest number of votes shall be elected for a three year term. The person receiving the second highest number of votes shall be elected for a two year term. The remaining person shall be elected to serve a one year term. In the event of a tie, the decision shall reside with the Chair of the meeting. At the expiration of the term of office of each initial member of the Board of Directors elected by the Class A Owners, that member's successor shall be elected to serve a term of three years. Except for death, resignation or removal, directors shall hold office until their respective successors are elected by the Association.

Section 5.2. Qualifications; Election Procedures.

(a) Qualifications. No person shall be eligible for election as a director unless such person is an Owner or the Declarant (or a designee of the Declarant). No Owner shall be elected as a director or continue to serve as a director if such Owner is more than sixty days delinquent in meeting financial obligations to the Association or is otherwise in violation of the Association Instruments. The term of office of any director who becomes more than sixty days delinquent in meeting financial obligations to the Association shall automatically terminate on the sixty-first day and the term of office of any director who shall be absent, without reasonable cause, from three consecutive regular meetings of the Board shall automatically terminate upon commencement of the next regular meeting of the Board following such director's third consecutive absence, and, in each case, such director's successor shall thereupon be appointed by the remaining directors serving on the Board to serve the unexpired portion of such director's term; provided, however, that the foregoing shall not apply to any director appointed or elected by the Declarant.

(b) Nominations. Persons qualified to be directors may be nominated for election by identifying themselves to the Secretary of the Association prior to the meeting at which the election is to be held. Nominations also may be made from the floor at the meeting at which the elections held for each vacancy on the Board of Directors. Any nominee either must be present at the meeting and consent to the nomination or have indicated in writing the willingness to serve.

Section 5.3. Action by Board of Directors. At all meetings of the Board of Directors a majority of the total number of directors shall constitute a quorum for the transaction of business. A majority vote of the directors while a quorum is present shall constitute a decision of the Board of Directors, unless otherwise provided in the Act, these Articles of Incorporation or the Bylaws.

Section 5.4. Removal or Resignation of Directors. Except with respect to initial directors and directors appointed by the Declarant and replacements thereof, at any regular or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by the Owners who elected the director by a majority of the total number of votes entitled to be cast by such Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Owners shall be given at least ten days' notice of the time, place and purpose of the meeting, and shall be given an opportunity to be heard at the meeting. The notice of such meeting given to Owners shall state that one of the purposes of the meeting is to remove such director.

A director may resign at any time by giving notice to the Board of Directors, the President or the Secretary. Unless otherwise specified, such resignation shall take effect upon the receipt thereof and the acceptance of such resignation shall not be necessary to make the resignation effective.

Section 5.5. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a director by the Owners shall be filled by a majority vote of the remaining directors at the meeting of the Board held for such purpose promptly after the occurrence of such vacancy, or if the directors remaining in office constitute fewer than a quorum, an affirmative vote of the majority of the directors remaining in office even though the directors present at such meeting constitute less than a quorum. Each person so elected by the Board shall serve as a director until a successor is elected by the Association membership at the next annual meeting of the Association; the successor shall serve the remainder of the term. Vacancies caused by removal of a director by the Owners shall be filled by a vote of the Owners pursuant to 5.4, and the successor director shall serve the remainder of the term of the director being replaced. The term of replacement directors shall expire so that the staggered terms remain unaffected. The Declarant shall designate the successor to any initial director or any director appointed by or elected by the Declarant.

Section 5.6. Absence of a Board. Notwithstanding anything to the contrary contained in the Association Documents, in the absence of a Board of Directors, the members of the Association shall act on all matters of the Association.

## **ARTICLE 6** **REGISTERED OFFICE AND AGENT**

The registered office of the Association is located at 26332 Constitution Highway, Rhoadesville, Virginia 22542, which is located in the County of Orange. Bernitta Phelps, who is a resident of Virginia, is the registered agent of the Association.

## **ARTICLE 7** **AMENDMENT**

These Articles may be amended if the amendment is adopted by Owners entitled to cast at least sixty-seven percent of the votes in the Association and the Mortgagees if and as required pursuant to the Declaration, including the Declarant during the Development Period. Notwithstanding the foregoing, Owner approval is not required to amend the Articles of Incorporation for the types of amendments contemplated in the Act. No amendment to these Articles of Incorporation may diminish or impair the rights of the Declarant without the prior written consent of the Declarant.

## **ARTICLE 8** **DISSOLUTION**

The Association may be dissolved if the resolution to dissolve is adopted by Owners entitled to cast all of the votes in the Association. Upon termination of the Declaration and the dissolution of the Association other than incident to a merger or consolidation, the Association shall dispose of or distribute the real and personal property owned by the Association as directed by Owners entitled to cast at least a majority of the total number of

votes of the Owners. The assets of the Association shall be granted, conveyed, and assigned to another nonprofit corporation, association, trust or other organization or governmental agency devoted to purposes similar to those for which the Association was created.

IN WITNESS WHEREOF, the incorporator of the Association has signed these Articles of Incorporation on \_\_\_\_\_, 2023.

\_\_\_\_\_  
Incorporator

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