

BY-LAWS

LOCH LINDEN PROPERTY OWNERS' ASSOCIATION, INC.

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(herein called the "Association")

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The Association was formed as a non-stock, non-profit corporation for the purpose of providing an organizational framework for cohesive community efforts by and for the benefit of the owners and residents of LOCH LINDEN, a residential subdivision

of Warren County, Virginia. The Association is to provide for the necessary operation, administration and government of LOCH LINDEN as a community; and is also to provide machinery for the interpretation, application, administration and enforcement of certain restrictions and covenants affecting all lots in this subdivision. It is also to provide for the attainment of cultural, esthetic, recreational and general civic advantages for its members.

Wherever herein the term "lot" is used, it shall be deemed to mean, unless the context clearly indicates to the contrary, a numbered residential building lot shown on a plat of LOCH LINDEN recorded in the Clerk's Office of the Circuit Court of Warren County, Virginia in Deed Book 200 at pages 721 through 729. Any reference to "restrictions" or "covenants" shall, unless the context clearly indicates to the contrary, be deemed to mean the restrictions and covenants imposed upon residential building lots in LOCH LINDEN by the Deed of Dedication recorded in the aforesaid Clerk's Office in Deed Book 200 at pages 714 through 728 which Deed of Dedication is hereby expressly ratified and adopted by the Association.

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ARTICLE 1 OFFICES

Section 1.01. Principal office. The principal office of the Association shall be at such place as the Board of Directors shall from time to time by resolution determine.

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Section 1.02. Registered Office. The registered office of the Association in Virginia (as required by law) shall be at such place as the Board of Directors shall from time to time by resolution determine, and may, but need not be at the principal office of the Association.

Section 1.03. Other Offices. The Association may, in addition to its principal office, have offices at such other places within or without the Commonwealth of Virginia as the Board of Directors may from time to time appoint or as the business of the Association may require.

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ARTICLE 2 MEMBERSHIP

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Section 2.01. General. There shall be one class of members. Any person, firm, association or corporation having the fee simple ownership of any residential building lot or lots shall automatically be a member of the Association. In any case where any such lot is owned by two persons, firms, associations or corporations jointly, each such joint owner shall be a member of the Association. In the event any such lot is owned by more than two persons, firms, associations or corporations jointly such joint owners may designate the two owners who will be members, but upon their failure to do so the Board of Directors may make their designation. In no event shall there be more than one vote per lot regardless of the number of members. No member may resign, terminate or forfeit his membership, nor may any member be expelled.

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Section 2.02. Life Tenant and Remainderman. In any case where any lot is held by one or more persons for life with remainder to another or others, only such life tenant or tenants shall be deemed a member or members of the Association until such time as the remainderman or remaindermen shall come into sole possession and enjoyment of such lot.

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Section 2.03. Trustees. Where any lot is held in trust the trustee or trustees, and not any beneficiary, shall be a member o: members of the Association, except that the beneficial owne: 01 owners shall be deemed a member or members in any case where a lot is held under a deed of trust or title is otherwise transferred only for purposes of securing a debt.

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Section 2.04. Lessor and Lessee. As between owner and tenant of any lot, the owner shall be deemed a member of the Association.

• Section 2.05. Other cases. In any case involving determination of membership not specifically provided for above, the Board of Directors shall, by resolution, determine which person or persons having an interest in any lot shall be deemed a member or members of the Association.

Section 2.06. Transfer of Membership No member ay transfer, assign or otherwise dispose of his membership except upon (i) the transfer of legal title to the member's lot to the transferee; (ii) the presentation of evidence of such transfer is such form as the Board of Directors may require; and (iii) written notice of such Fact given to the Secretary of the Association setting forth the name and mailing address of the transferee and such other information as the Board os Directors may require.

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ARTICLE 3 RIGHTS AND PRIVILEGES OF MEMBERS

Section 3.01. Use of Amenities. Members shall be entitled to full use of all facilities and amenities provided from time to time by the Association in accordance with the provisions of these By-Laws and such rules and regulations as may be adopted from time to time by the Board of Directors.

Section 3.02. Guest Privileges. Except as may otherwise be provided in these By-Laws, guest privileges shall be extended iz accordance with the following provisions:

(a) The spouse and dependents of a member under the age of twenty-one shal! be entitled to unlimited guest privileges.

ib! Upon application to the Board of Directors and upo.. payment of such fees and charges as the Board of Directors may Sron time to time determine, lessees in residence may be granted unlimites guest privileges. Lessees in residence include per actually occupying a residence in LOCH LINDEN on such permanent basis as the Board of Directors may determine.

(c) Guests of a member shall be entitled to such use of the facilities of the Association as may be granted from time to time by the Board of Directors, in accordance with applicable rules and regulations. Guests, other than lessees accorded guest privileges under Section 3.02 (b), must be accompanied by members when using or visiting the lake and surrounding area.

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(a) Members shall be responsible for all debts and acts committed by their guests.

Section 3.03. Charges. The Board of Directors may establish use charges from time to time for the various facilities and amenities provided by the Association, and may provide for the payment of such charges either in cash or by credit.

ARTICLE 4 MEETINGS OF MEMBERS

Section 4.01. Annual Meetings. The annual meeting of the members of the Association, for the purpose of electing directors for the ensuing year and for the transaction of such other busines as may properly come before the meeting, shall be held on a dat fixed by the Board of Directors, between April 1 and June 1 of ea year.

Section 4.02. Special Meetings. A special meeting of members may be called at any time by the President or by the Board of Directors, or by members have one-twentieths of the votes entitled to be cast at such meeting.

Section 4.03. Place of Meetings. Each meeting of the members shall be held at ia) the principal office of the Association, c: (b) such other place in the Commonwealth of Virginia, as may be designated in the notice of such meeting.

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Section 4.04. Notice and Waivers. Written notice of each meeting of the members shall be given, by or at the direction 0: the officer or other person calling the meezing. Such notice shall state the place, day and hour of the meeting and in case of a special meeting, the purpose or purposes for which the

meeting 15 called. A copy thereof shall be delivered personally or mailed With postage prepaid to each member entitled to vote at such meeting; and, if mailed, it shall be directed to such member at his address as it appears on the records of the Association. In the case of a special meeting, notice shall be given not less than ten (10) days before such meeting; in the case of the annual meeting, notice shall be given not less than sixty (50) days before the meeting

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Notwithstanding the foregoing, a waiver of any notice here or by law required, if in writing and signed by the person entitled to such notice, whether before or after the time of the event for which notice was required to be given, shall be the equivalent of the giving of such notice. A member who attends a meeting shall be deemed to have had timely and proper notice of the meeting, unless he attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice of any adjourned or recessed meeting need not be given.

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Section 4.05. Quorum. Except as otherwise provided by law, at any meeting of the members, the presence in person or by proxy of members holding ten percent (10%) of the votes entitled to be cast at such meeting shall constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the members present in person or represented by proxy and entitled to vote may adjourn the meeting from time to time and from place to place until a quorum is obtained.

Section 4.06. Organization. At every meeting of the members, the President, or some person appointed by him, or, in the absence of the President, a person chosen by a majority vote of the members present in person or by proxy and entitled to vote, shall act as Chairman of the meeting. The Secretary, or any Assistant Secretary, or, in the discretion of the Chairman, any person designated by him, shall act as secretary of the meeting.

Section 4.07. Business and Order of Business. At each meeting of the members such business may be transacted as may properly be brought before such meeting, whether or not such business is stated in the notice of meeting or in a waiver, except as otherwise by law or by these By-Laws expressly provided. The order of business of all meetings of members shall be as determined by the Chairman, but such order of business may

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be changed by vote of a majority in voting power of the member's present in person or by proxy and entitled to vote at the meeting.

Section 4.08.

Voting.

(a) Except as otherwise provided by law, by the Articles of Incorporation, or by these By-Laws, each member shall be entitled to vote upon matters to be voted upon by the members. At each meeting of members held for any purpose, each member entitled to vote thereat shall be entitled to one vote.

(b) Any member: entities to vote may vote either in person or by proxy duly appointed by an instrument in writing subscribed by such member or by his attorney thereunto (a: authorized) and delivered to the secretary of the meeting.

(c) In the case of any lot owned by two or more persons, more than one of whom is a member of the Association, the vote attributable to such lot may be exercised in person or by proxy by any of such members. If more than one of such members owning a single lot shall undertake to exercise the vote attributable thereto at any meeting and they are unable to agree as to how the vote is to be cast, the vote shall be disregarded for all purposes.

(a) If a quorum is present, the affirmative vote of a majority in voting power of the members represented at the meeting and entitled to vote on the subject matter shall be the act of the members, unless the vote of a greater number is required by law.

ARTICLE 5 DIRECTORS

Section 5.01. General Powers. The affairs of the Association shall be managed by the Board of Directors, and all Corporate powers shall be exercised by the Board of Directors, except as otherwise expressly required by the Articles of Incorporation, by these By-Laws, or by law.

Section 5.02. Number, Term of office and Qualifications. Until changed by an amendment to these By-Laws, the number of directors shall be not less than five (5) nor more than nine (9). A Board of

Directors shall be elected annually in the manner provided in these By-Laws, and each director shall hold office until the annual meeting next following his election and until his successor shall have been elected, or until his sooner, death, resignation or removal. No decrease in the number of directors by amendment to these By-Laws shall have the effect of shortening the term of any incumbent director. Directors must be members, and must be domiciled in LOCH LINDEN.

Section 5.03. election of Directors. Directors shall be elected at each annual meeting of the members, or, if the election of directors shall not be held on the day designated for any annual meeting or at any adjournment of such meeting, the Board ca Directors shall cause the election to be hed at a special meeting of the members as soon thereafter as may be. In any election 05 directors, a quorum being present, the persons receiving the greatest number of votes shall be the directors.

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Section 5.04. Removal. Any director may be removed tan time, eithe: with or without cause, by such vote as would su:sice fo: his election, given in person or by proxy at a special meeting Os the members called expressiv for that purpose, at which a quoru. shall be present.

Section 5.05. Organization. At each meeting of the Board of Directors, the President, or, in his absence, a director chosen Sy the majority of the directors present, shall act as Chairman. The Secretary or an Assistant Secretary, or, in the discretion of the Chai.man, any person appointed by him, shall act as secretary of the meeting.

Section 5.06. Place of Meeting, Etc. The Board of Directors may holds its meetings at such place or places within or without the Commonwealth of Virginia as the Board o Directors may from time to time by resolution determine, or (unless contrary to resolution of the Board of Directors), at such place as shall be specified in the respective notices or waivers of notice thereof.

Section 5.07. Annual Meetings. The Board of Directors may meet, without notice of such meeting, for the purpose a organization, the election of officers and the transaction of other business, on the same day as, at the place at which, and as soon as practicable after each annual election of directors is held. Such annual meeting may be held at any other time or place specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or in a waiver of notice thereof.

Section 5.08. Regular Meetings. Regular meetings of the Board of Directors may be held at such tines and places as may be fixed from time to time by action of the Board of Directors. Unless required by resolution of the Board of Directors, notice of any such meeting need not be given.

Section 5.09. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, or by any two or more directors. Notice of each such meeting sha-1 be mailed to each director addressed to hin at his residence 0. usual place o 5 business, at least three (3) days before the date on which the meeting is to be held; or such notice shall be sent to each director at such place by telegraph, cable, or wireless C. be delivered to him personally or by telephone not later tha. twenty-Sur (24) hours before the cine at which the meeting is to

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be held. Every such notice shall state the time and place of the meeting. Notice of an adjourned or recessed meeting cf the directors need not be given.

Section 5.10. Waivers of Notice Of Meetings. Anything in these Sy-Laws or in any resolution adopted by the Board cs Directors to the contrary notwithstanding proper notice of ary meeting of the Board of Directors shall be deemed to have been given to any director is such notice shall be waived by him in writing (including telegraph, cable or wireless) before or afte: the meeting. A director who attends a meeting shall be deemed to have had timely and prope: notice thereof, unless he attends to: the express purpose of objecting to the tsansaction or any business because the meeting is not lawfully called or convened.

Section 5.11. Quorum and Manner of Acting. A majority of the number of directors at the time fixed by these By-Laws shall constitute a quorum for the transaction of business. The act c: a majority of the directors present at any meting at which a quoru.. is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present any adjourn the meting from time to time until a quorum be had. The directors shall act only as a 3oard and the individual directors shall have no power as such.

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Section 5.12. Resignations. Any director may resign at any time, orally, or in writing, by notifying the President or the Secretary. Such resignations shall take effect at the time therein specified; and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.13. Vacancies. Any vacancy in the Board of Directors, caused by death, resignation, removal, disqualification, or any other cause (other than an increase by more than two in the number of directors), may be filled for the unexpired term by the majority vote of the remaining directors then in office, though less than a quorum, at any regular or special meeting of the Board of Directors.

Section 5.14. Committees. The Board of Directors, may, by resolution adopted by a vote of a majority of the Jumber C directors at the time fixed by these By-Laws, designate three or more of their number, including in each case the President, as an Executive Committee. While the Board of Directors is not in session, the Executive Committee, if there then be such a committee, shall have and exercise the authority of the Board of Directors in the management of the business and affairs of the Association, subject to the restrictions hereinafter set out and further subject to such limitations upon its authority as the Board may, from time to time, impose.

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In addition to an Executive Committee, the Board of Directors may, by resolution of a majority of the directors present at any meeting at which a quorum is present, designate other committees of limited authority, each such committee to consist of three or more directors or members of the Association.

A majority of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the committee. Members of any such committee shall act only as a committee and the individual members shall have no power as such.

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The Board of Directors shall have the power at any time to change the members of, and vacancies in, and discharge any such committee, either with or without cause. The appointment of an director to any such committee, if not sooner terminated, shall automatically terminate upon the expiration of his term as a director or upon the earlier cessation of his membership on the Board of Directors.

Section 5.15. Action without a Meeting. Any action required to be taken at a meeting of the directors, or which may be taken at any meeting of the directors or of a committee of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, or all of the members of the committee of directors, as the case may be. Such consent shall have the same force and effect as a unanimous vote.

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ARTICLE 6 OFFICERS

Section 6.01. Officers. The officers of the Association shall be a President, a Treasurer, and a Secretary, and where elected, one or more Vice Presidents, and the holders of such other offices as may be established in accordance with the provisions of Section 3 of this Article. Any two or more offices may be held by the same person; provided only, that the same person shall not hold the offices of both President and Secretary.

Section 6.02. election, Term of office and qualifications. The officers shall be elected annually by the Board of Directors, as soon as practicable after the annual election of directors in each year. Each officer shall hold office until his successor shall have been duly chosen and shall qualify, or until his death, resignation or removal in the manner hereinafter provided. The President shall be chosen from among the directors, but no other officer need be a director. All officers must be members of the Association, and domiciled in LOCH LINDEN.

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Section 6.03. Subordinate Officers. The Board of Directors may from time to time establish officers in addition to those designated in Section 1 with such duties as are provided in these By-Laws, or as they may from time to time determine.

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Section 6.04. Removal. Any officer may be removed, either with or without cause, by resolution declaring such removal to be in the best interests of the Association and adopted at any regular or special meeting of the Board of Directors by a majority of the directors then in office.

Section 6.05. Resignations. Any officer may resign at any time by giving oral or written notice to the Board of Directors or the President or the Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later time therein specified; and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

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Section 5.06. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled for the unexpired portion of the term by the Board of Directors.

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Section 6.07. President. The President shall be a director and shall be the chief executive and administrative officer of the Corporation and have general supervision of the business of the Corporation, subject, however, to the control of the Board of Directors and of any duly authorized committee of directors. In general, he shall perform all duties incident to the office of President and such other duties as may from time to time be assigned to him by the Board of Directors or by any duly authorized committee of directors, and shall have such other powers and authorities as are elsewhere in these By-Laws conferred upon him.

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Section 6.08. Vice-Presidents. The Vice Presidents shall perform such duties as from time to time may be assigned to them by the Board of Directors, or by any duly authorized committee of directors or by the President, and shall have such other powers and authorities as are elsewhere in these By-Laws conferred upon them.

Section 6.09. Treasurer. Except as may otherwise be specifically provided by the Board of Directors or any duly authorized committee thereof, the Treasurer shall have the custody of, and be responsible for, all funds and securities; receive and receipt for money paid to the Association from any source whatsoever; deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these By-Laws; against proper vouchers, cause such funds to be disbursed on the authorized depositories of the Association, regularly enter or cause to be entered in books to be kept by him or under his direction, full and adequate accounts of all money received and paid by him for account of the Association; in general, perform all the duties incident to the office of Treasurer.

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Section 6.10. Secretary. The Secretary shall act as Secretary of all meetings of the members and of the Board of Directors, shall keep the minutes thereof in the proper book : books to be provided for that purpose; shall see that all notices

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required to be given by the Association are duly given and served; shall be the custodian of the seal of the Association and shall affix the seal or cause it to be affixed to all documents the execution of which on behalf of the Association under its corporate seal is duly authorized; shall have charge of the books, records and papers of the Association relating to its organization and management as a corporation; shall, in general, perform all the duties incident to the office of Secretary.

Section 6.11. Assistant Treasurers and Assistant Secretaries. Assistant Treasurers and Assistant Secretaries shall perform such duties as shall be assigned to them by the Treasurer and the Secretary, respectively, or by the Board of Directors, or by a duly authorized committee of Directors, or by the President; and shall have such other powers and authorities as are elsewhere in these By-Laws conferred upon them.

ARTICLE 7 ENVIRONMENTAL CONTROL COMMITTEE

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Section 7.01. Appointment. The Board of Directors shall appoint an Environmental Control Committee for the purpose of exercising rights vested in the Association with respect to approval of plans submitted by members covering the erection of any building or other structure on any lot as provided in

the restrictions.

Section 7.02. Policy Statement. The Environmental Control Committee shall publish, and from time to time revise and update, a statement of the general policies and criteria which will be followed by it in passing upon plans submitted by members.

Section 7.03. Organization. The Environmental Control Committee may adopt such rules and regulations as it may deem proper for the conduct of its business and the formalization of its determinations. A formal record of its proceedings shall be kept.

Section 7.04. Fees. A fee of not to exceed \$50.00 may be assessed by the Environmental Control Committee against any member submitting a plan or plans for its approval, which fee shall be payable into the general funds of the Association.

ARTICLE 8 DUES AND ASSESSMENTS

Section 8.01. Dues. The Board of Directors shall, from time to time, establish such membership dues as it may deem necessary for the adequate performance by the Association of its functions, including the annual fee of ONE HUNDRED TWENTY DOLLARS (\$120.00) to provide funds for the maintenance of the lake and roads in the subdivision as provided in the aforementioned Deed of Dedication. Dues may be made payable at such intervals as the Board deems appropriate.

Directors may from time to time determine. Dues shall be assessed on a per lot basis.

Section 8.02. Assessments. Notwithstanding Section 3.01, the Board of Directors may make a special assessment or charge against any member or members for special services rendered under the limitations provided in the recorded Deed Of Dedication. The Board is expressly authorized to fix a fee to be imposed upon the owner of any lot on which improvements are being constructed to cover the cost of damage likely to be caused to the roads of LOC LINDEN by heavy construction equipment and vehicles, upon such terms and conditions as the Board deems appropriate.

Section 8.03. LOSS of Voting Rights. Any member who shall not have paid any dues or assessments payable by him within thirty (30) days after the same shall be due and payable, shall not be entitled to vote as a member while such arrearage continues.

Section 8.04. Collection. The Association shall be entitled to collect dues and assessments owing it by legal process in any case where it is so provided by contract or covenant to which the Association is a party or of which it is a beneficiary.

Section 8.05. Amendment. Notwithstanding the provisions of Article 11 of these By-Laws dealing with amendments hereto generally, no provision of this Article 8 of these By-Laws nor any other provision hereof dealing with members' financial obligations to the Association, shall be amended except by the members at a special meeting called for that purpose, or at an annual meeting where notice of the proposed change accompanied the notice of meeting, upon the affirmative vote of more than seventy-five percent (75%) in voting power of the members present or represented by proxy at a meeting at which a quorum is present. This Section 5 of Article 8, however, shall be amended only upon the affirmative vote, given in like manner, or more than ninety percent (90%) in voting power of the members present or represented by proxy at a meeting at which a quorum is present.

ARTICLE 9 CONTRACTS, CHECKS, DRAFTS, BANK ACCOUNTS, ETC.

Section 9.01. Execution of Contracts and Other Documents. The Board of Directors or any duly authorized committee of directors, except as by law or by these By-Laws otherwise required, may authorize any officer or officers, agent or agents, in the name of and on behalf of the Association to enter into any contract or execute any deed or other instrument, and any such authority may be general or confined to specific instances.

Section 9.02. Checks, Drafts, Etc. All checks, drafts and other orders for payment of money out of funds of the Association shall be signed on behalf of the Association in such manner as

shall from time to time be determined by resolution of the Board of Directors or of any duly authorized committee of directors.

Section 9.03. Deposits. The funds of the Association not otherwise employed shall be deposited from time to time to the order of the Association in such banks, trust companies or other depositories as the Board of Directors or any duly authorized committee of directors may from time to time select.

Section 9.04. Maintenance Contract. The Board of Directors shall have the authority, in its discretion, to arrange to have the maintenance and care-taking functions of the Association, or any part thereof, performed for the Association by a third party or parties pursuant to contract. Any such third party may be a member of the Association or may be controlled by one or more members of the Association.

ARTICLE 10 HISCELLAN ZOUS

Section 10.01. Seal. The corporate seal shall contain the name of the Association, the year of its creation, and the words "Corporate Seal, Virginia", and shall be in such form as may be approved by the Board of Directors.

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Section 10.02. Fiscal Year. The fiscal year of the Association shall end on the last day of December in each year.

ARTICLE 11 AMENDMENTS

Section 11.01. By the Directors. The Board of Directors, by a vote of two-thirds (2/3) of all directors then serving, shall have the power to make, alter, amend or repeal the By-Laws of the Association at any regular or special meeting of the Board. This power shall not be exercised by the Executive Committee.

Section 11.02. By the Members. At any annual or special meeting, By-Laws may be adopted, and all By-Laws shall be subject to amendment, alteration or repeal, by a majority of the members entitled to vote. Pursuant to resolution adopted by a majority of the members entitled to vote, the members may provide that certain By-Laws by them adopted, approved or designated may not be amended, altered or repealed except by a certain specified vote of the members.