

# BY-LAWS OF COLLEGE STATION OWNERS ASSOCIATION, INC.

## ARTICLE I Corporate Office

Section 1.01 The term Association herein shall be interchangeable with the term Corporation.

Section 1.02 The registered office of the Corporation in the Commonwealth of Virginia is located at the president's home address. The Corporation may also have an office or offices at such place or places, within or outside the Commonwealth of Virginia, as the Board of Directors may from time to time designate or the business of the Corporation require.

## ARTICLE II Applicability

Section 1.01 All present and future owners, mortgagees, lessees and occupants of lots, and their employees, and any other persons who may use the properties in any manner are subject to these By-Laws, and the rules and regulations made pursuant thereto. The acceptance of a deed of conveyance or entering into a lease or using or occupying a lot on the common areas shall constitute an agreement that, these By-Laws, and any rules and regulations made pursuant thereto, as any of the same which may be amended or ratified from time to time, are accepted and will be complied with.

## ARTICLE III Board of Directors

Section 1.01 The affairs of the Association shall be conducted by a Board of five Directors who shall also be the officers of the Association.

Section 1.02 Nomination At each annual meeting, the members shall elect a Board of Directors for the forthcoming year. At least thirty days prior to the annual meeting, the Board of Directors shall appoint a nominating committee from among the board members or from unit owners. The Nominating Committee shall name one nominee for each vacant position on the Board of Directors. Prior to the annual meeting, nomination for the Board of Directors may also be made from the floor at the annual meeting.

Section 1.03 Term Directors shall serve until their respective successors are elected, or until, resignation, or removal.

Section 1.04 Resignation and Removal Any Director may resign at any time by giving written notice to the Board of Directors. A Director may be removed from membership on the Board of Directors by an affirmative vote of owners having two-thirds of the voting

power. Whenever there shall occur a vacancy on the Board of Directors due to death; resignation, removal or any other cause, the remaining Directors shall select a successor Director to serve until the next annual meeting of the members, at which time said vacancy shall be filled by simple majority.

Section 1.05 Compensation The Board of Directors shall receive no compensation for their services unless expressly provided by the Board of Directors with the approval of the members having two-thirds of the voting power. Nothing herein shall be construed as to preclude a Director from serving the corporation in any other capacity and receiving compensation therefor.

Section 1.06 Powers of the Board of Directors The Board of Directors, for the benefit of the properties and the owners, shall enforce the provisions of the, By-Laws, and Rules and Regulations governing the properties. In addition to the powers expressly conferred upon the Board by these By-Laws the Board of Directors shall determine all questions relating to the management of the Properties and may exercise all such powers of the Corporation and do all such lawful acts and things as are not by Statute, or by these By-Laws, specifically directed or required to be done by the Members.

Section 1.07 The Board of Directors shall acquire and shall pay for the following out of the Common Expense Fund hereafter provided:

- a. Utilities such as trash collection, electrical, and other necessary utility service for the Common Area (and the properties to the extent not separately metered or charged);
- b. Such policy or policies of insurance in the type, coverage and amount as the Board of Directors deems advisable for the protection of the Association and of its members, including public liability insurance in an amount not less than one million dollars.
- c. The services of a person or firm to manage its affairs (hereinafter called the "Manager") to the extent deemed advisable by the Board of Directors as well as such other personnel as the Board of Directors shall determine shall be necessary or proper for the operation of the Common Areas and carrying out its duties, whether such personnel are employed directly by the Board of Directors or are furnished by the Manager;
- d. A fidelity bond naming the treasure and or the Manager, and such other persons as may be designated by the Board of Directors as principals and the owners as obligees, in an amount at least equal to fifty-percent of the total sum collected through the Common Expense Fund during the preceding year;
- e. Maintenance including painting, maintenance, repair and all landscaping of the common areas and exterior maintenance and repair on all lots and improvements, and such furnishings and equipment for the common areas (and for exterior maintenance of lots and improvements) as the Board of Directors shall determine to be necessary and proper, and the Board of Directors shall have the exclusive right and duty to acquire the same. Interior maintenance and repair of College Station units shall be the responsibility of the owners thereof and all such interior maintenance and repairs shall be at the sole cost and expense of the particular owner;

- f. The necessary annual documentation and filing fees to maintain the present and proper status with the Virginia State Corporation Commission.

Section 1.08 The Board of Directors shall have the right to acquire, operate, lease, manage, and otherwise trade and deal with property, real and personal, including lots, as may be necessary or convenient in the operation and management of the properties, and in accomplishing the purposes set forth in the By-Laws.

Section 1.09 The Board of Directors shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the Common Expense Fund. This provision shall not be construed to prohibit the Board of Directors from delegating such authority to the Manager as it deems proper.

Section 1.10 The Board of Directors shall have the right to borrow money for the purpose of improving the common area and facilities and in aid thereof to mortgage such property, and shall have the right to authorize appropriate officers to issue notes, bonds, debentures, obligations and evidence of indebtedness of all kinds to carry out such purpose.

Section 1.11 The Board shall have the authority to regulate and control the assignment of parking facilities to insure the uniform and fair use of the same.

Section 1.12 Meetings of the Board of Directors

- a. Regular meetings of the Board of Directors may be held without notice.
- b. Special Meetings of the Board of Directors may be called by the President or by any two Board Members. Such meetings may be held either within or outside the State of Virginia.
- c. The person or persons calling a special meeting shall give at least ten days notice of the time and place thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.
- d. Simple majority of members of the Board of Directors at either a regular or special meeting shall constitute a quorum and, if a quorum is present, the decision of a majority of those present shall be the act of the Board of Directors.
- e. The voting shall be conducted by the President and shall be one vote for every officer in attendance.
- f. The Board of Directors shall annually elect all of the officers of the corporation as set forth in Article IV of these By-Laws. The meeting for the election of officers shall be held at a meeting of the Board of Directors, to be called immediately following the annual meeting of the Members.
- g. Attendance by a Director at the meeting shall constitute a waiver of notice of such meeting except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called.

- h. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 1.13 Indemnification of Directors, Officers, Employees, and Agents.

- a. The Association shall have power to indemnify and will indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Director, Officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other entity against expenses including attorneys' fees) actually and reasonably incurred by him in connection with defense or settlement of such action or suit (if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association) and except that no indemnification shall be made in respect of any claim, issue or matter as to which such Person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expense which such court shall deem proper.
- b. Any indemnification under subsections (b) (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (b). The Board of Directors shall make such determination by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by a majority vote of the Members.
- c. Expenses (including attorneys' fees) incurred in defending an action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in subsection (D) upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount until it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this section.
- d. The Association shall have power to make any other or further indemnity, including criminal proceedings, to any Person referred to in this section that may be authorized by any Bylaw made by the Members or any resolution adopted, before or after the event, by the Members, except an indemnity against his gross negligence or willful misconduct. Each such indemnity may continue as to a Person who has ceased to have the capacity

referred to above and may inure to the benefit of the heirs, executors and administrators of such a person.

- e. The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another entity against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the association would have the power to indemnify him against such liability under the provisions of this section.
- f. For the purposes of this section, references to the "Association" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any Person who is or was a director, officer, serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, company, trust or other entity shall stand in the same position under the provisions of this Section with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

#### Article IV Officers of the Association

Section 1.01 The officers of the association shall be a President, Vice President, Secretary, Treasurer and immediate Past President. The offices of Secretary and Treasurer may be held by one person. ~~The President must be a member of the Board of Directors.~~ No officer shall receive compensation for serving as such. Officers shall be annually elected by, and may be removed and replaced by, the Board of Directors. The Board of Directors may in its discretion require that any or all officers be subject to fidelity bond coverage in favor of the association.

- a. The President shall preside at all meetings of the Association and of the Board of Directors and may exercise the powers ordinarily allocable to one holding that office, including the appointment of committees.
- b. The Vice President shall perform the functions of the President in the absence or inability of the President.
- c. The Secretary shall keep minutes of all proceedings of the Board of Directors and of the meetings of the corporation and shall keep such books and records as may be necessary and appropriate for the records of the Corporation and its Board of Directors.
- d. The Treasurer shall be responsible for the fiscal affairs of the corporation but may delegate the daily handling of income and expense payments to the authorized Manager employed by the Board of Directors.
- e. The Immediate Past President shall provides continuity and background from one board to another.

- f. In the case of absence or inability to act of any Officer of the corporation, the Board of Directors may, delegate the powers or duties of such officer to any other Officer, Director or unit owner whom it may select.

## Article V Meetings of the Association

Section 1.01 A quorum is present when a majority of the voting members are present in person or by proxy. Written and signed proxies must be filed with the Secretary before the appointed time for each meeting.

Section 1.02 The voting shall be conducted by the President and shall be one vote for every unit owned. Unless otherwise expressly provided, any action may be taken at a meeting of the Association upon the affirmative vote of a majority of the owners present and voting.

Section 1.03 Reasonable efforts shall be made to provide an agenda for the meeting ten days prior to the meeting, but the business of these meetings shall not be limited to the items on the agenda.

Section 1.04 Notification of such meetings shall be done personally, electronically or by mail. Each unit owner shall be responsible for notifying the secretary of the association on their preferred means of notification. If delivery is by mail, it shall be deemed to have been delivered five days after a copy of the same has been deposited in the United States Mail, postage prepaid, addressed to such person at the address given by the person to the Board of Directors or Manager for the purpose of service of such notice. Such address may be changed from time to time by notice in writing to the Board of Directors.

Section 1.05 Annual Meeting. The annual meeting of the Members of the Association shall be during the fall of each year at a reasonable place or time as may be designated by written notice of the Board of Directors delivered at least seven days prior to the date fixed for said meeting. At the annual meeting, the Board of Directors shall present a statement of the Association's expenses, itemizing receipts and disbursements for the current fiscal year, and the estimated common expenses for the year end and the coming fiscal year with the allocation thereof to each owner. Said statement shall be delivered to the Members not present at said meeting by mail or in electronic format.

Section 1.06 Special meetings of the Association may be called at any time for the purpose of considering matters which require the approval of all or some owners, or for any other reasonable purpose. Said meetings shall be called by written notice, signed by a majority of the Board of Directors, or by Owners having ownership of at least eight units, and delivered to all of the members of the corporation not less than fifteen days prior to the date fixed for said meeting. Said notices shall specify the date, time and place of the meeting, and the matters to be considered.

Section 1.07 Parliamentary Rules. Robert's Rules of Order shall govern the conduct of corporation meetings when not in conflict with these By-Laws.

**ARTICLE VI**  
Common Expenses

Section 1.01 The amount of the Annual Assessments shall be fixed by the Board of Directors against each lot at least thirty days in advance of each annual assessment period. Written notice of each assessment shall be made to every Unit Owner. The assessment period is a calendar year.

Section 1.02 A reasonable Charge for Late Payment of Assessments is the right of the Board of Directors to impose. This late charge for nonpayment of assessments or installments thereof may be imposed within fifteen days of the date such payments become due.

**ARTICLE VII**  
Abatement of Enjoyment

Section 1.01 The Violation of Any Rules or regulations adopted by the Board or breach of any By-Law contained herein, shall give the Board the right, in addition to any other rights set forth in these By-Laws: (a) to enter the place in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

**ARTICLE VII**  
Manager

Section 1.01 The Board of Directors may delegate any of its duties, powers or functions, including but not limited to, the authority, to act as Manager of the Properties, provided that any such delegation shall be revocable upon notice by the Board of Directors. The members of the Board of Directors shall not be liable for any omission or improper exercise by the Manager of any such duty, power or function so delegated by written instrument executed by a majority of the Board of Directors.

**ARTICLE VIII**  
Special Committees

Section 1.01 The Board of Directors by resolution, may designate one or more committees, each committee to consist of two or more members, which, to the extent provided in said resolution, shall have and may exercise the powers set forth in said resolution. Such Committees shall have such name or names as may be determined from by the Board of Directors. Such Committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required. The members of such Committees shall be appointed by the Board of Directors. The Board of Directors may appoint members to fill vacancies on each of the said Committees occasioned by death, resignation, removal or inability to act for any extended period of time.

**ARTICLE IX**  
Rules and Regulations

Section 1.01 The Board of Directors shall have the right to adopt and amend rules and regulations governing the details of the operation, maintenance and use of the Common Areas and Lots, as authorized by the By-Laws. Copies of the rules and regulations shall be furnished to each Owner prior to the time the same shall become effective.

**ARTICLE X**  
Audit

Section 1.01 Any Owner may at any time at his own expense cause an audit or inspection to be made of the books and records of Manager or Board of Directors. The Board of Directors, as a common expense, shall obtain an annual audit of all books and records pertaining to the Properties and furnish copies thereof to the Owners.

**ARTICLE XI**  
Severability

Section 1.01 The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any other provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.



**ARTICLE XI**  
**Order of Business**

Section 1.01 The normal order of meetings of the College Station Owners Association is:

- a. Roll Call
- b. Proof of Notice Meeting;
- c. Reading and acceptance of Preceding Meeting
- d. Reports of Officers
- e. Reports of Management Agent
- f. Reports of Committees
- g. Elections and Appointments
- h. Unfinished Business
- i. New Business
- j. Adjournment