

AMENDMENT TO BY-LAWS OF  
SILVER CUP ESTATES HOMEOWNERS' ASSOCIATION, INC.

The following amendments to the By-Laws of the Silver Cup Estates Homeowners' Association, Inc., are made this 7<sup>th</sup> day of August 2008, by the owners of lots and members of the Silver Cup Estates Homeowners' Association, Inc., hereinafter referred to as the "Association";

WITNESSETH:

WHEREAS, the Association is comprised of all owners of the lots in the subdivision of Silver Cup Estates as the same appears duly dedicated, platted, and recorded among the land records of Fauquier County, Virginia, in Deed Book 0910, Page 375 and Deed Book 1015, Page 1353, and;

WHEREAS, the Association desires to amend the By-Laws for the purpose of enhancing and protecting the value, attractiveness, and desirability of the lots and homes constituting the Subdivision;

Now, therefore in consideration of the mutual benefits to be derived therefrom, and pursuant to Article XVI, Section 1 of the By-Laws of the Association, the Association does hereby amend the By-Laws as follows:

Article V, Meeting of Members, Section 2, Special Meeting is hereby amended by the addition of the following sentence:

Such special meetings shall be held within 45 days from the submission of the request to the office of the managing agent of the association.

Article VI, Board of Directors: Selection: Term of Office, Section 1., Number, is hereby deleted and the following is substituted therefor:

The affairs of this Association shall be managed by a Board of Directors of three (3) to nine (9) Directors, who must be resident members of this Association.

Article X, Officers and Their Duties, Section 4, Special Appointments, shall be amended so that the title of the section is changed to "Limited Term Appointments," and by the addition of the following sentence:

These Board members shall be elected for a limited-term assignment, need not be members of this Association, will have no voting rights, and their terms of assignment will be for a period not to exceed three (3) months.

IN WITNESS WHEREOF, the above amendment having been approved pursuant to Article XVI, Section 1 of the By-Laws of the Silver Cup Estates Homeowners' Association, with the requisite number of homeowners voting in favor of the amendments at a Special Meeting of the membership, the undersigned has executed this instrument and set his hand and seal hereto as of the day and year first above written:

Silver Cup Estates Homeowners' Association, Inc.

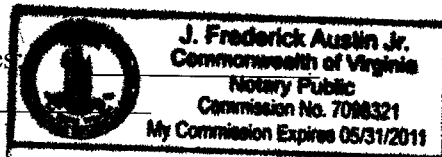
By: Andrew Acres 12/1/08  
Andrew Acres, President  
Board of Directors

COMMONWEALTH OF VIRGINIA  
COUNTY OF FAUQUIER, to wit:

The foregoing instrument was acknowledged before me, a notary public, this 11<sup>th</sup> day of December, 2008 by Andrew Acres, President Board of Directors' of the Silver Cup Estates Homeowners' Association, Inc.

J. Frederick Austin Jr.  
Notary Public

My commission expires  
ID Number: \_\_\_\_\_



BY-LAWS  
OF  
SILVER CUP ESTATES SUBDIVISION HOMEOWNERS ASSOCIATES, INC.

ARTICLE I

NAME AND LOCATION. The name of the Corporation is Silver Cup

Estates Homeowners Associates, Inc., hereinafter referred to as the "Association".

The principal office of the Corporation shall be c/o SYG Associates, Inc., P. O. Box 728, Nokesville, Virginia, 20182, but the meetings of the Members and Directors may be held at such places within the Commonwealth of Virginia, County of Fauquier, as may be designated by the Board of Directors.

ARTICLE II

Section 1. "Association" shall mean and refer to SILVER CUP

SUBDIVISION HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

ARTICLE III

Section 2. "Properties" shall mean and refer to that certain Real Property

described in the Declaration of Protective Covenants, Conditions and Restrictions recorded in Deed Book 910 at Page 382, among the land records of Fauquier County, Virginia, and such annexations or additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean any or all Real Property owned by the

Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plat of land shown upon any

recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more person or entities, of the fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to SYG ASSOCIATES, INC., A VIRGINIA CORPORATION, their successors and assigns, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purpose of development and dwelling construction.

Section 7. "Declaration" shall mean and refer to the Declaration of Protective Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Clerk of the Circuit Court, Fauquier County, Virginia.

Section 8. "Member" shall mean and refer to those persons entitled to Membership as provided in the Declaration.

#### ARTICLE IV

#### MEMBERSHIP

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided interest in any Lot which is subject to covenants or record or to assessment by the Association, including contract sellers, shall be Members of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessments by the Association. Ownership of such Lot shall be the sole qualification for Membership.

Each Member shall be entitled to one (1) vote, subject to the provisions of Paragraph 11 (H) of the Declaration of Protective Covenants, Conditions and Restrictons as to the vote of Class B. Members, and any Member owning more than one (1) Lot shall be entitled to one (1) vote for each Lot owned. In the event that the ownership in said subdivision is held in more than one name, any joint Owner present shall have the right to exercise the Membership vote for the respective Lot.

Section 2. Suspension of Membership. During the period in which a Member shall be delinquent in the payment of any assessment levied by the Association, or any installment thereof, upon Registered Mail Notice to the Owner, the right to vote and use of recreational facilities may be suspended by the Board of Directors until payment has been made. Such rights of a Member may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors or the Declaration of Protective Covenants, Conditions and Restrictions.

#### ARTICLE IV

##### PROPERTY RIGHTS - RIGHT OF ENJOYMENT

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Area in accordance with the rules and regulations adopted by the Membership. Any Member may delegate his/her rights of enjoyment of the Common Area to the Members of his/her family, his/her tenants or contract purchasers, who reside on the Property. Such Member shall notify the Secretary in writing of the name of such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the Member.

## ARTICLE V

### MEETING OF MEMBERS

Section 1. Annual Meetings. The first Annual Meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular Annual Meeting of the Members shall be held each year thereafter not more than fourteen (14) months nor less than ten (10) months from the previous Annual Meeting, on such date and at such time as voted upon by the Board of Directors, provided that there shall be an Annual Meeting in each calendar year.

Section 2. Special Meeting. Special Meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all the votes of the Membership.

Section 3. 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, at least fifteen (15) 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.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, no less than one-third (1/3) 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, these By-Laws, or the statutes of the Commonwealth of Virginia. If, however, such quorum shall not be present or

represented at any meeting, the members entitled to vote thereat shall have the 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. Members may vote in person or by proxy.

Section 5. Proxies. 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 after one (1) year or upon conveyance by the member of his /her Lot whichever event occurs first.

Section 6. Method of Voting. Elections or questions to be submitted to all or any part of the membership may be decided at a meeting or by ballot vote, by mail, or at polling places designated by the Board. The Board shall determine the method of voting by resolution and give notice thereof as provided herein.

## ARTICLE VI

### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors of three (3) to nine (9) Directors, who need not be members of this 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 at each Annual Meeting thereafter the Members shall elect one (1) Director for a term of three (3) years. At any time the Members may expand the Board of Directors to nine (9) members and at such time an appropriate number of Directors shall be elected for staggered terms in the same

proportion as provided above. Any vacancy occurring in the initial or subsequent Board of Directors may be filled at any meeting of the Board of Directors by the affirmative vote of a majority of the then remaining Directors, though less than a quorum of the Board of Directors, or by a sole remaining Director. If not so previously filled, the vacancy shall be filled at the next succeeding meeting of the Members of the Association. Any Director elected to fill a vacancy shall serve as such until the expiration of the term of the Director, the vacancy whose position he/she was elected to fill.

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/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he/she may render to the Association. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE VII

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at



the Annual Meeting. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to the each Annual Meeting of the Members to serve from the close of such Annual Meeting until the close of the next Annual Meeting and such appointment shall be announced at each Annual Meeting. The Nominating Committee shall made as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or their delegees. Nominations may also be made from the floor at the Annual Meeting subject to procedural rules adopted by the Board. Such rules shall not be established so as to exclude any Member desiring to be a candidate or desiring to submit the name of a candidate from doing so.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VIII

### MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular Meeting of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by the Board.

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 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 except that for the purposes of filling vacancies on the Board of Directors, a majority of the number of Directors then serving shall constitute a quorum for such purposes. 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 IX

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to: (a) adopt and publish rules and regulation 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 the voting rights and right to the use of the recreational facilities, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (6) 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; and (e) employ a manager, an independent contractor, or such other employees as they may deem necessary, and to prescribed their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to: (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members of the Annual Meeting of the Members, or at any Special Meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote; (b) supervise all officers, agents and employees of this Associates, and to see that their duties are properly performed; (c) as more fully provided in the Declaration to: (i) fix the amount of annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; (ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each assessment period; and (iii) send registered Mail Notice of Delinquency to the Owner if an assessment is not paid within thirty (30) days after the due date; such notice shall provide that if full payment, together with late fees, is not received within sixty (60) days, the expressed contractual lien on the Property may be foreclosed and/or an action at law may be brought against the Owner personally; (d) issue, or cause an appropriate Office or agent to issue, upon demand by any person and upon payment of a fee of Five Dollars (\$5.00) or such other fee as established by the Board from time to time, a certificate setting forth whether or not any assessments have been paid. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment; (e) procure and maintain adequate liability and all risk hazard insurance on the Property owned by the Association, if any, said policy limits to

have a minimum of One Million Dollars (\$1,000,000.00) per occurrence provision; (f) cause all officers or employees having financial responsibilities to be bonded, as it may deem appropriate; (g) cause the Common Area to be maintained; (h) enforce compliance with all provision of the Declaration of Protection Covenants, Conditions and Restrictions; (i) procure and maintain adequate Directors and Officer liability insurance; and j) designate depositories for Association funds; designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Associates and cause such persons to be bonded as it may deem appropriate.

Section 3. Bond. Each member of the Board of Directors shall be bonded in the performance of his/her duties by a Fidelity Bond and the costs of said Bond shall be paid by the Association.

## ARTICLE X

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The Officers of this Association shall be a President and Vice President, show shall at all times be members of the Board of Directors, a Secretary and Treasurer, and such other Officers 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 of Directors and each shall hold office for one (1) year unless he/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 who 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 or 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/she replaces.

Section 7. Multiple Offices. The Offices of President and Secretary may not be held by the same person. The Offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 6 of this Article.

Section 8. Duties. The duties of the Officers are as follows: PRESIDENT: (a) The President shall preside at all meeting 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 promissory notes. The President shall make appointments of the Committee Chairpersons of all standing Committees. VI CE PRESIDENT: (b) The Vice-President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge

such other duties as may be required of him/her by the Board. SECRETARY: (c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; shall keep the Corporate Seal of the Association and affix it on all papers requiring said Seal; shall serve notice of meetings of the Board and of the members; shall 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. TREASURER (d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse 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; shall cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the Membership at its regular Annual Meeting, and deliver a copy of each to the Members.

## ARTICLE XI

### COMMITTEES

The Association shall appoint an Architectural Control Committee as provided in the Declaration, and a Nominating Committee as provided in these By-Laws (Article VII, Section 1). In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE XII

### BOOKS AND RECORDS

The books, records and papers of the Association shall at all time 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 a 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 Property against which the assessment is made. Any assessments which are not paid within thirty (30) days of the due date shall be delinquent. Delinquent assessments shall be subject to a late fee of Five Dollars (\$5.00) per month or other such late fee as the Board of Directors may establish from time to time. In addition, the Association may give Registered Mail notice to the Owner that in the event payment, together with late fees, is not paid within sixty (60) days of mailing such notice, the Association may foreclose the lien against the Property subject to Paragraph 11 of the Declaration of Protective Covenants, Conditions and Restrictions and/or bring an action at law against the Owner personally to pay the same. Interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of a Lot.

ARTICLE XIV

LIABILITY, INDEMNIFICATION AND INSURANCE OF DIRECTORS

Section 1. Liability. No Director or Officer shall be liable for transacting business for the simultaneous benefit of the Association and himself/herself whether directly or indirectly, provided that a least two-thirds (2/3) of the Board of Directors of the Association approves the transaction(s) following full disclosure by said Director or Officer.

Section 2. Indemnification. The Association shall indemnify the Directors, Officers, employees or agents, and may insure any such party upon approval of the Board of Directors.

ARTICLE XV

ACTION TAKEN WITH A MEETING

The Members of a Board or Committee shall have the right to take any action in the absence of a meeting which they could take at a meeting in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the members of such Board or Committee. Any action so approved shall have the same effect as though taken at a meeting of the Board or Committee.

ARTICLE XVI

AMENDMENTS



Section 1. These By-Laws may be amended a Regular or Special Meeting of the Members, by a vote of two-thirds (2/3) of a quorum of Members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XVII

MISCELLANEOUS

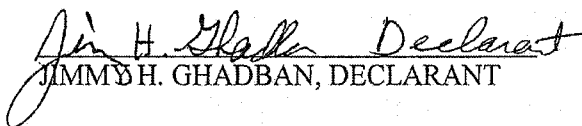
The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of SILVER CUP HOMEOWNERS ASSOCIATION, INC. have hereunto set our hands and seals this

18 day of JUNE, 2002

SYG ASSOCIATES, INC.,

A VIRGINIA CORPORATION

  
JIMMY H. GHADBANI, DECLARANT