

**BYLAWS OF
RIVER RIDGE ASSOCIATION, INC.**

**ARTICLE I
THE ASSOCIATION**

1.1 Name. The name of the association is "River Ridge Association, Inc." or in short form "River Ridge" or the "Association." River Ridge is a nonprofit corporation incorporated under the laws of the State of West Virginia.

1.2 The Association. River Ridge is the association acting under the amended, revised and restated covenants for River Ridge Subdivision — Sections A and B, entered into July 1, 2002 and recorded in the Office of the Clerk of the County Commissioners of Morgan County, West Virginia, in Deed Book 202, Page 1 (the Covenants"). The River Ridge Subdivision, Sections A and B, is referred to in these Bylaws as "The Community."

1.3 Members. The Members of the Association are the owners of lots in the Community.

**ARTICLE II
VOTING, QUORUM AND PROXIES**

2.1 Voting. Each lot in the Community has one vote. In voting by Members, (i) in the election of Directors, each vote entitled to be cast may be voted for up to that number of Directors to be elected at the meeting, and, subject to the application of Section 4.5 B, Directors are elected by a plurality of the votes cast at a meeting at which a quorum is present, and (ii) except where a greater vote is required by law or the Articles of Incorporation, matters other than the election of Directors are approved if the votes cast in favor of the action constitute a majority of the votes cast at a meeting at which a quorum is present.

2.2 Quorum. The presence of 28% or more of the lots represented by owners present in person or by proxy constitutes a quorum.

2.3 Proxies. Votes by lot owners may be cast in person or by proxy. Proxies must be in writing, signed, dated, and delivered to the person or persons tabulating the votes, as provided by law.

**ARTICLE III
MEMBERS MEETINGS**

3.1 Annual Meeting. The annual meeting of the Members of the Association shall be held each year on any Saturday in June selected by the Board of Directors at a time specified by the Board. At the annual meeting the Members of the Association shall elect members to the Board of Directors in accordance with the requirements stated in Section 4.5. The Members of the Association may also transact such other

business of the Association as may properly come before them.

3.2 Special Meetings. It shall be the duty of the President to call a special meeting of the Association as directed by a resolution of the Board of Directors or upon a petition signed by 28% or more of the Association Members and presented to the Secretary. The notice of any special meeting shall state the time and place of such a meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

3.3 Notice of Association Meetings. It shall be the duty of the Secretary to cause written notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to be delivered to each Member of the Association not less than ten days, but not more than fifty (50) days, prior to such a meeting. Notice may be delivered by hand, by deposit in the U.S. mail, postage prepaid, by commercial delivery, or, if authorized by the Member, by electronic transmission. A copy of the notice, which, except as provided in Section 4.4, need not include any enclosures, shall also be posted promptly after delivery is initiated.

3.4 Adjourned Meetings. If any meeting of the Association cannot be initiated because a quorum is not present, the meeting may be adjourned to a time not less than one (1) month from the time the original meeting was called by a majority of the votes cast by lots represented at the meeting in person and by proxy. Proxies for a specific meeting remain valid until that meeting takes place.

3.5 Order of Business. Subject to the last sentence of this section, the order of business at each annual meeting of the Members of the Association shall be as follows:

- a. Report from the Secretary validating a quorum
- b. Proof of notice of meeting or waiver of notice
- c. Reading of the minutes from the previous meeting
- d. Report of the President of the status of the Community
- e. Reports of the Committees
- f. Report of the Treasurer on the status of the current budget
- g. Presentation of the budget for the next fiscal year
- h. Election of Directors
- i. Unfinished business
- j. New business
- k. Adjournment

The Chair may alter the sequence of items of business and add items of business and, subject to a vote of the Members, may eliminate items of business.

3.6 Chair of Meeting Procedures. The President shall be the Chair of all meetings of Members at which the President is present. In the absence of the President, a Vice President shall chair the meeting or the Board of Directors shall select another member of the Board to chair the meeting. The Chair shall establish fair rules for the conduct of the meeting which may, but need not, be Roberts Rules of Order.

**ARTICLE IV
BOARD OF DIRECTORS**

4.1 Number and Qualifications.

A. The affairs of the Association shall be governed by a Board of Directors composed of nine (9) individuals.

B. To be qualified to serve as a member of the Board of Directors, each Director, at the time of election and continuously during his or her term, must (i) be an owner of a lot or lots in the Community in respect of which no assessment levied under the covenants is unpaid more than ninety (90) days after the date notice of the assessment was first given, and (ii) have furnished the Association, in addition to a mailing address, at least one of a telephone number, fax number or an email address for purposes of notice. A majority of the Board of Directors must be lot owners who have a constructed house on their property. Only one owner is eligible for election from each lot.

4.2. Powers and Duties. All corporate powers shall be exercised by or under the authority of, and the activities, property and affairs of the Association shall be managed under the direction of, the Board of Directors.

4.3. Management Support. The Board of Directors may employ for the Association such management support as it shall deem necessary for the management of the activities, property, and affairs of the Association.

4.4 Nominations. Nominations of qualified candidates for the Board of Directors shall be made by the Nominating Committee or by a written petition to the Nominating Committee signed by ten or more Members of the Association and delivered to the Nominating Committee at least sixty (60) days prior to the date of the annual meeting. To fulfill the requirement (the " Board Composition Requirement") of section 4.1 B. that a majority of the members of the Board be owners of lots who have a constructed house on the lot owned by them ("House Owners"), (i) if all seats to be filled at the election must be filled by House Owners to meet the Board Composition Requirement, then all nominees proposed by the Nominating Committee and by petition must be House Owners, and (ii) if some of the seats to be filled must be filled by House Owners to meet the Board Composition Requirement, then the total of the number of nominees proposed by the Nominating Committee and by petition must include at least the number of House Owner candidates necessary to fulfill the Board Composition Requirement. The Nominating Committee shall report to the Board its proposed nominees and all nominees properly submitted by petition at least forty-five (45) days before the date of the meeting. A list of the nominees so reported shall be included in or accompany the Notice of the Annual Meeting and shall be posted promptly after delivery of the notice is initiated.

4.5 Election and Term of Office.

A. Members of the Board of Directors shall be elected at the annual membership meeting of the Association from among candidates nominated in accordance with the provisions of Section 4.4. The terms for three (3) members of the Board of Directors shall expire at each annual meeting of the Association.

Subject to the provisions of paragraph C of this section, the term for each elected Board member shall be three (3) years, except in those cases where the member is elected to fill an unexpired term. In those instances where Directors are being elected to fill unexpired terms, the candidate with the highest number of votes will fill the longest unexpired term. The Directors shall hold office until their successors have been elected and hold their first meeting.

B. In the event that the number of votes cast for each candidate for election would result, in the application of the general plurality voting rule, in a failure to meet the Board Composition Requirement, then the plurality rule shall be modified so that the number of House Owner candidates for the number of seats necessary to meet the Board Composition Requirement receiving the largest numbers of votes among all House Owner candidates are elected, and the remaining seats, if any, are filled by the other qualified candidates receiving the largest numbers of votes among such other candidates. In the event that it is necessary to break a tie to determine what candidate has been elected or the term of office to which a candidate has been elected, the result shall be determined by a coin toss or tosses administered by the Chair of the meeting.

C. If at any time a Director fails to meet the qualification requirements of Section 4.1, the term of office of that Director shall end and the individual shall no longer be a Director. If during a fiscal year of the Association a Director fails to attend two or more meetings of the board of Directors, the term of office of that Director shall end at the next annual meeting.

4.6 Vacancies. Vacancies on the Board of Directors caused by any reason other than removal of a Director by a vote of the Members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director only until the next annual meeting when the position will be filled using the normal election procedures.

4.7 Removal of Directors. At any duly called regular or special meeting of the Members of the Association, one or more of the Board members may be removed with or without cause, and a successor may then and there be elected to fill the vacancy thus created. The new Director will complete the term of the removed Director. Any Director who has been proposed for removal by the Association Members shall be given an opportunity to be heard at the meeting.

4.8 Organizational Meeting. The first meeting of the Board of Directors after each annual meeting shall be held within one (1) month of the meeting at such place and time as shall be fixed by the Directors and announced at the annual meeting. No notice shall be necessary to the Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present. At such meeting the Board shall elect officers and appoint Chairpersons of committees for the ensuing year.

4.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Board members, but at least three (3) meetings shall be held during each elected year. Notice of a regular meeting of the Board of Directors shall be delivered to each Director by hand, by commercial delivery, by phone, by deposit in the U.S. mail postage prepaid,

or electronically, at least two (2) weeks prior to the day of the meeting and shall be posted promptly after delivery of the notice is initiated.

4.10 Special Meetings. Special meetings of the Board of Directors may be called by the President (i) on at least 48 hour notice to each Director delivered by hand, by commercial delivery, by phone, or electronically, or (ii) by notice deposited in the mail, postage prepaid, at least five (5) days before the time of the meeting. The notice shall state the time, place and purpose of the meeting. A special meeting of the Board of Directors shall be called by the President or the Secretary in a like manner and on a like notice on the written request of at least five (5) Directors. A copy of the notice shall also be posted promptly after delivery of the notice is initiated.

4.11 Open Meetings. All meetings of the Board of Directors shall be open to Members. Any Member requesting to be heard on any item of business shall be heard before a vote on that item. The Chair of the meeting may establish reasonable rules for such participation, such as time limits for speaking. Upon request of any Director, if authorized by a vote of the directors present, the Board shall, after Members have been heard, have the opportunity to deliberate and vote in private session without the presence of any Member who is not a member of the Board.

4.12 Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the Board members shall constitute a quorum for the transaction of business. The acts of the majority of the Board members present at a meeting at which a quorum is present shall be the official acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting. At any such adjourned meeting, any business which might have been transacted at the original meeting may be transacted without further notice.

4.13 Action by Written Consent. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if each Director signs a written consent describing the action and delivers it to the Association.

4.14 Participation in Meetings by Conference Telephone or Similar Means. Any or all Directors may participate in any meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present at the meeting.

ARTICLE V OFFICERS

5.1 Designation. The principal officers of the Association shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, all of whom shall be elected by and from the Members of the Association elected to the Board of Directors. The Board of Directors is empowered to appoint such other administrative support as in their judgment may be necessary.

5.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall

hold office at the pleasure of the Board.

5.3 President. The President shall be chief executive officer of the Association. He/she shall preside at all meetings of the Association and the Board of Directors. He/she shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint additional committees and task forces from among Association Members from time to time as he/she may decide is appropriate to assist in the conduct of the affairs of the Association. Committees and task forces appointments are subject to the approval of the Board.

5.4 Vice Presidents. A Vice President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. If there is more than one Vice President, the Board of Directors may determine which one or more shall perform particular duties and exercise particular powers of the President, and if no such determination is made, any one of them may perform such duties and exercise such powers. If neither the President nor a Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. Each Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

5.5 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the Association. The Secretary shall distribute the minutes of these meetings in a timely manner. He/she shall have charge of such books and papers as the Board of Directors may direct. He/she shall, in general, perform all duties incident to the office of Secretary.

5.6 Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He/she shall be responsible for the deposit of all money and other valuables in the name, and to the credit, of the Association on such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also serve as the Chairperson of the Finance and Budget Committee of the Association.

ARTICLE VI FINANCIAL MATTERS

6.1 Fiscal Year. The fiscal year of the Association is the twelve month period ending on June 30th in each year.

6.2 Annual Financial Statements.

A. The Association shall furnish its Members annual financial statements, including a balance sheet at the end of the fiscal year and an income statement for that year.

B. If the annual financial statements are reported upon by a public accountant,

his or her report must accompany them. If not, the statements must be accompanied by a statement of the President or the Treasurer (i) stating his or her reasonable belief whether the statements were prepared in accordance with generally accepted accounting principles, and, if not, describing the basis of presentation, and (ii) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements for the preceding year.

C. The annual financial statements shall be mailed to the Members within 120 days after the close of the fiscal year. On written request of a Member who was not mailed the statements, the Association shall mail the Member the latest annual financial statements.

D. The Board of Directors at its discretion may order a review or an audit at any time.

6.3 Budget. The Board of Directors shall adopt a budget for the next fiscal year prior to the end of the current fiscal year and prior to the time notice is given of the next annual meeting of Members. The budget shall, to the extent reasonably possible, endeavor to provide for the maintenance of the condition of the roads and other common areas, equipment and facilities of the Community at not less than the then current level. In connection with approving the proposed budget, the Board shall review current operating costs, maintenance costs, replacement costs including a reasonable depreciation reserve, and insurance costs, including property, general liability and directors' and officers' liability, and the future needs of the Association. The budget shall provide funding for the Reserve Fund required under Section 6.4, and include projected revenues based on the approved or proposed annual assessment and any proposed special assessment for capital improvements. If a portion of the budget is dependent upon a proposed increase of annual assessments requiring a vote of Members under the Covenants, or upon a special assessment for capital improvements requiring a vote of the Members under the Covenants, the budget shall identify the items of expenditure that are contingent upon such vote or votes. The Board of Directors may amend or supplement the budget during the fiscal year.

6.4 Reserve Fund; Other Funds. A Reserve Fund shall be established and maintained to provide funding for emergency or other unanticipated costs of any nature, including unexpected needs for the repair/replacement, in kind, of the Community's roads, equipment and facilities, and to provide a measure of financial stability during periods of special stress for the Community. Each annual budget shall provide funding for the Reserve Fund in order that the amount maintained in the Reserve Fund at the beginning of the year would be brought to an amount equal to at least 5% of the total budgeted ordinary operating revenue from general assessments for that year, before deduction for any expenditures from the Reserve Fund that may occur during that year. The Board may establish and change other funds from time to time as may be deemed appropriate.

ARTICLE VII COMMITTEES

7.1 Permanent Committees. Seven (7) permanent committees shall be established to provide the administrative support necessary to properly maintain the Community. The permanent committees shall be the Finance and Budget Committee, the Operations and Maintenance Committee, the Architectural Control Committee, the Communications Committee, the Environmental Preservation Committee, the Long Range Planning Committee, and the Nominating Committee. Chairpersons of all permanent committees shall be members of the Board.

7.2 Committee Membership. The Chairperson of and other members of each Committee shall be appointed by the Board of Directors after each annual meeting and shall serve at the pleasure of the Board.

7.3 Committee Reports and Funding Estimates. The permanent committees are established to serve the Board of Directors. The committees report to the Board and act upon tasks assigned by the Board. Each permanent committee shall provide a report to the general membership of the Association at the annual meeting. These reports shall be filed with or recorded in the minutes by the Association's Secretary. Each committee other than the Finance and Budget Committee shall provide the Finance and Budget Committee with funding requirement estimates for the area of its responsibility in the next fiscal year at least ninety (90) days before the end of the current fiscal year.

7.4 Finance and Budget Committee. The Finance and Budget Committee shall formulate a proposed budget for the next fiscal year, research budget issues, and provide recommendations to the Board, including addressing all matters requiring Board review or action under section 6.3. The proposed budget for the next fiscal year shall be presented to the Board at least forty-five (45) days prior to the end of the current fiscal year. The Board shall consider and approve the budget as proposed or with such changes as the Board shall determine are appropriate prior to the end of the current fiscal year.

7.5 Operations and Maintenance Committee. The Operations and Maintenance Committee shall monitor the status of the Community's common areas and facilities, supervise ongoing maintenance and identify for the Board areas requiring special attention. The committee shall act for the Board of Directors in the hiring, supervision and dismissal of the Association's employees or contractors that perform work in the areas of the Committee's responsibility.

7.6 Architectural Control Committee. The Architectural Control Committee shall administer the architectural control provisions of the Covenants and Architectural Regulations the "Regulations") adopted by the Board in accordance with the Covenants. The Committee shall review the construction and architectural plans submitted by the lot owners to provide reasonable assurance that the plans comply with the Covenants and the Regulations. The decisions of the Committee may be appealed to the Board of Directors. Any such appeal shall be taken by a written notice to the Board filed not more than forty-five (45) days after the Architectural Committee has communicated its decision to the lot owner.

7.7 Communications Committee. The Communications Committee shall serve as the

communications link between the Board and the Members of the Association. The Committee shall produce the Community newsletters to keep the Membership informed about issues of importance and of interest to the Association. The Committee shall also supervise the content of any web site and the bulletin boards maintained by the Association.

7.8 Environmental Preservation Committee. The Environmental Preservation Committee shall monitor the environmental health of the Community, alert the Board to detected problem areas, research potential solutions, and make informed recommendations to the Board on corrective actions required.

7.9 Long Range Planning Committee. This Committee shall be responsible for formulating and recommending to the Board long range plans for the Community. These plans should include, but not be limited to, areas such as the repair/replacement of the Community's roads, the repair/replacement of the Community's equipment and facilities, and the general financial stability of the Community. The Committee shall report to the Board and to the general membership of the Association as deemed timely and appropriate by the Board.

7.10 Nominating Committee. The Nominating Committee shall confer prior to the annual meeting to nominate candidates for directors of the Association and to review candidates nominated by Members by petition submitted in accordance with Section 4.4, and shall otherwise administer the nominating process in accordance with Section 4.4.

7.11 Other Committees. The Board of Directors from time to time may establish other committees, prescribe their functions and appoint their members.

7.12 Committee Rules. Each Committee may adopt its own rules for its own government, consistent with these Bylaws and subject to any rules or policies adopted by the Board of Directors.

ARTICLE VIII ASSESSMENTS

8.1 Assessments. All members of the Association are obligated to pay annual and any special assessments authorized by the Covenants and established by the Board of Directors, subject, where required by the Covenants, to approval by the Members.

8.2 Collection of Assessments. The Board of Directors shall provide for the collection, on a timely basis, of all assessments, whether annual or special, and may place liens on the property of delinquent owners or take any other civil action deemed appropriate, as authorized by the covenants. No later than July 1st of each year, the President shall cause an invoice for the total amount of the new year assessment to be delivered to each lot owner in the Community. The invoice is to indicate that one-half of the full amount is due no later than August 1st (30 days hence) and that a 5% discount will be afforded all lot owners who pay the full year assessment by the same date (August 1st). No later than January 1st of each year, the President shall causes an invoice for the second half of the year assessments and any other unpaid amount due to be delivered to

those lot owners who have any portion of any assessment due, the full amount of which is due no later than February 1st (30 days hence). If any annual assessment is increased during the year, or if a special assessment is established after initial invoices for annual assessments are delivered to lot owners, supplemental invoices shall be issued as may be appropriate in the circumstances with such discounts for early payment, if any, as may be determined by the Board.

ARTICLE IX AMENDMENT OF BYLAWS

These Bylaws may be amended by the Board of Directors or the members in the manner provided in the Articles of Incorporation of the Association and West Virginia law.

ARTICLE X INDEMNIFICATION

10.1 Directors and Officers. As provided in the Association's Articles of Incorporation, the Association shall indemnify its directors and officers, including the advance of expenses, to the fullest extent permitted by West Virginia law.

10.2 Other Committee Members. The Association shall indemnify members of its committees established by or pursuant to these Bylaws who are not Directors or Officers to the same extent as it shall indemnify its directors and officers.

10.3 Others. The Association may, upon authorization of its Board of Directors, indemnify its employees and agents who are not directors, officers or committee members covered by Sections 10.1 or 10.2, to the extent permitted by West Virginia law.

ARTICLE XI GENERAL PROVISIONS

11.1 Notes and Documents. All drafts, notes, contracts and other obligations of the Association shall be signed by any one of the President, a Vice President, the Treasurer and/or by other such person(s) as may be designated by the Board of Directors.

11.2 Records. The Association shall maintain its records and documents in paper form or in an electronic record capable of being converted into paper form in a reasonable time.

11.3 Certain Definitions. As used in these Bylaws:

"**Deliver**" or "**delivery**" includes delivery by hand, mail, commercial delivery, and by electronic transmission.

"Electronic record" means information that is stored in an electronic medium and is retrievable in paper or other perceivable form through an automated process.

"Electronic transmission" or **"delivered or transmitted electronically"** means any form of electronic communication, not directly involving the physical transfer of paper, including email and facsimile transmissions, which (i) is suitable for the retention, retrieval, and reproduction of information by the recipient, and (ii) is retrievable by the recipient in paper or other perceivable form through an automated process.

"Post" or **"posted"** means placing a copy of the document to be posted on one of the bulletin boards located at or near each of the two entrance gates to the Community and on the members' area of any website maintained by the Association for the Community. If at any time there is no web page maintained by the Association for the Community or the Community web page is not functioning, the requirement for posting on the website shall not apply.

"Sign" or **"signature"** means, with intent to authenticate, any manual, facsimile, conformed or electronic signature, mark or other symbol, attached to or associated with writing.

"Writing" or **"written"** means (i) a paper document or any other tangible medium on which information is inscribed, and (ii) an electronic record.

ARTICLE XII COMPLIANCE

These Bylaws are intended to comply with the requirements of the West Virginia Nonprofit Corporation Act and the Association's Articles of Incorporation. If any of the Bylaws are judged to conflict with the provisions of that Act or the Articles, the provisions of the Act or the Articles apply. All other Bylaws not in such conflict shall remain in full force and effect.

These Bylaws are also intended to comply with the Covenants. If any of the Bylaws are judged to conflict with the Covenants, the provisions of the Covenants apply. All other Bylaws not in conflict with the provisions of the Covenants shall remain in full force and effect.

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NOTE: These Bylaws are as adopted on June 13, 2009 and amended on August 22, 2015.