

AMENDED ARTICLES OF INCORPORATION

OF

CHINCOTEAGUE BAY TRAILS END ASSOCIATION, INC.

Pursuant to the provisions of Section 13.1-888 of the Code of Virginia, 1950, as amended, the undersigned CORPORATION by its President and Secretary, sets forth as follows:

(a) The name of the name of the CORPORATION is CHINCOTEAGUE BAY TRAILS END ASSOCIATION, Incorporated.

(b) The purpose for which it is organized are to take such actions as to further and promote the common interests of OWNERS of CAMPSITES in a certain subdivision known as CHINCOTEAGUE BAY TRAILS END situated near Horntown, Accomack County, Virginia as shown on certain plats now of record in the Office of the Clerk for the Circuit Court of Accomack

County; to regulate, maintain, improve, and control all recreational and common facilities, including, but not limited to parks, swimming pools, playgrounds, streets, and other common facilities and common properties located in the aforesaid subdivision; and to provide or authorize those commercial services and activities within the aforesaid subdivision as may be deemed appropriate by the ASSOCIATION'S BOARD of DIRECTORS including but not limited to general store, marina, restaurant, miniature golf, and other commercial enterprises.

(c) For the purposes stated in paragraph (b), shown above, the CHINCOTEAGUE BAY TRAILS END ASSOCIATION, Incorporated, shall have the authority to assess and charge owners of lots within the aforesaid subdivision and to levy charges upon persons other than those set out in paragraph (d), below entering the subdivision such amounts as are necessary for the maintenance, improvements and operation of the aforesaid facilities and to all and any other acts necessary or convenient to carry out the purposes set forth in the aforesaid paragraph (b). The ASSOCIATION shall also have the authority to charge fees for the use of its facilities. Said assessments, entry fees, and user fees shall be established by the ASSOCIATION'S BOARD of DIRECTORS.

(d) The MEMBERS of the CHINCOTEAGUE BAY TRAILS END ASSOCIATION, Incorporated, shall be those persons who own CAMPSITES within the foresaid SUBDIVISION and each OWNER shall have only one vote regardless of the number of CAMPSITES he, she, or it may have an ownership interest in. There shall be a maximum of one VOTING MEMBER for each CAMPSITE regardless of the number of persons who may have ownership interest in such CAMPSITE or the manner in which title is held by them. The spouse, significant other, children, parents and siblings of a MEMBER, who have the same principal residence as the MEMBER shall be ASSOCIATE MEMBERS of the ASSOCIATION but the ASSOCIATE MEMBERS will

have no vote whatsoever. The AUXILIARY ASSOCIATE MEMBERS, as named by the OWNER, will have no vote whatsoever.

(c) The DIRECTORS of the CORPORATION are to be elected in accordance with Article III, Section 1 of the By-Laws. The number of DIRECTORS constituting the BOARD of DIRECTORS shall be no fewer than five (5) nor more than seven (7).

(f) The DIRECTORS of the CORPORATION are authorized to perform acts, the authority for which has been granted herein or by law including, but not limited to, the buying and selling of real and personal property and the borrowing of money for ASSOCIATION purposes. A resolution by the BOARD that the interests of the ASSOCIATION require the borrowing of money shall be sufficient evidence that the borrowing is for proper corporate purposes. The BOARD may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage, or encumber any ASSOCIATION property as security for such borrowing, and it may pledge or assign future revenues of the ASSOCIATION as security therefore.

(g) The CORPORATION may indemnify individuals made party to legal proceedings because they are or were DIRECTORS, officers, employees, or agents of the CORPORATION against liability incurred in connection with such proceedings and against reasonable expenses incurred due to such proceedings to the extent that such indemnification is permitted by Article 9 Title 13.1 of the Virginia Code, as amended.

(h) The post office address of the registered office is P.O. Box 877 , Accomac, VA 23301. The name of the County in which the registered office is located is Accomack. The name of the registered agent is Anita C. Johnson, PLLC., who is a member of the Virginia State Bar and whose business office for the Corporation is Accomac, Virginia, and who is a resident of Virginia.

(i) The date of the meeting of the MEMBERS of the CORPORATION at which the foregoing amendments of the Articles of Incorporation were adopted was October 17, 2009

(j) The foregoing amended Articles of Incorporation were proposed by the BOARD of DIRECTORS of the CORPORATION and submitted to the MEMBERSHIP in accordance with Chapter 10 of Title 13.1 of the Code of Virginia as amended (the Virginia Non-Stock Corporation Act) and:

1. On Saturday, October 17, 2009 a quorum of the membership entitled to vote on the amendments existed and

2. 300 members cast undisputed votes in favor of the amendments which was sufficient for approval by the MEMBERSHIP.

CHINCOTEAGUE BAY TRAILS END ASSOCIATION, INC.

By: Wayne Cornelius

Wayne Cornelius., President

Attest: Bernard Uphold

Bernard Uphold, Secretary

**BY-LAWS
CHINCOTEAGUE BAY TRAILS END ASSOCIATION, INC.
(A VIRGINIA NON-STOCK CORPORATION)**

ADOPTED

SATURDAY, OCTOBER 17, 2009

RESOLVED: It is hereby declared to be in the best interest of the CORPORATION that the By-Laws presented to the BOARD on October 17, 2009 be and hereby are adopted as the new set of By-Laws of the ASSOCIATION.

BE IT FURTHER RESOLVED: That the new set of By-Laws hereby adopted be for the regulation and management of the affairs of the CORPORATION and shall become effective immediately.

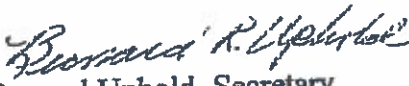
BE IT FURTHER RSOLVED: That the new set of By-Laws hereby adopted shall declare null and void and rescind in Toto those By-Laws and Code(s) of Regulations, so called, which may have been in existence from August 6, 2005, to this date; and further, that such new set of By-Laws shall be the only Code of Rules under which the ASSOCIATION shall operate and exist until otherwise in the future be amended or rescinded.

BE IT FURTHER RESOLVED: That the new set of By-Laws hereby adopted shall not impair the validity of the Rules and Regulations affecting the conduct for the use and enjoyment of individual amenities within the Subdivision and that said Rules and Regulations shall remain in full force and effect until otherwise in the future amended or rescinded.

I hereby certify the By-Laws attached hereto are the complete and exact set of By-Laws adopted by the BOARD of DIRECTORS of CHINCOTEAGUE BAY TRAILS END ASSOCIATION, INC. on Saturday, October 17, 2009 and which becomes effective October 17, 2009

CHINCOTEAGUE BAY TRAILS END ASSOCIATION, INC.
Affirmed and Approved

Wayne Cornelius, President


Bernard Uphold, Secretary

**ARTICLE I
DEFINITIONS**

1. "ARTICLES OF INCORPORATION" shall mean all documents constituting, at any particular time, the charter of the ASSOCIATION. It includes the original charter issued by the State Corporation Commission of the Commonwealth of Virginia and all

amendments including Certificates of Merger or Consolidation. It excludes documents prior in time to the latest Articles of Incorporation, Merger or Consolidation which restates the Articles of Incorporation.

2. "RESTRICTIONS" or "DECLARATION OF COVENANTS" shall be synonymous and interchangeable, one among the other, and shall refer to those rules, regulations, guidelines, and procedures imposed upon OWNERS within the SUBDIVISION as are detailed in instruments placed on record in the Clerk's Office of the Circuit Court of Accomack County, Virginia, by the OWNERS in Deed Book 524, at page 93 (currently filed as instrument number 200207461) or as the same may be amended from time to time.

3. "SUBDIVISION" shall mean that certain parcel of real estate located in Accomack County, Virginia, commonly known as CHINCOTEAGUE BAY TRAILS END.

4. "DEVELOPMENT" shall be synonymous with SUBDIVISION.

5. "CAMPSITE" shall mean and refer to any plat or parcel of real estate within the SUBDIVISION as shown and described on Plats of Survey recorded in the Clerk's Office of the Circuit Court of Accomack County, Virginia, less and except the COMMON AREA.

6. "ASSOCIATION" shall mean and refer to CHINCOTEAGUE BAY TRAILS END ASSOCIATION, Incorporated, a Virginia Non-Stock Corporation, its successors and/or assigns.

7. "CORPORATION" shall be synonymous with ASSOCIATION.

8. "COMMON AREA" shall mean all real estate owned of record at any time, now and in the future, by the ASSOCIATION for the common and exclusive use and enjoyment of ACTIVE MEMBERS of the ASSOCIATION, ~~and shall consist of the following~~ hereinafter mentioned by way of illustration and not limitation:

- a. Clubhouse Areas
- b. Miniature Golf Course
- c. Guard House
- d. Swimming Pool
- e. General Store Building
- f. Restaurant Building
- g. Association Office
- h. Comfort Stations
- i. Roads

Remove

- j. Leisure Core Area
- k. Marina
- l. Maintenance Building Area
- m. Marina Building
- n. Crabbing Pier - Name A

COMMON AREA shall include the real estate more fully described in and found in certain Deeds of Record from Seaside Properties, Inc., and from Trails End Campground Resort, Inc., to CHINCOTEAGUE BAY TRAILS END ASSOCIATION, Inc., recorded in the Clerk's Office of the Circuit Court of Accomack County, Virginia.

9. "AMENITY" shall mean those individual portions of the COMMON AREA provided the ACTIVE MEMBERS for their use and enjoyment ~~as described in item 7 of this~~ article. *Remove*

10. "BOARD OF DIRECTORS" shall mean and refer to any group of persons vested with the management of the affairs of the ASSOCIATION irrespective of the name by which such group is designated.

11. "DIRECTOR" shall mean a member of the BOARD OF DIRECTORS.

12. "DIRECTORS TERM" shall mean three (3) consecutive years. (a) A director shall serve 18 months and 1 day from the date of the Annual meeting or at the time of his or her appointment for the term to be considered a full term.

13. "OWNER" shall be any person or validly existing legal entity, including Trails End Campground Resort, Incorporated, and Real Estate Investment Trusts, who holds a fee simple title to any campsite.

14. "MEMBER" shall be as described and defined as OWNER.

15. "VOTING MEMBER" shall be the OWNER designated as the member eligible to vote as recorded with the secretary of the Association.

16. "MEMBER IN GOOD STANDING" is a MEMBER who has no outstanding ASSOCIATION debt older than 31 days, (61 days in the case of special assessments levied in accordance with Article VIII, Section 2), due the ASSOCIATION on any lot he/she holds full or partial title to and has been deemed in compliance with all ASSOCIATION governing documents as adjudicated by the BOARD OF DIRECTORS.

17. "ACTIVE MEMBER" is a MEMBER IN GOOD STANDING.

18. "RECREATIONAL VEHICLES" means a travel trailer, truck camper, motor home, camping trailer and tent as described in the DECLARATION OF COVENANTS.

ARTICLE II MEMBERSHIP

SECTION 1. Classes of Membership.

(a) MEMBERS. The MEMBERS of the CHINCOTEAGUE BAY TRAILS END ASSOCIATION, Inc., (hereafter called "ASSOCIATION"), shall be those persons who own CAMPSITES within the SUBDIVISION known as CHINCOTEAGUE BAY TRAILS END located near Horntown, Accomack County, Virginia.

(b) ASSOCIATE MEMBERS. The spouses, significant others, children, parents and siblings of MEMBERS, who have the same principal residence as the MEMBERS as defined in ARTICLE II, Section 1, (a) above, shall be ASSOCIATE MEMBERS of the ASSOCIATION.

(c) AUXILIARY ASSOCIATE MEMBERS.

If not otherwise a Member or Associate Member, the following shall be eligible to be designated as Auxiliary Associate Members of the Association.

(a) Any person not qualified to be an Associate Member may be assigned an Auxiliary Associate Membership Card by the Owner of the lot. To be eligible to receive an Auxiliary Associate Member card, a lot must have no more than a two (2) owners on the deed and have no more than two (2) Associate Members as defined in Article II, Section 1, (b) above. The Owner may designate up to three (3) Auxiliary Associate Members per lot. However, in no instance may there be more than three (3) combined Associate and/or Auxiliary Associate Members per lot.

(b) No person or entity shall have Auxiliary Associate membership in the Association by virtue of a contractual agreement, written or verbal.

(c) Auxiliary Associate Members must occupy the lot on which the card is issued and, under no circumstances, may they occupy it for longer than 6 months in any 12 month period regardless of age.

(d) Auxiliary Associate Members may never use the lot as their principal and primary residence.

*How would
allowing full time
residency affect
this*

SECTION 2. Voting.

(a) MEMBERS. There shall be a maximum of one voting MEMBER for each CAMPSITE and no MEMBER shall have more than one vote regardless of how many CAMPSITES in which he, she or it may have an interest. The voting MEMBER of a CAMPSITE that has more than one OWNER shall be designated in writing to the Secretary of the ASSOCIATION not less than thirty (30) days prior to the exercising of the voting privilege at any monthly, special or annual meeting of the ASSOCIATION.

(b) ASSOCIATE MEMBERS. ASSOCIATE MEMBERS shall have no vote whatsoever.

(c) AUXILIARY ASSOCIATE MEMBERS. AUXILIARY ASSOCIATE MEMBERS shall have no vote whatsoever.

(d) Except in connection with the election of DIRECTORS, every MEMBER entitled to vote or execute consent shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such MEMBER or his duly authorized agent and filed with the Secretary of the ASSOCIATION; provided that no such proxy shall be valid after the expiration of Eleven (11) Months from the date of its execution. The voting MEMBER must print his/her name and name of any person or entity w/ legal standing and sign said proxy, enter his/her lot number and date and file it with the Secretary of the ASSOCIATION. The proxy need not be notarized. Each proxy shall be revocable at the pleasure of the person executing it.

SECTION 3. Privileges of MEMBERS.

MEMBERS, ASSOCIATE MEMBERS, AUXILIARY ASSOCIATE MEMBERS, and guests of MEMBERS shall have a Membership ID or Guest ID to use the common areas subject to the provisions of the Declaration of Covenants, Articles of Incorporation, and these By-Laws establishing and regulating the CORPORATION and subject to such rules and regulations as may be promulgated by the BOARD of DIRECTORS of the CORPORATION.

SECTION 4. Suspension of Privileges and Voting Rights.

(a) The BOARD of DIRECTORS may suspend the privileges of MEMBERSHIP CARDS, (including any ASSOCIATE MEMBERSHIP CARDS, AUXILIARY ASSOCIATE CARDS, and GUEST PASSES) for COMMON AREA use, and voting

rights of any MEMBER who is not a MEMBER in GOOD STANDING.

(b) To become a MEMBER in GOOD STANDING again all monies owed the ASSOCIATION (including interest and late fees) must be paid not less than thirty (30) days prior to the exercising of the voting privileges at any monthly, special or annual meeting of the ASSOCIATION and the member must be in compliance with all Association governing documents including, but not limited to, the Amended Declaration of Covenants and the Environmental Committee Rules and Regulations.

SECTION 5. Evidence of Membership and Termination.

(a) Membership cards – MEMBERSHIP CARDS in the ASSOCIATION shall be issued to ACTIVE MEMBERS, their ASSOCIATE MEMBERS, and AUXILIARY ASSOCIATE MEMBERS. Such cards shall be issued and signed by the President or other officer of the ASSOCIATION. Each MEMBERSHIP CARD shall indicate the lot number and the class of the MEMBERSHIP as defined in Article II, Section 1, above.

(b) Termination of Membership – When a MEMBER ceases to be an OWNER, such person's MEMBERSHIP, and those ASSOCIATE MEMBERSHIPS and AUXILIARY ASSOCIATE MEMBERSHIPS existing through relationship to such person, shall cease. Such OWNERS shall remain liable for all ASSOCIATION charges incurred prior to the giving of written notice to the ASSOCIATION that such person is no longer an OWNER.

(c) Rental of Lot – any MEMBER who rents his/her lot is required to turn in his/her MEMBER, ASSOCIATE MEMBER and AUXILIARY ASSOCIATE MEMBER CARDS before any cards will be issued to the renter. The member must provide the Association with a copy of the rental, or lease, agreement. The number of tenants, or renters, per lot under any such rental, or lease, agreement shall not exceed four (4). All privileges of the OWNER will be terminated for that lot during the rental period, except his/her voting rights. A special card may be issued to the property owner to gain entrance to any meeting in which they wish to exercise their right to vote. The property OWNER may retain his/her usage rights & MEMBERSHIP CARDS if the OWNER purchases GUEST PASSES for the RENTER or authorizes the RENTER to purchase the passes for the rental time. RENTERS shall be subject to the rules and regulations as set forth by the Covenants and By-Laws. No lot may be rented for longer than 6 months in any 12 month period.

SECTION 6. Meetings.

(a) Place of Meeting – Annual and special meetings shall be held at the CHINCOTEAGUE BAY TRAILS END SUBDIVISION, or any place within a twenty (20) mile radius of the Club House in Virginia, as determined by the BOARD of DIRECTORS if available Trails End facilities will not accommodate anticipated attendance.

(b) Annual Meetings – The annual MEMBERSHIP meeting shall be held on the 3rd Saturday of October of each year.

(c) Special Meetings – Special MEMBERSHIP meetings may be called by the President, or by a majority vote of the BOARD of DIRECTORS. The secretary of the ASSOCIATION shall call a special meeting upon the receipt of a petition signed by 10% of the MEMBERS of the ASSOCIATION who would have a right to vote. Such petition shall set forth the purpose of the special meeting and shall designate the name and CAMPSITE owned by the individual signing such petition.

(d) Notice of Special & Annual Meetings – Written notice of the place, date, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to all MEMBERS not less than thirty (30) days nor more than sixty (60) days before the date of the meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the MEMBER at his/her address as it appears on the records of the ASSOCIATION. At a special meeting no business shall be conducted except that stated in the notice of said meeting. The time, date and reason of any meeting will be prominently displayed at the club house for seven (7) days immediately prior to the meeting.

(e) Quorum – A quorum at either a special meeting or the annual meeting shall be five percent (5%) or one hundred (100), whichever is fewer, of the MEMBERS entitled to vote at such meeting present in person or represented by proxy. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter noted upon by the MEMBERS, unless a greater proportion is required by law.

(f) Presiding Officer – The President, or in his/her absence, the Vice President, of the ASSOCIATION shall preside over all meetings of the MEMBERS. The Secretary, or in his/her absence, the Treasurer, shall act as Secretary of all meetings. If neither the President, Vice President, or Secretary or Treasurer be present, then the MEMBERS present shall choose pro-tem officials.

(g) In addition to Annual & Special Meetings of the MEMBERSHIP, a thirty (30) minute

this is ok

session shall be conducted at the end of each monthly meeting of the BOARD of DIRECTORS during which MEMBERS may ask specific questions of the BOARD on any issue arising at that particular meeting of the BOARD, if open discussion is not allowed during the meeting.

**ARTICLE III
DIRECTORS AND OFFICERS**

SECTION 1. Directors.

(a) The business of the ASSOCIATION and related affairs shall be managed by its BOARD of DIRECTORS, as authorized and directed by the Laws of Virginia, the Articles of Incorporation, the By-Laws, and the Declaration of Covenants of the ASSOCIATION. Said BOARD of DIRECTORS hereinafter referred as "BOARD" shall meet monthly or as deemed necessary by the BOARD.

(b) The number of DIRECTORS of the ASSOCIATION, shall be no fewer than five (5) nor more than seven (7), with the exact number to be set from time to time without amendment to these By-Laws by majority vote of the MEMBERS voting at the Annual Meeting of MEMBERS or a Special Meeting of the MEMBERS called for that purpose. Any increase or decrease in the number of DIRECTORS beyond the range specified in this section shall be accomplished by amendment to these By-Laws. The DIRECTORS of the CORPORATION are to be elected when current Board Members terms expire. Each DIRECTOR shall be limited to two consecutive terms on the BOARD. If a BOARD member has served two full consecutive terms, the BOARD member must step down for one election before running for the BOARD again. No decrease in the number of DIRECTORS hereunder shall have the effect of shortening the term of any incumbent DIRECTOR. No change shall be made to the length of DIRECTORS' terms of office except by amendment to the Articles of Incorporation and these By-Laws. This will continue to provide staggered DIRECTORS terms and ensure continuity of leadership. As of this date the new By-Laws are passed, all DIRECTORS currently serving on the BOARD will complete the balance of their respective three-year term as shown below:

<u>Names of Directors</u>	<u>Term Expire</u>
Wayne Cornelius	2010
Bernard Uphold	2010
Joseph Butco	2010
Charles Gallatin	2011
John Shriver	2011

(c) Director Qualifications – Each DIRECTOR shall be a MEMBER in GOOD STANDING upon election and shall remain in good standing throughout his or her term

and must sign and adhere to the CBTEA Board of Directors' Code of Conduct. No DIRECTOR shall be a spouse, domestic partner, brother, sister, brother-in-law, sister-in-law, parent, parent-in-law, child, stepchild, grandparent or grandchild of another DIRECTOR or be employed by the ASSOCIATION. Each DIRECTOR must be present at the campground at least three (3) days each month, except in cases of extraordinary circumstances as adjudicated by a majority of the BOARD. The Treasurer and Secretary shall be responsible for verification that BOARD members meet the above qualifications and shall promptly report any disqualification to the President and the other BOARD members. Each DIRECTOR shall fulfill his/her obligations and duties described in Section 2 of this Article. In the event that a DIRECTOR at any time fails to fulfill their obligations or duties as described herein, he/she may be disqualified and removed from office by the BOARD and shall not be entitled to any stipend, vote or other privilege of BOARD office. In the event that such DIRECTOR does not again meet the obligations and duties of his/her office on or before the next regular meeting of the BOARD following disqualification, his or her position shall be deemed vacant and shall be filled in accordance with Article III, Section 1(f).

Corporate Code for 1330

(d) Term limit – After serving two (2) consecutive terms on the BOARD, any BOARD member must step down for one (1) election before running for the BOARD again.

(e) A DIRECTOR may be removed by the BOARD from an office, but not from the BOARD, by a majority vote of the BOARD by a special meeting of the members of the BOARD called for that purpose. For a DIRECTOR to be removed from the BOARD a special meeting of the MEMBERSHIP shall be called. *Specify how this is different from a deemed vacancy in l.c. above*

(f) When a vacancy occurs during a DIRECTOR'S term of office, the BOARD may fill the vacancy only through unanimous vote of the BOARD for the replacement DIRECTOR, providing the prospective replacement's financial and criminal background check provides proof of reasonable financial stability and no felony or any convictions more serious than a class three (3) misdemeanor. Normal fee for such a background check will be waived. Any such vacancies may be so filled by the BOARD for the remainder of the unexpired term of such DIRECTOR either at the next meeting of the BOARD following creation of the vacancy, or at a special meeting of the BOARD called for the purpose of filling the vacancy. If a unanimous vote to fill the vacancy cannot be reached by the BOARD at such meeting, then a special election must be held to fill the vacancy. Such special election shall follow the same rules and procedures as for a regular election, except same shall occur over a three (3) month period. *needs more clarification maybe within 60-90 days*

Time frame →

(g) Each member of the BOARD shall be indemnified by the BOARD against liabilities, fines, penalties and claims imposed upon or asserted against him/her (including amounts

paid in settlement) by reason of having been such a member of the BOARD, whether or not then continuing so to be, and against all expenses (including counsel fees) reasonably incurred by him/her in connection therewith, except in relating to matters as to which he/she shall have been finally adjudged to be liable by reason of having been guilty of gross negligence or willful misconduct in the performance of his/her duty as such member of the BOARD. In the event of any other judgment against such member of the BOARD or in the event of a settlement, the indemnification shall be made only if the BOARD shall be advised by independent counsel to be appointed by the BOARD, that in his or her opinion, such member of the BOARD was not guilty of gross negligence or willful misconduct in the performance of his/her duty, and in the event of a settlement, that such settlement was, or if still to be made is, in the best interests of the BOARD.

SECTION 2. Officers.

- (a) The officers of the ASSOCIATION shall consist of a President, Vice President(s), Secretary and Treasurer and other offices as deemed necessary. The President, Vice President(s), Secretary and Treasurer shall be members of the BOARD of DIRECTORS. No person shall hold more than one (1) office except the position of Secretary and Treasurer. Officers shall be elected by majority vote of the BOARD of DIRECTORS.
- (b) To ensure continuity, the term of office shall commence on January 1 and end on December 31. The newly elected members of the BOARD OF DIRECTORS will attend all BOARD meetings, including the executive session. The new BOARD will elect their officers at the conclusion of the December Board meeting.
- (c) The officers of the ASSOCIATION shall each have such power and duties as are set out below as well as such powers and duties as from time to time may be conferred by the BOARD.
- (d) The President shall preside at all meetings of the BOARD, act as its Chairperson, shall see that all orders and resolutions of the BOARD are carried out, shall sign all written instruments including promissory notes on behalf of the ASSOCIATION, and shall be an alternative signatory on all checks.
- (e) The First Vice President shall act in the place in stead of the President in case of said President's absence and shall exercise and discharge such other duties as may be required of said First Vice President by the BOARD.
- (f) The Secretary shall record the votes and keep accurate minutes of the meetings and proceedings of the BOARD and of the MEMBERS, which minutes shall be properly executed by the Secretary and approved by the BOARD and kept at the principal office

of the ASSOCIATION. Said records may be inspected by any MEMBER of the ASSOCIATION, or its agent or attorney, for any proper purpose at any reasonable time. The Secretary shall keep the Corporate Seal, shall keep appropriate current records showing the MEMBERS of the ASSOCIATION and their status and voting rights, together with their addresses, and shall perform such other duties as required by the BOARD.

(g) The Treasurer shall be responsible for verifying all monies received and deposited in appropriate bank accounts of the ASSOCIATION, shall be responsible for disbursing such funds, shall keep or cause to be kept a complete set of books of accounts, and shall cause an annual audit of ASSOCIATION'S books to be made at the completion of each calendar year, said audit to be conducted by a Certified Public Accountant directed to do so by the BOARD. The President, Treasurer, or any other person designated by the BOARD shall be responsible for signing checks. The Treasurer shall be bonded in an amount as determined by the BOARD to safeguard the assets of the ASSOCIATION.

(h) Any vacancies occurring among the officers during the year shall be filled for the unexpired term of office by the majority vote of the BOARD at its first regular meeting following the creation of such vacancy, or at a special BOARD meeting called for that purpose, except that a vacancy in the office of President shall be filled automatically by the Vice President and the resulting vacancy in the office of Vice President shall be filled by the BOARD.

SECTION 3. Elections. The candidate receiving the greatest number of votes for each office shall be declared elected.

SECTION 4. Meetings.

(a) Regular. Regular meetings of the BOARD of DIRECTORS shall normally be held on the fourth 4th Saturday of each month, however, meeting dates may be changed from time to time as deemed necessary by the Board. Written notice of such meetings may be mailed by the Secretary to each BOARD member at least five (5) days prior to the date of the meeting.

(b) Special. Special meetings of the BOARD may be called by the President and shall be called by the Secretary upon receipt of written request signed by a quorum of the members of the BOARD. Written notice of such meetings shall be mailed, to each BOARD member, by the Secretary at least five (5) days and not more than ten (10) days prior to the date of the meeting, or electronic notice shall be filed at least three (3) days and not more than five (5) days prior to the date of the meeting. Any such notice shall state the purposes of the meeting and no other business shall be transacted thereat.

(c) Quorum. A quorum for a meeting of the BOARD shall be a majority of the BOARD.

ARTICLE IV ELECTIONS

Needs to include specifics on special elections

SECTION 1. Members of the BOARD of DIRECTORS shall be elected as follows.

(a) The election shall be by secret ballot which ballots may be cast by mail or in person according to the provisions of this article. Each MEMBER entitled to vote shall be entitled to one vote per DIRECTOR to be elected. (i.e. no more than one vote can be cast for a single DIRECTOR).

(b) Except in the case of an uncontested election, a ballot shall be mailed by the BOARD of DIRECTORS to each ACTIVE MEMBER no later than September 1st and no earlier than sixty (60) days prior to the annual meeting provided for in Article II, Section 6. Said ballot shall be accompanied by:

(1) Notice of the time, date and place of the Annual Meeting.

(2) The application for each candidate for the BOARD of DIRECTORS who has been approved by the Nominating Committee as provided below in Article IV, Section 3.

(3) Instructions and information regarding the voting procedures and rights.

(4) The recommendation, if any, by the Nominating Committee, as set forth in Article IV, section 3 below.

(5) In the case of an uncontested election, only (1) and (2) need be sent.

(c) The aforesaid ballots shall:

(1) Indicate the number of DIRECTORS to be elected.

(2) Provide instructions for the correct mailing and delivery of the ballot together with a warning that a ballot improperly marked or delivered shall be deemed void.

(3) Set forth in alphabetical order the candidates for the BOARD of DIRECTORS.

(4) Provide an appropriate means for the MEMBERS to indicate his or her vote(s).

(d) Completed ballots shall be returned by mail or otherwise delivered to the ASSOCIATION office in sealed envelopes provided by the ASSOCIATION marked "ballot" and must be received by the ASSOCIATION no later than 12:00 noon on the Saturday immediately preceding the Saturday of the Annual Meeting.

(e) Completed ballots in sealed envelopes as aforesaid shall be delivered, unopened, to the "Election Holders" as provided below.

(f) Completed ballots shall be counted by the "Elections Holders" on the ASSOCIATION'S premises commencing at 12:00 noon on the Saturday preceding the Saturday of the Annual Meeting. Candidates or one agent designated by each candidate shall be permitted to observe the counting of ballots.

(g) The "Election Holders" shall report in writing at the Annual Meeting the results of the voting, including the number of ballots cast and the number rejected for procedural reasons. No ballot delivered in an improper envelope or which is improperly marked or identified in any way on the envelope or itself or on which the votes cast are in any way ambiguous, shall be counted.

(h) All ballots, including those rejected as improperly cast, shall be retained by the Secretary for three (3) years and may be inspected by any ACTIVE MEMBER of the ASSOCIATION.

SECTION 2. Election Holders.

(a) Election Holders shall have the duties set forth in Article IV, Section 1(f), above.

(b) The number of Election Holders shall be not more than five (5) nor fewer than three (3), such number to be determined each election year by the BOARD. Election Holders shall be appointed by the BOARD each election year and their terms of office shall commence immediately upon their appointment and shall expire at the conclusion of the first Annual Meeting of MEMBERS following their appointment.

(c) Election Holders shall be MEMBERS in GOOD STANDING with the ASSOCIATION and shall be appointed by the BOARD of DIRECTORS sometime in the month of August prior to the Annual Meeting. The Chairperson of the Election Holders will be decided by the majority vote of the Election Holders. No DIRECTOR, officer or candidate for such position shall be an Election Holder.

(d) The Chairperson of the Election Holders shall have the authority to maintain order

during vote counting and may remove any person who interferes with or disrupts vote counting.

(e) Should the BOARD fail to appoint one or more Election Holders, or should one or more Election Holders refuse or become unable at any time to discharge his or her duties, the President shall appoint replacement Election Holders as necessary.

(f) A BOARD member who, if possible, is not seeking re-election shall be assigned to indoctrinate the Chairperson of Election Holders on proper procedures on the election and be available during the election as an advisor and overseer.

SECTION 3. Nominating Committee.

(a) The Nominating Committee shall consist of no fewer than three (3) and no more than five (5) people, which members shall be appointed by the BOARD. Each member shall be a MEMBER in GOOD STANDING in the ASSOCIATION for his/her entire tenure in office and shall serve for the term of one (1) year or until his/her successor is appointed by the BOARD. Vacancies shall be filled by appointment by the BOARD only.

b) The BOARD shall, at its March meeting appoint a Nominating Committee, which shall

accept applications from ACTIVE MEMBERS for election to membership on the BOARD. The Nominating Committee shall determine in its sole discretion, which candidates are qualified to be DIRECTORS as set forth in this article. The committee's written recommendations shall be included with the ballot to each ACTIVE MEMBER.

this needs some clarification

The Nominating Committee shall comply with the following procedures and times:

(1) Properly completed applications must be submitted to the ASSOCIATION office by April 15th with written signatures, printed names, lot numbers, and endorsements of three (3) different VOTING MEMBERS who are ACTIVE MEMBERS of the ASSOCIATION. Applications must also include written permission for the Nominating Committee to conduct a financial & criminal background investigation. An appropriate fee as set forth by the Board of Directors must accompany the application. If any candidate fails to pass the financial and criminal background check as described in Article III Section 1 (f), they may be disqualified from running for the Board and their name will not appear on the ballot.

*time frame bankruptcy or discharges * medical bankruptcy ok. medical collects case by case*

(2) The Committee shall include the application provided by the candidate, and the Committee's its recommendation for membership to on the BOARD for inclusion with the election ballot as provided in Article IV Section 1 (b) above.

(3) It shall also make all reasonable efforts to present all information described in (2) above to the BOARD, by the June Board meeting but under no circumstances shall it be later than June 30th of each year,

(4) Except in the case of a non-contested election, the Nominating Committee shall arrange three (3) meetings for MEMBERS to meet all candidates who have properly applied for election to the BOARD, which meetings shall be held between July 1st and Labor Day weekend of each election year. The candidates shall be notified at their interview by the Nominating Committee of the date, time and place of the meetings. In an uncontested election (i.e. the number of candidates equals the number of vacancies on the BOARD) the Nominating Committee must schedule at least one (1) but may schedule up to three (3) Meet The Candidates meetings.

(c) No one running for office shall serve on the Nominating Committee, and no member of the Nominating Committee shall be a spouse, domestic partner, brother, sister, brother-in-law, sister-in-law, parent, parent-in-law, child, stepchild, grandparent or grandchild of a DIRECTOR, or a candidate, or be employed by the ASSOCIATION.

(d) A majority of the members of the Nominating Committee shall constitute a quorum for the transaction of business. The act of the majority of the members present at a meeting at which a quorum is present shall be the act of the Nominating Committee.

(e) Meeting of the Nominating Committee shall take place as the need arises to fulfill the purpose for which it is created. Members of the Nominating Committee may participate in a meeting of such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

ARTICLE V ENVIRONMENTAL COMMITTEE

SECTION 1. There shall be an Environmental Committee as required by the Declaration of Covenants as amended, which Committee shall have the powers and responsibilities set out in said Declaration.

SECTION 2. The Committee shall consist of no fewer than five and no greater than eight MEMBERS in GOOD STANDING of the ASSOCIATION, appointed by the BOARD of DIRECTORS. Members of the Committee shall serve terms of two (2) years each except that two (2) members may be appointed for one (1) year terms so that terms shall be staggered providing for continuity on the Committee. Said Committee members may be

reappointed at the discretion of the BOARD of DIRECTORS. Terms of office shall commence on January 1 of applicable years and end on December 31, two (2) years thereafter.

SECTION 3. The Committee shall elect its Chairperson, Vice Chairperson and Secretary on an annual basis at its first meeting of each calendar year.

SECTION 4. The Committee shall meet monthly or as needed and the Secretary shall keep accurate records of attendance, inspections, and other pertinent information. The Secretary shall record the votes and keep accurate minutes of the meetings and proceedings. The minutes shall be properly executed by the Secretary and approved by the Committee and kept at the principal office of the ASSOCIATION. Said records may be inspected by any MEMBER of the ASSOCIATION, or its agent or attorney, for any proper purpose at any reasonable time.

SECTION 5. Rules, regulation and fees established by the Committee shall be approved by the BOARD of DIRECTORS. Decisions by the Committee relating to particular activities or applications of MEMBERS of the ASSOCIATION may be appealed to the BOARD of DIRECTORS, in writing, as set out in the Declaration of Covenants.

SECTION 6. A majority of the members of the Environmental Committee shall constitute a quorum for the transaction of business. The act of the majority of the members present at a meeting at which a quorum is present shall be the act of the Environmental Committee.

ARTICLE VI COMMITTEES

All committees must have a Code of Charter & Conduct

SECTION 1. The BOARD will appoint a standing Budget Committee of five (5) MEMBERS to serve each year, with the Treasurer of the ASSOCIATION. The standing committee is mandated to review and to prepare a budget consisting of operating and capital improvement accounts to maintain the financial health of the ASSOCIATION, and to review it quarterly. Any monies so designated for capital improvement projects shall remain in a separate CIP account. The budget will be presented to the BOARD no later than the September BOARD meeting. The BOARD will review and make any adjustments with the Budget Committee and present it to the MEMBERSHIP at the October Annual meeting. The financial budget will be adopted by the BOARD only at a meeting of the BOARD no later than the December Board meeting.

SECTION 2. The BOARD shall appoint a Long Range Planning Committee which consist of five (5) MEMBERS in GOOD STANDING of the ASSOCIATION and has geographic representation. Members of the Committee shall serve terms of two (2) years each except that two (2) members may be appointed for one (1) year terms so that terms

shall be staggered providing for continuity on the Committee. Said Committee members may be reappointed at the discretion of the BOARD OF DIRECTORS. Terms of office shall commence on January 1 of applicable years and end on December 31, two (2) years thereafter. This Committee shall develop a Long Range Plan, present it to the BOARD, which is to be reviewed annually and presented to the MEMBERSHIP at the Annual meeting.

SECTION 3. In addition to the Nominating Committee, Environmental Committee, Budget Committee, and the Long Range Planning Committee, the Board may each year appoint standing committees to advance the work of the ASSOCIATION. Such committees shall always be subject to the final authority of the BOARD. Special committees may also be appointed by the BOARD to assist on particular projects. The BOARD shall be represented on all committees.

SECTION 4. Any committee appointment may be terminated with cause by a majority vote of the full membership of the BOARD upon written notice to the appointee. The BOARD may appoint successors to those appointees whose services have been terminated.

ARTICLE VII RULES FOR EXPENDITURES

SECTION 1. The BOARD OF DIRECTORS shall adopt an annual budget as required of it in Article VI Section 1. The budget shall be established on a calendar year basis. Once adopted for the applicable calendar year, the budget shall be the guideline under which all sources of funds are to be received by the CORPORATION and expenditures made. Expenditures shall not exceed ten percent (10%) of the total budgeted category, except for emergency expenditures as outlined in Section 5 of this Article VII.

SECTION 2. Unbudgeted capital expenditures (those greater than \$5000) are not authorized.

SECTION 3. The President and Treasurer shall have authority to make minor adjustments among budget categories within a major category, provided the major category is not exceeded. Major budget categories shall be those outlined and designated in the budget as initially approved.

SECTION 4. There shall be no waiver, nor reduction of any amounts owed the ASSOCIATION of any dues, assessments, fees, penalties, bills for service, or any other sums owed for any reason, without the approval of the BOARD; provided, however,

litigated collection matters may be compromised if found by the BOARD to be in the best interests of the CORPORATION.

SECTION 5. Notwithstanding any other provisions outlined in this Article VII emergency expenditures are authorized to prevent a hazard to life, health, or substantial damages to the amenities, COMMON AREAS or other capital assets of the CORPORATION; however, such expenditures shall not exceed the sum necessary to abate or remove the hazard or damage.

SECTION 6. Subsequent to the quarterly Budget Committee meetings the Budget Committee may submit to the BOARD recommended budget revision for their approval.

ARTICLE VIII MAINTENANCE FEES AND ASSESSMENTS

SECTION 1. Annual Maintenance Fee. An annual fee applicable to and assessable against each CAMPSITE shall be charged to the OWNER of each CAMPSITE. The amount of the fee shall be determined by the BOARD of DIRECTORS no later than October of each year and shall be considered delinquent if not paid by the following January 31. A late fee will be charged for payments received after the due date and interest will accrue at the maximum rate allowable at that time, or as otherwise set by the BOARD unless deferred payment arrangements are made with the ASSOCIATION as approved by the BOARD. In such case, a contract of payment with the ASSOCIATION must be signed by the MEMBER by December 15, with the first payment there under being due at that time. Such contracts shall provide the monthly finance charges on the unpaid balance at a rate to be determined from time to time by the BOARD, and shall also provide a late fee for payments received after their due dates, which fee shall also be determined from time to time by the BOARD.

SECTION 2. Special Assessments. Where determined to be necessary by the BOARD of DIRECTORS, the Association may from time to time charge the OWNER of each CAMPSITE a special assessment in addition to the annual maintenance fee provided for in Article VIII, Section 1, above. The OWNER of each CAMPSITE shall have sixty (60) days from date of mailing of notice of same to either pay the special assessment in full or take appropriate action to rescind or reduce same in accordance with Virginia Code Section 55-514. All special assessments must be used only for the purposes stated in the notice of assessment.

SECTION 3. User and entrance fees. The BOARD of DIRECTORS shall have the authority to charge an entry fee and a fee for the use of the ASSOCIATION'S facilities to persons other than ACTIVE MEMBERS, ASSOCIATION MEMBERS or AUXILIARY

ASSOCIATION MEMBERS of the ASSOCIATION.

**ARTICLE IX
FISCAL YEAR**

The fiscal year of the ASSOCIATION shall be the calendar year.

**ARTICLE X
CORPORATE SEAL**

The seal of the CORPORATION shall have inscribed thereon the name of the CORPORATION and the County or City of its principal office. The seal may be used with authority of the BOARD in printing, engraving, lithographing, stamping, or otherwise making, placing or affixing, or causing to be printed, engraved, lithographed, stamped or otherwise made, placed, or affixed upon any paper or document, by any process whatsoever, an impression, facsimile or other reproduction of said seal.

**ARTICLE XI
PARLIAMENTARY AUTHORITY**

The Board may use the rules contained in the latest edition of Robert's Rules of Order to govern the Association in all cases to which they are applicable and in which they are not in conflict or inconsistent with these By-Laws and any special rules of order the ASSOCIATION may adopt. Such decision will be determined by the BOARD.

**ARTICLE XII
AMENDMENTS**

SECTION 1. These By-Laws may be amended by the affirmative vote of a majority of the ACTIVE MEMBERS voting by return Ballot or at a special meeting called for that purpose or at the Annual Meeting in which amendment of the By-Laws is included as an agenda item with the notice of the Annual Meeting provided for in Article II, Section 6, above.

SECTION 2. Proposals to amend these By-Laws may be brought before the MEMBERSHIP by majority vote of the BOARD of DIRECTORS or by a petition of at least ten percent (10%) of the ACTIVE MEMBERS of the ASSOCIATION.

SECTION 3. If a proposed amendment to these By-Laws is made the subject of a special meeting of the MEMBERSHIP or is an agenda item for the Annual Meeting, all ACTIVE MEMBERS shall be mailed, with the notice of the meeting, a copy of the proposed change together with a copy of the provision which would be affected by the change.

SECTION 4. Voting on amendments to the By-Laws shall be by written ballot upon

which shall be placed the name of the ACTIVE MEMBER voting. Said written ballot may be cast either by mail or in person. Ballots mailed shall be counted only if received prior to the deadline date set forth on the Ballot. Voting on amendments to the By-Laws may be by proxy only if a special meeting is so called for that purpose or at the Annual meeting in which amendment of the By-Laws is included as an agenda item with the notice of the Annual meeting provided for in Article II, Section 6. Ballots relating to amendments to the By-Laws shall be counted by the Election Holders provided for above if the amendment is considered at an annual meeting or by a special committee appointed by the Chairperson of the Board if the amendment is considered at a special meeting.

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Mr. Wayne Cornelius, President
Chincoteague Bay Trails End Association, Inc.

RE: Verification of Election Results – 2009 By Law Changes

After the Holders of the Election had completed the ballot counting for the proposed by law changes on October 17, 2009 and the results have been verified. The results are as follows:

460 votes were cast
300 voted yes
160 voted no

The following votes were invalid:

Not voting member	7	Deceased	1
No signature	3	Wrong lot	1
Not marked	1	2 nd vote	1
No name	1		

Votes were tallied by:

Patty Butco
Anne Calliabet
Carl Gilbert
Helen Parsons
Carole Scott

I attest that the foregoing statements are true and made by me personally after verifying the aforementioned documents on the above stated date.



Bernard Uphold
Secretary
Chincoteague Bay Trails End Association, Inc.

Dated this 23rd day of October 2009.

