

FOUR SEASONS AT HISTORIC VIRGINIA
COMMUNITY ASSOCIATION, INC.
COVENANTS COMMITTEE CHARTER

Article III Section 3.13 of the Bylaws provides the Board of Directors of the Four Seasons at Historic Virginia Community Association, Inc. (hereinafter "Board") with all of the powers and duties necessary and appropriate for the administration of The Four Seasons At Historic Virginia Community Association, Inc. (hereinafter "Association") affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions Four Seasons at Historic Virginia (hereinafter referred to as "Declaration"), the Bylaws, the Articles of Incorporation, the Community Disclosure Booklet and as provided by law. Article V, Section 5.1 provides the Board with the authority to establish a Covenants Committee. Article V, Section 5.2 of the Bylaws provides the Board with the authority to appoint Covenants Committee Members and provides that the Covenants Committee in accordance with the provisions of the Declaration, the Bylaws, and resolutions shall be the hearing tribunal of the Association and shall conduct all hearings pursuant to Article III, Section 3.20 of the Bylaws. The Covenants Committee is being established pursuant to Article V, Section 5.1 and Section 5.2.

1. The Committee.

The Committee shall consist of at least three (3) but not more than seven (7) members who shall be appointed by the Board. The Committee shall elect the Officers of the Committee at the first regular meeting of the Committee and thereafter as needed. The Officers of the Committee shall consist of a Chair and a Vice Chair and Secretary. The terms shall be staggered as follows: The Chair and Vice Chair shall have a term of two (2) years and the secretary and all other members of the Committee shall have a term of one (1) year. The Board shall fill any vacancy. The person appointed to fill the vacancy shall serve the remainder of the term. The Board shall have the right to reappoint Committee members. The Board may remove a Committee Member with or without cause. As provided in Robert's Rules of Order, the Chair, as a member of the Committee, can vote as any other member. The Covenants Committee members shall elect the Officers of the Covenants Committee. Appointees must be Four Seasons at Historic Virginia members in good standing.

2. The Committee's Purpose.

In accordance with Article V, Section 5.2 the Covenants Committee shall be the hearing tribunal of the Association and shall conduct all hearings to be held pursuant to Article III, Section 3.20 of the Bylaws, Article IV, Section 4.3(b) of the Declaration, Article IX, Section 9.8 of the Declaration, Article X of the Declaration and any other hearing required to be held pursuant to the Bylaws, Declaration, Rules and Regulations, and any

other governing document.

3. The Committee's Responsibilities.

The Committee shall:

- a. Conduct all hearings pursuant to Article III, Section 3.20 of the Bylaws, Article IV, Section 4.3(b) of the Declaration, Article IX, Section 9.8 of the Declaration, Article X of the Declaration and any other hearing required to be held pursuant to the Bylaws, Declaration, the Association's Rules and Regulations and any other governing documents.
- b. Ensure that proper notice was given to the alleged violator.
- c. Impose the appropriate sanction(s) pursuant to the Bylaws, Declaration and/or the Schedule of Fines and Sanctions.
- d. Notify in writing the alleged violator of the hearing results within seven (7) days of the hearing in accordance with Virginia Code section 55-513 B.
- e. Assist the Managing Agent in establishing a fair, equitable and consistent method for inspections.
- f. Assist in explaining the alleged violation and sanction thereto.
- g. The committee shall report on a monthly basis to the Board of Directors on the status of all activities. The report may be made through confidential hearing tribunal reports and records that were made and/or developed in accordance with the Executive Session hearing requirements, written request for Board action, or verbal status reports of the committee progress. The committee shall forward the original records including but not limited to meeting minutes and notes to the management agent where they will be kept and maintained as the official records. Hearing minutes and reports to the extent provided by the laws of the Commonwealth of Virginia, the Bylaws and Declaration will be considered confidential. Minutes will be provided after each hearing to the Board of Directors.
- h. Consult with the Modifications Committee, as needed.

4. Notices.

- a. Written Notice of any violation and hearing, except violations under Article IX of the Declaration, shall, in accordance with Virginia Code Section 55-513B specify the nature of the violation(s), the sanction(s) to be imposed, a list of any and all charges, fines and costs, corrective action, if any, to be taken, the date and time of the hearing and a statement that the alleged violator has the right to be represented by counsel before the hearing tribunal. The written notice shall be hand delivered or mailed by registered or certified mail, return receipt requested by the Managing Agent to the member/owner at the address of record at least fourteen days prior to the hearing.
- b. With respect to violations of Article IX of the Declaration:

- i. Prepare a written notice to the owner/member notifying the owner/member that he/she/they have not diligently pursued the completion of all approved work by the deadline and/or that the construction, alteration or other work done at the Dwelling unit is in violation of Article IX of the Declaration and is non-conforming. The notice shall also request the owner/member to, at his/her/their own cost and expense and within a reasonable time frame under the circumstances, cure such non-conformance to the satisfaction of the Declarant, Modifications Committee or Board or restore the property, Dwelling Unit and/or Dwelling units to substantially the same condition as existed prior to the non-conforming work. The notice shall be hand delivered or mailed by registered or certified mail, return receipt requested to the owner/member at the address of record.
- ii. If the owner/member fails to diligently pursue the completion of all approved work and/or fails to cure and/or restore the property, Dwelling Unit or Dwelling Units as requested within the time frame, the Management Agent shall by written notice to owner/member specify the nature of the violation, the sanctions to be imposed, the right of the Association or its designees to enter the property to remove the violation, remove or complete any incomplete work, restore the property Dwelling Unit or Dwelling Units to substantially the same conditions as previously existed before the violation, assess all costs and expenses incurred including interest against the Dwelling Unit as a Benefited Assessment, notify the owner/member of the date and time of the hearing and attach to the Notice a copy of the written request and notice sent to the owner/member by the Declarant, Modification Committee or Board of Directors to cure the violation, complete the approved work or remove the violation and/or restore the property and/or Dwelling Unit or Dwelling Units.

5. Meetings and Hearings:

- a. Committee Meetings shall be held monthly in the Clubhouse at a date and time voted upon by the Committee.
 - (i) A quorum must be present to constitute a valid hearing/meeting of this Committee. A majority of the Committee members shall constitute a quorum. If any meeting of the Covenants Committee cannot be held because a quorum is not present then a majority of the committee's members present at such hearing/meeting may adjourn the meeting to a time not more than 30 days from the date of the original meeting and any continuing fine will be tolled.
 - (ii) The votes of a majority of the Committee members present at a meeting at which a quorum is present shall constitute the decision of the Committee. Majority vote shall mean those votes totaling more than fifty percent (50%) of the total votes.

In the event that a decision of the Covenants Committee ends in a tie then the decision of the Covenants Committee shall be deemed to be in favor of the violator or association member/owner and no fine or sanction shall be imposed.

- (iii) All meetings and hearings shall be open to the Association members. During a meeting or hearing the Covenants Committee members shall go into executive session for the purpose of personnel matters; consultation with legal counsel; contract discussion; pending or probable litigation; matters involving violations of the declaration or rules and regulations adopted pursuant to which a member, his family members, tenants, guests or other invitees are responsible; or to discuss and consider the personal liability of members to the association; and punitive matters and hearings concerning violations of the declaration, covenants, rules and regulations adopted, and consideration of levying assessments for such violations.

- (iv) Executive Sessions: Executive Session is defined as a meeting at which all non-committee persons are excluded except that the alleged violator or member/owner and the attorneys representing the violator or member/owner may be present during the hearing phase but not the deliberation phase of the proceeding.

Witnesses may be present only when testifying. An Executive Session must be for one or more of the following purpose: (1) Discussion concerning the formal decision of a case before the Covenants Committee; (2) Strategy and negotiations with respect to possible or pending claims and litigation and (3) Discussion of any matter which would result in disclosure of personal records.

Any case decision resulting in a formal ruling must be stated in open session and duly recorded in open session minutes without disclosure of personal records or identity of violator/member/owner.

Any document that is subject to Virginia Code §55-510C shall be reviewed in executive session. Any and all documents and/or matters reviewed and/or discussed in executive session shall be kept confidential.

- b. Hearings shall be held as scheduled by the Management Agent and Covenants Committee Members and is dependent on the time given to a member/owner to cure and the Inspection Schedule.
- c. Hearings shall be held as needed, to ensure prompt hearings on all violations, but at a minimum, quarterly;
 - (i) The Committee shall hold a hearing after proper notice was given as required under this Charter, the Bylaws, Declaration and Virginia Code Section 55-513B.
 - (ii) Hearings shall be held in accordance with Virginia Code §55-513 and Article III Section 3.20(b). If there is a conflict between Virginia Code §55-513 and Article III Section 3.20(b) of Bylaws then Virginia Code §55-513 shall control.
 - (iii) Prior to the imposition of any sanction, the Management Agent shall serve upon the alleged violator a written Notice pursuant to Virginia Code Section 55-513

specifying the nature of the violation, the sanction to be imposed, a list of any and all charges and costs, corrective action, if any, to be taken and the date and time of the hearing and the right to be represented by counsel before the hearing tribunal as set forth in paragraph 5a above.

- (iv) Prior to the imposition of the sanctions set forth in Article IX of the Declaration authorizing the Declarant or Association to among other things "enter upon the Dwelling Unit and remove or complete any incomplete work and to assess all costs incurred against the Dwelling Unit and Owner thereof as a Benefited Assessment" the Managing Agent shall serve upon the alleged violator a written notice pursuant to Virginia Code Section 55-513 specifying the nature of the violation, the sanction to be imposed, corrective action to be taken, the date and time of the hearing, and attach to the notice a copy of the written request from the Declarant, Modifications Committee and/or Board to the owner/member requesting the owner/member to cure the non-conformance and/or to restore the property and the right to be represented by counsel before the hearing tribunal as set forth in paragraph 5b. above.
- (v) The Covenants Committee shall only impose the fines and sanctions set forth on the Schedule of Fines and Sanctions and as amended from time to time and any sanction authorized by the Declaration and/or Bylaws. A copy of the Schedule of current fines and sanctions is attached hereto and incorporated herein as if fully set forth. Each amendment to the Schedule of Fines shall be attached hereto and incorporated herein after proper notice to the Association member/owners and after Board approval.
- (vi) After a complaint has been received by the Management Agent and if the violation is confirmed then the violator will receive a Notice of Hearing as set forth in paragraph 5.
- (vii) The hearing result shall be hand delivered or mailed by registered or certified mail, return receipt requested by the management agent to the member/owner at the address of record with the association within seven (7) days after the hearing.

6. In accordance with Article III, Section C. 3.20(c) of the Bylaws if the sanction is a monetary sanction and exceeds \$500.00, a violator and association member/owner may appeal the decision of the Covenants Committee by a written notice of appeal which notice must be received by the managing agent, President, or Secretary of the Association within fifteen (15) days after the hearing. In order to provide violators and association member/owners with the ability to appeal a decision of the Covenants Committee, the Board considered the costs involved in permitting violators and association member/owners with appeal rights and how the cost of an appeal will impact the community at large. The Board determined that the expense of an appeal should not be borne by the Association but by the violator or association member/owners seeking the appeal. The Board has determined that the expense of an appeal would be approximately \$500.00 which costs include attorney fees to review the Covenants Committee decision, cost of copying and mailing costs, etc. Therefore, a violator or association member/owner shall pay the sum of \$500.00 as may be modified from time to time, as a

prerequisite to his/her right of appeal. The written notice of appeal shall be accompanied by a cashiers check made payable to Four Seasons At Historic Virginia Community Association, Inc. or posting of a bond in favor of the Association in the amount of the fine assessed by the Covenants Committee plus an administrative fee of \$500.00 as set forth above. With respect to violations under Article IX of the Declaration the Association member/owner's written notice of appeal shall accompany a cashier's check made payable to Four Seasons At Historic Virginia Community Association, Inc. or posting a bond in favor of the Association in triple the amount of cost to be determined by the Modification Committee in its sole discretion to remedy the violation and an administrative fee of \$500.00 as set forth. The bond or cashiers check will be returned in the event that the violator /association member/owner prevails. If the violator or homeowner/member prevails in the appeal then the administrative fee is refundable. If the violator or homeowner/member does not prevail in the appeal then the administrative fee is nonrefundable.

7. Annual Reviews:

- i. Review Schedule of Fines and Sanctions to be imposed based on violations.
- iii. Review and clarify areas of the Design Guidelines and recommend changes to the Board of Directors for action in time for publication at the annual meeting.
- iv. Review schedule and procedures for inspections with the Managing Agent.

8. Confidentiality of Information:

All members of the Committee agree to keep information about specific homeowner/members confidential.

9. Conflict in Documents.

The Covenants Committee shall fulfill its duties and obligations as set forth in the Articles of Incorporation, Declaration, Bylaws, the laws of the Commonwealth of Virginia, federal law and this Charter.

In the event of a conflict between this Charter, the Articles of Incorporation, and/or the Bylaws and/or the Declaration and/or the Community Disclosure Booklet and the Virginia Statute, the Virginia Statute will control then the Declaration, then the Articles of Incorporation then the Bylaws.

10. The Covenants Committee Members may not serve concurrently as appointed members of the Covenants Committee and any other committee or sub-committee.

11. Upon termination as a member of the Covenants Committee, members shall return all

documents, electronic and written materials, and any other recorded forms of sensitive Four Seasons at Historic Virginia Community Association or company proprietary information and all copies, which by their nature are for use of the Committee only. Members' obligations to safeguard and protect sensitive Four Seasons at Historic Virginia Community Association or company proprietary information do not expires and shall survive as a result of leaving the Committee.

12. Conflict of Interest shall be defined as a conflict between the private interests and the official responsibilities of a Member.

Covenants Committee Members must address a conflict of interest with the Chair and shall recuse him or herself in matters where he or she may have a conflict of interest in the discharge of committee duties. Recusal refers to a committee member declining to participate in a matter because of a conflict of interest. Recusal means that you are not participating in deliberations or debates or making recommendations or giving advice, considering findings, or in any other way assuming responsibility for or participating in any aspect of the work relating to the matter where there are potential conflicts of interest. It does not mean that the committee member must leave the room if it is an open meeting, although the committee member may voluntarily choose to do so.

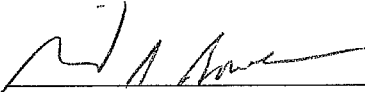

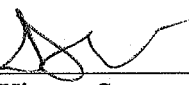
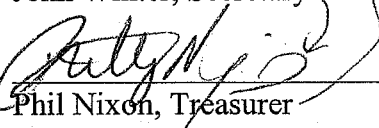
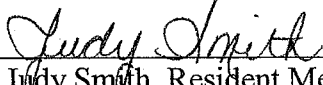
In the event that any Member becomes aware of a conflict of interest of another Member then the Member has a duty to advise the committee thereof and the committee shall consider and ask the Member to recuse himself or herself. In the event that the Member with the conflict of interest disagrees and does not believe he or she has a conflict of interest then the matter shall be voted on by the remaining Covenants Committee members and its decision shall be final. In the event that there is a tie vote then the Member with the alleged conflict of interest shall be recused.

13. The Board of Directors shall have the power to adopt, amend or repeal this Charter.
14. Each Committee Member shall attend a training session on how to run a Committee including but not limited to note taking, what is an official document or record, communicating with Association Members and others who may come before the Committee, use of language, that personal beliefs and feelings are not to be considered when making decisions and what duties the Committee Members have to the Associations. Each Committee Member shall also attend a training seminar regarding legal issues that may affect them personally as well as the Committee, Board and Association.
15. The Committee Members shall perform their duties to the best of their abilities as set forth under the laws of the Commonwealth of Virginia, Federal law, Declaration, Articles of Incorporation, Bylaws and this Charter in a professional and courteous manner and shall promote the highest degree of impartiality and objectivity possible in the conduct of the Committee's activities and business. Each Committee Member shall discharge his or

her duties in accordance with his or her good faith judgment in the best interests of the Association. All meetings shall be conducted in accordance with Robert's Rules of Order as published from time to time.

16. The Covenants Committee shall for each hearing complete a confidential hearing report. In order to promote consistency in its decisions, the Covenants Committee shall maintain a book that sets forth its precedents. This requirement shall not modify any other duties of the committee as set forth in the Bylaws, Declaration and/or guidelines. The official records of the Committee, including but not limited to any confidential hearing reports, correspondence to and from members or owners, minutes of meeting, etc. will be delivered to the Management Agent where it will be kept and maintained as the official records.

Approved and adopted this 28th day of Sept., 2006 by the Board of Directors of the Four Seasons at Historic Virginia Community Association, Inc. as evidence by the Directors Signature below.

	9/28/06
Rick Bowers, President	Date
	9-28-06
Frank Richardson, Vice President	Date
	10/4/06
John Winter, Secretary	Date
	9/28/06
Phil Nixon, Treasurer	Date
	9-28-06
Judy Smith, Resident Member	Date