BYLAWS OF THE
ROCKBRIDGE COMMUNITY ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is the **ROCKBRIDGE COMMUNITY ASSOCIATION, INC.** (hereinafter the "Association"). The principal office of the Association shall be located at 246 Valleyfield Lane, Southern Pines (Moore County), North Carolina 28387. The location of the principal office of the Association may be changed by the Board of Directors. Meetings of Members and Directors may be held in such places within Wake or Moore County, North Carolina, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

All terms defined in the Declaration Of Covenants, Conditions, And Restrictions For Rockbridge Community Association, Inc., recorded, or to be recorded in the office of the Register of Deeds of Wake County, North Carolina (as from time to time amended, said documents, together with all amendments thereto, if any, being hereinafter referred to as the “Declaration"), shall have the same meanings when used herein.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Membership and voting rights of the Members shall be as provided in Article 3 of the Declaration.

ARTICLE IV
MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within eighteen (18) months from the date of incorporation of the Association. Each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter on the day, at the hour, and at the place specified in the notice to the Members of the meeting.

Section 2. Special Meetings. Special meetings of the Members shall be called at any time upon the written request by the President or any member of the Board of Directors of the Association or by members representing twenty percent (20%) of the membership entitled to vote.

Section 3. Place of Meetings. Meetings of the Members shall be held at such place

within Wake or Moore County, North Carolina, as may be determined by the Board of Directors.

Section 4. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, to each Member entitled to vote at such meeting, by hand delivery or by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Notice shall be mailed or delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting. Such notice shall specify the place, day and hour of the meeting, contain an agenda of matters to be discussed and/or voted upon at the meeting, including without limitation, the nature of any proposed amendment to the Articles Of Incorporation or these Bylaws, any budget changes, any proposal to remove a Director, and, if applicable, and, in case of a special meeting, the exact purpose of the meeting, including the text of any proposals to be voted on at such special meeting. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 5. Quorum. Except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws, the presence at a meeting of Members or their proxies entitled to cast one-tenth (1/10) of the members entitled to vote shall constitute a quorum for any action. If, however, a quorum is not present or represented at any meeting, the Members or their proxies present and entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable by written notice of revocation signed by the person whose proxy is given and delivered to the Secretary of the Association prior to determination of a quorum at the meeting of Members. A Member’s proxy shall be automatically revoked by and upon conveyance by such Member of his Lot. A proxy shall also automatically terminate on the earlier of the date specified in the proxy for termination or the date that is 11 months after its date.

Section 7. Informal Action by Members. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association to be kept in the minute book of the Association; provided, however, that such consent shall only be valid if all persons who must sign such consent do so within forty-five (45) days after the first such person signs.

ARTICLE V
BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by a Board of Directors.

Section 2. Number, Term and Qualification. The affairs of the Association shall be managed by a Board of Directors of three (3) members, which shall be entitled to act on behalf of the Association, in all routine, day to day operations of the Association. Said Board shall consist of the President, Vice President and the Secretary of the Association.

The term of office for each Board member shall be until the successors to such offices shall have been duly elected and qualified at the annual meeting of the members as provided above.

The Members of the Association may, by a majority of the votes cast at any duly called annual or special meeting of the Members at which a quorum is present, increase or decrease the number of Directors of the Association; provided, however, that the number of Directors shall not be increased to more than seven (7) or decreased to less than three (3) without amendment of these Bylaws of the Association.

Section 3. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee appointed by the Board of Directors; nominations may also be made by any Member at the annual meeting of the Members. The Nominating Committee (if any) shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association who are not members of the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

Section 4. Election. Except as provided in Sections 6 and 8 of this Article, the Directors shall be elected at the annual meeting of the Members by secret written ballot. In such election, the Members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled under the provisions of Article III of the Declaration. The person(s) receiving the highest number of votes shall be elected. Neither cumulative nor fractional voting is permitted.

Section 5. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members present and entitled to vote at any meeting of the Members called for that purpose, provided, however, that the Members may not remove a director appointed by the Declarant as provided in Section 8 of this Article V.

Section 6. Vacancies. A vacancy occurring in the Board of Directors may be filled

by the selection by the remaining directors of a successor, who shall serve for the unexpired term of his predecessor. The Members may elect a director at any time to fill any vacancy not filled by the directors.

Section 7. Compensation. No director shall receive compensation for any service he may render to the Association in the capacity of director. However, with the prior approval of the Board, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 8. Declarant's Right to Appoint Directors. Notwithstanding any other provision of these Bylaws, Declarant may, in its discretion, appoint and remove all of the directors of the Association. Declarant's intent to exercise or continue to exercise that right shall be set forth in the notice of each annual meeting of the Members.

ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually, without notice, and at such place and hour as may be fixed from time to time by resolution of the Board. Should the date of such meeting fall on a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two directors, after not less than five (5) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly-held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Informal Action by Directors. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if written consent to the action so taken is signed by all the directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 5. Chairman. A Chairman of the Board of Directors shall be elected by the directors and shall preside over all Board meetings until the President of the Association is elected. Thereafter, the President shall serve as Chairman. In the event there is a vacancy in the office of the President, a Chairman shall be elected by the Board of Directors to serve until a new President is elected.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and the personal conduct of the Members and their guests thereon and establishing penalties for infractions thereof, and adopt and publish rules and regulations interpreting the restrictions and covenants applicable to the Properties and the enforcement thereof;

(b) after notice and an opportunity to be heard, to suspend the voting rights of an Owner and the right of an Owner to use the Common Area and facilities thereon for any period during which any assessment against his Lot remains unpaid for a period of 30 days or longer, or for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association by the Articles Of Incorporation, these Bylaws, the Declaration or the Act, including, without limitation, Section 47F-3-102 thereof, and not reserved to the Members by other provisions of the same;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors without good cause;

(e) employ a manager and such other employees or independent contractors as it deems necessary and prescribe their duties, and contract with a management company to manage the operation of the Association. In the event that a contract is entered into with a management company, such contract must be terminable by the Board of Directors without cause or penalty on not more than ninety (90) days notice and any management contract made with the Declarant shall be for a period not to exceed three (3) years;

(f) employ attorneys, accountants and other persons or firms to represent the Association when deemed necessary;

(g) grant easements to any private or public agency, authority or utility for the installation and maintenance of sewage, utility or drainage facilities upon, over, under and across the property owned by the Association without the assent of the Members when such easements are necessary for the convenient use and enjoyment of the Properties; and

(h) appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient.

The Board of Directors may, in its discretion, delegate any of its powers to a subcommittee of the Board, an officer of the Association, or a manager, agent or attorney

employed by the Association, provided, however, that such delegation shall not relieve the Board of its obligation to ensure that the duties set forth in this Article VII are faithfully carried out or that the powers so delegated are appropriately exercised by such delegate.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing at least five (5) working days before such meeting by at least twenty percent (20%) of the members;

(b) supervise all officers, agents and employees of the Association and see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) prepare budgets and present same to the Members for ratification;

(2) send written notice of such assessment to every Owner subject thereto at least thirty (30) days in advance of the due date for each annual assessment; and

(3) establish and enforce procedures for collection of assessments and for filing and enforcement of liens for unpaid dues as provided in the Act.

(d) issue, or cause an appropriate officer of the Association to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be established by the Board of Directors for the issuance of such certificate. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of payment;

(e) procure and maintain adequate liability insurance covering the Association in an amount not less than $1,000,000.00 and adequate hazard insurance on the real and personal property owned by the Association;

(f) procure and maintain directors' and officers' liability insurance;

(g) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) cause the Common Area and all facilities erected thereon to be maintained;

(i) if it deems necessary or if directed by the Members to do so, establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of the improvements constructed on the Common Area;

(j) provide such notices to and obtain such consents from the owners and holders of first deeds of trust on Lots within the Properties as is required by the Declaration or these Bylaws;

(k) pay all *ad valorem* taxes and public assessments levied against the real and personal property owned in fee by the Association;

(l) hold annual and special meetings and elections for the Board of Directors; and

(m) prepare annual budgets and financial statements for the Association and make same available for inspection by the Members at all reasonable times.

Section 3. Enforcement Rights. In addition to such other rights as are granted in the Act, the Articles of Incorporation, the Declaration or these Bylaws, the Board of Directors shall have the power, pursuant to the procedures set forth in this Section, to impose sanctions for violations by an Owner, a member of his family, or any occupant, tenant, employee, guest or invitee of the Owner, of the Declaration, these Bylaws, architectural guidelines, rules and regulations adopted by the Association or the any restrictive covenants applicable to the Properties (hereinafter individually and collectively referred to as the "Rules"), which sanctions may include, but are not limited to, reasonable monetary fines, not to exceed the greater of the costs actually incurred by the Association in abating such violation including, without limitation, attorneys' fees, or $50.00 per day, or part thereof, in which the violation continues to exist for a first violation, $100.00 per day for a second violation of the same rules or regulations, and $150.00 per day for a third or subsequent violation, and which fines shall constitute a lien upon the Lot of the Owner, and suspension of the right to vote and the right to use the Recreational Amenities. In addition, the Board may suspend any services provided by the Association to an Owner or the Owner's Lot if the Owner is delinquent in paying any assessment or other charges owed to the Association. The failure of the Board to enforce any of the Rules shall not be deemed a waiver of the right to do so thereafter.

(a) Notice. Before imposition of any sanction, the Board or its delegate shall give the Owner written notice describing: (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than 10 days within which the Owner may present a written request for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a request for a hearing is received by the Board before the end of the period set forth in such notice (the "Notice Period"). Such notice may be hand delivered by any person or sent by first class mail to the address of the Owner shown in the records of the Association. Any notice hand delivered shall be deemed received when received by the Owner or by any person more than 18-years old who is present at the address of the Owner as shown on the records of the Association. Notice sent by mail shall be deemed received on the third business day after same is deposited in the United States Mail with proper postage thereon. The Board shall include in its minutes evidence of the giving of such notice, including a copy of the notice and a statement of the date and manner of delivery signed by the officer, director or agent who delivered such notice. The notice requirement shall be deemed

satisfied if the alleged violator or its representative appears at the meeting, unless the appearance is made to protest the lack of notice.

If a request for a hearing is not received before the end of the Notice Period, the sanction stated in the notice shall be imposed; provided, however, that the Board may waive any proposed sanction if the violation is cured before the end of the Notice Period. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any person.

(b) Hearing. If a hearing is timely requested, the hearing shall be held by the Board in executive session or by a committee of not less than three (3) Members (who may or may not be Directors of the Association) appointed by the Board for the purpose of hearing such appeals. The Owner shall be afforded a reasonable opportunity to be heard. A written statement of the results of the hearing and the sanctions, if any, imposed, shall be placed in the minutes of the Board and a copy of such statement shall be provided to the Owner in the same manner as the notice required by subsection (a) of this Section 3.

If the hearing was held before a subcommittee appointed by the Board, the Owner shall have the right to appeal the decision to the Board by giving a written notice of appeal to the President or Secretary of the Association within ten (10) days after receiving a copy of the written statement of the results of the hearing. If such notice of appeal is given, the Board shall schedule and notify the Owner of the date of the appeal hearing, which shall be not less than five (5) nor more than fifteen (15) days after notice of appeal is given, and which must be attended by not less than 75% of the members of the Board. The Owner shall be afforded a reasonable opportunity to be heard. The Board may, by majority vote of the Directors present at such appeal hearing, affirm, modify or reverse the decision of the subcommittee. A written statement of the results of the appeal hearing and the sanctions, if any, imposed, shall be placed in the minutes of the Board and a copy of same shall be provided to the Owner in the same manner as the notice required by subsection (a) of this Section 3.

(c) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Rules, without the necessity of compliance with the notice and hearing procedures set forth herein, by self-help remedy methods (specifically including, but not limited to, the removal of a non-conforming or unapproved improvement on the Lot and towing of Owner and tenant vehicles parked in violation of parking rules) or by action at law or in equity to enjoin any violation or to recover monetary damages or both. In any such action, to the maximum extent permissible, the Association shall be entitled to recover all costs or such action, including reasonable attorney's fees incurred. Any entry onto any Lot for purposes of exercising this power of self-help shall not be deemed as trespass.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Association shall be a

President, who shall at all times be a member of the Board of Directors, a Secretary, a Treasurer, and such Vice President(s) and other officers as the Board may from time to time by resolution appoint.

Section 2. Election of Officers. Each officer shall be appointed by the Board of Directors from its members as provided in the Declaration. Each officer elected shall serve until the next annual election and his successor shall have been appointed by the Board of Directors.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, be removed, or be otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by a vote of at least sixty-seven percent (67%) of the Board of Directors. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by the Board. The person appointed to such vacancy shall serve for the remainder of the term of the officer he replaces. Specifically in the event of death, the successor shall be appointed by the Board of directors to serve until the next annual meeting of the members.

Section 7. Multiple Offices. The offices of President and Secretary may *not* be held by the same person; otherwise, a person may hold more than one office.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall: preside at all meetings of the Board of Directors and of the Members; see that orders and resolutions of the Board are carried out; sign all leases, promissory notes, mortgages, deeds and other written instruments; and, if so authorized by the Board, sign checks.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall: record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring a seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association and

their addresses; and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall: receive and deposit in appropriate bank accounts all funds of the Association and disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; issue, or cause to be issued, all requested certificates setting forth whether the assessments applicable to a specific Lot have been paid; cause an annual audit of the Association books to be made by an independent public accountant at the completion of each fiscal year; prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members; and, if directed by resolution of the Board of Directors, sign checks of the Association.

ARTICLE IX
COMMITTEES

The Board of Directors of the Association may appoint a Nominating Committee as provided in Section 3 of Article V of these Bylaws. The Board of Directors may appoint such other committees as it deems necessary to carry out the affairs of the Association.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall, at all times during reasonable business hours, be subject to inspection by any Member or his agent. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made.

ARTICLE XII
MISCELLANEOUS

Section 1. Corporate Seal. The Association shall have a seal in a circular form having within its circumference the words: Rockbridge Community Association, Inc.; and such seal is hereby adopted as the corporate seal of the Association.

Section 2. Amendments. Except as otherwise provided herein, these Bylaws may be amended or repealed and new bylaws adopted at any regular or special meeting of the Board of Directors by the affirmative vote of a majority of the Directors then holding office.

These Bylaws may also be amended or repealed and new bylaws adopted at any regular or special meeting of the Members, by the affirmative vote of a majority of the votes cast at such meeting, subject to normal quorum requirements.

No bylaw adopted or amended by the Members shall be amended or repealed by the Board of Directors, except to such extent that such bylaw expressly authorizes its amendment or repeal by the Board of Directors.

Section 3. Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 4. Indemnification.

(a) Any person who at any time is serving or has served as a Director, officer, employee or agent of the Association, or who is serving or has served in any such capacity at the request of the Association in any other corporation, partnership, joint venture, trust or other enterprise or, at the request of the Association, as a trustee or administrator under any employee benefit plan, shall be indemnified by the Association to the fullest extent permitted by law, including specifically the indemnification provided by the provisions of the North Carolina Nonprofit Corporation Act, including but not limited to indemnification against (i) reasonable expenses, including attorneys' fees actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the Association, seeking to hold him liable by reason of the fact that he is or was acting in such capacity, and (ii) reasonable payments made by him in satisfaction of any judgment, money decree, fine penalty or settlement for which he may become liable in any such action, suit or proceeding.

The Board of Directors of the Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by the provisions of this Section 4(a), including, without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him and if required, giving notice to, and obtaining approval by, the Members of the Association.

Any person who at any time serves or has served in any of the aforesaid capacities for, on behalf of, or at the request of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided under this Section 4(a). Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provisions of this Section.

If the North Carolina Nonprofit Corporation Act is subsequently amended to eliminate or further limit the personal liability of directors or to authorize corporate action to eliminate or further limit such liability, then the liability of the Directors of this Association shall, without any further action of the Board of Directors or the Members of the Association, be eliminated or limited to the fullest extent permitted by the North Carolina Nonprofit Corporation Act as so amended.

(b) The Association shall have the power to purchase and maintain insurance on behalf of any person who is serving or has served as a Director, officer, employee or agent of the Association, or who is serving or has served in any such capacity at the request of the Association in any other entity, trust or other enterprise or, at the request of the Association, as a trustee or administrator under any employee benefit plan against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would otherwise have the power to indemnify him against such liability.

(c) In addition to the indemnification authorized under the provisions of Sections 4(a) and 4(b) of this Article XII and under the provision of the North Carolina Nonprofit Corporation Act, the Association, acting pursuant to a resolution adopted by its Board of Directors, may by contract agree to indemnify any person who at any time is serving or has served as a Director, officer, employee or agent of the Association, or in any such capacity at the request of the Association in any other corporation, partnership, joint venture, trust or other enterprises or, at the request of the Association, as a trustee or administrator under any employee benefit plan, against liability and reasonable litigation expenses, including attorneys' fees, arising out of his status as such or his activities in any of the foregoing capacities before or after the date on which the contract is executed; PROVIDED HOWEVER, that the Association may not agree under any such contract to indemnify any such person against any liability or litigation expense he may incur in relation to matters as to which he shall have been adjudged in such action, suit or proceeding to have acted in bad faith or to have been liable or guilty by reason of willful misconduct in the performance of duty.

(d) Any repeal or modification of the foregoing provisions of this Section 4 shall not affect any rights or obligations then existing with respect to any state of facts then or therefore or thereafter brought based in whole or in part on any such state of facts.

(e) This Section is intended to provide indemnification solely for actions taken by a person in his/her capacity as an officer or Director of the Association. Nothing herein shall be deemed to provide indemnification to any person for any liability that may result from that person's ownership of property within the Properties.

Section 5. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 6. Gender. Any use of the masculine gender in these Bylaws shall be construed to include the feminine gender. Any use of the singular shall be construed, as appropriate, to include the plural.

Section 7. Forms of Proxy. The following form of proxy shall be deemed sufficient, but any other form may be used which is sufficient in law:

ROCKBRIDGE COMMUNITY ASSOCIATION, INC.

Know all men by these presents that the undersigned member of Rockbridge Community Association, Inc. hereby constitutes and appoints _____ the attorney and proxy of the undersigned to annual and special meeting of the members of Rockbridge Community Association, Inc., at which I am not present, until the Secretary of the Association received from me a letter revoking this proxy and for and on behalf of the undersigned to vote as the undersigned would be entitled to vote if personally present, hereby ratifying and confirming all that said attorney and proxy shall do in the premises, and giving and granting unto said attorney and proxy full power of substitution and revocation.

Dated _____, 2006

Member: _____

Witness: _____

Section 8. Form of Waiver of Notice. The following form of waiver of notice shall be deemed sufficient, but any other form may be used which is sufficient in law:

ROCKBRIDGE COMMUNITY ASSOCIATION, INC.

We, the undersigned (Board or Association member) of Rockbridge Community Association, Inc., do hereby severally waive notice of the time, place, and purposes of (the annual or a special) meeting of the Board or Association members of the said Association, and consent that same held at _____ on the _____ day of _____, 2006 at _____ o'clock ____.m. and we do further consent to the transaction of any and all business of any nature that may come before the meeting.

Dated this _____ day of _____, 2006
_____;
_____;

The undersigned hereby certifies that he is the Secretary of Rockbridge Community Association, Inc. (the "Association"), and that the foregoing Bylaws Of The Rockbridge Community Association, Inc. have been duly adopted as the Bylaws of the Association as of the ____ day of _____, 2006.

_____

_____
Secretary