

**RUNAWAY BAY HOMEOWNER'S ASSOCIATION
POLICY RESOLUTION NO. P04-01
BOOK OF RESOLUTIONS**

Relating to types of Board Resolutions
and manner of recording

WHEREAS, Paragraph 2 of the Articles of Incorporation gives the Board of Directors the power to carry on the business of the Association; and

WHEREAS, there is a need for the Board of Directors to keep a record of the actions and decisions taken in the performance of its duties; and

WHEREAS, it is the intent of the Board of Directors to maintain a record of its decisions in addition to the customary Book of Minutes;

NOW, THEREFORE, BE IT RESOLVED THAT the Board shall create a Book of Resolutions which shall be an orderly and indexed record of the Rules and Regulations of the Association and of the resolutions that are adopted by the Board, specifically Policy Resolutions, Administrative Resolutions, Special Resolutions, and General Resolutions as described below.

I. BOOK FORMAT

The Book of Resolutions shall be composed of four main sections: one for Policy Resolutions, one for Administrative Resolutions, one for Special Resolutions, and one for General Resolutions. Such resolutions shall be arranged in each section in order of their adoption. These resolutions shall be classified as follows:

- A. "Policy Resolutions"** shall mean and refer to resolutions adopted by the Board of Directors which specifically relate to the long-term governance of the Association, including, but not necessarily limited to, actions affecting Owners' property rights, actions affecting Owners' obligations, and protection of the equity of the Association and Owners. All Policy Resolutions shall be recorded in Part One of the Book of Resolutions of the Association and attached to the Minutes of the meeting at which they were adopted.
- B. "Administrative Resolutions"** shall mean and refer to those resolutions adopted by the Board which deal with the internal operation and structure of the Association, including but not limited to, financial procedures, committee terms of reference, etc. All Administrative Resolutions shall be duly recorded in Part Two of the Book of Regulations and attached to the Minutes of the meeting at which they were adopted.
- C. "Special Resolutions"** shall include those resolutions adopted by the Board of Directors involving actions relative to questions of compliance by an Owner with the provisions of the Associations governing legal documents, or the Book of Resolutions. Special Resolutions shall be duly recorded in Part Three of the Book of Resolutions and attached to the Minutes of the meeting at which they were adopted.
- D. "General Resolutions"** shall mean and refer to those resolutions adopted by the Board which relate to specific expenditures, single task actions, and other such general matters of the Board which have no continuing, far-reaching, or precedent-setting implications. General Resolutions shall be recorded in Part Four of the Book of Resolutions and attached to the Minutes of the meeting at which they were adopted.

II. DEFINITIONS

This Book of Resolutions shall incorporate by reference all definitions contained in the governing legal Page 2 of 5 documents for the Association. The terms defined below are also used in this Book of Regulations:

- A. "Board" refers to Board of Directors.
- B. "Association" refers to the Runaway Bay Homeowner's Association, Inc.
- C. As the context may require, the terms "Owner" or "Lot Owner" shall refer to Property Owners, Lot Owners, members of their families, their guests, tenants, employees and invitees.

III. FORMAT OF RESOLUTIONS

The format of resolutions shall conform to the format set out on the attached Exhibit A. All resolutions that are more than one page shall repeat the resolution number and title on subsequent pages.

IV. RESPONSIBILITY

The secretary shall be responsible for maintaining the Book of Resolutions and providing to the Owners appropriate and prompt notice of any additions or changes.

V. INSPECTION

The Book of Resolutions shall be made available for inspection by any Owner or Owner's representative of one of the project's Mortgagees upon request, during normal business hours.

VI. CONFLICTS

If the Book of Resolutions conflicts with the Virginia Non-Stock Corporation Act or the Association's legal documents, those documents shall prevail, according to the following hierarchy; the Non-Stock Act, the Declaration, the Articles of Incorporation, the Bylaws, the Book of Regulations.

VII. SEVERABILITY

The invalidity of any portion of the Book of Resolutions shall not impair or affect in any manner the validity, enforceability, or effect of the balance of the Book of Resolutions.

VIII. APPLICABILITY

Wherever in this Book of Resolutions reference is made to the Association, such reference shall include the Association and the Managing Agent or the Property Owner Services Manager where such authority is delegated by the Association to the Managing Agent or the Property Owner Services Manager.

IX. COMPLIANCE

All Owners shall comply with the provisions of the Book of Resolutions.

X. ENFORCEMENT

The Association or any Owner shall have the right to enforce, by any proceeding set forth herein or at law or in equity, all provisions of the Book of Resolutions as well as the Association's governing legal documents. Failure by the Association, or any Owner to enforce any of the provisions of this Book of Resolutions shall in no event be deemed a waiver of the right to do so thereafter. A waiver of such rights shall be effective only pursuant to an instrument in writing signed by the party to be charged with such waiver and shall be limited to the particular provision contained herein which is expressly set forth as being waived.

XI. VIOLATION AND NUISANCE

Every act or omission whereby any provision of the Book of Resolutions is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action by the Association or any Owner.

All Owners must observe and abide by all Resolutions posted by the Association and the rules and regulations of other governing agencies and/or authorities.

If any Owners violate any of these Resolutions, they will hold the Association harmless for any and all damages or losses that may ensue, and waive any and all rights and notices in connection herewith that they may have under the provisions of any applicable governmental laws and ordinances.

XII. VIOLATION OF LAW

Any violation of any applicable governmental law, ordinance or regulations, pertaining to the ownership, occupation, or use of any portion of the Property is hereby declared to be a violation of this Book of Resolutions and is subject, at the discretion of the Board, to any or all of the enforcement procedures set forth herein.

XIII. REMEDIES CUMULATIVE

Each remedy set forth in this Book of Resolutions shall be in addition to all other remedies whether available at law or in equity, and all such remedies, whether or not set forth in this Book of Resolutions shall be cumulative and not exclusive.

XIV. REFERENCE OF PRONOUNS

All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular and plural as to the identity of the person or persons or entities may require.

XV. METHOD OF ADOPTION

All resolutions shall contain an indication of whether they were adopted at a regular or special meeting of the Board, or by written consent, as well as the date of adoption.

XVI. AMENDMENT

The Association reserves the right to amend, modify, delete, or replace any provisions set forth in this Book of Resolutions at any time by a majority vote of the Board of Directors and recorded by resolution of the Board of Directors, unless specifically stated otherwise.

EXHIBIT "A"
MODEL RESOLUTION FORMAT

RUNAWAY BAY HOMEOWNER'S ASSOCIATION
RESOLUTION ACTION RECORD

Resolution Type _____ Number _____
Pertaining to: _____

Duly adopted at a meeting of the Board of Directors of Runaway Bay Homeowner's Association, held _____, 200__.

Motion by _____ Seconded by _____

OFFICER AND TITLE	VOTE RECORD			
	YES	NO	ABSTAIN	ABSENT
_____ President	___	___	___	___
_____ Vice President	___	___	___	___
_____ Secretary	___	___	___	___
_____ Treasurer	___	___	___	___
_____ Director	___	___	___	___

This Resolution is Effective, _____, 200__.

ATTEST:

President DATE _____

Secretary DATE _____

FOR ASSOCIATION RECORDS

I hereby certify that a copy of the foregoing Policy Resolution was posted to the Book of Resolutions and a copy of this Resolution and any associated documentation was mailed and/or hand-delivered to all members of the Runaway Bay Homeowner's Association at their address of record on this _____ day of _____, 200__.

Runaway Bay Property Owner Services Manager

**RUNAWAY BAY HOMEOWNER'S ASSOCIATION
RESOLUTION ACTION RECORD**

Resolution Type POLICY Number: P04-01
Pertaining to: Types of Board Resolutions and manner of recording

Duly adopted at a meeting of the Board of Directors of Runaway Bay Homeowner's Association, held
May 29, 2004

Motion by _____ Seconded by _____

OFFICER AND TITLE	VOTE RECORD			
	YES	NO	ABSTAIN	ABSENT
Roger Winters, President	___	___	___	___
Michael Lobue, Vice President	___	___	___	___
Karen Bragg, Secretary	___	___	___	___
William Wallace, Director	___	___	___	___
James A. Slagle, Director	___	___	___	___

This Resolution Effective, May 29, 2004

ATTEST:

Roger Winters, President DATE _____

Karen Bragg, Secretary DATE _____

FOR ASSOCIATION RECORDS

I hereby certify that a copy of the foregoing Policy Resolution was posted to the Book of Resolutions and a copy of this Resolution and any associated documentation was mailed and/or hand-delivered to all members of the Runaway Bay Homeowner's Association at their address of record on this _____ day of _____, 200__.

Runaway Bay HOA Property Owner Services Manager