

STONE RIDGE ASSOCIATION, INC.

Community Code No. 10 Collection of Working Capital Contributions

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Stone Ridge Association, Inc. (the "Declaration"), the Articles of Amendment and Restatement of Articles of Incorporation for Stone Ridge Association, Inc. (the "Articles") the Amended and Restated Bylaws for Stone Ridge Association, Inc. (the "Bylaws"), and the Community Codes, collectively known as the Governing Documents, provide that the Lots are subject to the Governing Documents of Stone Ridge Association, Inc. (the "Association"); and

WHEREAS, Article IV, Section 4.1 and Article IV, Section 4.1(c)(4) of the Bylaws establish that the business and affairs of the Association shall be managed by the Board of Directors ("Board"), and grants the Board all of the powers and duties necessary for the administration of the affairs of the Association, including the power to adopt and amend Community Codes and reasonable rules and regulations not inconsistent with the Governing Documents; and

WHEREAS, Article V of the Declaration establishes the obligation for payment of Assessments, and grants the Board the power to collect Assessments, as such term is defined in Appendix One of the Declaration; and

WHEREAS, Article V, Section 5.12 of the Declaration grants the Board the power to collect a reasonable working capital contribution, equal to twice the then-current monthly assessment installment, upon the transfer of all Lots, payable by transferee owners upon subsequent resale of Lots; and

WHEREAS, Section 55-515 of the Virginia Property Owners' Association Act, Code of Virginia (1950, as amended), (the "POAA") requires that all Lot owners and those entitled to occupy a Lot comply with the Declaration; and

WHEREAS, it is the intent of the Board to adopt this Community Code requiring the payment of working capital contributions upon the transfer of all Lots, in accordance with Article V, Section 5.12 of the Declaration.

NOW THEREFORE, it is hereby RESOLVED THAT:

- 1) Each owner shall pay to the Association a working capital contribution ("Contribution") in an amount equal to twice the then-current monthly assessment installment upon the transfer of such owner's Lot.
- 2) The Contribution shall be due at the time of Lot transfer.
- 3) "Transfer" shall include, but is not limited to, the conveyance of a Lot from an owner to any individual, or entity, whether such transfer is with or without consideration as between transferor and transferee.

- 4) When listing a Lot for sale, each owner shall notify their selling agent and settlement company of such requirement to ensure that the working capital contribution is paid at, or before, the time of closing on the Lot.
- 5) The payment and collection of such Contribution shall be governed by the provisions of Articles V and VI of the Declaration.
- 6) This Community Code shall not limit or waive any of the Association's remedies for nonpayment of Assessments, including the Contribution.

**STONE RIDGE ASSOCIATION, INC.
Resolution Action Record**

Community Code No 10
COLLECTION OF WORKING CAPITAL CONTRIBUTIONS

Resolution Type: Community Code Pertaining to: Assessment Collection

Duly adopted at a meeting of the Board of Directors held JUNE 21, 2011.

Motion by: MR. RHODES

Seconded by: MR. DEAL

VOTE

	YES	NO	ABSTAIN	ABSENT
<u>Ms. Harrover, President</u>	<u>X</u>	_____	_____	_____
<u>Ms. McCracken, Vice President</u>	_____	_____	_____	<u>X</u>
<u>Mr. Deal, Secretary</u>	<u>X</u>	_____	_____	_____
<u>Mr. Rhodes, Treasurer</u>	<u>X</u>	_____	_____	_____
<u>Ms. Conner, Director</u>	_____	_____	_____	<u>X</u>
<u>Mr. McIntosh, Director</u>	<u>X</u>	_____	_____	_____
<u>Mr. Dopp, Director</u>	<u>X</u>	_____	_____	_____

Resolution Effective Date: July 11, 2011

ATTEST: I hereby certify that a vote was duly taken and the Board of Directors adopted the above Resolution on the 21st day of JUNE, 2011.

William Deal

William Deal, Secretary

7/19/11

Date

Book of Minutes No. 2

Meeting No. 69