

BY LAWS  
OF  
PINNACLE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I. OFFICES

7- The principal office of the association in the State of West Virginia shall be located in Mineral County. The corporation may have such other offices, either within or without the State of West Virginia, as the Board of Directors may designate or as the business of the association may require from time to time.

ARTICLE II. OWNERS

SECTION 1. Annual Meetings. Annual meetings of the owners association shall be held on the 2nd Sunday in the month of November in each year, beginning in November, 1992, at the hour of 2:00 o'clock p.m. The meeting in November shall be held for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting of the owners, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the owners as soon thereafter as conveniently may be.

SECTION 2. Special Meetings. Special meetings of the owners, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors. If called by the President, it must be at the request of not less than fifty (50%) per cent of all the owners entitled to vote at the meeting.

SECTION 3. Place of Meeting. The Board of Directors may designate the Short Gap Firehall or any other place, either within or without the State of West Virginia unless otherwise prescribed by statute, as the place of meeting for the annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all owners entitled to vote at a meeting may designate any other place, either within or without the State of West Virginia, as the place for holding of such meeting, unless otherwise prescribed by statute. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be at the Short Gap Fire Hall.

SECTION 4. Notice of Meeting. Written notice stating the place, day and hour of the annual meeting and, in the case of a special meeting, the purposes or purposes for which the special meeting is called, shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, either

personally or by mail, by or at the direction of the President, or the Secretary, or the persons calling the meeting, to each owner of record entitled to vote at such meeting, unless otherwise prescribed by statute. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the owner at his address as it appears on the books of the association, with postage thereon prepaid.

SECTION 7. Quorum. A majority of the owners entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the owners. If less than a majority of owners are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such time as the adjourned meeting is reconvened, any business may be transacted which might have been transacted at the meeting as originally noticed. The owners present at any properly called meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough owners during the meeting to leave less than a quorum.

SECTION 8. Proxies. At all meetings of owners, an owner may vote in person or by proxy executed in writing by the owner or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary of the association before or at the time of the meeting. No proxy shall be valid more than six (6) months from the date of its execution, unless otherwise provided in the proxy. A proxy may give specific instructions to the holder on how to vote on specific issues, or may give the person authorized in the proxy the power to exercise his own discretion in voting on behalf of the owner.

SECTION 9. Voting By Owners. Subject to the provisions of Section 12 of this Article II, each owner shall be entitled to one vote per lot in the Pinnacle Subdivision he or she owns on each matter submitted to a vote at a meeting of the owners.

SECTION 10. Voting by Certain Holders on Behalf of Owners. Voting rights standing in the name of another corporation or association may be voted by such officer, agent or proxy as the by-laws of such corporation may prescribe, or, in the absence of such provisions, as the board of directors of such corporation or association may determine.

Voting rights held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such rights into his name. Voting rights in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote without a transfer of such rights into his name.

Rights standing in the name of a receiver may be voted by such receiver, without the transfer thereof into his name if authority to do so is contained in an appropriate order of the court by which such receiver was appointed.

An owner whose voting rights are pledged shall be entitled to vote until his ownership has been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote.

SECTION 11. Informal Action by Owners. Unless otherwise provided by law, any action required to be taken at a meeting of the owners, or any other action which may be taken at a meeting of the owners, may be taken without a meeting if a consent in writing, setting for the action so taken, shall be signed by all of the owners entitled to vote with respect to the subject matter thereof.

SECTION 12. Cumulative Voting. Unless otherwise provided by law, at each election for Directors every owner entitled to vote at such election shall have the right to vote, in person or by proxy, the number of lots owned by him times the number of Directors to be elected. Each owner may cumulate his votes by giving one candidate as many votes as the number of such Directors multiplied by the number of his shares shall equal, or by distributing such votes in any proportion among any of the candidates.

### ARTICLE III. BOARD OF DIRECTORS

SECTION 1. General Powers. The business and affairs of the association shall be managed by its Board of Directors.

SECTION 2. Number, Tenure and Qualifications. The number of directors of the corporation shall be Five (5). The directors shall hold office until the next annual meeting of owners and until their successors shall have been elected and qualified.

SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as the annual meeting of owners without other notice than this by-law. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings of the Board of Directors without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President.

SECTION 5. Notice of Special Meetings. Notice of any special meeting shall be given at least (5) days before it is scheduled by written notice delivered personally or mailed to each director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the

telegram is delivered to the telegraph company. Any director may waive notice of any meetings. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 6. Quorum. A majority of the number of directors fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting to a later time without further notice.

SECTION 7. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 8. Action Without a Meeting. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting for the action so to be taken, shall be signed before such action by all of the Directors,

SECTION 9. Vacancies. Any vacancy occurring during the term of a Director may be filled by the affirmative vote of a majority of the remaining directors, even if the remaining Directors number less than a quorum of the full Board of Directors, unless otherwise provided by law. A director elected by the Board to fill a vacancy shall be elected only for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by election by the Board of Directors for a term of office continuing only until the next election of Directors by the owners.

SECTION 10. Compensation. By resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any director from serving the association in any other capacity and receiving compensation therefor.

SECTION 11. Presumption of Assent. A director of the association who is present at a meeting of the Board of Directors at which action is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or he shall forward such dissent by registered mail to the Secretary of the association immediately after the adjournment of the meeting. Such right to file dissent shall not be available to a Director who voted in favor of such action.

#### ARTICLE IV. OFFICERS

SECTION 1. Number. The officers of the association shall be President, Vice President, Secretary and Treasurer, each of whom shall be elected by the owner. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors.

SECTION 2. Election and Term of Office. The officers of the association shall be elected by the Board of Directors for one (1) terms beginning November, 1992 and thereafter for one (1) year terms at each regularly scheduled meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign, or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any officer or agency may be removed by the Board of Directors or at a meeting of the owners by a 75% (3/4) majority vote, when it is determined the best interests of the association will be served thereby.

#### ARTICLE V. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Each director and officer of the association now or hereafter serving as such, shall be indemnified by the association against any and all claims and liabilities to which he has or shall become subject by reason of serving or having served as such director or officer, or by reason of any action alleged to have been taken, omitted, or neglected by him as such director or officer; and the association shall reimburse each such person for all legal expenses reasonably incurred by him in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of his won willful misconduct or gross negligence.

#### ARTICLE VI. CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 1. Contracts. The owners may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the association, and such authority may be general or confined to specific instances.

SECTION 2. Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of a majority of the owners. Such authority may be general or confined to specific

instances.

SECTION 3. Checks, drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the association, shall be signed by the Secretary or other officers, agent or agents of the association duly authorized by the Board of Directors in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the association in such banks, trust companies or other depositaries as the Board of Directors owners may select.

#### ARTICLE VII. CORPORATE SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words, "Corporate Seal".

#### ARTICLE VIII. WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any owner or director of the corporation under the provisions of these By-Laws or under the provisions of the articles of incorporation or under the provisions of the Business Corporation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

#### ARTICLE IX. AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors at any regular or special meeting of the owners.

#### ARTICLE X. ANNUAL FEES

Each owner will be responsible for Fees, Ninety Five (<sup>99.00</sup>~~\$95.00~~) Dollars per year, due on or before January 1st of each year. A penalty will be imposed on each owner who does not have the dues paid by February 1st of each year. The penalty will be on a rate of 10% of the annual dues each month that the fees are not paid.

#### ARTICLE XI. VIOLATION OF BYLAWS

The Board of Directors shall have the right to levy reasonable fines for violations of the restrictive covenants, bylaws, and any rules and regulations of the association. However, fines may be

levied by the Board of Directors only after an owner is given notice, in writing, that the Board has found there is reason to believe the owner has violated the restrictive covenants, bylaws, or any rules and regulations of the association, and gives the owner notice of the date, time and place the owner will be given an opportunity to appear before the Board and explain why he or she feels a fine should not be levied. Notice shall be given by mailing a copy of the Board's findings and a notice of hearing to the owner's last known address according to the association's records. Service of the notice is deemed complete upon placing the notice in the U. S. Postal Service, postage prepaid. Should the owner fail to appear, or should the Board find, after hearing from the owner, that a fine should be imposed, then the Board shall fix a reasonable fine.

#### ARTICLE XII. EXECUTIVE BOARD

The Board of Directors shall serve as the five (5) member Executive Board of the Association, for all intents and purposes under the West Virginia Code, Chapter 36B. All officers and committees elected or appointed by the Board of Directors shall be considered appointed by the Executive Board for purposes of Chapter 36B requirements. The qualifications, powers and duties, terms of office, and manner of electing and removing executive board members and officers, filling vacancies, and amending these bylaws shall be controlled by the provisions of these bylaws concerning the Board of Directors, officers, and bylaws.

Read and approved by the Board of Directors:

11/8/92  
Date

David E. Thomas  
Phil Handford  
Margaret Duffenbaugh  
Patricia A. Smith  
Lawrence A. Milette