

BY-LAWS OF QUAKER WOODS, INCORPORATEDARTICLE I. GOVERNANCESECTION I. ELECTION OF OFFICERS

At the annual meeting to be held in March, the stockholders of the Corporation will elect the President, the Secretary, and the Treasurer.

The term of office of each elected official will be one year.

Officers shall be elected by secret ballot with a simple majority of the votes cast (including proxies) required for election.

SECTION II. POWERS OF THE OFFICERS

The President shall preside over all regular and special meetings of the entire membership. The President shall be empowered to appoint non-elective committee members, with their consent, to represent the Corporation as its official spokesman; and to discharge other duties delegated to the office by the stockholders.

The President or his/her designee may preside over the meeting. The President with the advice of the Secretary and Treasurer shall set the Agenda.

The Secretary will record and distribute the minutes of all regular and special meetings of the entire membership; keep and record all important documents pertaining to the affairs of the Corporation; tabulate votes; handle routine correspondence related to the affairs of the Corporation; prepare an annual report which includes a list of all regular and special meetings of the stockholders as well as all committee or other official meetings held during the year; and perform other duties as assigned by the President.

The Treasurer will be responsible for the collection of monies from the stockholders for the maintenance of the property and other approved expenses of the Corporation; payment of all legal debts of the Corporation; establishment and maintenance of necessary financial accounts; arrangement for adequate insurance coverage on commonly held land; providing an accounting of the fiscal condition of the Corporation to the stockholders at each regular meeting; preparation of an annual balance sheet, income statement, and such other financial data and general information as the stockholders deem appropriate;

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and perform other duties as assigned by the President. In the absence of the President the responsibility of the office shall be executed by the Secretary and in turn by the Treasurer in the absence of the Secretary.

ARTICLE II. USE OF THE PROPERTY

SECTION I. REVIEW COMMITTEE

The Review Committee shall be comprised of five members: President, Secretary, Treasurer and two other stockholders elected by the membership.

Members of the Review Committee will be elected for one year terms at the annual meeting with a simple majority of the votes cast, including proxies, required for election.

SECTION II. POWERS OF THE REVIEW COMMITTEE

- A. The Review Committee shall function to review, with the power to disapprove within 45 days from receipt by the Chairperson of the Review Committee, five copies of any proposed plans of a stockholder which call for the erection of a permanent or temporary structure or the construction of a recreational site that:
1. is to be located less than 100 feet from the owner's property line, unless the adjoining property owner in question agrees to said construction with written notice given to the Review Committee, or
 2. will exceed 30 feet or two stories in height, or
 3. calls for the placement of more than one permanent single family dwelling per lot, or
 4. calls for the erection of any structure(s) for use by livestock, or
 5. calls for the erection of a fence within 100 feet of the owner's property line, or
 6. calls for clear cutting one area larger than one half acre, provided that an additional area can be cleared as required for
 - a. a septic system that complies with state health regulations,
 - b. a one lane access road to the dwelling or recreational site,
 - c. utilities, or
 7. calls for the cutting of any live, undiseased, nontoxic vegetation within 100 feet of the owner's property line, except for providing a one lane access road or other necessary improvements to the owner's site.

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- B. The Review Committee shall have the right to review periodically the restrictions set forth in the preceeding paragraph for the purpose, of making recommendations to the stockholders regarding the addition, modification, and/or deletion of regulations which experience suggests may be necessary in order to preserve the quiet, wooded, rural setting of Quaker Woods or to protect the rights, privileges, and freedoms of all stockholders. Such additions, modifications and/or deletions shall require a four/fifths majority of votes cast, including proxies, for passage.

SECTION III. APPELLATE PROCEDURE

Any stockholder whose building or site plans are disapproved by a majority of the Review Committee in accordance with the provisions set forth in Section II may appeal the decision before a regular or special meeting of all stockholders. A simple majority of the stockholders eligible to vote will be required to overturn a decision of the Review Committee.

SECTION IV. SPECIAL LAND USE RESTRICTIONS

- A. Hunting will be restricted to stockholders and their immediate families for the months of hunting season.

Hunting will be prohibited on all Sundays and Thanksgiving Day, Christmas Day and Easter Sunday.

Hunting will not be permitted during the first and third weeks of each month except during deer season.

Any member desiring to hunt must notify all other members or guests present at Quaker Woods of their intent to hunt.

No firearm target practice will be permitted on the land when other stockholders or guests are using the land.

No one under the age of 16 years will be permitted to use firearms without adult supervision.

- B. The use of trailbikes and snowmobiles will be prohibited on the property; nor will other equipment that generates excessive noise or odor be permitted.

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ARTICLE III. MEETINGSSECTION I. CONDUCT OF BUSINESS

All meetings shall be conducted either (and preferably) in conformity with the customs and practices of the Religious Society of Friends, or under relaxed parliamentary procedure, or any mixture thereof -- as those stockholders present dictate, by majority vote, if necessary.

SECTION II. SPECIAL MEETINGS

Special meetings of the stockholders may be called by any two stockholders (which may include officers). Written notice of any special meeting shall be sent at least two weeks before the date fixed for the meeting. The notice of any special meeting shall state the purpose or purposes for which the meeting is called.

SECTION III. QUORUM

A Quorum shall consist of one-half of the stockholder votes plus one. Proxies are counted in determining whether a quorum is met at any point in time.

SECTION IV. VOTE BY PROXY

Proxies must be in writing. They are valid only for a stated position on an issue or only for a stated time period, or they may be effective for all issues (if so stated and with the exception below) or of unlimited duration (if so stated) until the stockholder revokes it in writing or suspends it by his physical presence. A proxy is valid for all votes except those important questions requiring more than a simple majority for resolution, unless the proxy specifies a position on that issue.

SECTION V. MAIL BALLOT

On issues requiring more than a simple majority for passage, or if requested by a majority of stockholders present, a ballot must be sent by certified mail to all stockholders not present. The ballot must be received by the Secretary no later than 21 calendar days after the date the post office

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receipt shows the ballot was sent by the Secretary. The ballot (or an accompanying certification, if the ballot is secret) must be signed by the stockholder.

ARTICLE IV. SALE OF PROPERTY

Should any owner of any lot desire to sell said land whether or not a permanent residential structure has been erected thereon and shall have received a bona fide offer acceptable to the owner from a third person in writing, then the Corporation shall be entitled to a prior option to purchase the same at a price equal to that offered by the bona fide third person purchaser, except that should any owner of any lot on which there has not been erected a permanent residential structure desires to sell said land within three years from the date of purchase by the stockholder, then the Corporation shall be entitled to purchase said land at a price equal to that originally paid by the owner plus the costs of all substantial improvements plus six per cent per annum.

The Corporation shall have 30 days within which to exercise the option to purchase said property after a meeting called pursuant to the provisions herein for the purpose of purchasing real estate.

ARTICLE V. BY-LAWS CHANGES

Changes in the By-Laws can be made only at the annual meeting and such changes will require a two-thirds majority of the stockholders present and eligible to vote for passage.

ARTICLE VI. ENFORCEMENT

If any member of the Corporation is charged with violating the Corporation's Charter and/or By-Laws, the following procedure shall be followed: First: The charge shall be presented at a special or regular meeting of the Corporation seeking resolution of the charges. Second: If the charge is not rectified at such meeting, the charge shall be presented to an impartial arbitrator for determination. Said arbitrator

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shall be selected according to the provisions of the American Arbitration Association whose award shall be final and binding on the Corporation and its members and which award shall be enforceable in court.

Third: In the event of legal action, the prevailing party shall be paid all court and attorney fees. Provided, however, that in the event a member of the Corporation is in arrears for fees and assessments, the Corporation may institute any necessary legal proceedings to collect such unpaid fees and assessments together with other court or attorney fees.

Provided, further, that nothing herein shall prevent the Corporation from seeking injunctive relief against any threatened damage or injury to the character of the property or to the Corporation's members.

AGREEMENT OF INCORPORATION

This document is a legal agreement.

I. The undersigned agree to become a corporation by the name of QUAKER WOODS INCORPORATED.

II. The principal office or place of business of said corporation will be located at 1652 Water's Edge Lane, Reston, Virginia 22090; its chief works will be located at Quaker Woods, Berkley Springs, West Virginia; its resident agent for purpose of service of process shall be Robert E. Holroyd, Attorney at Law, 1438 Main Street, Princeton, West Virginia 24740.

III. The objects for which this corporation is formed are as follows:

A. Quaker Woods, Incorporated is established to provide opportunities for a small number of family units to enjoy the recreational, retreat, and residential advantages associated with a quiet, wooded, rural setting in Hampshire County, West Virginia. Since Quaker Woods is a multi-purpose organization, it is necessary that the rights, privileges, and freedoms of all members be protected. Toward this end, harmony of objective and compromise will be the guiding principles of the organization. Membership in this Corporation shall not be restricted by race, color, religion, creed, age, sex, or national origin.

B. To own and manage certain real estate situate in Hampshire County, West Virginia, boundary survey on January 15, 1973, by Allen G. Clem, Licensed Land Surveyor #236, which said property is located approximately six miles north of Pleasant Dale on State Route 45 (29).

C. The purpose of the ownership of the aforementioned realty shall be to reserve the same as residential and/or recreational property to be used exclusively by the shareholders, their friends, and guests and such other persons as the corporation may, from time to time, designate. The wilderness quality of the land shall be preserved and the corporation shall further protect the rights of the owners of the land against any uses which are likely to depreciate the value of the property for residential and/or

recreational purposes reserving, insofar as practicable and possible, the

natural beauty of said property and the enhancement of the value thereof.

D. There shall be established certain guidelines on the use of the land as detailed in the By-Laws.

E. There shall not be, at any time, in the operation of this corporation without an amendment thereto, more than eleven stockholders. There shall be two votes per share. A family shall be considered as one stockholder hereunder.

F. With regard to the method of voting, all corporate decisions shall be made, except as otherwise noted, by a simple majority of the stockholders. Eighty percent of the votes cast shall be required for any decision to sell or purchase any real estate by the corporation, for any major assessment as detailed in the By-Laws, or for dissolving the corporation.

G. The Annual meeting of the corporation shall be held in March of each year and the shareholders shall be notified of the time and location of said meeting at least 30 days in advance. Special meetings may be called at any time, as detailed in the By-Laws.

H. Each stockholder shall own five acres (more or less) in his or her own name or names, with rights to survivorship. The remainder of the property shall be held in the corporation, the uses of which are detailed in the By-Laws.

I. No stockholder or any agent of any stockholder may operate any business or practice any profession that generates an unusual amount of traffic, odor, or noise on the premises nor may any stockholder carry on any business or activity that substantially alters the character of the property, as determined by the Corporation.

J. Stockholders may rent or lease their homes and property to others not within the corporation; that the corporation, under such circumstances, shall reserve the right to set reasonable rules and regulations in connection with such use.

K. Any deed transferred by the corporation to any individual shall contain the foregoing and hereinafter enumerated restrictions as a

L. In the event any owner of any lot desires to sell the same, said corporation shall be given the first option to purchase, as detailed by the By-Laws.

M. Upon division of the land into lots for private use, lot ownership shall be determined by drawn lot or other similar method. All owners of such lots and their assignees, devisees, and any person holding under and through them, shall be bound by all restrictions and covenants set forth by the corporation, here and in the By-Laws.

N. In addition to the above enumerated objects, the corporation is empowered to do any and all acts not specifically prohibited by law.

IV. The amount of total authorized capital stock of the Corporation shall be \$30,000.00 which shall be divided into ten equal shares of the par value of \$3,000.00 each.

V. The names and post office addresses of the incorporators of the corporation are as follows:

FRANK de LEEUW and LOUISE de LEEUW	3175 Porter Street, N.W. Washington, D. C. 20008	1 share
		1 share
		1 share
DAVID F. GOULD, II <i>DE</i> DAVID GOULD and MARY LOU GOULD <i>James H. Hunt</i> JIM HUNT and DOLLY HUNT	E. D. 1 Newtown, Pennsylvania 18940 4505 Chase Avenue Bethesda, Maryland 20014	1 share 1 share
STEPHEN HAWK and INEZ HAWK	831 Stamford Road Baltimore, Maryland 21229	1 share
JOHN FRISK and DREAMA FRISK	347 West 8th Avenue Mt. Dora, Florida 32757	1 share
DAVID NICHOLS and DIANA NICHOLS	1652 Water's Edge Lane Reston, Virginia 22090	1 share
JON WISMAN and JOSETTE WISMAN	4013 47th Street, N. W. Washington, D. C. 20016	1 share

VI. The existence of this corporation will be perpetual.