AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WESTBAY

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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR WESTBAY

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WESTBAY, dated as of November 1, 2023, is adopted by the WestBay Community Association, ("Grantor" and "Grantee" for indexing purposes).

RECITALS

WHERAS, The Declarant, Chase Properties, Inc. recorded the Declaration of Covenants, Conditions and Restrictions for WestBay on November 13, 2002 in Deed Book 531 at Page 2009, et seq, in the Clerk's Office of the Circuit Court of Northumberland County, as amended, (hereafter the "Original Declaration"), and

WHEREAS, in accordance with Article XIII, Section 13.1 of the Original Declaration, it could be amended by the affirmative vote, written consent or any combination thereof of at least 75% of the Lot Owners; and

WHEREAS, in accordance with Article XIII, Section 13.1 of the Original Declaration at least 75% of the Lot Owners have approved the adoption of this Restated and Amended Declaration of Covenants, Conditions and Restrictions for WestBay (hereafter, "Declaration"); and

WHEREAS the Association intends this Declaration to impose upon the Property (as defined in Section 1.1 mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners (as defined in Section 1.1 (a) and the Association further desires to provide a flexible and reasonable procedure for the overall development of the Property and to establish a method for the administration, maintenance, preservation use and enjoyment of the Property:

DECLARATION

NOW, THEREFORE, the Association hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the Property, and which shall be binding on all parties having any right, title or interest in and to the Property or any part thereof, their heirs, devisees, personal representatives, successors, successors-in-title and assigns, and shall inure to the benefit of each Owner.

This Declaration does not and is not intended to create a condominium within the meaning of the Virginia Condominium Act, section 55.1-1900 et seq. of the Code of Virginia, 1950, as amended.

ARTICLE I

Definitions; Rules of Construction

Section 1.1 Definitions. The following terms shall have the following meanings:

(a) "Area of Common Responsibility" shall mean and refer to the Common Area, together with those areas, if any, which by the terms of this Declaration become the responsibility of the Association. The office of any property manager employed by or contracting with the Association, if located on the Property, or any public rights-of-way within or adjacent to the Property, may be part of the Area of Common Responsibility.

(b) "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association, as filed with the Virginia State Corporation Commission on January 24, 2003, as may be amended from time to time.

(c) "Association" shall mean and refer to WestBay Community Association, Inc., a Virginia corporation, its successors or assigns.

(d) "Base Assessment" shall mean Routine Base Assessments and Non-Routine Base Assessments, collectively.

(e) "Benefitted Assessment" shall mean and refer to assessments levied against Lots receiving benefits, items or services not provided to all Lots within the Property as more particularly described in Section 10.4 of this Declaration.

(f) "Benefitted Expenses" shall mean and include the actual and estimated expenses of the Association that are incurred upon the request of the Owner of a Lot for specific items or services relating to the Lot, or that are incurred by the Association pursuant to this Declaration or the Bylaws for providing specific items or services relating to or benefiting a particular Lot or Lots.

(g) "Board of Directors" shall mean and refer to the governing body of the Association having its normal meaning under Virginia corporate law.

(h) "Bylaws" shall mean and refer to the Bylaws of the Association, attached hereto as Exhibit C, as they may be amended from time to time.

(i) "Common Area" shall be an inclusive term referring to all real and personal property or property interests which the Association now or hereafter owns or otherwise holds for the common use and enjoyment of all Owners, including, but not limited to, (i) all of the real and personal property within the Property that is located outside the boundaries of each Lot, (ii) all streets, drives and parking areas contained within the Property but not located within a Lot, (iii) any swimming pool, pool house or other recreational amenities now or hereafter on the Property, (iv) all jetties, piers, docks, seawalls and other improvements now or hereafter located on or adjacent to the Property, (v) any entry gate constructed at the entrance of the Property, and (vi) any septic drain fields and associated pumps, piping, landscaping and other similar facilities located on or off the

Property. The initial Common Area is included within and appurtenant to the Property. Article I, Section 1.1 (j) is hereby amended to provide that the Common Area shall not include the Lot(s).

(j) "Common Expenses" shall mean and include the actual and estimated expenses incurred by the Association for the general benefit of all Owners, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board of Directors. Common Expenses are comprised of Routine Common Expenses and Non-Routine Common Expenses.

(k) "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Property as specifically determined by the Board of Directors.

(l) "Member" shall mean and refer to a Person entitled to membership in the Association, as provided herein.

(m) "Mortgage" shall mean and refer to a mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.

(n) "Mortgagee" shall mean and refer to a beneficiary or holder of a deed of trust or Mortgage.

(o) "Mortgagor" shall mean and refer to any Person who gives a Mortgage.

(p) "Non-Routine Base Assessment" shall mean and refer to assessments levied against all Lots in the Property to fund Non-Routine Common Expenses.

(q) "Non-Routine Common Expenses" shall mean and refer to Common Expenses that are not incurred on a routine basis each year for the Common Areas, including, without limitation, painting, replacement of and/or major repairs to any structures owned by the Association, replacement of and/or major repairs to the docks, slips and fishing pier, road and curbing, common area sidewalks, swimming pool and equipment, maintenance of the waste disposal and water supply systems serving the Property, and such other non- routine Common Expenses as may be designated by the Board.

(r) "Open Parking Area" or "Open Parking Areas" shall mean and refer to all of the parking areas designated by the Association, as non-reserved parking areas. Subject to any rules that may be promulgated by the Association, to assure reasonably fair availability of such areas to all persons entitled to use same, the Open Parking Areas shall be available on a first-come, first-served basis to any Owner and their guests, and to any occupants of a Lot and their guests.

(s) "Owner" shall mean and refer to one (1) or more Persons who hold the record title to any Lot which is part of the Property but excluding any party holding an interest merely as security for the performance of an obligation. If a Lot is sold under a recorded contract of sale, and the contract specifically so provides, then the purchaser

(rather than the fee owner) will be considered the Owner.

(t) "Person" means a natural person, a corporation, a partnership, a trustee, or any other legal entity.

(u) "Property" shall mean and refer to the 5.52 acres of land depicted on the division survey Attached to the Declaration and recorded in Deed Book 531 at page 254, together with such additional real property as is hereafter subjected to this Declaration by Supplemental Declaration.

(v) "Reserved Parking Space" or "Reserved Parking Spaces" shall mean and refer to the parking area(s) located in front of or immediately adjacent to each Lot that are designated by the Association as reserved parking areas for such Lot. When authorized to do so by the Association shall assign at least one Reserved Parking Space to each Lot.

(w) "Routine Base Assessment" shall mean and refer to assessments levied against all Lots in the Property to fund Routine Common Expenses.

(x) "Routine Common Expenses" shall mean and refer to Common Expenses that are incurred on a routine basis each year for each Lot and the Common Areas, such as regular lawn maintenance, routine expenses of operating any Common Area facilities, and other similar routine Common Expenses as designated by the Board.

(y) "Slip" or "Slips" shall mean and refer to that area designated by the Association and assigned to each Lot individually, for the purposes of mooring watercraft. The Association shall assign one Slip to each Lot and the Slip shall be a property interest appurtenant to the title to its assigned Lot, subject to the Association's license provided by the Virginia Marine Resources Commission (VMRC).

(z) "Special Assessment" shall mean and refer to assessments levied in accordance with Section 8.4 of this Declaration.

(aa) "Subdivision Plat" shall mean and refer to the division survey of the property described in Deed Book 531 at page 254.

(bb) "Lot" shall mean the individual structure located upon each individual lot as shown on the Division Survey of WestBay recorded in Deed Book 531 at page 254 among the land records of Northumberland County, Virginia (hereinafter referred to as the "Lot"). The term shall also include the Slip assigned by the Board of Directors to the Lot, subject to the scope of consent provided by the Virginia Marine Resources Commission.

ARTICLE II

Property Rights

Section 2.1 General. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area. Subject to the other provisions of this Section and this Declaration, this right shall include, without limitation, the right of each Owner or occupant of a Lot to place a limited number of lawn chairs, a lawn table, an outdoor barbecue grill, or similar items of lawn furniture or outdoor accessories adjacent to its Lot on the side thereof facing the water. The foregoing right of use, access and enjoyment in and to the Common Area shall be subject to the following:

(a) This Declaration as it may be amended from time to time and to any restrictions or limitations contained in any deed conveying such property to the Association.

(b) the right of the Association to adopt rules and regulations that limit or restrict any use of the Common Area that the Association deems to be detrimental to the overall appearance, value and enjoyment of the Property including, without limitation, rules and regulations that (i) limit the number of guests that an Owner or occupant of a Lot may invite on to the Common Area, (ii) prescribe standards for the number, types, appearance, location and use of lawn chairs, lawn tables and other items of lawn furniture that may be placed on the Common Area by Owners or occupants of Lots, and (iii) prescribe standards for the uses that may be made of the docks and Slips;

(c) the right of the Board of Directors to suspend the right of an Owner or occupant to use facilities within the Common Area (i) for any period during which any charge against such Owner's Lot remains delinquent, and (ii) for a period not to exceed sixty (60) days for a single violation or for a longer period in the case of any continuing violation, of the Declaration, Bylaws or rules of the Association after notice and a hearing pursuant to the Bylaws;

(d) the right of the Association, acting through the Board of Directors, to dedicate or transfer all or any part of the Common Area pursuant to Section 11.2 hereof;

(e) the right of the Board of Directors to permit non-member use of any recreational facility situated on the Common Area upon payment of use fees established by the Board of Directors; and

(f) the right of the Association, acting through the Board of Directors, to mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred subject to the approval requirements set forth in Section 11.2 hereof.

(g) Any Owner may delegate his or her right of use and enjoyment to the members of his or her family, lessees, subject to Section 10.27, and social invitees, as applicable, subject to reasonable regulation by the Board of Directors and in accordance with procedures it may adopt. An Owner who leases his or her Lot, in accordance with Section 10.27 shall be deemed to have delegated all such rights to the Lot's lessee.

ARTICLE III

Membership and Voting Rights

Section 3.1 Membership. Every Owner shall be deemed to have a membership in the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership may be exercised by a Member or the Member's spouse or domestic partner, subject to the provisions of this Declaration and the Bylaws. The membership rights of a Lot owned by a corporation or partnership shall be exercisable by the individual designated from time to time by the Owner in a written instrument provided to the Secretary, subject to the provisions of this Declaration and the Bylaws.

Section 3.2 Voting. All owners will be Members and Members are entitled to one (1) equal vote for each Lot in which they hold the interest required for membership under Section 3.1. hereof. There shall be only one (1) vote per Lot. If more than one (1) Person holds the interest in such Lot required for membership, the vote for such Lot shall be exercised as those Persons determine among themselves and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it.

ARTICLE IV

Maintenance

Section 4.1 Association Responsibility. The Association shall maintain and keep in good repair the Common Area, such maintenance to be funded as hereinafter provided. This maintenance shall include repair, and replacement, subject to any insurance then in effect, of the Common Area, including but not limited to, pier 4, docks 1, 2, and 3, mail boxes, pool, pool house, pump house, and improvements, including all private streets, entrance gate, rip rap, and potable water, septic, lighting, and irrigation systems, seasonal grass cutting and fertilizing, mulching, fertilizing, and trimming of landscaping and repair of driveways as needed. In addition to the foregoing the Association shall trim, weed, mulch and fertilize the landscaping in the mulch beds surrounding the Lots.

The Association is not responsible for maintaining the Lots or any owner installed equipment or structures in the Lot or on the docks. Any owner repairs, replacement, or upgrades to these areas require Association approval as delineated in Sections 4.2, Section 10.2 and Section 10.3. The boat lift and all associated parts are Owner owned, maintained, and repaired and any damage caused by improper installation and/or maintenance thereof to the Common Area of the dock shall be repaired at the Owner's expense.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Common Area shall be a Common Expense to be allocated among all Lots as applicable.

All Association maintenance, repair and replacement obligations under this Declaration shall follow the Declaration as determined by the Board of Directors at its discretion.

Section 4.2 Owner's Responsibility. Each Owner shall maintain his or her Lot and all exterior areas thereof within the Lot that are not maintained by the Association, in a manner consistent with the Community-Wide Standard and all applicable covenants, unless such maintenance responsibility, or any portion thereof, is otherwise assumed by the Association as provided in Section 4.1 above, or is assigned to the Association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Lot.

If any Owner fails properly to perform his or her maintenance responsibility, or if any Owner, occupant or guest in any Lot shall by neglect, accident, abuse or otherwise cause any damage to or any condition with respect to any Lot or the Common Area requiring the Association to perform work or incur costs for such Lot or the Common Area greater than is the case for the other Lots and Common Area generally, then the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Lot and the Owner thereof in accordance with Section 10.3(b) of this Declaration; provided, however, except when entry is required due to an emergency situation, and except for work that is the responsibility of the Association to perform, the Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry. Any entry onto a Lot by the Association in accordance with this Declaration shall not be deemed a trespass.

The Owner is responsible for obtaining insurance for their Lot and Lot and any authorized owner installed equipment or structures on the docks in accordance with Section 5.2.

The Owner is responsible for maintaining and insuring any fences (e.g., to hide or screen HVAC Lots or generators), patios or any other structure or equipment that have been allowed to be installed in the Common Area. Party walls and fences are discussed in Section 4.3.

The Owner is responsible for any incremental cost by the Association of maintaining the Common Area due to any Owner installed modifications.

Section 4.3 Party Walls and Party Fences.

(a) Each wall or fence built as a part of the original construction on the Lots which shall serve and separate any two (2) adjoining Lots shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions.

(c) If a party wall or fence is destroyed or damaged by fire or other

casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the wall or fence may restore it. If the other Owner or Owners thereafter make use of the wall or fence, they shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(d) The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(e) In the event of any dispute arising concerning a party wall or fence, or under the provisions of this Section, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after a written request therefore by the Board of Directors, the Board of Directors shall appoint an arbitrator for the refusing party. The two (2) arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other. The costs of such arbitrators shall be assessed to the losing party, as determined by the arbitrators.

ARTICLE V

Insurance and Casualty Losses

Section 5.1 Association Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket "special causes of loss" property insurance, if reasonably available, for all insurable improvements on the Common Area. If blanket "special causes of loss" coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage, including coverage for vandalism and malicious mischief, shall be obtained. The face amount of such insurance shall be sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured peril.

The Board of Directors shall also obtain a general public liability policy covering the Common Area, insuring the Association and its Members for all damage or injury caused by the negligence of the Association, any of its Members, employees, agents, or contractors, while acting on behalf of the Association. The general public liability policy shall have at least a One Million ($1,000,000.00) Dollar combined single limit as respects bodily injury and property damage, a Two Million ($ 2,000,000.00) Dollar limit in the aggregate, if reasonably available. The Directors' and Officers' liability coverage shall be at least Two Million ($2,000,000) per claim and in the aggregate.

Premiums for all insurance on the Common Area shall be Common Expenses of the Association and shall be included in the Base Assessment, as defined in Article VIII and as more particularly described in Section 8.1. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the coverage requested hereunder. In the event of an insured loss, the deductible shall be treated as a common expense.

All insurance coverage obtained by the Board of Directors shall be written in

the name of the Association as trustee for the respective benefited parties, as further identified in subsection (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company authorized to do business in Virginia which holds a Best's rating of A or better and is assigned a financial size category of X or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating which is available.

(b) All policies on the Common Area shall be for the benefit of the Association and its Members.

(c) Exclusive authority to adjust losses under policies obtained by the Association on the Property shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees.

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available.

(f) The Association's Board of Directors shall be required to use reasonable efforts to secure insurance policies that will provide the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and their respective tenants, servants, agents, and guests;

(ii) a waiver by the insurer of its rights to repair and reconstruct, instead of paying cash;

(iii) a statement that no policy may be canceled, invalidated, suspended, or subject to non-renewal on account of any one or more individual Owners;

(iv) a statement that no policy may be canceled, invalidated, suspended, or subject to non-renewal on account of the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner, or Mortgagee;

(v) a statement that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) a statement that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial

modification or non-renewal.

In addition to the other insurance required by this Section, the Board of Directors shall obtain, as a Common Expense, worker's compensation insurance, fidelity bond coverage as required by the Virginia Property Owners' Association Act and directors' and officers' liability coverage, and flood insurance, if required. The Board of Directors shall also have the authority, but not the obligation, to obtain as a Benefited Expense group medical or extended care insurance for any Lot Owners and their spouses.

Section 5.2 Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket "special causes of loss" casualty insurance on the Lot(s) and Lot(s). The Owner agrees that the Association is not obligated to carry any insurance for the Lots(s), the Lot(s) or any authorized equipment or structures installed by the owner on the docks. Each Owner further covenants and agrees that in the event of total loss or damage resulting in less than total destruction of structures comprising his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article IX of this Declaration. The Owner shall be personally responsible for any costs of repair or reconstruction which are not covered by their insurance proceeds. If the structure is totally destroyed, the Owner will be required to rebuild and restore the Lot and surroundings to the conditions that existed prior to the damage.

Section 5.3 Damage and Destruction.

(a) Immediately after damage or destruction by fire or other casualty to all or any part of the Property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Property to substantially the same condition in which they existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless seventy-five (75%) percent of the Owners decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such funds or information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

(c) If it should be determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the affected portion of

the Property shall be cleared of all debris and ruins and maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

Section 5.4 Disbursement of Proceeds. If the damage or destruction for which the proceeds of insurance policies held by the Association are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account.

Section 5.5 Repair and Reconstruction. If the damage or destruction to the Common Area for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors may without the necessity of a vote of the Members, levy a special assessment for such amount against all Owners on the same basis as provided for Base Assessments. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE VI

No Partition

Except as is permitted in the Declaration or amendments thereto, there shall be no judicial partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Property, or any part thereof seek any judicial partition unless the Property has been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

ARTICLE VII

Rights and Obligations of the Association

Section 7.1 Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas), and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standard.

Section 7.2 Preservation of Wetlands located in the Common Area. The Common Area contains wetlands areas. The Association shall be responsible for managing and control the use of the Common Area to ensure the preservation of the wetlands area.

Section 7.3 Personal Property and Real Property for Common Use. The

Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board of Directors, acting on behalf of the Association, shall accept any real or personal property leasehold.

Section 7.4 Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Property, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include reasonable monetary fines and suspension of the right to vote and the right to use any recreational facilities on the Common Area. The Board of Directors shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the Bylaws of the Association.

The Association, through the Board of Directors, by contract or other agreement, shall have the right to enforce county ordinances and to permit Northumberland County to enforce ordinances on the Property for the benefit of the Association and its Members.

Section 7.5 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII

Assessments

Section 8.1 Creation of Assessments. There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board of Directors, to be commenced at the time and in the manner set forth in Section 8.7. There shall be three (3) types of assessments: (a) Base Assessments (comprised of Routine Base Assessments and Non-Routine Base Assessments) to fund Common Expenses for the benefit of all Members of the Association; (b) Special Assessments as described in Section 8.4 below; and (c) Benefitted Assessments as described in Section 8.5 below. Each Owner, by acceptance of a deed or recorded contract of sale for any portion of the Property, is deemed to covenant and agree to pay these assessments.

Base Assessments shall be levied equally on all Lots. Special Assessments and Benefitted Assessments shall be levied as provided in 8.4 and Section 8.5 below, respectively.

All assessments, together with interest (at a rate not to exceed the highest rate allowed by Virginia law) as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made until paid. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Lot at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Lot pursuant to the remedies provided in

the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any Lot. Such certificate shall be conclusive evidence of payment to the Association of such assessment therein stated to have been paid. The Association may require the advance payment of a processing fee not to exceed Fifty ($50.00) Dollars for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors. Each Owner, by acceptance of a deed to his or her Lot, acknowledges that all Base Assessments levied hereunder are annual assessments due and payable in advance on the first day of the fiscal year; provided, the Board of Directors may permit any assessment to be paid in installments. Unless the Board of Directors provides otherwise, the Routine Base Assessment may be paid in quarterly installments. If any Owner is delinquent in paying any assessments or other charges levied on his Lot, the Board of Directors may revoke the privilege of paying in installments and require annual assessments to be paid in full immediately.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration and not limitation, by non-use of the Common Area or abandonment of the Lot. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board of Directors to take some action or perform some function required to be taken or performed by the Association or Board of Directors under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 8.2 Computation of Base Assessment. It shall be the duty of the Board of Directors, at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a budget separately prepared as provided in Section 8.6.

The Base Assessment to be levied against each Lot for the coming year shall be set at a level which is reasonably expected to produce total income to the Association equal to the total budgeted Common Expenses, including reserves. In determining the amount of the Base Assessment, the Board of Directors, in its discretion, may consider other sources of funds available to the Association, including funds payable to the Association. In addition, the Board of Directors shall take into account the number of Lots subject to assessment under Section 8.7 hereof on the first day of the fiscal year for which the budget is prepared and the number of Lots reasonably anticipated to become subject to assessment during the fiscal year.

The Board of Directors shall cause a copy of the Common Expense budget and notice of the amount of the Base Assessment to be levied against each Lot for the

following year to be delivered to each Owner at least sixty (60) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved at a meeting of the Members by Members representing at least a majority of vote in the Association. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in the Bylaws, which petition must be presented to the Board of Directors within ten days of the notice of assessment.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved, or the Board of Directors fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

Section 8.3 Legal Enforcement and Application of Partial Payment If turned over to counsel, all costs and reasonable attorneys' fees actually incurred by the Association from the inception of counsel's involvement with the account through resolution, if any, regardless of whether litigation has been initiated to enforce payment of the delinquent assessments, shall be added to the delinquent account. If payment in full of the amounts then due is not received by legal counsel or the Association within ten (10) days after the notice of legal action has been sent, a Memorandum of Lien may be filed against the Lot Owner's Lot and may include: any and all applicable late fees, costs, reasonable attorneys' fees actually incurred and accelerated assessment amounts through the end of the fiscal year. The attorneys' fees and costs secured by the Memorandum of Lien shall be separate and independent of any costs and attorneys' fees actually incurred by the Association in any effort by the Association taken personally against a delinquent Lot Owner to enforce payment of any past due assessments. Non-receipt or lack of notice claimed by the delinquent Owner shall not prevent the Association from filing a lien within the statutory deadline. Upon default, the Association may, in its discretion, file a civil suit against the delinquent Lot Owner, and the Association may initiate any available foreclosure remedy to enforce payment of the debt. If an account remains delinquent after the filing of a lien or civil suit, legal counsel for the Association shall take other appropriate legal action to collect the amounts due unless directed otherwise by the Board of Directors. If the Association receives from any Lot Owner, in any accounting year, two or more checks returned for insufficient funds for payment of assessments or other charges, the Board may require all future payments to be made by certified check, cashier's check or money order for the remainder of the fiscal year. The Association is not restricted by any election of remedies and may simultaneously proceed with legal action against a delinquent Owner's property, including foreclosure, and the delinquent Owner personally, as well as initiate any restrictions against a Lot Owner as may be authorized by the Board in accordance with the Declaration and Bylaws. Any payment that is received by legal counsel or the Association and which does not pay the Lot Owner's account balance with the Association in full, shall be credited first to the oldest debt in each category described below until each category is paid in full, in the following order:

1) Charges for the actual costs and reasonable attorneys' fees incurred by the Association subsequent to the delinquent account being turned over to legal counsel for the prosecution of an action to enforce payment of the debt, regardless of the results of litigation or whether litigation has been initiated

against the delinquent Lot Owner;

2) all returned check charges;

3) all late fees;

4) unpaid installments of the annual assessments or special assessments which are not the subject matter of suit in the order of their coming due; and

5) unpaid installments of the annual assessment or special assessments which are the subject matter of suit in the order of their coming due.

In the event of a delinquency by a Lot Owner, the Board of Directors may reject any offer of partial payment and demand payment in full of all amounts owed to the Association. Any waiver by the Board granted specifically to any Lot Owner's assessment account of any of the fees and costs established herein or in the Bylaws or any rule and regulation, shall be, on a case-by-case basis, if at all, and in no way shall it constitute a waiver of the Board's authority to enforce payment of all amounts owed in accordance with this Declaration. The Association shall be entitled to collect all fees and costs of collection, including reasonable attorneys' fees, and every Owner by accepting a deed to property in the Association, whether so expressed in the deed or not, covenants and agrees to pay the same. The obligation to pay assessments is a separate and independent covenant on the part of each Owner, and no Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Association's Common Area, and facilities thereon, or abandonment of his or her Lot.

Section 8.4 Special Assessments. In addition to all other assessments which are authorized in this Declaration, the Board of Directors may levy Special Assessments from time to time provided the purpose in so doing is found by such Board of Directors to be in the best interests of the Association and the proceeds of such Special Assessment are used primarily for the maintenance and upkeep, including capital expenditures, of the Common Area. Any such Special Assessment may be rescinded by a majority vote of Members attending a Special Meeting of the membership convened in accordance with the Bylaws within sixty (60) days of receipt of notice of such Special Assessment. The Association may levy Special Assessments from time to time for other purposes provided such assessment receives the affirmative vote or written consent of Members representing a majority of the votes in the Association. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board of Directors, any may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board of Directors so determines.

The Association may levy a Special Assessment against any Owner individually and against such Owner's Lot to reimburse the Association for costs incurred in bringing an Owner and his Lot into compliance with the provisions of the Declaration, any amendments thereto, the Articles of Incorporation, the Bylaws, or the Association rules and policies, which Special Assessment may be levied upon the vote of the Board of Directors after notice to the Owner and an opportunity for a hearing.

In addition to the Special Assessment set forth above, the Board may also file a Special Assessment pursuant to the Virginia Property Owners' Association Act.

Section 8.5 Benefitted Assessments. The Board of Directors shall have the power to specifically assess Lots receiving benefits, items, or services not provided to all Lots within the Property. Expenses of the Association (1) that are incurred upon the request of the Owner of a Lot for specific items or services relating to the Lot, or (2) that are incurred by the Association pursuant to this Declaration or the Bylaws for providing specific items or services relating to or benefiting a Lot or Lots. Costs may be specifically assessed against the Lot or Lots benefitted, in the amount of the cost of the benefit received or according to a method of equitably assessing the Lots as determined by the Board of Directors.

Section 8.6 Lien for Assessments. Upon recording of a memorandum of lien on any Lot, there shall exist a perfected lien against such Lot for unpaid assessment prior and superior to all other items, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value.

Prior to recording a memorandum of lien, a written notice shall be sent to the Owner by certified mail, at the Owner's last known address, informing the Owner that a memorandum of lien will be recorded in the Clerk's Office of the Circuit Court of Northumberland County, Virginia. This notice shall be sent at least ten (10) days before the actual filing date of the memorandum of lien. Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure.

The Association, acting on behalf of the Owners, shall have the power to bid for a Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such a Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid assessments, late charges, interest, costs and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8.7 Reserve Budget and Capital Contribution. The Board of Directors shall annually prepare a reserve budget to consider the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board of Directors shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board of Directors and included within and distributed with the applicable budget and notice of assessments, as provided in Section 8.2 and Section 8.3.

Section 8.8 Date of Commencement of Assessments. The obligation to pay the assessments provided for herein shall commence as to each Lot on the first day of the month following: (a) the month in which the Lot is made subject to this Declaration, or (b) the month in which the Board of Directors first determines a budget and levies assessments pursuant to this Article, whichever is later. Assessments shall be due and

payable in a manner and on a schedule as the Board of Directors may provide. The first annual Base Assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Lot.

Section 8.9 Acceleration. In the event any installment of the annual or special assessment is more than thirty (30) days late, the Board may automatically accelerate and consider immediately due the balance of the annual assessment through the current fiscal year. Such an accelerated amount may be subject to a lien or lawsuit filed in accordance with this Declaration and applicable statute.

Section 8.10 Subordination of Lien to First Mortgages. The lien of assessments, including interest, late charges (subject to the limitations of Virginia law) and costs (including attorneys' fees) provided herein, shall be subordinate to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments or payments which become due prior to such sale or transfer. No sale or transfer shall relieve such a Lot from lien rights for any assessments thereafter becoming due. Where Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of a Mortgage it shall be liable for the share of Common Expenses or assessments by the Association chargeable to such Lot which became prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all Lots.

Section 8.11 Exempt Property. The following property shall be exempt from payment of Base Assessments and Special Assessments:

(a) all Common Area; and

(b) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, and public parks, if any.

ARTICLE IX

Architectural Standards

Section 9.1 New Construction: No construction, which term shall include within its definition staking, clearing, excavation, grading, and other site work, no exterior alteration or modification of existing improvements, and no plantings or removal of plants, trees, or shrubs (except as permitted by Section 4.2) shall take place upon the Property, except in strict compliance with this Article, until the requirements below have been fully met, and until the written approval of the appropriate committee has been obtained pursuant to Section 9.1 and Section 9.2 below. The Board of Directors may establish reasonable fees to be charged by the committees on behalf of the Association for review of applications hereunder and may require such fees to be paid in full prior to review of any application.

All dwellings constructed on any portion of the Property shall be designed by and built in accordance with the plans and specifications of a licensed architect.

This Article shall not apply to construction or improvements or modifications to the Common Area by or on behalf of the Association.

The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the committees established in Section 9.1 and Section 9.2.

Section 9.2 Modifications: The Board of Directors may establish a committee to consist of at least three (3) persons to review additions, alterations, or modifications, including anything that would alter the exterior appearance of a Lot from or by owners and make recommendations to the Board. Members of the committee may include architects or similar professionals or others who are not Members of the Association. The Board, however, shall have final approval over modifications, additions, or alterations made on or to existing Lots or structures containing Lots and the open space, if any, appurtenant thereto, and to the Common Area.

The Board or the Board appointed committee may promulgate detailed standards and procedures governing its areas of responsibility, consistent with Article IX, Section 9.5. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations shall be submitted to the Board or the Board appointed committee for written approval as to quality of workmanship and design and as to harmony of external design with existing structures, location in relation to surrounding structures, topography, and finish grade elevation.

Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior or his Lot, or to paint the interior of his any color desired; provided, modifications or alterations to the interior of screened porches, patios and similar portions of a Lot visible from outside the Lot shall be subject to written approval hereunder. In the event that the Board fails to approve or to disapprove such plans or to request additional information reasonably required within seventy-five (75) days after submission, the plans shall be deemed approved.

Section 9.3 Right to Inspect. Any member of the Board of Directors or Board approved committee or their representatives shall have the right, during reasonable hours and after reasonable notice, to enter the Common Area or any exterior portion of the Property to inspect for the purpose of ascertaining whether these restrictive covenants have been or are being complied with. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. In addition to any other remedies available to the Association, in the event of noncompliance with this Section, the Board of Directors may record in the appropriate land records a notice of violation naming the violating Owner and describing the property and nature of the violation.

Section 9.4 No Waiver of Future Approvals. The approval of the Board of Directors of any proposals, plans, specifications or drawings for any work done or proposed, or in connection with any other matter requiring the written approval and consent of the Board, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 9.5 Compliance with Guidelines. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of the guidelines and procedures promulgated by the Board or a Board approved committee may be excluded by the Board of Directors from the Property without liability to any person, subject to the notice and hearing procedures contained in the Bylaws.

Section 9.6 No Liability. Review and approval of any application pursuant to this Article is made based on aesthetic considerations only and neither committee shall bear any responsibility of ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, any committee, nor member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Lot.

ARTICLE X

Use Restrictions

The Property shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association). Any Supplemental Declaration may impose stricter standards than those contained in this Article. The Association, acting through its Board of Directors, shall have standing and the power to enforce such standards.

Section 10.1 Land Disturbance Restrictions. Northumberland County has adopted an ordinance to comply with the Chesapeake Bay Preservation Act pursuant Section 10.1-2100 et seq. of the Code of Virginia, 1950, as amended. As of the date hereof, the ordinance requires (i) a fifty (50) foot buffer zone beginning at the water's edge and permits no development activities within this zone, and (ii) a one hundred (100) foot buffer zone beginning with water's edge and permits limited development activities within this zone. Other federal, state and local restrictions may apply to, and permits may be required for activities on, in and near the waterfront area of each of the Lots and the Common Area. All Owners' and occupants' activities shall comply with these restrictions and requirements. Additional information is available from the Northumberland County Planning Commission, the Chesapeake Bay Local Assistance Department, the Virginia Marine Resources Commission, the Virginia Department of Environmental Quality and the U.S. Army Corps of Engineers.

Section 10.2 Signs. No sign of any kind shall be erected within the Property without the written consent of the Board of Directors, except entry and directional signs installed by Declarant and those signs commonly used in the resale of a Lot installed by an Owner. The Board of Directors reserves the right to restrict the size, color, lettering, and placement of permitted signs. The Board of Directors or Declarant shall have the right to erect signs as they, in their discretion, deem appropriate. Notwithstanding the above, no signs, flags, banners or similar items advertising or providing directional information with respect to activities being conducted outside the Property shall be permitted within the Property.

Section 10.3 Parking; Prohibited Vehicles; Protective Vehicle Covers.

(a) Vehicles owned, leased or operated by an Owner or an occupant or guest of an Owner or occupant shall be operated only on the streets and drives designated by the Declarant or the Association for vehicular traffic, and shall be parked only in the Reserved Parking Spaces or in the Open Parking Areas, in each case subject to such reasonable rules and regulations as the Board of Directors may adopt. The Association may designate certain on-street parking areas for visitors or guests subject to reasonable rules. No "ATV's" (all-terrain vehicles), go-karts, go-peds or similar unlicensed motorized vehicles shall be operated anywhere on the Property, although they may be stored within an enclosed garage.

(b) Commercial vehicles, vehicles with commercial writing on their exteriors (other than personal motor vehicles with magnetic commercial placards no larger than three square feet in the aggregate), vehicles primarily used or designed for commercial purposes, tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers shall be parked only in enclosed garages or areas, if any, designated by the Board of Directors. Stored vehicles and vehicles which are either obviously inoperable or do not have current operating licenses shall not be permitted on the Property except within enclosed garages. For purposes of this Section, a vehicle shall be considered "stored" if it is put up on blocks or covered with a tarpaulin and remains on blocks or so covered for fourteen (14) consecutive days without the prior approval of the Board of Directors. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Property during daylight hours for such period as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Areas. Any vehicle parked in violation of this Section or parking rules promulgated by the Board of Directors may be towed in accordance with the Bylaws.

(c) All covers for automobiles, watercraft and other vehicles shall be aesthetic and neutral and muted in color and design.

Section 10.4 Occupants Bound. All provisions of the Declaration, Bylaws and of any rules and regulations or use restrictions promulgated thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Lot. Every Owner shall cause all occupants of his or her Lot to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Lot are fully liable and may be sanctioned for any violation of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto.

Section 10.5 Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any portion of the Property, except that dogs, cats, or other usual and common household pets not to exceed a total of five (5) may be permitted in the Lot. However, those pets which are permitted to roam free, or in the sole discretion of the Association, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the Owner of any portion of the Property shall be removed upon request of the Board of Directors; if the Owner fails to honor such request, the pet may be removed by the Board of Directors. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs shall at all times whenever they are outside a Lot be confined on a leash held by a responsible person.

Section 10.6 Quiet Enjoyment. No portion of the Property outside of enclosed structures shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the Property that will emit foul or obnoxious odors, including pet and animal odors, or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. Notwithstanding the foregoing, however, reasonable alarm or security system emissions shall be permitted.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Property. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property. No outside burning of wood, leaves, trash, garbage or household refuse or fireworks shall be permitted within the Property.

Section 10.7 Unsightly or Unkempt Conditions. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, or unkempt condition on his or her Lot. The pursuit of hobbies or other activities, including, specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. The Association's Board shall have the discretion to interpret and enforce this Section.

Section 10.8 Antennae. Except to the extent otherwise permitted by applicable law, and in any such case subject to such rules and regulations as the Declarant or the Association lawfully may promulgate, no exterior antennae, aerials, satellite dishes, or other apparatus for the transmission of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property, including any Lot, without the prior written consent of the Board of Directors or its designee. The Declarant and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna or cable system for the benefit of all or a portion of the Property, should any such master system or systems be utilized by the Association and require any such exterior apparatus.

Section 10.9 Basketball Equipment, Clothesline, Garbage Cans, Tanks, etc. No basketball hoops and backboards, clotheslines, garbage cans, above-ground storage tanks, mechanical equipment, and other similar items on Lots shall be permitted within the Property unless approved in accordance with Article IX of this Declaration. All rubbish, trash, and garbage shall be stored in appropriate containers concealed from view and shall regularly be removed from the Property and shall not be allowed to accumulate thereon.

Section 10.10 Subdivision of Lot and Time Sharing. No Lot shall be subdivided, or its boundary lines changed except with the prior written approval of the Board of Directors of the Association.

No Lot shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Lot rotates among members of the program on a fixed or floating time schedule over a period of years.

Section 10.11 Firearms, Bow and Arrows, Drones, Fireworks. The discharge of firearms, bow and arrows, fireworks, or use of drones within the Property is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. Notwithstanding anything to the contrary contained herein or in the Bylaws, the Association shall not be obligated to take action to enforce this Section.

Section 10.12 Pools and Hot Tubs. No Owner-installed swimming pools or hot tubs shall be erected or constructed on any Lot.

Section 10.13 Irrigation. No sprinkler or irrigation systems of any type which draw upon water from creeks, streams, rivers, lakes, ponds, wetlands, canals or other ground or surface waters within the Property shall be installed, constructed, or operated within the Property unless prior written approval has been received from the Board. All sprinkler and irrigation systems shall be subject to approval in accordance with Article IX of this Declaration. Private irrigation wells are prohibited on the Property.

Section 10.14 Tents, Trailers and Temporary Structures. No tent, utility shed, shack, trailer or other structure of a temporary nature shall be placed upon a Lot or any part of the Property.

Section 10.15 Drainage and Septic Systems. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains.

Section 10.16 Tree Removal. No trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote growth of other trees for safety reasons, unless approved in accordance with Article IX of this Declaration. In the event of an intentional or unintentional violation of this Section, the violator may be required, by the committee having jurisdiction, to replace the removed tree with a tree, not exceeding six (6) inches in diameter, which will, at maturity, be comparable or equal to the removed tree, as such committee may determine in its sole discretion.

Section 10.17 Sight Distance at Intersections. All property located at street intersections shall be landscaped to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

Section 10.18 Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Property, except for temporary lines as required during construction and high voltage lines if required by law or for safety purposes.

Section 10.19 Air Conditioning Units. Except as may be permitted by the Board of Directors or its designee, no window air conditioning Units may be installed in any Lot.

Section 10.20 Exterior Lighting. Except for seasonal decorative lights, which may be displayed between Thanksgiving and January 10 only all exterior lights must be approved in accordance with Article IX of this Declaration.

Section 10.21 Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Property. Exterior sculpture, fountains, flags, and similar items must be approved by the Architectural Review Committee and Board.

Section 10.22 Energy Conservation Equipment. As a general restriction, solar collection devices on Lots are prohibited. Solar energy collector panels or attendant hardware or other energy conservation equipment may perhaps be constructed or installed on any Lot if it is an integral and harmonious part of the architectural design of a structure, as determined in the sole written discretion of the Architectural Review Committee and Board.

Section 10.23 Rivers, Ponds and Other Water Bodies. Except for Indian Creek and Bells Creek, all rivers, ponds, streams and other water bodies situated within the Property or the Common Area, if any, shall be aesthetic amenities only, and no other use thereof, including, without limitation, fishing, swimming, boating, playing, or use of personal flotation devices, shall be permitted without the prior approval of the Board of Directors. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of any river, pond, streams or other water bodies within the Property. No docks, piers, jetties or other structures shall be constructed on or over any body of water within the Property or the Common Area, except such as may be constructed by the Declarant or the Association.

Section 10.24 Fences. No hedges, walls, dog runs, animal pens or fences of any kind shall be permitted on any Lot except as approved by Architectural Review Committee and Board.

Section 10.25 Business Use. No trade or business may be conducted in or from any Lot, except that an Owner or occupant residing in a Lot may conduct business activities within the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity does not involve regular visitation of the Lot by customers, clients, suppliers or others for business purposes or door-to- door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors.

Section 10.26 On-Site Fuel Storage. Except for the master propane gas storage and transmission system being installed by the Declarant to serve the Lots, no on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Property except that up to five (5) gallons of fuel may be stored on each Lot for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

Section 10.27 Leasing of Lots.

(a) "Leasing", for purposes of this Declaration, is defined as regular, exclusive occupancy of a Lot by any person or persons other than the Owner for which the

Owner receives any consideration or benefit, including, but not limited to a fee, service, gratuity, or emolument.

(b) Lots may be rented only in their entirety; no fraction or portion may be rented. There shall be no subleasing of Lots or assignment of leases unless prior written approval is obtained from the Board of Directors. No transient tenants may be accommodated in a Lot. All leases shall be in writing and shall be for an initial term of no less than six (6) months, except with the prior written consent of the Board of Directors. Notice of any lease, together with such additional information as may be required by the Board of Directors, shall be given to the Board of Directors by the Lot Owner within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, Bylaws, and the rules and regulations. The Board of Directors may adopt reasonable rules regulating leasing and subleasing.

(c) Every Owner shall cause all occupants of his or her Lot to comply with the Declaration, Bylaws, and the rules, policies and regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Lot are fully liable and may be sanctioned for any violation of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto.

Section 10.28 Use of Slips. The Slips are for use solely by the Owner, their immediate family, and occupants of the Lots to which they are assigned, and for occasional overnight or weekend use by guests who are visiting Owners or occupants in their Lots. Owners and immediate family members of Owners who are using slips for more than a week must complete a use of slip agreement that demonstrates sufficient insurance coverage and indemnifies the Association and its officers, directors, employees their agents and appointees from any loss or harm associated with the use of any such slip. The Slips shall be used solely for the mooring of boats and, to the extent permitted by applicable law and permit requirements, for occasional overnight sleeping in such boats. The Association has adopted rules and regulations governing any and all aspects of the use of Slips including, without limitation, the types of boats or other vessels that may be moored there, limitations on the types of activities that may be conducted on boats that are moored, limitations on noise or other matters that may constitute a nuisance, hours of operation, and requirements for providing evidence of proper registration of and insurance for boats moored in the Slips. No owner shall make any use of any Slip that violates any applicable legal requirement or any Association policy, including, without limitation, the requirements imposed in connection with any Health Department, the Virginia Marine Resources Commission or other permit for the Slips.

Subject to prior approval by the ARC Committee, each Lot Owner may store up to two (2) kayaks on WestBay Docks or in the slip assigned to the Owner provided the kayaks are on storage racks no more than two kayaks high.

Section 10.29 Matters of Record. Each Lot is conveyed subject to any and all matters of record, including, without limitation, all easements, encroachments, rights of way, restrictions and other encumbrances.

Section 10.30 Laws and Ordinances. Every Owner and occupant of any Lot, their guests and invitees, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Property and any violation thereof may be considered a violation of this Declaration; provided, the Board of Directors shall have no obligation to take action to enforce such laws, statutes, ordinances and rules.

ARTICLE XI

General Provisions

Section 11.1 Term. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

Except as otherwise specifically provided in this Declaration, this Declaration may be amended only by affirmative vote or written consent, or any combination thereof, of Members representing sixty seven percent (67%) of the votes in the Association. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the Clerk's Office of the Circuit Court of Northumberland County, Virginia.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Section 11.2 Disposition of the Common Area. The Association shall not dispose of all or any portion of the Common Area, by sale, upon dissolution of the Association, or otherwise, except to an organization or entity conceived and organized to own and maintain the Common Area, without first offering to dedicate the Common Area to Northumberland County or other appropriate governmental agency.

Section 11.3 Indemnification. Each person now or hereafter a Director or officer of the Association (and his/her heirs, executors and administrators) shall be indemnified, protected, defended and held harmless against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member. The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for gross negligence or willful misconduct in the performance of his/

her duties. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, or committee member, or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available. Section

Section 11.4 Perpetuities. If any of the covenants, conditions, restricts, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Thomas Jefferson.

Section 11.5 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five (75%) percent of the total votes of the Members. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article X hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims or appeals brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the percentage votes, and pursuant to te same procedures, necessary to institute proceedings as provided above.

Section 11.6 Use of the Word "WestBay." No Person shall use the word "WestBay" or any derivative thereof in any printed or promotional material without the prior written consent of the Declarant. However, Owners may use the term "WestBay" in printed or promotional matter where such term is used solely to specify that particular property is located within WestBay and the Association shall be entitled to use the word "WestBay" in its name.

Section 11.7 Compliance. Every Owner and occupant of any Lot shall comply with all lawful provisions of this Declaration, the Bylaws and rules and regulations of the Association that may affect them. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in a proper case, by any aggrieved Lot Owner or Owners.

Section 11.8 Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make the Property safer than they otherwise might be. THE ASSOCIATION, SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES. ALL OWNERS AND OCCUPANTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS AND COMMITTEES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY

OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE DECLARANT MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDED THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES.

Section 11.9 Notice of Sale or Transfer of Title. In the event that any Owner desires to sell or otherwise transfer title to his or her Lot, such Owner shall give the Board of Directors at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Board of Directors, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of assessments, notwithstanding the transfer of title to the Lot.

Section 11.10 Violation Charges and Withholding Use and Access to Common Areas. The Board of Directors shall, by resolution, be authorized to levy violation charges and to withhold the use and access to certain Common Areas for violations of the Declaration and Rules and Regulations or for non-payment of assessments in accordance with the Virginia Property Owners' Association Act, or as otherwise permitted by applicable statute.

ARTICLE XII

Mortgagee Provisions

The following provisions are for the benefit of holders of first Mortgages on Lots in the Property. The provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein.

Section 12.1 Notices of Action. An institutional holder, insurer, or guarantor of a

first Mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owned by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance of an Owner of a Lot of any obligation under the Declaration or Bylaws of the Association which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) any proposed action which would require the consent of a specified percentage of eligible holders.

Section 12.2 Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least a majority of the first Mortgagees or Members representing at least sixty-seven (67%) percent of the total Association vote entitled to be cast thereon consent, the Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection)

(b) change the method of determining the obligations, assessments, dues, or other charges which may be levied against an owner of a Lot (a decision, including contracts, by the Board of Directors shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration)

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Lots and of the Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision)

(d) fail to maintain insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

(f) First Mortgagees of the Lots may, jointly or singly, pay taxes or other charges which are in default, and which may or have become a charge against the

Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

Section 12.3 Other Provisions for First Lien Holders. To the extent possible under Virginia law:

(a) Any restoration or repair of the Property after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with this Declaration and the original plans and specifications unless 51% of the votes of the Lots subject to Mortgages held by eligible lienholders disapprove such repair or restoration.

(b) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the eligible holders of first Mortgages on Lots to which 51% of the votes of Lots subject to Mortgages held by eligible holders are allocated.

Section 12.4 Amendments to Documents. The following provisions do not apply to amendments to the constituent documents or termination of the Association made as a result of destruction, damage, or condemnation pursuant to Section 12.3 (a) and Section 12.3 (b) or the addition of land:

(a) The consent of (i) Members (Lot Owners) representing at least sixty-seven (67%) of votes and (iii) the Declarant, so long as it owns any land subject to this Declaration, and the approval of the eligible holders of first Mortgages on Lots to which at least sixty-seven (51%) percent of the votes of Owners subject to a Mortgage held by an eligible holder appertain, shall be required to terminate the Association.

(b) The consent of (i) Members representing at least sixty-seven (67%) percent of the Owner votes shall be required to materially amend any provisions of the Declaration, Bylaws, or Articles of Incorporation of the Association, or to add any material provisions thereto, which establish, provide for, govern, or regulate any of the following:

(i) voting;

(ii) assessments, assessment liens, or subordination of such liens;

(iii) reserves for maintenance, repair, and replacement of the Common Area.

Section 12.5 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 12.6 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

Section 12.7 Amendment by Board of Directors. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board of Directors, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 12.8 Applicability of Article XII. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws, or Virginia law for any of the acts set out in this Article.

Section 12.9 Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board of Directors to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

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