

KINGSTOWNE RESIDENTIAL OWNERS CORPORATION
ADMINISTRATIVE RESOLUTION NO. 10

Executive Session

WHEREAS, Article X, Section 4 of the By-Laws authorizes the Board of Trustees to convene in executive session on matters of personnel; and

WHEREAS, the Virginia Legislature has expanded the power of the Board of Trustees to convene in executive session by adopting Section 55-510(E) of the Virginia Property Owners Association Act ("POAA"), which authorizes the Board of Trustees to convene in closed or executive session to consider personnel matters, consult with legal counsel, discuss and consider contracts, potential or pending litigation and matters involving violations of the declaration or rules and regulations adopted pursuant thereto for which a member, his family, tenants, guests or invitees are responsible, or discuss and consider the personal liability of members to the association upon the affirmative vote in open meeting to assemble in closed session; and

WHEREAS, the POAA and the governing documents of the Kingstowne Residential Owners Corporation ("KROC") recognize the need for the Board of Trustees to convene in executive session to consider sensitive issues; and

WHEREAS, these discussions by the Board of Trustees on sensitive issues are more beneficial to KROC when occurring in a closed environment offering opportunity for honest and frank debate by the members of the Board of Trustees; and

WHEREAS, public disclosure of the discussion held in executive session on sensitive issues could be detrimental to the best interests of KROC and could impair the effective management of the affairs of KROC; and

WHEREAS, the Board of Trustees has determined that it is in the best interest of KROC to establish guidelines and procedures for the executive sessions of the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED THAT the following procedures be and hereby are adopted to govern executive sessions of the Board of Trustees:

I. EXECUTIVE SESSION

1. The Board of Trustees may convene in executive session to consider the following matters:

- personnel matters

- consultation with legal counsel
- discussion and consideration of contracts
- discussion of potential or pending litigation
- discussion and consideration of matters involving violations of the Declaration or Rules and Regulations adopted pursuant thereto for which a member, his family members, tenants, guests or invitees are responsible
- discussion and consideration of the personal liability of members to the Association

2. The Board of Trustees shall take an affirmative vote in open meeting to assemble in executive session. The motion shall state specifically the purpose for the closed session. Reference to the motion and stated purpose for the closed session shall be included in the minutes.

3. The Board of Trustees shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted from open session in the governing documents or under applicable law and stated in the motion.

4. No contract, motion or other action adopted, passed, or agreed to in closed session shall become effective unless the Board of Trustees following the closed session reconvenes in open meeting and takes a vote on such contract, motion or other action which shall have its substance reasonably identified in the open meeting.

II. DUTY OF CONFIDENTIALITY

1. Each member of the Board of Trustees and management has a duty to maintain all information obtained in the executive sessions in confidence.

2. Matters discussed in closed session shall not be discussed outside of the "control group" which shall consist of the members of the Board of Trustees, management staff, and legal counsel. Confidential information discussed in executive session shall be disclosed only to management staff who have an actual need for such information in the performance of their responsibilities. The

Board of Trustees reserves the right to modify the designation of the members of the control group as appropriate.

3. All members of the Board of Trustees and management staff agree to consult with the President of the KROC and/or legal counsel before making any disclosure of information which may be covered by this resolution.

4. All confidential information is and shall remain the property of the KROC and the KROC shall possess all right, title and interest therein. The members of the Board of Trustees agree that any and all information, documentation, records and devices which contain confidential information shall be held in strict confidence and upon the expiration of the term of each member of the Board of Trustees, the Trustee shall return all confidential information in its possession.

III. DISCIPLINARY MEASURES

1. Members of the Board of Trustees have a duty to the KROC to maintain the confidentiality of all matters discussed during executive session and a duty to conduct themselves in a manner not injurious to the KROC.

2. If a violation of confidentiality occurs, the Board of Trustees may take the following disciplinary action against the breaching member of the Board:


- verbal or written reprimand by the Board of Trustees
- temporary suspension from service on the Board including the right to attend regular or executive session Board meetings and/or permanent suspension from the right to attend executive session Board meetings

3. As appropriate or necessary to investigate an alleged violation, the Board of Trustees may appoint a special committee consisting of three members of the Board of Trustees to investigate the details of the allegations and to report its conclusions to the full Board, absent the member who is the subject of the

investigation. The Board shall then make a decision as to what, if any, disciplinary action should be taken.

4. The Board of Trustees shall provide reasonable due process rights to the member accused of a violation, including the right to a hearing on the violation. Such a hearing shall be held in closed session subject to the accused's right to have counsel and witnesses present. The hearing and disciplinary process shall be conducted in a manner consistent with Robert's Rules of Order and reasonable due process procedures.

Adopted by the Board of Trustees this 2 day of March, 1993.


Kathleen Snyder, President

FOR ASSOCIATION RECORDS

I hereby certify that the foregoing Administrative Resolution was duly adopted at a regular meeting of the Board of Trustees of the Kingstowne Residential Owners Corporation on this 2nd day of March, 1993 and that a copy shall be kept with the books and records of the Corporation.

J. Mary L. Cosculleri
Managing Agent

KINGSTOWNE RESIDENTIAL OWNERS CORPORATION

RESOLUTIONS ACTION RECORD

Resolution type Administrative No. 10

Pertaining to: Executive Session

Duly adopted at a meeting of the Board of Trustees of the Kingstowne Residential Owners Corporation held on March 2, 1993.

Motion by: _____ Seconded by: _____

OFFICER		VOTE:			
		YES	NO	ABSTAIN	ABSENT
<u>Kathleen Snyder</u>	, President	X	_____	_____	_____
<u>Bruce Thompson</u>	, Vice President	X	_____	_____	_____
<u>Evelyn Scalia</u>	, Secretary/ Treasurer	X	_____	_____	_____
<u>Nancy Sutton</u>	, Trustee	X	_____	_____	_____
<u>Chuck Taylor</u>	, Trustee	_____	_____	_____	X
<u>Vic Scalia</u>	, Trustee	X	_____	_____	_____
<u>Jonathan Finch</u>	, Trustee	X	_____	_____	_____
<u>Joanna Reith</u>	, Trustee	X	_____	_____	_____
_____	, Trustee	_____	_____	_____	_____

ATTEST:

Evelyn Scalia
Secretary

_____ Date

Resolution Effective: March 3, 1993

[PC File = ACTREC]