

TABLE OF CONTENTS

<u>Article Number</u>		<u>Page</u>
I.	<u>Plan of Unit Ownership</u> .....	1
	1. Condominium Submission.....	1
	2. Bylaws Applicability.....	1
	3. Personal Application.....	1
II.	<u>Council of Unit Owners</u> .....	1
	1. Composition.....	1
	2. Voting.....	2
	3. Place of Meeting.....	2
	4. Annual Meeting.....	2
	5. Special Meetings.....	2
	6. Notice of Meeting.....	2
	7. Voting requirements.....	2
	8. Proxies.....	3
	9. Quorum.....	3
	10. Council Action.....	3
	11. Order of Business.....	3
	12. Conduct of Business.....	3
	13. Roster of Unit Owners.....	3
III.	<u>Board of Directors</u> .....	3
	1. Powers and Duties.....	3
	2. Managing Agent.....	5
	3. Number of Directors and Initial Selection of Board.....	5
	4. Election and Term of Office.....	5
	5. Organization Meeting.....	6
	6. Regular Meetings.....	6
	7. Special Meetings.....	6
	8. Waiver of Notice.....	6
	9. Board of Director's Quorum.....	6
	10. Vacancies.....	6
	11. Removal of Directors.....	7
	12. Compensation.....	7
	13. Conduct of Meetings.....	7
	14. Report of Board of Directors.....	7
	15. Fidelity Bonds.....	7
	16. Dispensing with Vote.....	7
	17. Liability of the Board of Directors....	7
	18. Validity of Contract.....	8
IV.	<u>Officers</u> .....	8
	1. Designation.....	8
	2. Election of Officers.....	8
	3. Removal of Officers.....	8
	4. President.....	8
	5. Vice-President.....	8

6. Secretary.....	8
7. Treasurer.....	8
V. <u>Operation of the Property</u> .....	9
1. Determination of Common Expenses and Assessments Against Unit Owners..	9
(a) Fiscal Year.....	9
(b) Preparation and Approval of Budget...	9
(c) Assessment and Payment of Common Expenses.....	10
(d) Reserve Fund for Replacements.....	10
(e) Special Assessments.....	11
(f) Initial Budget.....	11
(g) Effect of Failure to Prepare or Adopt Budget.....	11
(h) Accounts.....	11
2. Payment of Common Expenses.....	11
3. Collection of Assessments.....	11
4. Statement of Unpaid Assessments.....	12
5. Maintenance and Repair.....	12
(a) By the Board of Directors.....	12
(b) By the Unit Owner.....	12
(c) Manner of Repair and Replacement.....	13
6. Additions, Alterations or Improvements by Board of Directors.....	13
7. Additions, Alterations or Improvements by Unit Owners.....	13
8. Restrictions of Use of Units.....	13
9. Rights of Access.....	15
10. Rules and Regulations.....	16
VI. <u>Insurance</u> .....	16
1. Authority.....	16
2. Coverage.....	16
3. Limitations.....	17
4. Individual Policies.....	18
5. Insurance Trustee.....	18
6. Board of Directors as Agent.....	19
7. Premiums.....	19
8. Endorsements, etc.....	19
VII. <u>Repair and Reconstruction After Fire Or Other Casualty</u> .....	19
1. When Repair and Reconstruction are required.....	19
2. Procedure for Reconstruction and Repair.....	19
3. Disbursements of Construction Funds...	20
4. When Reconstruction is Not Required...	21
5. Condemnation.....	21
VIII. <u>Severance or Subdivision of Units</u> .....	21
1. No Severance of Ownership.....	21
2. Payment of Assessment.....	22



IX.	<u>Mortgages</u> .....	22
	1. Notice to Board.....	22
	2. Notice of Meetings.....	22
	3. Notice of Unpaid Assessments.....	22
	4. Notice of Default.....	22
	5. Notice of Damage.....	22
	6. Notice of Termination of Management Contracts.....	22
	7. Rights of First Mortgagees.....	22
	8. Examination of Books.....	23
	9. "Mortgagee" and "Mortgage".....	23
X.	<u>Notice</u> .....	23
	1. Manner of Notice.....	23
	2. Waiver of Notice.....	23
XI.	<u>Amendment of Bylaws</u> .....	23
	1. Amendments.....	23
	2. Recording.....	24
	3. Conflicts.....	24
	4. Approval of Mortgagees.....	24
XII.	<u>Compliance and Default</u> .....	24
	1. Relief.....	24
	(a) Legal Proceedings.....	24
	(b) Additional Liability.....	24
	(c) Costs and Attorneys' Fees.....	24
	(d) No Waiver of Rights.....	25
	(e) Interest.....	25
	(f) Abatement and Enjoinment of Violations by Unit Owners.....	25
	2. Lien for Assessments and Collections..	25
XIII.	<u>Compliance, Conflict, and Miscellaneous Provisions</u> .....	26
	1. Compliance.....	26
	2. Conflict.....	26
	3. Severability.....	26
	4. Waiver.....	26
	5. Captions.....	26
	6. Gender, etc.....	26
	7. Notice of Loss to or Taking of Common Elements.....	26
XV.	<u>Resident Agent</u> .....	27

## EXHIBIT D TO DECLARATION

### HOLLY HILL CONDOMINIUM BYLAWS

#### ARTICLE I

##### PLAN OF UNIT OWNERSHIP

1. Condominium Submission. The Condominium Project known as "Holly Hill Condominium" (hereinafter called the "Condominium") located in Prince George's County, Maryland, has been declared and constituted a Condominium by a Declaration and Condominium Plat recorded in the Land Records of Prince George's County, Maryland by HOLLY HILL ASSOCIATES (hereinafter referred to as the "Developer") to which Declaration these Bylaws are appended as a part, and shall be governed by the Act (as defined by the Declaration), the said Declaration, Condominium Plat and these Bylaws.
2. Bylaws Applicability. The provisions of these Bylaws are applicable to the Property (described in the Declaration and Condominium Plat), and the use, occupancy, sale, lease or other transfer thereof. All owners of any freehold or leasehold interest, all occupants or users of the premises, and the agents and servants of any of them are subject to the provisions of the Declaration, the Condominium Plat, these Bylaws and the applicable laws of the State of Maryland.
3. Personal Application. All present and future Unit Owners (as defined in the Declaration), tenants, future tenants, their guests, licensees, servants, agents, employees and any other person or persons who shall be permitted to use the facilities of the Condominium, shall be subject to these Bylaws and the Rules and Regulations of the Condominium. Acquisition, rental, or occupancy of any of the Units (as defined in the Declaration and Condominium Plat) in the Condominium shall constitute an acknowledgement that such Unit Owner, tenant or occupant has accepted and ratified these Bylaws, the provisions of the Declaration, the Condominium Plat and the Rules and Regulations as adopted by the Board of Directors from time to time and will comply with them.

#### ARTICLE II

##### COUNCIL OF UNIT OWNERS

1. Composition. All of the Unit Owners, acting as a group in accordance with the Act, the Declaration and these Bylaws shall constitute the "Council of Unit Owners"



(hereinafter referred to as the "Council") who shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Condominium, and performing all of the acts that may be required to be performed by the Council by the Act. Except as to those matters which the Act specifically requires to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III), unless delegated to the Managing Agent or to the Officers. The Council shall be unincorporated and shall have all of those powers enumerated in section 11-109(d) of the Act. The Council shall have a mailing address at 7201 Donnell Place, Forestville, Maryland 20747, or as designated by the Board of Directors.

2. Voting. Voting at all meetings of the Council shall be on the basis of one vote for each Unit. Where the ownership of a Unit is in more than one person, then the person who shall be entitled to cast the vote for that Unit shall be the person named in a certificate signed by all of the owners of the Unit and filed with the Secretary. Such certificate shall be valid until revoked by a subsequent certificate. Wherever the approval or disapproval of the Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall only be made by the person who would be entitled to cast the vote for the owners of such Unit at any meeting of the Council. Except where a greater number is required by the Act, the Declaration, or these Bylaws, a majority of the Unit Owners present in person or represented by proxy is required to adopt decisions at any meeting of the Council. If the Developer owns or holds title to one or more Units, the Developer shall have the right at any meeting of the Council to cast the vote to which such Unit is entitled.

3. Place of Meeting. Meetings of the Council shall be held at such place as may be designated by the Board of Directors and stated in the notice of the meeting.

4. Annual Meeting. The first annual meeting of the Council shall be held at a time and place to be designated by the Board of Directors: (a) within one hundred twenty (120) days after deeds are delivered on the sales by the Developer of more than fifty percent (50%) of the number of Units in the Condominium, or (b) within one hundred twenty (120) days after the third anniversary date of the day on which the Declaration and these Bylaws are filed among the land records of Prince George's County, Maryland, whichever date shall first occur, or on such earlier date as may be established by the Developer. At such meeting the persons designated by the Developer shall resign as members of the Board of Directors, and all of the Unit Owners, including the Developer if the Developer owns any Unit or Units, shall elect a new Board of Directors. Thereafter, the annual meeting of the Council shall be held during each successive twelve (12) month period on such date as the Board of Directors shall designate. At such meetings there shall be elected by ballot a Board of Directors in accordance with the requirements of these Bylaws. The Council may also transact such other business as may properly come before it.



5. Special Meetings. It shall be the duty of the President to call a special meeting of the Council if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners with appurtenant votes totaling not less than 30 percent (30%) of the total votes appurtenant to all of the Units in the Condominium. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at the special meeting except as stated in the notice. Notwithstanding the above provision, no special meeting may be called until after the first annual meeting, except upon resolutions of the Board of Directors.

6. Notice of Meeting. It shall be the duty of the Secretary to mail, or have hand-delivered, a notice of each annual or special meeting of the Unit Owners, at least fifteen (15) but not more than thirty (30) days prior to such meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each Unit Owner of record, at such address as each Unit Owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service of notice.

7. Voting Requirements. A Unit Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Council if, and only if, the Unit Owner shall have fully paid all due installments of assessments made or levied against him and his Unit by the Board of Directors as hereinafter provided, together with all interest, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his Unit, prior to the date fixed for such annual or special meeting and if, and only if, said Unit Owner has furnished the Secretary with his current mailing address.

8. Proxies. At all meetings of the Council each Unit Owner having the right to votes shall be entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such Unit Owner for such meeting. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof and in no event for more than 180 days following its issuance unless granted to a lessee. Proxies must be filed with the Secretary at least two (2) days before the time appointed for each meeting in the notice. Proxies may be revoked by written notice of revocation filed with the Secretary. A Unit Owner may appoint any other person as his proxy.

9. Quorum. Except as may otherwise be provided herein or by statute, votes appurtenant to Units constituting at least twenty five percent (25%) of the votes appurtenant to all Units shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be preset or represented at any meeting, the Unit Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time.

10. Council Action. When a quorum is present at any meeting a majority of the votes represented and voting shall decide any question brought before such meeting,

unless the question is one upon which by express provision of the Act, the Declaration, or these Bylaws a different vote is required, in which case such express provision shall govern.

11. Order of Business. The order of business at all meetings of the Council shall be as follows: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of Board of Directors; (f) reports of committees; (g) election of inspectors of elections, if applicable; (h) election of directors, if applicable; (i) unfinished business; and (j) new business.

12. Conduct of Meeting. The President shall preside over all meetings of the Council and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. The President or Secretary shall count votes at meeting of the Council. Roberts Rules of Order shall govern the conduct of all meetings when not in conflict with the Declaration, these Bylaws or the Act.

13. Roster of Unit Owners. Each Unit Owner shall furnish to the Council his name and mailing address, which listings shall be maintained by the Council for all units. A Unit Owner may not vote at meetings of the Council until this information is furnished.

### ARTICLE III

#### BOARD OF DIRECTORS

1. Powers and Duties. The affairs and business of the Condominium shall be managed by a Board of Directors (sometimes hereinafter referred to as the "Board") which shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things as are not by the Act, by the Declaration or by these Bylaws directed to be exercised and done by the Council. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the enjoyment of the Condominium provided such Rules and Regulations shall not be in conflict with the Act, the Declaration or these Bylaws. The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent, if any, which might arise between meetings of the Board of Directors. In addition to the duties imposed by the Act, these Bylaws or by any resolution of the Council that may hereafter be adopted, the Board of Directors shall have the power to, and be responsible for, the following:

(a) Preparation and adoption of an annual budget in which there shall be established the contribution of each Unit Owner to the Common Expenses.



(b) Making assessments against Unit Owners to defray the costs and expenses of the Condominium, establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance of the first day of each month for said month.

(c) Providing for the operation, care, upkeep, maintenance and surveillance of all of the Common Elements and services of the Condominium.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, and providing services for the Property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed the common property of the Council.

(e) Collecting the assessments against the Unit Owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property.

(f) Adopting and amending Rules and Regulations respecting the use of the Property pursuant to Section 11-111 of the Act.

(g) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefore.

(h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty.

(i) Enforcing by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations for the use of the Property adopted by it, and bringing any proceedings which may be instituted on behalf of the Unit Owners.

(j) Obtaining and carrying insurance against casualties and liabilities, as provided in Article VI of these Bylaws and paying the premium cost thereof.

(k) Paying the cost of all services rendered to the Condominium and not billed to owners of individual Units.



(l) Keeping books with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Condominium, specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred. The said books and vouchers accrediting the entries thereupon and all other records kept by the Council shall be available for examination and copying by any Unit Owner, his duly authorized agents or attorneys, at his expense, after reasonable notice during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with generally accepted accounting practices on a consistent basis, and the same shall be audited at least once a year by an auditor employed by the Board of Directors. The cost of such audit shall be a Common Expense.

(m) To do such other things and acts not inconsistent with the Act and with the Declaration which it may be authorized to do by a resolution of the Council.

2. Managing Agent. The Council, through the Board of Directors, will employ for the Condominium a professional Managing Agent at a compensation to be approved by the Board of Directors, to perform such duties and services as these Bylaws and/or, the Board of Directors shall authorize, including, but not limited to the duties listed in paragraphs (a), (c), (d), (e), (g), (h), (j), (k), (l), and (m) of section 1 of this Article III. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b), (f) and, to the extent not otherwise provided by these Bylaws (i), of section 1 of this Article III. Any agreement with the Managing Agent shall be in writing and shall provide that it may be terminated with cause on no less than thirty (30) days' written notice and without cause on no less than sixty (60) days' written notice. The term of any such agreement shall not exceed one (1) year. After the initial Managing Agent has been named, the Board of Directors shall not employ any new Managing Agent without thirty (30) days prior written notice to the institutional holders of all first mortgages on the Units. The Managing Agent shall at all times be a professional management company, with expertise and at least two (2) years experience in the operation of condominiums and the Board of Directors and/or Condominium shall not undertake self-management without the written approval of each institutional holder of a first mortgage on individual units.

3. Number of Directors and Initial Selection of Board. The number of directors which shall constitute the whole Board shall be five (5). The initial Board of Directors shall be comprised of five (5) persons designated by the Developer and shall serve until the election of the Board of Directors takes place at the first annual meeting of the Council as provided in section 4 of Article II hereof. The Developer's designees need not be residents of, nor Unit Owners in the Condominium, and the Developer shall have the right in its sole discretion to replace such Directors as may be so selected and designated by it, and to select and designate their successors if vacancies occur for any reason. There shall be no cumulative voting.



4. Election and Term of Office. At the first annual meeting of the Council five (5) directors shall be elected. The term of office for three (3) directors shall be fixed at one (1) year and the term of office of the two (2) directors receiving the greatest number of votes shall be fixed at two (2) years. At the expiration of the initial term of office of each respective director, each successor shall be elected at subsequent annual meetings of the Council to serve a term of two (2) years. The directors shall hold office until their successors have been elected and hold their first meeting.

Notwithstanding anything contained in these Bylaws to the contrary, until the first annual meeting of the Council, the Developer shall have the sole right to select the Board of Directors and to fill any vacancy occurring from the death, resignation or removal of any director. This paragraph 4 of Article III may not be changed except by unanimous vote of all Unit Owners.

5. Organization Meeting. The first meeting of the members of the Board of Directors following the annual meeting of the Council shall be held within ten (10) days after the meeting at which such directors were elected at such place as shall be fixed by the directors at the meeting at which they were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present thereat.

6. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year after the first annual meeting of the Council. Notice of regular meetings of the Board of Directors shall be given to each director and Unit Owner, personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

7. Special Meetings. Special meetings of the Board of Directors may be called by the President on two (2) days' notice to each director. Such notice shall be given personally or by mail, telephone or telegraph, and such notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

8. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

9. Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at the meeting at which a quorum is



present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

10. Vacancies. Vacancies in the Board of Directors caused by any reason other than removal of a director by a vote of the Council shall be filled by vote of the majority of the remaining directors, at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum of the Board; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Council, provided, however, that any vacancy of any director designated by the Developer pursuant to a right of the Developer to make such designation shall be filled by the Developer.

11. Removal of Directors. A director may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Council at which a quorum is present by an affirmative vote of a majority of the votes represented and voting. Any director whose removal has been proposed by the Unit Owners shall be given at least fifteen (15) days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Notwithstanding the foregoing, any director who misses more than two meetings unless excused by the Board of Directors or the President, may be removed by a vote of a majority of the remaining directors.

12. Compensation. No director shall receive any compensation from the Condominium for acting as such.

13. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a Minute Book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Act.

14. Report of Board of Directors. The Board of Directors shall present at each annual meeting, and when called for by vote of the Council at any special meeting of the Council, a full and clear statement of the business and condition of the Condominium.

15. Fidelity Bonds. The Board of Directors shall require that all directors, officers, trustees, volunteers, agents (including the Managing Agent) and employees of the Council handling or responsible for funds furnish adequate fidelity bonds or insurance. The premiums on such bonds shall constitute a Common Expense. The

fidelity bonds or insurance shall name the Council as the named insured and shall be written in an amount sufficient to provide protection in an amount equal to at least one and one-half (1-1/2) times the Condominium's estimated annual operating expenses and reserves.

16. Dispensing with Vote. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all off the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

17. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the directors from and against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Unit Owners, the Council, or the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Act, the Declaration or of these Bylaws. It is intended that the members of the Board of Directors shall be covered by Directors' Liability Insurance and shall have no personal liability with respect to any contract made by them on behalf of the Unit Owners, the Council, or the Condominium except with respect to any Percentage Interest of a Unit owned by a Director. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be in proportion to his Percentage Interest in the Common Expenses and Common Profits. The Unit Owners, in accordance with Section 2-418 of the Corporations and Associations Article of the Annotated Code of Maryland, shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was a Director, or officer, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believes to be in, or not opposed to the best interests of the Unit Owners. The provisions of this paragraph shall also apply to officers of the Condominium.

18. Validity of Contract. No contracts or other transaction between the Board and any other legal entity, and no act of the Board shall in any way be affected or invalidated by virtue of the fact that any of the officers or directors of the Board are pecuniarily or otherwise interested in, or are directors or officers of, such other legal entity, if the conditions of Section 2-419 of the Corporations and Association Article of the Annotated Code of Maryland are met.



## ARTICLE IV

### OFFICERS

1. Designation. The principal officers of the Condominium shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. Two or more offices may be held by the same person, except that the President shall not hold any other office.

2. Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting of each New Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officers elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board.

4. President. The President shall be the chief executive officer; he shall preside at meetings of the Council and the Board of Directors and shall be an ex-officio member of all committees; he shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. To the extent no inconsistent with the laws of the State of Maryland, the Declaration, or these Bylaws, he shall have all of the general powers and duties which are usually vested in or incident to the office of president of a stock corporation organized under the laws of the State of Maryland.

5. Vice President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall prescribe. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint a member of the Board to do so on an interim basis.

6. Secretary. The shall attend all sessions of the Board of Directors and all meetings of the Council, count all votes for which inspectors of elections have not been elected at all meetings of the Board of Directors and of the Council and record all votes and the minutes of all proceedings in a book to be kept by him for that purpose and shall perform like duties for committees when required. He shall give, or cause to be given, notice of all meetings of the Council, the Board and committees and shall perform such other duties as may be prescribed by the Board or President. The Secretary shall compile and keep current at the principal office of the Condominium, a roster containing a complete list of the Unit Owners and their last known post office addresses to which

addresses notices of all meetings of the Council shall be sent. This list shall be open to inspection by all Unit Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the minute book of the Council, containing the minutes of all annual and special meetings of the Council and all sessions of the Board including resolutions.

7. Treasurer. The Treasurer shall have the custody of all funds and securities that are not under the control of the Managing Agent, and, with the assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements and shall deposit all moneys and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Condominium.

The Treasurer to the extent that he has any custody or control of funds or securities shall obtain a bond, or insurance, the premium therefore to be considered a Common Expense, in such sum, and with such sureties or insurance companies as shall be satisfactory to the Board, for the faithful performance of the duties of his office and for the restoration, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control.

## ARTICLE V

### OPERATION OF THE PROPERTY

#### 1. Determination of Common Expenses and Assessments Against Unit Owners.

(a) Fiscal Year. The fiscal year of the Condominium shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31, except that the first fiscal year shall begin on the date of transfer of the first Unit sold and terminate on the first December 31 thereafter. The fiscal year herein established shall be subject to change by resolution of the Board of Directors should sound corporate practice subsequently so dictate.

(b) Preparation and Approval of Budget. Each year the Board of Directors shall adopt an annual budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and any part of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and



replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or resolution of the Council, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to Unit Owners of all related services. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary for the purposes hereinafter set forth. The Board of Directors shall make reasonable efforts to send to each Unit Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Unit Owner, at least 15 days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis of determining each Unit Owner's assessment for the Common Expenses and reserves of the Condominium.

(c) Assessment and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the Property set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to his respective Percentage Interest in the Common Expenses and Common Profits. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or Managing Agent (as determined by the Board of Directors), on-twelfth (1/12) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners, and upon request, to mortgagees, an annual audited financial statement of the project, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves and any Common Profits shall, in the discretion of the Board of Directors, either be returned to the Unit Owners in accordance with each Unit Owner's Percentage Interest in Common Expenses and Common Profits or be credited according to each Unit Owner's Percentage Interest in Common Expenses and Common Profits to the next monthly installments due from Unit Owners under the current fiscal year's budget, until exhausted, or be used for any other purpose as the Board of Directors decides, provided such use is for the benefit of the Condominium and the Council or the Unit Owners. Any net shortage shall, if the Board of Directors deems it advisable, be added according to each Unit Owner's Percentage Interest in Common Expenses and Common Profits to the installments due in the succeeding six (6) months after the rendering of the accounting.

(d) Reserve Fund for Replacements. The Board of Directors shall establish and maintain a reasonable fund for capital improvements and replacements, by providing for such a reserve fund in the budget, segregating such reserve fund on the books of the Condominium, and allocating and paying monthly to such reserve fund one-twelfth (1/12) of the total amount budgeted for such reserve fund for the current fiscal year. The portion of the Unit Owner's assessments paid into such reserve fund shall be conclusively deemed to be contributions to the capital of the Condominium by



the Unit Owners. Such reserve fund may be expended solely for the purpose of capital improvements and replacements, and not for current maintenance and repair. If for any reason, including non-payment of any Unit Owner's assessment, such reserve fund is inadequate to defray the cost of a required capital improvement or replacement, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to their respective Percentage Interests in the Common Expenses and Common Profits, and which may be payable into such reserve fund in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessments on all Unit Owners by a statement in writing giving the amount and reasons therefore, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments.

(e) Special Assessments. In addition to the assessments authorized above, the Board of Directors may levy, as a contribution to the capital of the Condominium, a special assessment, for the purpose of defraying the cost of any unexpected repair or other non-recurring contingency, or to meet any deficiencies occurring from time to time. The fund resulting from said special assessments shall be segregated on the books of the Condominium and expended solely for the purposes set forth in the preceding sentence. Any special assessments shall be assessed and collected in the same manner set forth in Paragraph (d) of this Section 1 with respect to additional assessments payable to the reserve fund for replacements.

(f) Initial Budget. When the first Board of Directors takes office, it shall determine the budget, as defined in this Section 1 for the period commencing upon the sale of the first Unit by the Developer and ending on the last day of the fiscal year in which their election occurs. Assessments shall be levied against the Unit Owners during said period as provided in paragraph (c) of this Section 1.

(g) Effects of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay the monthly charge at the then existing monthly rate (including any special assessment which may have been levied, in accordance with the terms of such levy) established for the previous fiscal period until the monthly payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.

(h) Accounts. All sums collected by the Board of Directors with respect to assessments against the Unit Owners may be commingled into a single fund, but shall



be held for each Unit Owner in accordance with his Percentage Interest in Common Expenses and Common Profits.

2. Payment of Common Expenses. All Unit Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V as such assessments come due. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit which comes due subsequent to a sale, transfer or other conveyance by him of such Unit.

3. Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Unit Owners which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Directors may from time to time notify all Unit Owners as to the status of collection of assessments and may list those Unit Owners who are more than thirty (30) days in arrears.

4. Statement of Unpaid Assessments. The Board of Directors shall promptly provide any Unit Owner or mortgagee requesting the same in writing, with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner.

5. Maintenance and Repair.

(a) By the Board of Directors. The Board of Directors shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of a Unit Owner, or of a person gaining access with said Unit Owner's actual or implied consent, in which case such expense shall be charged to such Unit Owner), of the following, the cost of which shall be charged to all Unit Owners as a Common Expense:

(1) All of the Common Elements, whether located inside or outside of the Units, except as otherwise provided in paragraph 5(b) below.

(2) All exterior walls and exterior surfaces (including the maintenance and painting of the exterior surface of each exit door of each Unit) of the Buildings; the roof, party walls and any other portions of the Units which contribute to the support of a Building, such as the outside walls of a Building and all fixtures on the exterior thereof, the boundary walls of Units, floor slabs, and load-bearing columns; but excluding, however, the interior surfaces of all walls, floors and ceilings of the Units. The cost of maintaining Donnell Place, if required by Prince George's County, shall be charged to all Unit Owners as a Common Expense.



(3) The sanitary and storm sewer systems and appurtenances; all roof drainage pipes, gutters and leaders, all water, electric, plumbing and telephone lines, facilities and systems that are deemed Common Elements, including all conduits, ducts, plumbing, wiring and other facilities for the furnishing of all utility services into two or more Units, but excluding there from all plumbing, heating and electrical appliances, fixtures, systems and parts thereof which are enjoyed by only a single Unit.

(b) By the Unit Owner. Except for the portions of his Unit required to be maintained, repaired and replaced by the Board of Directors, each Unit Owner shall be responsible for the maintenance, repair and replacement, at his own expense and option, of the following: windows, glass and glazing, screens, interior doors, any interior walls, interior ceilings and floors; kitchen and bathroom fixtures and equipment, including refrigerator, oven, range, disposal, fans and dishwasher; and those parts of the heating, plumbing and electrical systems which are a part of and serve his Unit and no other. Each Unit Owner shall be responsible for performing the normal maintenance for any Limited Common Element adjacent to his Unit including keeping it in a clean and sanitary condition, and shall make, at his own expense, all repairs thereto caused or permitted by his negligence, misuse or neglect. Notwithstanding that the mechanical room serving each Unit is designated a Limited Common Element, each Unit Owner shall be responsible for the maintenance, repair and replacement at his own expense of all heating equipment located in the mechanical room and elsewhere and serving only his Unit. Each Unit Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his failure to make any of the repairs required to be made by him by this section. Each Unit Owner shall perform his responsibility in such manner as shall no unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the Managing Agent any defects or need for repairs for which the Board of Directors is responsible.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the construction existing at the creation of the Condominium, and shall be of first class quality. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Elements shall require an addition, alteration or improvement costing in excess of Ten Thousand Dollars (\$10,000) and where payment is required during any twelve (12) month period, and the making of such addition, alteration or improvement shall have been approved by a majority of the Unit Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Ten Thousand Dollars (\$10,000) or less during any twelve (12) month period may be made by the



Board of Directors without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of not less than 80 percent (80%) of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owner or Unit Owners unanimously requesting the same, such requesting Unit Owners shall be assessed therefore, in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportion as may be determined by the Board of Directors.

7. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or on his Unit or alter the appearance of the exterior of the Building in which his Unit is located without the prior written consent thereto of the Board of Directors. Absent the adoption of specific Rules and Regulations by the Board of Directors concerning the following, no Unit Owner shall paint or alter the appearance of any exterior surface of the Building, including the doors or windows, without the prior written consent thereto of the Board of Directors. The Board of Directors shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration, modification or improvement or alteration of the exterior appearance in such Unit Owner's Unit or Building within sixty (60) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement, in or to any Unit shall be executed by the Board of Directors only, without however, incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 7 shall not apply to Units owned by the Developer until such units have been initially sold by the Developer and title to same has been conveyed by the Developer. The Board of Directors may in addition to adopting specific Rules and Regulations, designate an Architectural Control Committee, to review proposed additions, alterations or improvements. The members of the Architectural Control Committee shall be appointed by the Board of Directors to serve at the pleasure of the Board of Directors. No delegation of authority to the Architectural Control Committee shall in any way alter or affect the ultimate control or powers of the Board of Directors.

8. Restrictions of Use of Units. To assist the Condominium in providing for congenial occupancy and the protection of the value of Units, it is necessary that the Board of Directors have the right and authority to exercise reasonable controls over the use of the Units. Violation of the following enumerated prohibitions shall not be permitted, and the Board of Directors is hereby authorized to take all steps necessary to prevent or discontinue any violations thereof, all at the expense of the violator.

(a) All Units shall be used only for private residential purposes or professional purposes permitted by zoning regulations, except for such temporary other uses as may be permitted by the Board of Directors from time to time. This provision



shall not however, be so construed as to prevent the Developer from using any Units which Developer owns for promotion, marketing or display purposes as model units or sales offices, or from leasing any Units which Developer owns.

(b) No clothing, laundry, rugs or wash shall be hung from or spread upon or from any window or exterior portion of a Unit or in or upon any Common Element or Limited Common Element. No food preparation or cooking is permitted outside the Unit except as permitted by the Board of Directors under such rules as they may adopt.

(c) No animal, other than common household pets (whose weight shall not exceed 20 pounds at maturity) shall be kept or maintained on the Property, no shall common household pets be kept, bred or maintained for commercial purposes on the Property. No more than one pet shall be permitted per Unit except as may be specifically approved by the Board of Directors. Pets shall not be permitted outside of Units or the Limited Common Element adjacent to said Unit unless they are accompanied by an adult person and carried or leashed. Any Unit Owner who keeps or maintains any pet in the Condominium shall be responsible and may be assessed by the Board of Directors for any costs incurred by the Council in enforcing the Rules and Regulations prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium. The Board of Directors shall have the right to order any person whose pet is a nuisance to remove such pet from the premises.

(d) Unit Owners, residents and lessees shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, televisions and amplifiers that may disturb other Unit Owners. All walking areas and 75% of all wood floor areas in each Unit must be covered by carpet or rugs. This shall no apply to Units on the lowest level of any Building.

(e) No nuisances shall be allowed on the Property no shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Condominium by its residents.

(f) No Unit Owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, or other equipment, which protrudes through the walls or the roof of the Building or is otherwise visible on the exterior of the Building except as presently installed or as authorized by the Board.

(g) No Unit or Common Elements of the Condominium may be used for any unlawful, immoral or improper purpose.

(h) A Unit Owner shall not place or cause to be placed in the public walkways, driveways, parking areas or other Common Elements any bicycles, furniture, packages or objects of any kind. The public walkways and driveways shall be used for no purpose other than for normal transit through them.



(i) No Unit Owner, resident or lessee shall direct or engage any employee of the Condominium during working hours on any private business of such Unit owner, resident or lessee, nor shall he direct, supervise or in any manner attempt to assert control over any such employee during the employee's working hours.

(j) Passenger automobiles shall be parked only in the parking areas designated therefore. No trailer, truck, boat, camper, house trailer or similar types of vehicles shall be parked or stored on the Property except in such areas, if any, as may be designated by the Board of Directors by resolution or in the Rules and Regulations. No inoperable, unlicensed or abandoned motor vehicle of any type shall be parked or stored upon the Property, and no portion of the Property shall be used for the repair, overhaul, painting or work of a similar nature of any motor vehicle. Any such vehicle may be towed from the Property at the offending Unit Owner's risk and expense.

(k) No activity shall be done or maintained in any Unit or upon any Common Elements which will increase the rate of insurance on any Unit or the Common Elements or result in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors. No waste will be committed in the Common Elements.

(l) Nothing shall be done in any Unit or in, on, or to the Common Elements which violates any provision of the Declaration, the Bylaws or the Act or which will impair the structural integrity of the Property, or which would structurally change any Building or the improvements thereon except as provided in these Bylaws. Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board of Directors.

(m) Except for the rights reserved to the Developer in these Bylaws no industry, business or trade (other than any professional uses permitted by zoning regulations), commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise shall be conducted, maintained, or permitted on any part of the Condominium.

(n) No portion of a Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein.

(o) Any Unit Owner may lease his Unit provided that (i) a fully conformed copy of said lease or renewal thereof shall be delivered to the Board of Directors with ten (10) days of execution; (ii) any such lease shall be consistent with the provisions of the Declaration, the Bylaws, and the Rules and Regulations; (iii) shall be for a term of at least six months; (iv) any such lease shall include a signed receipt by the Lessee of a copy of the Declaration, Bylaws and Rules and Regulations; and (v) the Board of Directors shall have the power to terminate such lease and/or to bring summary proceeding to evict the tenant in the name of the lessor there under in the event of a default by the tenant in the performance of such lease. The restrictions of (iii) of this

paragraph shall not apply to Developer or any mortgagee who comes into possession of a Unit pursuant to a foreclosure sale, other judicial sale or any transfer or conveyance in lieu of foreclosure.

(p) In the use of the Common Elements of the Condominium, Unit Owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations affecting the same and all applicable Rules and Regulations adopted by the Board. The Common Elements shall be used only for furnishing the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

9. Rights of Access. A Unit Owner shall grant a right of access to his Unit to the Board of Directors or the Managing Agent or any other person authorized by the Board for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or Common Elements in his Unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of any emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

10. Rules and Regulations. Rules and Regulations concerning the operation and use of the Common Elements may be promulgated and amended by the Board of Directors in accordance with the Act, provided that such Rules and Regulations are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws.

## ARTICLE VI

### INSURANCE

1. Authority. Except as otherwise provided in Section 4 of this Article VI, all insurance policies relating to the Condominium shall be purchased by the Board of Directors for the benefit of the Unit Owners and their respective mortgagees, as their interests may appear, which insurance shall be governed by the following provisions to the extent obtainable or possible.

(a) The Board shall attempt to obtain a single master policy covering physical damage for the Condominium under which the insurance company will issue to each Unit Owner a certificate or sub-policy specifying the portion of the master policy allocated to each Unit Owner's Unit, if such policy is reasonably available.

(b) The net proceeds from insurance against physical damage to Common Elements shall be payable to the Board of Directors if less than \$25,000 and if



more than \$25,000 shall be payable to the Insurance Trustee designated in Section 5 of this Article. A duplicate original of the master policy or certificate, all renewals thereof, and all sub-policies or certificates issued hereunder, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least 10 days prior to the expiration of the then current policies, if so requested by said mortgagees.

2. Coverage. The Condominium shall be insured, to the extent available, as required by the Act as well as against casualty in a minimum amount equal to the maximum insurable replacement value (i.e. 100% of replacement value with agreed amount endorsement or its equivalent of the insurable portions of the Condominium, without deduction of depreciation) as determined annually by the Board with assistance of the insurance company affording such coverage. The policy shall cover all the improvements on the Property except those made by the Unit Owner at his expense and shall contain a "condominium replacement cost" endorsement. To the extent obtainable, such coverage shall afford protection against: (a) loss or damage by fire, vandalism, malicious mischief, windstorm, and other hazards covered by the standard extended coverage endorsement, and (b) such other risks as shall customarily be covered with respect to projects similar in construction, location and use or as the Board in its sound discretion may deem advisable.

Such coverage shall insure the Buildings (including all of the Units and the floor coverings, bathroom and kitchen equipment, fixtures, and cabinets, initially furnished or installed therein by Developer, together with all air-conditioning, heating and other equipment, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by Unit Owners) and other Condominium property including all personal property included in the Common Elements. The Board of Directors shall also obtain and maintain, to the extent obtainable, public liability and property damage insurance in such limits as the Board may from time to time determine, insuring the Council, each member of the Board of Directors, the Managing Agent and each Unit Owner against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to, the ownership and/or use of the Condominium, or any portion thereof, other than individual Units. All liability insurance shall be issued on a comprehensive liability basis and shall contain a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured. The Board shall review such limits once each year, but in no event shall such insurance be less than \$1,000,000 with respect to any one accident or occurrence. It shall be the responsibility of each Unit Owner to obtain, at his own expense, liability insurance with respect to his ownership and/or use of his Unit, and the Board shall not be responsible for obtaining such insurance. Workmen's Compensation Insurance shall be obtained where necessary to meet the requirements of law. Directors' Liability Insurance shall also be obtained. In addition to the foregoing, the Board of Directors may obtain such additional insurance coverage as it may in its sole discretion deem advisable and appropriate.



3. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions to the extent obtainable or possible.

(a) All policies shall be written or insured through a company or companies licensed to do business in the State of Maryland and which holds a rating of "A-X" or better in the current edition of Best's Key Rating Guide.

(b) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article VI be brought into contribution with insurance purchased individually by any of the Unit Owners or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Council pursuant to the requirements of this Article VI shall exclude such policies from consideration.

(c) All policies shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees.

(d) All policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore or repair damage or reconstruct in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors and mortgagees, when in conflict with the provisions of these Bylaws or the provisions of the Act.

(e) All policies shall provide that until the expiration of thirty (30) days after the insurer gives notice in writing to the Council, each Unit Owner and the mortgagee of any Unit, the mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Unit Owner of such Unit, the other Unit Owners, the Board of Directors, or any of their agents, employees or household members, nor cancelled for non-payment of premiums.

(f) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Unit Owners and members of their households, the Council, the Board, the Managing Agent, and their respective agents, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

(g) Each of the policies of insurance obtained by the Council shall contain provisions (i) that they shall not be prejudiced by any act or neglect of any occupants or Unit Owners when such act or neglect is not within the control of the insured, or Unit Owners collectively, and (ii) that they shall not be prejudiced by the failure of the insured, or Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or Unit Owners collectively have no control.



4. Individual Policies. Any Unit Owner and any mortgagee may obtain at his own expense additional insurance (including a "condominium unit-owner's endorsement" for improvements and betterments to a Unit made or acquired at the expense of the Unit Owner). Such insurance should contain the same waiver of subrogation provision as that set forth in Section 3(f) of this Article VI. It is recommended that each Unit Owner obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Tenant's Homeowners Policy", or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the Unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "condominium unit-owner's endorsement" covering losses to improvements and betterments to the Unit made or acquired at the expense of the Unit Owner.

No Unit Owner shall maintain insurance coverage which will tend to decrease the amount which the Council may realize under any insurance policy which it may have in force at any particular time; The Board of Directors may require that each Unit Owner file with the Managing Agent a copy of each individual policy of insurance purchased by the Unit Owner within thirty (30) days after its purchase; the Board may also require that each Unit Owner notify the Council of all improvements made by him to his Unit having a value in excess of \$1,000.

5. Insurance Trustee.

(a) The Board of Directors shall have the right to designate a bank, trust company or other institutional lender doing business in the State of Maryland whose accounts or deposits are insured or guaranteed by an agency of the United States of America, as the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby. The Insurance Trustee at the time of deposit of such policies and endorsements shall acknowledge that the policies and any proceeds thereof will be held in accordance with the terms of these Bylaws. If the Board of Directors fails to appoint an Insurance Trustee, or should the Insurance Trustee resign and no new Insurance Trustee be designated, the Board of Directors shall act as Insurance Trustee, provided that no provision of this Section 5 relieving the Insurance Trustee of liability or of any obligation shall relieve the Board of Directors of any such obligation or liability if it acts as Insurance Trustee.

(b) An Insurance Trustee other than the Board of Directors shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received by it on account of the proceeds of any insurance policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes stated herein, for the benefit of the Unit Owners and their respective mortgagees.

6. Board of Directors as Agent. The Board of Directors is hereby irrevocably appointed the agent for each Unit Owner and for each mortgagee of a Unit and for each owner of any other interest in the Condominium to adjust all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims.

7. Premiums. Premiums upon all insurance policies purchased by the Board of Directors, and all fees and expenses of the Insurance Trustee, shall be deemed to be a Common Expense.

8. Endorsements, etc. The Board of Directors, at the request of any Unit Owner or mortgagee, shall promptly forward to such party: (a) an endorsement to any of the aforementioned insurance policies showing the interest of such parties as it may appear; (b) certificates of insurance relating to any of such policies; and (c) copies of any such policies.

## ARTICLE VII

### REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to the provisions of the Act and Section 4 of this Article VII, in the event of damage to or destruction of any Building, portion of a Building, or Common Element as a result of fire or other casualty the Board of Directors shall arrange for and supervise the prompt repair and restoration of any portion of the Condominium so damaged or destroyed (including any damaged Units, and the floor coverings, kitchen and bathroom fixtures, appliances and cabinets originally contained therein but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by Unit Owners in the Units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his own Unit.

2. Procedure for Reconstruction and Repair.

(a) Immediately after a fire or other casualty causing damage to any Building, portion of a Building, or Common Element the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the portion of the Condominium so damaged or destroyed (including any damaged Units, and the floor coverings, kitchen and bathroom fixtures, appliances and cabinets originally contained therein but not including any other furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.



(b) If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments in amounts to provide payment of such costs shall be made against all Unit Owners as a Common Expense.

(c) Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the portion of the Condominium damaged was originally constructed.

(d) In the event of damage or destruction of any portion of the Condominium and reconstruction or repair in accordance with the provisions of this Article VII, or in the event of restoration following condemnation, an easement is hereby granted for any encroachment of any part of any Common Element on any Unit and for any encroachment of any part of any Unit on to any Common Element or to any other Unit for so long as the Building or Buildings (as reconstructed) stand. The grant or other disposition of any Unit shall include and grant, and be subject to, any such easement arising under this Section 2(d) without specific or particular reference to such easement.

### 3. Disbursements of Construction Funds.

(a) The net proceeds of insurance collected on account of a casualty and the funds collected by the Board of Directors from assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in section 3. If the net proceeds of insurance collected on account of a casualty exceed \$25,000, then the funds collected by the Board of Directors from assessments against the Unit Owners shall be deposited by the Board of Directors with the Insurance Trustee, and the entire construction fund shall be disbursed by the Insurance Trustee; otherwise the construction fund shall be held and disbursed by the Board of Directors.

(b) The construction fund shall be paid by the Board of Directors or the Insurance Trustee, as the case may be, in appropriate progress payments, to such contractors, supplies and personnel engaged in performing the work or supplying materials or services for the repair and reconstruction of any portion of the Condominium damaged for destroyed as are designated by the Board of Directors.

(c) It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in the construction fund after the payment of all of the cost of the reconstruction and repair for which the fund is established, such balance shall be distributed to the Unit Owners, in accordance with their Percentage Interests, or mortgagees if required by the terms sufficient interests may appear, or may be paid to the Condominium.



(d) When the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing the Common Elements, and the balance of the cost of repairing the Units.

(e) The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary, of the Condominium certifying (i) whether the damaged or destroyed portion of the Condominium is required to be constructed and repaired and if such reconstruction and repair is not required, whether or not the Unit Owners voted in favor of such reconstruction and repair as provided in the Bylaws; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund held by it or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other matters concerning the holding and disbursing of any construction fund held by it. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

4. When Reconstruction is Not Required. Any damage to the Condominium shall be repaired or replaced promptly unless (a) the Condominium is terminated in accordance with the Condominium Instruments and the Act, (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (c) 80% of the Unit Owners vote not to rebuild.

5. Condemnation. For all purposes of this Article VII, the term "other casualty" includes condemnation, taking under power of eminent domain, or conveyance in lieu of condemnation or taking, and condemnation proceeds shall be deemed to be proceeds from insurance on account of casualty and shall be deposited with the Board of Directors or Insurance Trustee, as the case may be. Except as otherwise provided in this Article VII and the Act following the condemnation of all or part of the Condominium the Council promptly shall undertake to restore the Property to an architectural whole. Any costs of such restoration shall be a Common Expense. Notwithstanding an other provision of this Article VII, in the event of such condemnation, taking, or conveyance in lieu thereof and a partition of the Property as permitted by Section 4, of this Article VII, the fund resulting there from shall be distributed as follows: (a) each Unit Owner shall be entitled to the entire award for the taking of all or part of his respective Unit and for consequential damages to his Unit; (b) any award for the taking of Limited Common Elements shall be allocated to the Unit Owners of the Units to which the use of whose Limited Common Elements is restricted in proportion to their respective Percentage Interests in the Common Elements; and (c) any award for taking General Common Elements shall be allocated of the policy, as their to all Unit Owners in proportion to their respective Percentage Interests in the Common Elements. The amount allocated to each Unit Owner shall be paid to the Unit Owner and to each mortgagee of the Unit, the Percentage Interests appurtenant to the Unit in Common Expenses and Common Profits and in the Common Elements shall be adjusted in the same proportion the amount of floor area taken bears to the floor area of the Unit prior to taking. The vote appurtenant to any Unit not completely taken shall not be adjusted and shall remain appurtenant to that portion of the Unit not taken.



## ARTICLE VIII

### SEVERENCE OR SUBDIVISION OF UNITS

1. No Severance of Ownership. No Unit Owner shall execute any deed, lease, mortgage, or instrument conveying or mortgaging the title to his Unit without including therein the undivided interest of such Unit in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the interests in the Common Elements of any Unit may be sold, leased, transferred, given, devised or otherwise disposed of, except as part of a sale, lease, transfer, gift, devise, or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, lease, transfer, gift, devise, or other disposition of such part of the interests in the Common Elements of all Units.

2. Payment of Assessment. No Unit Owner shall be permitted to convey, mortgage, hypothecate, sell, lease, give, or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid installments of regular and special assessments for Common Expenses then due with respect to his Unit and shall have satisfied all unpaid liens with respect to his Unit, except mortgages.

## ARTICLE IX

### MORTGAGES

1. Notice to Board. A Unit Owner, who mortgages his Unit, shall notify the Board of the name and address of his mortgagee. The Board shall maintain suitable records pertaining to such mortgages.

2. Notice of Meetings. Upon request to the Board, each mortgagee of a Unit shall be given notice, in writing, of all meetings of the Association, and shall be permitted to designate a representative to attend all such meetings.

3. Notice of Unpaid Assessments. The Board whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the owner of the mortgaged Unit.

4. Notice of Default. The Board shall give written notice to a Unit Owner of any default by the Unit Owner in the performance of any obligations under the Act, Declaration or these Bylaws, and if such default is not cured within sixty (60) days, shall

send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board.

5. Notice of Damage. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Board of Directors shall give timely written notice of such damage or destruction to the institutional holder of any first mortgage on the Unit. If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Board of Directors shall give timely written notice of any such proceeding or proposed acquisition to the institutional holder of any first mortgage on the Unit.

6. Notice of Termination of Management Contracts. The Board of Directors shall notify all first mortgagees in writing of the termination of any management contract within ten (10) days of the receipt of issuance of any notice of such termination by either the Condominium or the Managing Agent.

7. Rights of First Mortgagees. Unless all holders of first mortgage liens on individual units and two-thirds (2/3) of the Unit Owners have given their prior written approval, the Council shall not:

(a) Change any Unit's Percentage Interest in Common Expenses and Common Profits or in the Common Elements, except as permitted in the Declaration;

(b) Abandon, partition, subdivide, encumber, sell or transfer the Common Elements of the Condominium (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause) except as may be permitted by the Declaration;

(c) By act or omission seek to abandon condominium status of the project except as provided by statute in case of substantial loss to the Units and Common Elements of the Condominium;

(d) Partition or subdivide any condominium unit; or

(e) Use the proceeds of casualty insurance for any purpose other than replacement, repair or reconstruction of the Units or Common Elements except as permitted by the Act.

8. Examination of Books. Each mortgagee shall be permitted to examine the books of account of the Condominium during normal business hours.



9. "Mortgagee" and "Mortgage". As used in this Article and generally in the Declaration and Bylaws, the term "mortgagee" includes the holder of a note secured by a deed of trust or mortgage encumbering a Unit and recorded among the land records of Montgomery County, Maryland, and the term "mortgage" includes any deed of trust recorded among the said land records.

## ARTICLE X

### NOTICE

1. Manner of Notice. Whenever any notice is required to be given under the provisions of applicable statutes or of the Declaration or these Bylaws to any mortgagee, director or Unit Owner, it shall not be construed to require personal notice but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a post-paid sealed wrapper, addressed to such mortgagee, director or Unit Owner at such address as appears on the books of the Condominium, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto.

## ARTICLE XI

### AMENDMENT OF BYLAWS

1. Amendments. Except as otherwise provided in this Section, these Bylaws may be modified or amended at any regular or special meeting, by vote of the Unit Owners having at least two-thirds (2/3) of the votes appurtenant to all of the Units provided that notice of the proposed amendment shall have been given to each Unit Owner at least fifteen (15) days in advance of such meeting; provided, however, that (a) Section 4 of Article III, and Section 3 of Article III, insofar as they relate to the selection of members of the Board of Directors by the Developer, (b) Section 2 of Article II, insofar as it provides that the Developer, so long as it is the owner of one or more Units, may vote the votes appurtenant thereto, and (c) this Section 1 of Article XI, may not be amended without consent in writing of the Developer, so long as the Developer shall be a Unit Owner. Furthermore, notwithstanding the foregoing, so long as the Developer is the owner of one or more Units, no amendment to the Bylaws or Rules and Regulations may be adopted which could interfere with the display, marketing, sale, lease, or other disposition of such Unit or Units.

2. Recording. A modification or amendment of these Bylaws shall become effective only if such modification or amendment is recorded among the Land Records of Prince George's County, Maryland.

3. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Act. A modification or amendment once adopted and recorded as provided herein shall then constitute part of the official Bylaws of the Condominium and all Unit Owners shall be bound to abide by such modification or amendment.

4. Approval of Mortgagees. These Bylaws contain provisions concerning various rights, priorities, remedies and interests of the mortgagees of Units. Such provisions in these Bylaws are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by mortgages on the Units. Accordingly, all mortgagees shall be given thirty (30) days notice of all proposed amendments to these Bylaws impairing or affecting the rights, priorities, remedies or interests of a mortgagee.

## ARTICLE XII

### COMPLIANCE AND DEFAULT

1. Relief. Each Unit Owner, tenants, guest, invitees and licensees shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, and the Rules and Regulations, and any amendments of the same. A default by a Unit Owner shall entitle the Council acting through the Board of Directors or the Managing Agent to the following relief.

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws, and the Rules and Regulations shall be grounds for relief which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Council, the Board of Directors, the Managing Agent, or, if appropriate, by an aggrieved Unit Owner.

(b) Additional Liability. Each Unit Owner shall be liable for the expenses of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of any member of his family or his employees, tenants, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however,



shall be construed as modifying any waiver by an insurance company of its rights or subrogation.

(c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court.

(d) No Waiver of Rights. The failure of the Council, the Board of Directors, or of a Unit Owner to enforce any right, provision, covenant, or condition which may be granted by the Declaration, these Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Council, the Board of Directors, or any Unit Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Council, the Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, or the Rules and Regulations shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity.

(e) Interest. In the event of a default by any Unit Owner which continues for a period in excess of fifteen (15) days, such Unit Owner may be obligated to pay interest on the amounts due at a rate to be established by the Board of Directors from the due date thereof. The Unit Owner shall also be obligated to pay a late fee of \$15.00 or one-tenth of the total amount of any delinquent assessment whichever is greater, provided that such late fee may not be imposed more than once for the same delinquent payment and may only be imposed if the delinquency has continued for at least fifteen (15) days.

(f) Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set for in these Bylaws: (i) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

## 2. Lien for Assessments and Collections.

(a) Until paid, all special and regular assessments, together with interest thereon as specified in Section 1(e) of this Article XII and actual costs of collection shall

constitute a lien on the Units on which they are assessed from and after recording of a Statement of Condominium Lien as hereafter provided.

(b) The Managing Agent shall advise the Board monthly of all assessments which remain unpaid for more than thirty (30) days past the date originally due. The Managing Agent is hereby appointed as the Agent of the Council for signing and verifying any and all statements of Condominium Lien filed pursuant hereto. The Managing Agent may, but unless specifically so instructed by resolution of the Board shall not be required to, prepare and file a Statement of Condominium Lien (the form and content of which shall be as required by the Act) among the Land Records of Prince George's County, Maryland, against any Unit the Owner of which has failed to pay any assessment or installment of any assessment within thirty (30) days from the date such assessment or installment was due. The Board shall not direct the Managing Agent to delay preparing and filing any statement or Condominium Lien against a Unit to a date more than twelve (12) months after the date any assessment for which a lien is claimed the Unit Owner shall be entitled to a recordable satisfaction of the Lien. The Managing Agent shall, upon request of the Unit Owner, record the release among the Land Records of Prince George's County, Maryland, at the Unit Owner's expense.

(c) The lien provided for hereby may be foreclosed in the manner provided by the laws of the State of Maryland by suit brought in the name of the Board of Directors, acting on behalf of the Council. During the pendency of such suit, the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the then laws of the State of Maryland.

(d) Suit to recover a money judgment for unpaid contributions shall be maintainable without foreclosure or waiving the lien securing the same.

(e) All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominium Units and not to the Condominium project as a whole.

#### ARTICLE XIII

##### COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Compliance. These Bylaws are set forth in compliance with the requirements of the Condominium Act.

2. Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Act. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to



have in the Declaration or the Act. In the event of any conflict between the Declaration and the Act, the provisions of the Act shall control.

3. Severability. These Bylaws are set forth to comply with the requirements of the State of Maryland. In case any of these Bylaws are in conflict with the provisions of any of its statutes, the provisions of the statutes will apply. If any provisions of these Bylaws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstances are held invalid, the validity of the remainder of these Bylaws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

4. Waiver. No restriction, condition, obligation or provisions of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

5. Captions. The captions contained in these Bylaws are for convenience only and are not a part of the Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

6. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

7. Notice of Loss to or Taking of Common Elements. The Board of Directors shall give the Federal Home Loan Mortgage Corporation ("FHLMC") notice (c/o Servicer at Servicer's address) in writing of any loss to, or taking of, the Common Elements of the condominium project if such loss or taking exceeds \$10,000 or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.

#### ARTICLE XIV

##### RESIDENT AGENT

1. Kenneth Kopstein, 7232 Mandan Road, Greenbelt, Maryland 20770 shall be designated as the person authorized to accept service of process in any action relating to the Council, or which arise through any cause relating to the Common Elements, as authorized under section 11-119 of the Act. Such resident agent is a citizen and actual resident of the State of Maryland.

2. The Board of Directors may from time to time designate a successor resident agent and the same shall be evidenced by an instrument duly executed and

filed with the Department of Assessments and Taxation of the State of Maryland in accordance with the requirements of the said department.