

**THE WATERFORD CONDOMINIUM  
AMENDED AND RESTATED CONDOMINIUM BY-LAWS**

**THESE AMENDED AND RESTATED BY-LAWS** were adopted as of June 30, 2023, by the Council of Co-Owners of The Waterford Condominium, Inc. ("Council").

**RECITALS:**

**A.** The Waterford Condominium ("Condominium") was created by the recordation of a Master Deed on May 8, 1973, in Liber 4374 at Folio 701 among the land records of Montgomery County, Maryland.

**B.** The Council has determined that certain provisions in the By-Laws of the Condominium ("By-Laws") require revision.

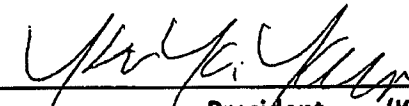
**C.** At a meeting of the Council, the Amended and Restated By-Laws attached hereto were approved by an affirmative vote of unit owners to whose units more than 60% of the votes in the Condominium appertain, in accordance with Section 11-104(e) of the Maryland Condominium Act, Title 11, Md. Real Prop. Code Ann., as amended ("Condominium Act").

**D.** The amendments to the By-Laws do not require the approval of any mortgagee of a unit in the Condominium under Article XVII of the By-Laws.

**NOW, THEREFORE,** in accordance with Section 11-104(e) of the Condominium Act, the attached Amended and Restated By-Laws are hereby submitted for recordation in the land records of Montgomery County, Maryland.

**IN WITNESS WHEREOF,** this document has been signed by the President of the Council as of the date first set forth above.

**THE WATERFORD CONDOMINIUM COUNCIL OF CO-OWNERS, INC.**

By:   
President (Kristina Keppler)

75  
40  
ADG

**[NOTARY PAGE FOLLOWS]**

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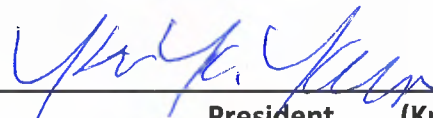
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**THE WATERFORD CONDOMINIUM COUNCIL OF CO-OWNERS, INC.**

By:  \_\_\_\_\_  
President (Kristina Keppler)

75  
40  
CDG

[NOTARY PAGE FOLLOWS]

State of Maryland )  
 ) ss:  
Montgomery County )

I hereby certify, that on October 4, 2023, before the subscriber, a Notary Public, personally appeared **Kristina Keppler**, the President of the Waterford Council of Co-Owners, and acknowledged the forgoing Amendment to be the act of the Waterford Condominium Council of Co-Owners.

Mary M. Bushallow  
Notary Public

[SEAL]

My commission expires: \_\_\_\_\_

Mary M. Bushallow  
NOTARY PUBLIC  
Montgomery COUNTY  
MARYLAND  
MY COMMISSION EXPIRES August 1, 2025

**CERTIFICATE**

I HEREBY CERTIFY, PURSUANT TO Section 11-104(e)(2) of the Maryland Condominium Act, Title 11, Md. Real Prop. Code Ann., as amended, that the foregoing Amendments to Condominium By-Laws were approved by unit owner having the required percentage of votes in the Council of Owners. I further certify that the foregoing Amendments to the Condominium By-Laws shall be effective on recordation among the land record of Montgomery County, Maryland.

Luis Alfonso  
Secretary (Luis Alfonso)

I hereby certify, that on October 4, 2023, before the subscriber, a Notary Public, personally appeared **Luis Alfonso**, the Secretary of the Waterford Council of Co-Owners, and acknowledged the forgoing Certificate to be his act.

Mary M. Bushallow  
Notary Public

[SEAL]

My commission expires: \_\_\_\_\_

Mary M. Bushallow  
NOTARY PUBLIC  
Montgomery COUNTY  
MARYLAND  
MY COMMISSION EXPIRES August 1, 2025

THE WATERFORD CONDOMINIUM AMENDED AND RESTATED BY-LAWS  
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**AMENDED AND RESTATED BY-LAWS**  
**COUNCIL OF CO-OWNERS OF THE WATERFORD CONDOMINIUM, INC.**  
(A Non Stock Corporation)

ARTICLE I

Name and Location

Section 1.     Name and Location. The name of this Corporation is Council of Co-Owners of the Waterford Condominium, Inc., (a non-stock corporation). Its principal office is located at 3333 University Boulevard West, Kensington, Montgomery County, Maryland.

ARTICLE II

Definitions

Section 1.     Master Deed. "Master Deed", as used herein, means that certain Master Deed made the 8<sup>th</sup> day of May, 1973, by Marathon Corporation, a Corporation organized and existing under the laws of the State of Virginia, pursuant to Title II, Real Property Article, Annotated Code of Maryland, as amended to date (hereinafter sometimes referred to as the "Act"), by which certain described premises (including land) are submitted to a condominium property regime and which Master Deed is recorded among the Land Records for Montgomery County, Maryland.

Section 2.     Other Definitions. Unless it is plainly evident from the context that a different meaning is intended all other terms used herein shall have the same meaning as they are defined to have in the Master Deed or in the Act.

ARTICLE III

Membership

Section 1.     Members. Every persons, group of persons, corporation, trust or other legal entity, or any combination thereof, which owns a condominium unit within the condominium project shall be a member of the Corporation; provided, however, that any person, group of persons, corporation, trust or other legal entity or any combination thereof which holds an interest in a unit solely as security for the performance of an obligation or which as a secured party has acquired ownership of a unit through foreclosure or power of sale under a deed of trust or mortgage, shall not be a member by reason of such interest or ownership so long as such unit acquired at foreclosure remains unoccupied.

Section 2.     Membership Certificates. In the event the Board of Directors considers it necessary or appropriate to issue membership certificates or the like, then each such membership certificate shall state that the Corporation is organized under the laws of the State of Maryland, the name of the registered holder or holders of the membership represented thereby, and shall be in such forms as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to the transfer of title to the condominium unit to which such membership is appurtenant. Membership is not otherwise transferable. Every membership certificate shall be signed by the Chairman of the Board of Directors and the Secretary of the Board of Directors and shall be sealed with the corporate seal.

Section 3.     Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Corporation and alleged to have been destroyed or lost, upon the making of an affidavit of that fact by the person claiming the

membership certificate to be lost or destroyed. When authorizing such issuance of anew certificate or certificates, the Board of Directors may, in its discretion, and as a condition precedent to the issuance thereof, require the registered holder or holders of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Corporation a bond in such sum as the Board of Directors may require as indemnity against any claim that may be made against the Corporation.

Section 4. Liquidation Rights. In the event of any voluntary or involuntary dissolution of the Corporation, each member of the Corporation shall be entitled to receive out of the assets of the Corporation available for distribution to the members an amount equal to that proportion of such assets which the value of his condominium bears to the value of the entire project, all as more fully provided in Title II, Real Property Article, Annotated Code of Maryland, as amended. The term "value" as used in these By-Laws shall refer to the values as set forth on "EXHIBIT C" to the Master Deed.

#### ARTICLE IV

##### Meeting of Members

Section 1. Place of Meetings. Meetings of the membership shall be held at the principal office or place of business of the Corporation or at such other suitable place convenient to the membership as may be designated by the Board of Directors.

Section 2. Annual Meetings. The annual meetings of the members of the Corporation shall be held on the second Wednesday of May each year. At such meeting there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Article V of these By-Laws. The members may also transact such other business of the Corporation as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by members representing at least forty percent (40%) of the total value of the members having been presented to the Secretary. 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 a special meeting except as specifically stated in the notice.

Section 4. Roster of Members. The Corporation shall maintain a current roster of the names and addresses of each member to which written notice of meetings of the Corporation shall be delivered or mailed. Each member shall furnish the Corporation with his name and current mailing address.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail or otherwise deliver a notice of each annual and special meeting of the Corporation, stating the purpose thereof as well as the time and place where it is to be held, to each member at his address as it appears on the roster of members maintained by the Corporation, or if no such address appears, at his last known place of address or at his condominium unit, at least fifteen (15) but not more than ninety (90) days prior to such meeting. Notice by either such method shall be considered as notice served and proof of such notice shall be made by the affidavit of the person giving such notice. Attendance by a member at any annual or special meeting shall be a waiver of notice by him of the time, place and purpose thereof. Notice of any annual or special meeting of the members may also be waived by any unit owner either prior to, at or after any such meeting.

Section 6. Quorum. The presence, either in person or by proxy, of members representing at least fifty-one percent (51%) of the total value of the Corporation shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of members.



Section 7.      Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than 15 days from the time the original meeting was called.

Section 8.      Referendums. Before any referendum, except for the election of the Board of Directors, is brought before the members to vote upon, a meeting of the members shall be called to discuss the referendum.

Section 9.      Voting. The percentages established in "EXHIBIT C" to the Master Deed shall be applicable to voting rights. At every meeting of the members, each of the members shall have the right to cast his vote based upon the percentages established in "EXHIBIT C" of the Master Deed for each membership which he owns on each question. The votes of the unit owners representing fifty-one percent (51%) of the value of the unit owners present and voting, in person or by proxy shall decide any question brought before such meeting, unless the question is one upon which, by express provision of the Maryland Condominium Act, as amended, or of the Articles of Incorporation of the Council of Unit Owners, or of the Master Deed or of these By-Laws, a different value is required, in which case such express provision shall govern and control. The vote for any membership which is owned by more than one person may be exercised by any of them present at any meeting unless an objection or protest by any other owner of such membership is noted at such meeting. In the event all of the owners of any membership who are present at any meeting of the members are unable to agree on the manner in which the vote for such membership shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Corporation to be more than thirty (30) days delinquent in any payment due the Corporation.

Section 10.     Proxies. A unit owner may appoint any other unit owner, his tenant, mortgagee or the Declarant or the Management Agent as his proxy. In no case may any unit owner (except the Management Agent or any mortgagee) cast more than one vote by proxy in addition to his own vote. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors at or before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of the unit owner; provided, however, that no proxy is effective for a period in excess of one hundred and eighty (180) days unless granted for a mortgagee or lessee of the condominium unit to which the votes are appurtenant.

Section 11.     Order of Business. The order of business at all regularly scheduled meetings of the regular members shall be as follows:

- a) Roll call and certification of proxies.
- b) Proof of notice of meeting or waiver or notice.
- c) Reading of minutes of preceding meeting.
- d) Reports of the Board of Directors, if any.
- e) Reports of committees, if any.
- f) Election or appointment of inspectors of election.
- g) Election of Directors.

- h) Unfinished business.
- i) New business.
- j) Adjournment.

In the case of special meetings, items (a) and (b) shall be applicable and thereafter the agenda shall consist of the items specified in the notice of the meeting.

Section 12.     Rules of Order and Procedure. The rules of order and all other matters of procedure at all annual and special meetings of the unit owners shall be Roberts Rules of Order, Newly Revised.

Section 13.     Inspectors of Election. The Board of Directors may, in advance of any annual or special meeting of the unit owners appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of the members shall appoint such inspectors of election No officer or director of the Corporation, and no candidate for Director of the Corporation, shall act as an inspector of election at any meeting of the unit owners if one of the purpose of such meeting is to elect Directors.

## ARTICLE V

### Directors

Section 1.     Number and Qualifications. The affairs of the Corporation shall be governed by the Board of Directors composed of at least three (3) natural persons and not more than seven (7) natural persons, all of whom shall be members of the Corporation.

Section 2.     Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Corporation and the condominium project and may do all such acts and things as the Corporation, by statute or its Articles of Incorporation is empowered to do and which are not by law or by these By-Laws directed to be exercised and done by the members. The powers and duties of the Board of Directors shall include, but not be limited to, the following:

To provide for the

- (a) Care, upkeep and surveillance of the condominium project and its general and limited common elements and services in a manner consistent with the law and the provisions of these By-Laws and the Master Deed.
- (b) Establishment, collection, use and expenditure of assessments and carrying charges from the unit owners and for the assessment, the filing and enforcement of Statement of Condominium Liens thereof in a manner consistent with law and the provisions of these By-Laws and the Master Deed.
- (c) Designation, hiring and/or dismissal of the personnel necessary for the good working order of the condominium project and for the proper care of the general and limited common elements and to provide services for the project in a manner consistent with law and the provisions of these By-Laws and the Master Deed.
- (d) Promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the project and the use of the general and limited common elements as are designated to prevent unreasonable interference with the use and occupancy of the condominium project and of the general and limited common elements by the members, all of which shall be consistent with law and the provisions of these By-Laws and the Master Deed.

- (e) Authorization, in their discretion, of the payment of patronage refunds from residual receipts or common profits when and as reflected in the annual report; and
- (f) To enter into agreements whereby the Corporation acquires leaseholds, memberships and other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the members and to declare expenses incurred in connection therewith to be common expenses of the Corporation; and
- (g) To purchase insurance upon the condominiums in the manner provided for in these By-Laws; and
- (h) To repair, restore or reconstruct all or any part of the condominium after any casualty loss in a manner consistent with law and the provisions of these By-Laws and to otherwise improve the condominium; and
- (i) To lease, grant licenses, easements, rights-of-way and other rights of use in all or any part of the common elements of the condominium; and
- (j) To purchase condominium units in the condominium and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Master Deed; and
- (k) To appoint the members of the Architectural Control Committee provided for in Article X of these By-Laws and to appoint the members of such other committees as the Board of Directors may time to time designate.

Section 3.        Management Agent. The Board of Directors shall employ for the Corporation a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. The Corporation shall not undertake "self-management" or otherwise fail to employ a professional management agent or manager without the prior written approval of all of the institutional holders of all first mortgages on the condominium units in the condominium. Any management agreement entered into by the Corporation shall provide, inter alia, that such agreement may be terminated for cause upon sixty (60) days written notice thereof. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one year periods.

Section 4.        Election and Term of Office. The term of office of the Directors shall be fixed for two (2) years Terms should be staggered so that as close to one third of the board as possible is up for reelection each year.

- (a) Nominating Procedure. Members interested in appearing on the ballot shall submit to the Secretary a request for consideration as candidates for membership to the Board. Said request shall indicate in writing the member's interest along with his qualifications to be submitted no later than April 15.
- (b) Balloting. All elections to the Board of Directors shall be made on written ballot which shall be given to the members with the notice of meeting and shall
  - (1) Indicate their apartment number and percentage vote as provided in "Exhibit C" of the Master Deed;
  - (2) Set forth the names of those nominees who have submitted in advance their intent to be considered as candidates; and

- (3) The written ballots referred to herein may be returned to the Inspectors of Election not less than five (5) days prior to the meeting, if accompanied by a proxy authorization. However, ballots will be accepted at the meeting.
- (c) Proxy ballots shall be prepared and mailed by the Secretary to the members along with the notice of the meeting.

Section 5. Vacancies.

Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected by the members at the next annual meeting to serve out the unexpired portion of the term.

Section 6. Removal of Directors.

- (a) By Association vote at a regular meeting, or special meeting duly called for such purpose, any Director may be removed with or without cause by the affirmative vote of a majority of a quorum of the entire membership of record and a successor may then be elected to fill the vacancy thus created for the unexpired portion of the term. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.
- (b) By action of the Board of Directors the term of any Director shall be terminated if:
  - (1) He becomes more than thirty (30) days delinquent in payment of any assessments and/or carrying charges due the Association, or
  - (2) He shall be absent from three (3) consecutive regular meetings of the Board of Directors without valid reason and at said third absence, the Board shall declare the position of said absent Director to be vacant.

Section 7. Compensation. No compensation shall be paid to Directors for their services as Directors. No remuneration, except for actual expenses incurred, shall be paid to any Director who is also a member of the Corporation for services performed by him for the Corporation in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before the services were undertaken.

Section 8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Board of Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board of Directors shall be present.

Section 9. 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 six (6) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least six (6) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Board of Directors on three (3) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the Secretary in like manner and on like notice on the written request of at least one-third (1/3) of the Directors.

Section 11. 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 of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business which may properly come before the Board of Directors at such meeting may be transacted thereat.

Section 12. 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 a 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 meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if a majority of the members of the Board of Directors shall individually or collectively consent to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 14. Rights of Mortgagees. Any institutional mortgagee of any condominium unit in the condominium who desires notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect by Registered Mail – Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the regular and special meetings of the Board of Directors should be addressed. The Secretary of the Corporation shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each regular or special meeting of the Board of Directors to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article for notice to the members of the Board of Directors. Any such institutional mortgagee shall be entitled to designate a representative to attend any regular or special meeting of the Board of Directors and such representatives may participate in the discussion at any such meeting and may upon his request made to the President in advance of the meeting, address the members of the Board of Directors present at any such meeting. Such a representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

Section 15. Fidelity Bonds. The Board of Directors shall require that all officers, Directors and employees of the Corporation, including without limitation the Management Agent, regularly handling or otherwise responsible for the funds of the Corporation shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty in accordance with the requirements of Article XI of these By-Laws. The premiums on such bonds or insurance shall be paid by the Corporation.

## ARTICLE VI

### Officers

Section 1. Designation. The principal officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The officers of the Corporation shall be members. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgement may be necessary. The offices of Secretary and Treasurer may be filled by the same person.

Section 2. Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Corporation. He shall preside at all meetings of the members and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including, but not limited to, the power to appoint such committees from among the unit owners from time to time as he may, in his discretion, decide are appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President, nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members for the recording of the resolutions of the Corporation. The Secretary shall give notice of all annual and special meetings of the unit owners in conformity with the requirements of these By-Laws. The Secretary shall issue the call for nominations for Directors, accept and verify nominees, and report the results of the elections. The Secretary shall have custody of the Seal of the Corporation, if any. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for funds and securities of the Corporation and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. He shall be responsible for causing the deposit of all monies and other valuable effects in the name, and to the credit, of the Corporation in such depositaries as may from time to time be designated by the Board of Directors.

## ARTICLE VII

### Liability and Indemnification of Directors

Section 1. Liability and Indemnification of Directors. The Corporation shall indemnify every director of the Corporation against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Corporation) to which he may be made a part by reason of being or having been a director of the Corporation whether or not such person is a director at the time such expenses are incurred. The directors of the Corporation shall not be liable to the members of the Corporation for any mistake of judgement, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Corporation or the condominium project (except in their capacity as owners of the condominium units) and the Corporation shall indemnify and forever hold each such director free and harmless against any and all liability to others on account of any such

contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any director of the Corporation may be entitled.

Section 2. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Corporation and the condominium project. No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any corporation, firm or association in which one or more of the Directors of this Corporation are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

- (a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the Minutes, and the Board authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose or
- (b) The fact of the common directorate or interest is disclosed or known to members, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or
- (c) The contract or transaction is commercially reasonable to the Corporation at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

#### ARTICLE VIII

##### Assessments and Carrying Charges for Common Expenses

Section 1. Annual Assessments and Carrying Charges. Each member shall pay to the Corporation, in advance, a monthly sum (herein elsewhere sometimes referred to as "assessments" or "carrying charges") equal to one-twelfth (1/12) of the unit owner's proportionate share (determined in accordance with the percentage interests in common expenses and common profits of the condominium set forth on "EXHIBIT C" attached to the Master Deed or as otherwise established in the Master Deed) of the sum required by the Corporation, as estimated by its Board of Directors, to meet its annual expenses, including, but in no way limited to, the following:

- (a) The cost of all operating expenses of the condominium project and services furnished, including charges by the Corporation for facilities and services furnished by it; and
- (b) The cost of necessary management and administration, including fees paid to any Management Agent; and
- (c) The amount of all taxes and assessments levied against the Corporation or upon any property which it may own or which it is otherwise required to pay, if any; and
- (d) The cost of fire, extended liability, Directors and Officers, boiler and machinery insurance on the project and the cost of such other insurance as the Corporation may effect; and
- (e) The cost of furnishing water, electricity, heat, gas, garbage and trash collection and/or other utilities, to the extent furnished by the Corporation; and

- (f) The cost of funding the reserve for replacements as established by Section 4 of this Article VIII and
- (g) The estimated cost of repairs and maintenance of the condominium project to be made by the Corporation.

The Board of Directors shall determine the amount of the assessments at least annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of both the Board of Directors and the unit owners representing at least sixty-six percent (66%) of the total votes of the unit owners, installments of annual assessments may be levied and collected on a quarterly, semiannual or annual basis rather than the monthly basis hereinabove provided for.

In addition to the Annual and Interim Assessments required by this Article VIII, each member shall be responsible for the payment of all real estate taxes assessed against his condominium unit.

The Board of Directors of the Corporation shall make reasonable efforts to fix the amount of the assessment against each condominium unit for each annual assessment period of at least thirty (30) days in advance of the commencement of such period and shall, at that time, prepare a roster of the condominium units and assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by the owner or mortgagee of any condominium unit, and by their respective duly authorized agents and attorneys, upon reasonable notice to the Board of Directors. Written notice of the assessments shall thereupon be sent to the members. The omission of the Board of Directors, before the expiration of any annual assessment period, to fix assessments for that or the next such period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any unit owner from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period but the assessment fixed for the preceding period shall continue until a new assessment is fixed. No member may exempt himself from liability for assessments or carrying charges by a waiver of the use or enjoyment of any of the common elements or by abandonment of any condominium unit belonging to him, or by declining services.

Section 2. Budget. The Board of Directors, with the assistance and counsel of the Management Agent, shall prepare and adopt a budget for each annual assessment period which shall include estimates of the funds required by the Corporation to meet its annual expenses for that period. The budget herein required to be prepared and adopted by the Board of Directors shall be in a format consistent with the classification of the accounts of the Corporation, as hereinafter in these By-Laws provided for, and shall provide for sufficient estimates on a monthly basis, to permit comparison to and analysis of deviations from the various periodic reports of the actual results of operations and the actual financial condition of the Corporation, on both a current basis and for prior corresponding periods all in accordance with generally accepted accounting practices, consistently applied. Copies of the budget shall be available for examination by the unit owners and by their duly authorized agents and attorneys, and to the institutional holder of any first mortgage on any condominium unit in the condominium and by their duly authorized agents and attorneys during normal business hours for purposes reasonably related to their respective interests.

Section 3. Special Assessments. In addition to the regular assessments authorized by this Article, the Corporation may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the condominium, including the necessary fixtures and personal property related thereto, or for such other purposes as the Board of Directors may consider appropriate; provided, however, that any such special



assessment shall have the assent of the unit owners representing two-thirds (2/3) of the total votes of the Corporation. A special meeting of the unit members shall be duly called for this purpose.

Section 4. Reserve for Replacements. The Corporation shall establish and maintain a reserve fund for replacements by the allocation and payment monthly to such reserve funds of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense. Such fund shall be deposited in a special interest bearing account with a lending institution the accounts of which are insured by an agency of any state or an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, any state or the United States of America. The reserve for replacements may be expended only for the purpose of effecting the replacement of the common elements and equipment of the condominium and for startup costs and operating contingencies of a nonrecurring nature. The proportionate interest of any member in any reserve for replacements and any other reserves established by the Corporation shall be considered an appurtenance of his condominium unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the condominium unit to which it appertains and shall be deemed to be transferred with such condominium unit.

Section 5. Non-Payment of Assessments – Statement of Condominium Lien. Any assessment levied pursuant to the Declaration or these By-Laws, and any installment thereof, which is not paid on the date when due shall be delinquent and shall entitle the Corporation to claim the amount of such assessment, together with interest thereon, the actual costs of collection thereof, and reasonable attorney's fees, as a lien on the condominium unit against which it is assessed, in accordance with the Maryland Condominium Act, as amended, and the Maryland Contract Lien Act.

Upon recordation of the Statement of Condominium Lien as aforesaid, the lien shall bind the condominium unit owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the unit owner to pay the assessment shall however, remain his personal obligation for the statutory period and a suit to recover a money judgement for non-payment of any assessment levied pursuant to the Master Deed or these By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien established by the Statement of Condominium Lien to secure payment of such assessment. Upon full payment of the amount for which the lien is claimed the unit owner shall be entitled to a recordable satisfaction of the lien.

Any assessment levied pursuant to the Master Deed or these By-Laws, and any installment thereof, which is not paid when due may, upon resolution of the Board of Directors, subject the unit owner obligated to pay the same to the payment of such penalty a late charge, of Fifteen dollars (\$15.00) or one tenth of the total amount of any delinquent assessment or installment, whichever is greater, provided the charge 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 15 calendar days.

If a unit owner fails to pay an installment of an assessment when due within that fiscal year, if the corporation, within fifteen (15) days of the unit owner's failure to pay the installment, notifies the unit owner that if the unit owner fails to pay the installment within fifteen (15) days of the notice, full payment of the remaining assessment will then be due and will be included as part of the lien on the unit.

The Corporation may bring an action at law against the unit owner personally obligated to pay the same or may, after the recordation of the Statement of Condominium Lien provided for in this Article and in the Condominium Act, foreclose the lien against the condominium unit or units then belonging to said unit owner in accordance with the Maryland Condominium Act, as amended, and the

Maryland Contract Lien Act; in either of which events interest at the rate of up to eighteen percent (18%) per annum, actual costs of collection and reasonable attorneys' fees shall be added to the amount of each assessment. Suit for any deficiency following foreclosure may be maintained in the same proceeding. No suit may be brought to foreclose the lien except after ten (10) days written notice to the unit owner given by certified mail – return receipt requested to the address of the unit owner shown on the roster of members maintained by the Corporation.

In the event any proceeding to foreclose the lien for any assessment due the Corporation pursuant to this Article is commenced with respect to any condominium unit or units in the condominium, then the owner of such condominium unit or units, upon resolution of the Board of Directors, may be required to pay a reasonable rental for such unit or units and the Corporation shall be entitled to the appointment of a receiver to collect the same.

Section 6. Priority of Lien. The lien established by the recordation of a Statement of Condominium Lien, as in this Article provided, shall have preference over any other assessments, liens, judgements or charges of whatever nature, except the following:

- (a) General and special assessments for ad valorem real estate taxes on the condominium unit; and
- (b) The lien of any bona fide deed of trust, mortgage or other encumbrance duly recorded on the condominium unit prior to the recordation of the Statement of Condominium Lien, or duly recorded on the condominium unit after receipt by the holder of any such mortgage (or the holder of the indebtedness or note secured thereby) of a certificate or statement in writing signed by an officer or agent of the Corporation stating the payments on account of all assessments levied by the Corporation against the condominium unit were current as of the date of recordation of such deed of trust, mortgage instrument or other encumbrance.

The lien established by the recordation of a Statement of Condominium Lien, as in this Article provided, shall be subordinate to the Lien of any deed of trust, mortgage or other encumbrance duly recorded on the condominium unit and made in good faith and for value received; provided, however, that such subordination shall apply only to assessments, and installments thereof, which have become due and payable prior to a sale or transfer of the condominium unit pursuant to a foreclosure or any deed, assignment or other proceeding or arrangement in lieu of foreclosure. Any holder of any Deed of trust, mortgage or other encumbrance duly recorded on the condominium unit and made in good faith and for value received who comes into possession of the condominium unit pursuant to a foreclosure or any deed, assignment or other proceeding or arrangement in lieu of foreclosure, and any other purchaser at a foreclosure sale, shall take the condominium unit free of any claims for unpaid common expense assessments and carrying charges levied against the condominium unit which accrue prior to the time such holder comes into possession of the condominium unit or prior to the foreclosure sale, except for claims for a proportionate share of such unpaid common expense assessments and carrying charges resulting from a reallocation of such unpaid common expense assessments or carrying charges among all of the condominium units in the condominium. Such foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not relieve the mortgagee in possession or the purchaser at any foreclosure sale from any liability for any common expense assessments and carrying charges thereafter becoming due, or from the lien established by the recordation of a Statement of Condominium Lien with respect to any common expense assessments and carrying charges thereafter becoming due.

No amendment to this Section shall affect the rights of the holder of any such deed of trust, mortgage or other encumbrance recorded prior to the recordation of such amendment unless the holder of such deed of trust, mortgage or other encumbrance shall join in the execution of such amendment.

Section 7. Additional Rights of Mortgagees – Notice. The Corporation shall promptly notify the holder of the first mortgage on any condominium unit for which any assessment levied pursuant to the Master Deed or these By-Laws, or any installment thereof, becomes delinquent for a period in excess of thirty (30) days and the Corporation shall promptly notify the holder of the first mortgage on any condominium unit with respect to which any default in any provision of the Master Deed or these By-Laws remains uncured for a period in excess of thirty (30) days following the date of such default. Any failure to give any such notice shall not affect the priorities established by this Article, the validity of any assessment levied pursuant to the Master Deed or these By-Laws or the validity of any lien to secure the same.

No suit or other proceeding may be brought to foreclosure the lien for any assessment levied pursuant to the Master Deed or these By-Laws except after ten (10) days written notice to the holder of the first mortgage on the condominium unit which is the subject matter of such suit or proceeding.

Section 8. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levied pursuant to the Master Deed or these By-Laws, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 9. Assessment Certificates. The Corporation shall, upon demand at any time, furnish to any member liable for any assessment levied pursuant to the Master Deed or these By-Laws (or any other party legitimately interested in the same) a certificate in writing signed by an officer or agent of the Corporation, setting forth the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any installment of any assessment therein stated to have been paid. A charge not to exceed Thirty Dollars (\$30.00) may be levied in advance by the Corporation for each certificate so delivered, except that no charge shall be levied against any institutional mortgagee of any condominium unit in the condominium who requests such certificate.

Section 10. Additional Default. Any recorded first mortgage secured on a condominium unit in the condominium shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to the Master Deed or these By-Laws, or any installment thereof, shall likewise be a default in such mortgage (or the indebtedness or note secured thereby). Such mortgages shall also provided that, in the event of any default thereunder, the mortgagee shall have the right, at its option exercised by notice in writing to the mortgagor and the Secretary of the Corporation, to cast the votes appurtenant to the condominium unit which is security for the repayment of the mortgage debt at all meetings of the unit owners. Failure to include such provisions in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage (or the holder of the indebtedness or note secured thereby) by reason of the provisions of this Article shall not be altered, modified, or diminished by reason of any such failure.

## ARTICLE IX

### Use Restrictions

Section 1. Residential Use. All condominium units shall be used for private residential purposes exclusively.

Section 2. Leasing. No condominium unit within the project shall be rented for transient or hotel purposes. No portion of any condominium unit (other than the entire unit) shall be leased for any period. Any owner of any condominium unit who shall lease such unit shall promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. Any such lease shall be in a form approved by the Board of Directors and contain a provision to the effect that the rights of the tenant to use and occupy the condominium unit shall be subject and subordinate in all respects to the provisions of the Master Deed and these By-Laws and to such rules and regulation relating to the use of the common elements, or other "house rules" as the Board of Directors may from time to time promulgate.

Section 3. Prohibited Uses and Nuisances.

- (a) No noxious or offensive activity shall be carried on within the project or within any condominium unit situate thereon, nor shall anything be done therein or thereon which may be or become any annoyance to the neighborhood or the other owners. No nuisances shall be permitted within the condominium project, nor shall any use or practice be permitted which is or becomes a source of annoyance to the members or which interferes with the peaceful use and possession thereof by the members.
- (b) There shall be no obstruction of any common elements. Nothing shall be stored upon any common elements without the approval of the Board of Directors. Vehicular parking upon common elements may be regulated by the Board of Directors.
- (c) Nothing shall be done or maintained in any condominium unit or upon any common elements which will increase the rate of insurance on any condominium unit or common elements, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any condominium unit or upon common elements which would be in violation of any law. No waste, meaning the harmful or destructive use, shall be committed upon any condominium unit or common elements.
- (d) No structural alteration, construction, addition or removal of any condominium unit or common elements shall be commenced or conducted except in strict accordance with the provisions of these By-Laws.
- (e) The maintenance, keeping, breeding, boarding and / or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited within any condominium unit or upon any common elements, except that this shall not prohibit the keeping of an orderly dog, cat and/or caged birds as domestic pets provided that they are not kept or maintained for commercial purposes or for breeding. Pets shall not be permitted upon the common areas of the condominium project unless accompanied by an adult and unless they are carried or leashed. Any member who keeps or maintains any pet upon any portion of the condominium project shall be deemed to have indemnified and agreed to hold the Corporation, each of its members free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the condominium project. All pets shall be registered with the Board of Directors and shall otherwise be registered and inoculated as required by law. The Board of Directors shall have the right to order any person whose pet is a nuisance, to remove the pet from the premises.
- (f) Except for such signs as may be posted for safety and/or traffic control, and except for such signs as may be appropriately necessary for the identification of space within the project, which is used for non-residential purposes accessory to a residential use, no signs of any

character shall be erected, posted or displayed upon, in , from or about any condominium unit or common elements without the prior consent in writing of the Board of Directors and under such conditions as they may establish. The provisions of this subsection shall not be applicable to the institutional holder of any first mortgage which comes into possession of any condominium unit by reason of any remedies provided for in the mortgage, foreclosure of any mortgage or any deed of trust or other proceeding in lieu of foreclosure.

- (g) Except as herein elsewhere provided, no junk or derelict vehicle or other vehicle on which current registration plates are not displayed, trailer, truck, motorcycle, motorbike, scooter, camper, camp truck, house trailer, boat or the like shall be kept upon any of the general common elements except in any area which may be designated for such purposes by the Board of Directors, nor shall the extraordinary repair of automobiles or other vehicles be carried out on any of the common elements.
- (h) No burning of trash and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted within any condominium unit or upon any common elements. Trash or garbage containers, other than a central compactor or dumpster, shall not be permitted to remain in public view. All refuse shall be deposited with care in containers or trash chutes designated for such purpose during such hours as may from time to time be designated by the Board of Directors.
- (i) No structure of a temporary character, trailer, tent, shack, barn or other outbuilding shall be maintained upon any common elements at any time. Clothes lines shall not be maintained upon any common elements at any time. No clothing, laundry or the like shall be hung from any condominium unit or from or upon any balcony.
- (j) No outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission shall be maintained upon any condominium unit or upon any common elements without the prior written consent of the Board of Directors, except for master antenna serving all of the condominium units.
- (k) Nothing shall be stored upon any balcony, except with the consent of the Board of Directors.
- (l) All glass windows and doors in a condominium unit facing the outside of the unit shall be draped in the common color of white or light cream, which shall not be replaced except upon the consent of the Board of Directors; provided, however, this shall not apply to interior facing or portions of the draperies which are not visible from outside the unit.
- (m) No member shall engage or direct any employee of the Corporation or of any Management Agent on any private business or chore of the member during the hours such employee is employed by the Corporation or any Management Agent nor shall any member direct, supervise or in any manner attempt to assert control over any employee of the Corporation or of any Management Agent.
- (n) There shall be no violation of any rules for the use of the common elements, or other "house rules", which may from time to time be adopted by the Board of Directors and promulgated among the membership by them in writing, and the Board of Directors is hereby and elsewhere in these By-Laws authorized to adopt such rules.

Section 4.      Ad Hoc Committee. The Board of Directors may designate an Ad Hoc Committee to investigate and hear complaints of violation of the foregoing use Regulations.

ARTICLE X

Architectural Control

Section 1. Architectural Control. Except for purposes of proper maintenance and repair or as otherwise in the Condominium Act, as amended, or these By-Laws provided, it shall be prohibited for any unit owner to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, lamps, screens, awnings, patio covers, decorations, fences, walls, aerials, antennas, radio or television broadcasting or receiving devices, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, walls or to make any change or otherwise alter (including any alteration in color) in any of the common elements within the project or to combine or otherwise joint two or more condominium units, or to partition the same after combination, or to remove or alter any window or exterior doors of any condominium unit, or to make any change or alteration within any condominium unit which will alter the structural integrity of any building or otherwise affect the property, interest or welfare of any other member, materially increase the cost of operation or insuring the condominium or impair any easement, until the complete plans and specification, showing the location, nature, shape, change (including, without limitation, any other information specified by the Board of Directors or its designative committee) shall have been submitted to and approved in writing as to safety, the effect of any such alteration on the costs of maintaining and insuring the condominium and harmony of design, color and location in relation to surrounding structures and topography by the Board of Directors of the Corporation, or by an Architectural Control Committee designated by the Board of Directors.

Section 2. Additions, Alterations or Improvements by Board of Directors. Except in cases of bona fide emergencies involving manifest danger to life, safety or property, or the interruption of essential services to the condominium, whenever in the judgement of the Board of Directors the common elements of the condominium shall require additions, alterations or improvements requiring the expenditure of funds of the Corporation in excess of twenty three percent (23%) of the current annual residential assessments, such additions, alterations or improvements shall not be made until the same shall have been approved by (a) members representing a majority of the total votes of the Corporation at a meeting of the members duly called for such purpose; and (b) the institutional holder of any mortgage or other obligations secured by any condominium unit or units in the aggregate principal sum of more than \$150,000.00, which approval shall be in writing.

Section 3. Carpets. In order to maintain sound transmission at a minimum level, each owner of a condominium shall cover at least eighty percent (80%) of the gross interior floor area of his condominium unit with carpet or rugs.

ARTICLE XI

Insurance

Section 1. Insurance. The Board of Directors of the Corporation shall obtain and maintain to the extent reasonable available, at least the following:

- (a) Casualty or physical damage insurance in an amount equal to the full replacement value (i.e., 100% of "replacement cost" exclusive of land, foundation and excavation) of the condominium (including all building service equipment and the like) with an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, and "Increased Cost of Construction Endorsement" or its equivalent, a "Condominium Replacement Cost Endorsement" or its equivalent, and a "Contingency Liability from Operation of Building Laws Endorsement" or its equivalent, without deduction or allowance for depreciation, as determined annually by the Board of Directors with the assistance of

the insurance company affording such coverage, such coverage to afford protection against at least:

- (i) Loss or damage by fire and other hazards covered by the standard extended coverage endorsement; and
  - (ii) Such other risks as shall customarily be covered with respect to project similar in construction, location and use, including, but not limited to , sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, boiler and machinery explosion or damage, and such other insurance as the Board of Directors may from time to time determine; and
- (b) Public liability insurance with a “Severability of Interest Endorsement” or its equivalent in such amount and in such forms as may considered appropriate by the Board of Directors (but not less than Seven Million and \*\*\*No/100 Dollars (\$7,000,000.00) covering all claims for bodily injuries and/ or property damage arising out of a single occurrence) including, but not limited to, legal liability, hired automobile liability, non-owned automobile liability, liability for property of others, and such other risks as shall customarily be covered with respect to projects similar in construction, locations and use, including any and all other liability incident to the ownership and use of the condominium or any portion thereof.
- (c) Workmen’s compensation insurance to the extent necessary to comply with any applicable law, and
- (d) A “Legal Expense Indemnity Endorsement”, or its equivalent, affording protection for the officers and Directors of the Corporation for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and
- (e) Such other policies of insurance, including insurance for other risks of a similar or dissimilar nature and fidelity coverage as required by Section 15 of Article V of these By-Laws, as are or shall hereafter be considered appropriate by the Board of Directors. The Board of Directors shall maintain adequate fidelity coverage to protect against dishonest acts on the part of officers and Directors of the Corporation, trustees for the Corporation who handle or are responsible for the handling of funds for the Corporation. Such fidelity coverage shall meet the following requirements:
  - i. All such fidelity bonds and policies of insurance shall name the Corporation as obligee or named insured, as the circumstances may require; and
  - ii. All such fidelity bonds and policies of insurance should be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating budget of the condominium, including reserves; and
  - iii. All such fidelity bonds and policies of insurance shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of “employee” or similar expression; and
  - iv. All such fidelity bonds and insurance shall provide that they may not be cancelled or substantially modified (including cancellation or nonpayment of premium) without at least thirty (30) days prior written notice to any and all

obliges and insureds names thereon and to any mortgagee of any condominium unit who requests such notice in writing.

Section 2. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

- (a) All policies shall be written or reinsured with a company or companies licensed to do business in the State where the condominium is located and holding a rating of "Class VII" or better in the current edition of Best's Insurance Guide.
- (b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Corporation, as a trustee for the owners of the condominium units, or its authorized representative, including any trustee with which the Corporation may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be herein elsewhere referred to as the "Insurance Trustee".
- (c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the owners of the condominium units or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Corporation pursuant to the requirements of this Article shall exclude such policies from consideration.
- (d) Such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board of Directors and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board of Directors or any owner of any condominium unit, or their respective agents, employees, tenants, mortgagees or invitees by any reason of any act of neglect on the part of any of them.
- (e) All policies shall provide that such policies may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the condominium units.
- (f) All policies of casualty insurance shall provide that notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors (or any Insurance Trustee) or when in conflict with the provisions of any Insurance Trust Agreement to which the Corporation may be a party, these By-Laws or the provisions of the Condominium Act, as amended.
- (g) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Corporation, the Board of Directors, the owner of any condominium unit and their respective agent, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.
- (h) All policies of casualty insurance shall contain the standard mortgagee clause except that any loss or losses payable to named mortgagees shall be payable in the manner set forth in Article XII of these By-Laws. Such mortgagee of any loss paid as aforesaid.



ARTICLE XII

Casualty Damage – Reconstruction or Repair

Section 1. Use of Insurance Proceeds. In the event of damage or destruction to the condominium by fire or other casualty, the same shall be promptly repaired or reconstructed in substantial conformity with the original plans and specifications for the condominium with the proceeds of insurance available for that purpose, if any.

Section 2. Proceeds Insufficient. In the event that the proceeds of an insurance are not sufficient to repair damage or destruction by fire or other casualty, or in the event such damage or destruction is caused by any casualty not insured against, then the repair or reconstruction of the damage shall be accomplished promptly by the Corporation at its common expense, pursuant and subject to such conditions and subject to such controls as the mortgagee, as defines in Section 4 of the Article, may require. The ratable share of the expense of such repairs or reconstruction may be assessed and, in the event any Statement of Condominium Lien is recorded with respect to any such assessments, then the lien shall have all the priorities provided for in Article VII of these By-Laws. In the event that the proceeds of casualty insurance are paid to any Insurance Trustee pursuant to the requirements of Section 4 of this Article, then all funds collected from owners of the condominium units pursuant to this Section 2 shall likewise be paid over to such Insurance Trustee and shall be disbursed by such Insurance Trustee in accordance with the provisions of Section 4 of this Article.

Section 3. Restoration Not Required. In the event the condominium is damaged or destroyed by fire or other casualty to the extent of two-thirds (2/3) of the full replacement value of the condominium, as estimated by the Board of Directors and the insurer pursuant to the requirements of Section 1 of Article XII of these By-Laws for the period during which such loss was sustained, and the unit owners do not promptly and unanimously resolve to proceed with repair or reconstruction, then and in that event the condominium shall be deemed to be owned in common by the owners of all of the condominium units in the same proportion as that established in the Master Deed for ownership of appurtenant undivided interests in the common elements and the condominium shall be subject to an action for partition at the suit of the owner of any condominium unit, in which event the net proceeds of sale, together with the net proceeds of any insurance paid to the Corporation of the members in common, shall be considered as one fund and shall be divided among the owners of all of the condominium units in the same proportion as that established in the Master Deed for ownership of appurtenant undivided interests in the common elements, after first paying out of the share of the owner of any condominium unit, to the extent such payment is required by any lienor and to the extent such share is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interests in each unit.

Section 4. Insurance Trustee. In the event the cost of reconstruction or repair (as estimated by the Board of Directors) shall exceed an amount equal to five percent (5%) of the full replacement value of the condominium, as estimated by the Board of Directors and the insurer pursuant to the requirements of Section 1 of Article XII of these By-Laws for the period during which such loss was sustained, and the institutional holder or holders of any mortgages or other obligations secured by any condominium unit or units in the aggregate principal sum of more than \$300,000.00 (hereinafter in this Section 4 called the "mortgagee) shall so require, all proceeds of insurance shall be paid over to a trust company or bank (the "Insurance Trustee") having trust powers and authorized to engage in trust business in the jurisdiction wherein the condominium is located and having a construction loan department, through which such trust fund shall be administered, selected by the Board of Directors with the approval of the mortgagee, and shall be paid out from time to time as the reconstruction or repair progresses in

accordance with the provisions of an Insurance Trust Agreement satisfactory in form and substance to the mortgagee and which shall contain, inter alia, the following provisions:

- (a) The reconstruction or repair shall be in the charge of the architect or engineer, who may be an employee of the Corporation, satisfactory to the mortgagee, and hereinafter in this Section 4 called the "architect".
- (b) Prior to the commencement of the reconstruction or repair, other than such work as may be necessary to protect the condominium from further damage, the mortgagee shall have approved the plans and specifications or such reconstruction or repair, which approval shall not be unreasonably withheld or delayed.
- (c) Unless otherwise required by the mortgagee, each request for an advance of the proceeds of insurance shall be made to the mortgagee at least ten (10) days prior to delivery to the Insurance Trustee and shall be accompanied by a certificate from the architect to the effect that (i) all work then completed has been performed in accordance with the plans and specifications and all building codes or similar governmental requirements; and (ii) the amount requested to be advanced is required to reimburse the Corporation for payments previously made by the Corporation or is due to the contractor responsible for the restoration or repair, or to the subcontractors, materialmen, laborers, engineers, architects or to other persons responsible for services or materials in connection with the same; and the amount requested to be advanced does not unreasonably exceed the value of the work done and materials delivered to the date of such request and (iv) funds remaining available to the Insurance Trustee for the purpose are sufficient to complete the reconstruction or repair.
- (d) Each request for an advance of the proceeds of insurance shall, if required by the mortgagee, be accompanied by satisfactory waivers of liens covering that portion of the repair or reconstruction for which payment or reimbursement is being requested, together with appropriate evidence from a title insurance company or the like to the effect that there has not been filed with respect to the condominium any mechanic's or other lien, or notice of intention to file the same, which has not been dismissed or satisfied of record.
- (e) The fees and expenses of the Insurance Trustee, as agreed upon by the Board of Directors and the Insurance Trustee, shall be paid by the Corporation as a common expense, and such fees and expenses may be deducted from any insurance proceeds in the hands of the Insurance Trustee, pro rata as the reconstruction or repair progresses.
- (f) Such other provisions not inconsistent with the provisions hereof as the Board of Directors, the Insurance Trustee or the mortgagee may reasonably require.

Upon completion of the reconstruction or repair and payment in full of all amounts due on account thereof, any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Corporation and shall be considered as one fund and shall be divided among the owners of all of the condominium units in the same proportion as that established in the Master Deed for ownership of appurtenant undivided interests in the common elements, after first paying out of the share of the owner of any condominium unit, to the extent such payment is required by any lienor and to the extent the same is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interest in each unit.

ARTICLE XIII

Parking

Section 1. General Requirements. All parking spaces have been designated on the Plat of Condominium Subdivision referred to in the Master Deed to which these By-Laws are attached, as general common elements or limited common elements. All parking shall be regulated by the Board of Directors. No vehicle belonging to any member, or to any guest or employee or any member, shall be parked in a manner which unreasonably interferes with or impedes ready vehicular access to any parking space assigned to any other member.

Section 2. Transfer of Parking Spaces (Limited Common Elements). Limited Common Element Reserved Parking Spaces may be reassigned in the manner prescribed in the Maryland Condominium Act, as amended. As such, any unit owner or any group of unit owners of units to which the use of any limited common element is exclusively restricted may grant by deed the exclusive use, or the joint use in common with one or more of the grantors, of the limited common elements to any one or more unit owners. A copy of the deed shall be furnished to the council of unit owners

Section 3. Restrictions of Separate Transfer of Reserved Parking Spaces. A Reserved Parking Space may be separately transferred upon the following conditions:

- (a) The use of a Reserved Parking Space may at any time be surrendered by a particular member of the Corporation.
- (b) The use of a Reserved Parking Space may be transferred by a member to another member provided that the transfer shall execute a written assignment which shall describe the identification number of the Reserved parking Space, the unit to which it was appurtenant, the name of the transferee and the transferee's unit and furnish the same to the Corporation who shall record such transfer in the Book.
- (c) In the event the transfer is to the Corporation in the transferor shall execute a written assignment which shall describe the identification number of the Reserved Parking Space, the unit to which it was appurtenant and the fact that the Corporation is now transferee.
- (d) The Board of Directors shall have the absolute right to assign Reserved Parking Spaces transferred to the Corporation. Requests for the assignment of Reserved Parking Spaces transferred to the Corporation shall be considered by the Board of Directors on a first-come-first-served-basis or upon such other terms and conditions as to the selection of users as the Board may provide by written regulation.
- (e) Any transfer of a Reserved Parking Space made by the Corporation shall be by an assignment to any member by a written instrument signed by the Chairman of the Board of the Corporation which shall describe the Reserved Parking Space to be assigned and the name of the transferee and the transferee's unit number which shall thereupon be recorded in the book.
- (f) Whenever the Corporation shall be the transferee of a Reserved Parking Space, the Reserved Parking Space may be assigned, used or leased on such terms and conditions as the Board of Directors may from time to time determine.

ARTICLE XIV

Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January every year, except for the first fiscal year of the Corporation which shall begin at the date of recordation of the Master Deed among the Land Records for the jurisdiction where the Master Deed was originally recorded. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Corporation suddenly dictate.

Section 2. Principal Office – Change of Same. The principal office of the Corporation shall be as set forth in Article 1 of these By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Corporation from time to time; provided, however, that no such change shall become effective until a certificate evidencing such change shall have been made by the Secretary or any Assistant Secretary of the Corporation and recorded, in the name of the Corporation, among the Land Records for the jurisdiction where the Master Deed is originally recorded.

Section 3. Books and Accounts. Books and accounts of the Corporation shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Corporation and its administration and shall specify the maintenance and repair expenses of the common elements of the condominium, services provided with respect to the same and any other expenses incurred by the Corporation. The amount of any assessment required or payment of any capital expenditures or reserves of the Corporation may be credited upon the books of the Corporation to the "Paid-in-Surplus" account as a capital contribution by the members. The receipts and expenditures of the Corporation shall be credited and charged to other accounts under at least the following classifications:

- (a) "Current Operations" which shall involve the control of actual expenses of the Corporation, including reasonable allowances for necessary contingencies and working capital funds in relation to the assessments and expenses herein elsewhere provided for; and
- (b) "Reserves for Deferred Maintenance" which shall involve the control of monthly funding and maintenance of such deferred maintenance costs and reserves as are approved by the Board of Directors from time to time; and
- (c) "Reserves for Replacement" which shall involve the control of such reserves for replacement as are provided for in these By-Laws and as may from time to time be approved by the Board of Directors; and
- (d) "Other Reserves" which shall involve the control over funding and charges against any other reserve funds which may from time to time be approved by the Board of Directors; and
- (e) "Investments" which shall involve the control over investment of reserve funds and such other funds as may be deemed suitable for investment on a temporary basis by the Board of Directors; and
- (f) "Betterments" which shall involve the control over funds to be used for the purpose of defraying the cost of any construction or reconstruction, unanticipated repair or replacement of a described capital improvement and for the expenditures for additional capital improvements or personal property made or acquired by the Corporation with the approval of the Board of Directors.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Corporation shall be audited by an independent Certified Public Accountant whose report shall be prepared and certified in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Corporation shall furnish the unit owners and any mortgagee requesting the same with an annual financial statement, including the income and disbursements of the Corporation within ninety (90) days following the end of each fiscal year.

Section 5. Inspection of Books. The books and accounts of the Corporation, and vouchers accrediting the entries made thereupon, shall be available for examination by the members of the Corporation, and/or their duly authorized agents or attorneys, and to the holder of any first mortgage on any condominium unit and/or its duly authorized agents or attorneys during normal business hours and for purposes reasonably related to their interests as members.

Section 6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Corporation by the Chairman of the Board of the Corporation, and all checks shall be executed on behalf of the Corporation by the Chairman of the Board, agents or other persons as are from time to time so authorized by the Board of Directors.

Section 7. Seal. The Board of Directors shall provide a suitable corporate seal containing the name of the Corporation.

## ARTICLE XV

### Management

Section 1. Management and Common Expense. The Corporation, acting by and through its Board of Directors, shall manage, operate and maintain the condominium project and, for the benefit of the condominium units and the owners thereof, shall enforce the provisions hereof and shall pay out of the carrying charges herein elsewhere provided for, the following:

- (a) The cost of providing water, sewer, garbage and trash collection, electrical, gas and other necessary utility services for the common elements and, to the extent that the same are not separately metered or billed to each condominium unit, for the condominium units.
- (b) The cost of fire, extended liability, boiler and machinery insurance on the condominium project and the cost of such other insurance as the Corporation may effect.
- (c) The cost of the services of a person or firm to manage the project or to the extent deemed advisable by the Corporation together with the services of such other personnel as the Board of Directors of the Corporation shall consider necessary to the operation of the condominium project.
- (d) The cost of providing such legal and accounting services as may be considered necessary to the operation of the condominium project.
- (e) The cost of painting, maintaining, replacing, repairing and landscaping the general common elements as the Board of Directors shall determine are necessary and proper, and the Board of Directors shall have the exclusive right and duty to acquire the same; provided, however, that nothing herein contained shall require the Corporation to paint, repair or otherwise maintain the interior of any condominium unit or any fixtures, appliances or equipment located therein.
- (f) The cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like, which the Corporation is required to secure or pay for by law, or

otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation of the common elements; provided, however, that if any of the aforementioned are provided or paid for the benefit of a particular condominium unit or units, the cost thereof shall be specially assessed to the owner or owners thereof in the manner provided in subsection (g) of Section 1 of this Article.

- (g) The cost of the maintenance or repair of any condominium unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the common elements or to preserve the appearance or value of the condominium project or is otherwise in the interest of the general welfare of all owners of the condominium units; provided, however, that no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the owner of the condominium unit proposed to be maintained and provided further that, except with respect to balconies and balcony railings, the maintenance, repair and replacement of which shall be a common expense, the cost thereof shall be assessed against the condominium unit on which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then owner of said condominium unit at which time the assessments shall become due and payable and a continuing lien and obligation of said owners in all respects as provided in Article VII of these By-Laws.

Section 2.        Corporation as Attorney-In-Fact. The Corporation is hereby irrevocably appointed as attorney-in-fact for the owners of all of the condominium units in the condominium, and for each of them, to manage, control and deal with the interests of such unit owners in the common elements of the condominium so as to permit the Corporation to fulfill all of its powers, functions and duties under the provisions of the Condominium Act, as amended, the Master Deed and the By-Laws, and to exercise all of its rights thereunder and to deal with the condominium upon its destruction and the proceeds of any insurance indemnity, as herein elsewhere provided. The foregoing shall be deemed to be a power of attorney coupled with an interest and the acceptance by any person or entity of any interest in any condominium unit shall constitute an irrevocable appointment of the Corporation as attorney-in-fact as aforesaid.

Section 3.        Management Agent. The Corporation may by contract in writing delegate any of its ministerial duties, powers or functions to the Management Agent. The Corporation and the Board of Directors shall not be liable for any omission or improper exercise by the Management Agent of any such duty, power or function so delegated.

Section 4.        Duty to Maintain. Except for maintenance requirements herein imposed by or on the Corporation, if any, the owner of any condominium unit shall, at his own expense, maintain the interior of his condominium unit and any and all equipment, appliances or fixtures therein situate, and its other appurtenances in good order, condition and repair, and in a clean and sanitary condition, and shall do all redecorating, painting and the like which may at any time be necessary to maintain the good appearance of his condominium unit and such appurtenances, except for the painting, preventive maintenance, repair and replacement of the balconies and balcony railings, which shall be a common expense. In addition to the foregoing, the owner of any condominium unit shall, at his own expense, maintain, repair or replace any plumbing and electrical fixtures filters, plenums, heating and air-conditioning, convectors and equipment, lighting fixtures, refrigerators, freezers, dishwashers, disposals, ranges, range hoods, and/ or other equipment that may be located within such condominium unit, and that service only such unit. The owner of any condominium unit shall also, at his own expense, keep any other limited common element which may be appurtenant to such condominium unit and reserved for

his exclusive use in a clean, orderly and sanitary condition. From and after the recording of these By-Laws, no clothes washers or dryers may be installed in any condominium unit.

Section 5. Windows and Doors. Unless the Board of Directors shall resolve that the exterior surfaces of all windows and/or glass entry doors of the condominium project shall be cleaned and maintained at common expense in accordance with a schedule by the Board of Directors, the owner of any condominium unit shall, at his own expense, clean and maintain the interior and exterior surfaces of all windows of the condominium unit and shall, at his own expense, clean and maintain both the interior and exterior glass surfaces of all glass entry doors of the condominium unit, including the interior and exterior surfaces of any door leading to the balcony, appurtenant to such condominium unit. The exterior surfaces of all other entry doors shall be cleaned and maintained at common expense in accordance with a scheduled determined by the Board of Directors and the interior surfaces thereof shall be maintained by and at the expense of the individual condominium unit owners.

Section 6. Access at Reasonable Times. For the purpose solely of performing any of the repairs or maintenance required or authorized by these By-Laws, or in the event of a bona fide emergency involving illness or potential danger to life or property, the Corporation, through its duly authorized agents or employees, shall have the right, after reasonable efforts to give notice to the owner or occupant, to enter any condominium unit at any hour considered to be reasonable under the circumstances.

Section 7. Easements for Utilities and Related Purposes. The Corporation is authorized and empowered to grant (and shall from time to time grant) such licenses, easements and/or rights-of-way for sewer lines, water lines, electrical cables, telephone cables, gas lines, storm drains, underground conduits and/or such other purposes related to the provision of public utilities to the condominium project as may be considered necessary and appropriate by the Board of Directors for the orderly/maintenance, preservation and enjoyment of the common elements or for the preservation of the health, safety, convenience and/or welfare of the owners of the condominium units or the Grantor.

Section 8. Limitation of Liability. The Corporation shall not be liable for any failure of water supply or other services to be obtained by the Corporation or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements or by the owner of any condominium unit, or any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the common elements or from any wire, pipe, drain, conduit, appliance or equipment. The Corporation shall not be liable to the owner of any condominium unit for loss or damage, by theft or otherwise, of articles which may be stored upon any of the common elements. No diminution or abatement of common expense assessments, as herein elsewhere provided shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common elements, or to any condominium unit, or from any action taken by the Corporation to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

## ARTICLE XVI

### Amendment

Section 1. Amendments. These By-Laws may be amended by the affirmative vote of unit owners representing sixty percent (60%) of the total votes of the Corporation, at any meeting of the unit owners duly called for such purpose, in accordance with the provisions and requirements of By-Laws and Title 11, Real Property Article, of the Maryland Condominium Act, as amended. Any amendment to these By-Laws shall be effective only upon the recordation of such amendment among the Land Records for the jurisdiction where the Declaration was originally recorded, together with a certificate in writing of the Chairman of the Corporation stating that the amendment was approved as aforesaid.

Section 2. Proposal of Amendments. Amendments to these By-Laws may be proposed by the Board of Directors of the Corporation or by petition signed by members representing at least twenty-five (25%) of the total votes of the Corporation, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the members at which such proposed amendment is to be considered and voted upon.

## ARTICLE XVII

### Mortgages – Notices – Other Rights of Mortgagees

Section 1. Notice to Board of Directors. Any owner of any condominium unit in the condominium who mortgages such unit shall promptly notify the Board of Directors of the name and address of his mortgagee and, if requested to do so, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain suitable records pertaining to such mortgages.

Section 2. Consents. Any other provision of these By-Laws or of the Master Deed to the contrary notwithstanding, neither the members, the Board of Directors nor the Corporation shall take any of the following actions without prior written consent and approval of the holders of all first mortgages of record on the condominium units:

- (a) Abandon or terminate the condominium except for abandonment or termination provided in the Condominium Act, as amended, in the case of substantial damage or destruction of the condominium by fire or other casualty or in the case of a taking by condemnation or eminent domain; or
- (b) Modify or amend any material provision of the Master Deed or of these By-Laws, including, but without limitation, any amendment which would change the percentage interests of the unit owners in the common elements of the condominium, the percentage interest of the unit owners in the common expenses and common profits of the condominium or the voting rights of the unit owners; or
- (c) Modify the method of determining and collecting common expense assessments or other assessments as provided in Article VIII of these By-Laws; or
- (d) Partition, subdivide, transfer or otherwise dispose of any of the common elements of the condominium project; or
- (e) Resolve to use the proceeds of casualty insurance for any purpose other than the repair or restoration of the condominium.

Section 3. Subdivision or Partition. No condominium unit in the condominium shall be subdivided or partitioned without the prior written approval of the holder of any first mortgage on such condominium unit.

Section 4. Casualty Losses. In the event of damage or destruction of any condominium unit or any part of the common elements of the condominium the Board of Directors of the Corporation shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the condominium units. No provision of the Declaration or these By-Laws shall entitle any unit owner to any priority over the holder of any first mortgage of record on his condominium unit with respect to the distribution to such unit owner of any insurance proceeds.

Section 5. Condemnation or Eminent Domain. In the event any condominium unit or any part of the common elements of the condominium is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board



of Directors of the Council of Unit Owners shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the condominium units. No provision of the Declaration or these By-Laws shall entitle any unit owner to any priority over the holder of any first mortgage of record on his condominium unit with respect to the distribution to such unit owner of the proceeds of any condemnation award or settlement.

ARTICLE XVIII

Compliance – Interpretation – Miscellaneous

Section 1. Compliance. These By-Laws are set forth in compliance with the requirements of Title 11, Real Property Article, Annotated Code of Maryland, as amended.

Section 2. Conflict. These By-Laws are subordinate and subject to all provisions of the Master Deed and to the provisions of Title 11, Real Property Article, Annotated Code of Maryland, as amended. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as in the Master Deed or the aforesaid statute. In the event of any conflict between these By-Laws and the Master Deed, the provisions of the Master Deed shall control; and in the event of any conflict between the aforesaid Master Deed and Title 11, Real Property Article, Annotated Code of Maryland, as amended, the provisions of the statute shall control.

Section 3. Notices. Unless another type of notice is herein elsewhere specifically provided for, any and all notices called for in the Master Deed and in these By-Laws shall be given in writing.

Section 4. Severability. In the event any provision or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be give effect.

Section 5. Waiver. No restriction, condition, obligation or provisions of these By-Laws shall be deemed to have been abrogated to waived by reason of any failure or failures to enforce the same.

Section 6. Captions. The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

Section 7. Gender, etc. Whenever in these By-Laws 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.

Return to:  
Sue Bynum  
Whiteford Taylor + Preston  
1800 M St NW  
#450 N  
WASHINGTON DC 20036

**The Waterford Condominium - Unit Tax Parcel ID Numbers**

13 01601952	13 01601850
13 01602821	13 01602114
13 01602227	13 01602741
13 01602012	13 01602490
13 01601848	13 01602672
13 01601597	13 01602843
13 01601963	13 01601917
13 01602683	13 01602147
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13 01602251	13 01602901
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13 01602160	13 01601553
13 01601677	13 01602386
13 01601622	13 01602604

LR - Amendment  
Recording Fee 75.00  
Name: THE WATERFORD  
COND0  
Ref:  
LR - Amendment  
Surcharge 40.00  
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SubTotal:	115.00
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Total:	115.00
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Montgomery  
County/CC06.02.06 -  
Register 06



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Rockville, Maryland 20850  
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