SECTION II

BY-LAWS

OF

FRENCHMAN'S CREEK CONDOMINIUM

BYLAWS

OF

FRENCHMAN'S CREEK CONDOMINIUM
(Prince George's County, Maryland)

BYLAWS

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BYLAWS *

OF

FRENCHMAN'S CREEK CONDOMINIUM

ARTICLE I

Plan of the Unit Ownership

Section 1. Unit Ownership. The Property located in New Carrollton, Prince George's County, Maryland, has been submitted to the provisions of the Condominium Act of the State of Maryland [Real Property Article, Title 11 §§11-101 et seq., Ann. Code of Md., 1974 Volume and 1980 Supplement, as amended by Senate Bill No. 1028 (effective July 1, 1981)), by a Declaration recorded among the Land Records of Prince George's County, Maryland, immediately prior to the recordation hereof.

Section 2. Applicability of Bylaws. The provisions of these Bylaws are applicable to the Condominium and to the use and occupancy thereof. In the event the Condominium is expanded pursuant to Section 17 of the Declaration, the provisions of these Bylaws shall be applicable to the Condominium as expanded, and the terms "Condominium," "Condominium Units," "Unit Owners" and all other terms which refer to the Condominium shall mean and refer to the Condominium as expanded. All present and future owners, mortgagees, lessees and occupants of Condominium Units and their employees, and any other persons who may use the facilities of the Condominium in any manner, are subject to these Bylaws, the Declaration, the Easements and Covenants, and the Rules and Regulations, as any of the same may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy of a Condominium Unit shall conclusively establish the acceptance and ratification of these Bylaws, the Declaration, the Easements and Covenants, and the Rules and Regulations, as they may be amended from time to time, by the person so acquiring, leasing or occupying a Condominium Unit, and shall constitute and evidence an agreement by such person to comply with the same.

^{*} Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws are attached as Exhibit B or, if not defined therein, the meanings specified for such terms in the Condominium Act of the State of Maryland.

Section 3. Office, Mailing Address and Resident Agent. The office of the Condominium, the Council of Unit Owners and the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors. The initial mailing address of the Council of Unit Owners is 7600 Fontainebleau Drive, New Carrollton, Maryland 20784. The Board of Directors, from time to time or at any time, may change the mailing address, and notice thereof shall be given to all Unit Owners, the Developer, the Managing Agent and all institutional and first mortgagees. The initial Resident Agent of the Condominium shall be The Corporation Trust Incorporated, First Maryland Building, 25 South Charles Street, Baltimore, Maryland 21201. The Board of Directors, from time to time or at any time, may change the Resident Agent, and notice thereof shall be given to all Unit Owners, the Developer, the Managing Agent and all institutional and first mortgagees.

ARTICLE II

Council of Unit Owners

Section 1. Composition. All of the Owners of Units in the Condominium, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the "Council of Unit Owners," which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the other acts that may be performed by the Council of Unit Owners pursuant to the Condominium Act and the Declaration. Except as to those matters which the Condominium Act specifically requires to be performed by the vote of Owners of the Units, the administration of the foregoing responsibilities shall be performed by the Board of Directors or Managing Agent as more particularly set forth in Article III of these Bylaws.

Section 2. Annual Meetings.

(a) The first annual meeting of the Council of Unit Owners shall be held on a date which shall be the earlier to occur of one (1) year after the recordation of the Declaration or within sixty (60) days after the date of conveyance of Units to which fifty percent (50) of the maximum aggregate Percentage Interests in the Condominium appertain. Annual meetings of the Council of Unit Owners held after the first such annual meeting shall be held on the same day of the same month of each succeeding year, unless such date shall occur on a Saturday, Sunday or legal holiday, in which event the meeting shall be held on the next succeeding Monday which is not a legal

holiday. At all annual meetings of the Council of Unit Owners, members of the Board of Directors shall be elected and such other business as may properly come before a meeting may be transacted.

- (b) As used in this Section 2 (and in these Bylaws, unless the context otherwise requires), "conveyance" means conveyance of fee simple title by deed.
- (c) As used in these Bylaws, the term "maximum aggregate Percentage Interests" means the maximum aggregate Percentage Interests in the Condominium if fully expanded pursuant to Section 17 of the Declaration to include an aggregate total of 1,067 Units and related Common Elements.

Section 3. Place of Meetings. Meetings of the Council of Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Council of Unit Owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Owners having not less than twenty-five percent (25%) of the votes of all Units. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted as a special meeting except as stated in the notice.

Section 5. Notice of Meetings; Roster of Unit Owners.

- (a) It shall be the duty of the Secretary to cause to be personally delivered or mailed, first class postage prepaid to each Unit Owner, a notice of each annual and each special meeting of the Council of Unit Owners at least fifteen (15) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held. The mailing of a notice of a meeting in the manner provided in this Section shall be deemed service of notice.
- (b) The Council of Unit Owners shall maintain a current roster of names and addresses of each Unit Owner to which notice of meetings of the Council of Unit Owners shall be sent. Each Unit Owner shall furnish the Council of Unit Owners with his or her name and current mailing address.

Section 6. Adjournment of Meetings. If any meetings of the Council of Unit Owners cannot be held because a quorum is not present, Owners holding a majority of the votes present at such meeting, either in person or by proxy, may adjourn and reconvene the meeting as provided in Section 5-206 of the Corporations and Associations Article of the Maryland Code.

Section 7. Order of Business. The order of business at all annual meetings of the Council of Unit Owners shall be as follows:

(a) Roll call.

(b) Proof of notice and meeting.

(c) Reading (or waiver of reading of) minutes of preceding meeting.

(d) Reports of officers.

(e) Reports of Board of Directors.

(f) Reports of committees.

(g) Election of inspectors of election (where required).

(h) Election of members of the Board of Directors.

(i) Unfinished Business.

(j) New Business.

Section 8. Title to Units. Title to Condominium Units may be taken in the name of a natural person or in the names of two or more natural persons, or in the name of a corporation, partnership, association, trust, or other entity capable of holding title to real property, or any combination thereof.

Section 9. Voting.

- (a) Each Unit shall be entitled to one (1) vote at all meetings of the Council of Unit Owners. Since a Unit Owner may be more than one natural person, or may be an entity, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting (or the failure to name such a person), the person who shall be entitled to cast the vote of the Unit shall be the co-owner (or entity officer, director, partner or designee) who is present at any meeting, if only one such person is present. If more than one of such persons are present and no certificate has been filed with the Secretary (or if the person named in the certificate for such Unit is not present), the vote appertaining to that Unit shall be cast proportionately in accordance with Section 2-508(c) of the Corporations and Associations Article of the Maryland Code.
- (b) Except as otherwise provided in these Bylaws or the Declaration, or as required by law, decisions of the Council of Unit Owners shall be made by a majority of the votes of Unit Owners, provided, that the Directors shall be elected by plurality vote. The Developer shall have the right at any meeting of the Council of Unit Owners to cast the vote or votes for Unit(s) it owns.
- (c) No Unit Owner may vote at any meeting of the Council of Unit Owners until such owner shall have furnished as provided for in Section 5(b) of this Article his or her name and current mailing

address for the current roster of the Condominium. No Unit Owner may vote at any meeting of the Council of Unit Owners or be elected to or serve on the Board of Directors if the Council of Unit Owners has perfected a lien against his or her Unit and the amount necessary to release such lien has not been paid at the time of such meeting or election. Notwithstanding the foregoing provisions of this paragraph (c), from and after January 1, 1982, voting rights shall not be suspended and no person shall be denied the right to be elected to or serve on the Board of Directors except in accordance with the notice and hearing provisions of Section 11-113 of the Condominium Act.

Section 10. Proxies. The vote appertaining to any Unit may be cast pursuant to a proxy duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person or is an entity, by or on behalf of all such persons or by an authorized officer or agent thereof. No proxy shall be revocable except by actual notice of revocation by the Unit Owner or by any of the persons who are Owners of the Unit to the person presiding over the meeting. Any proxy shall be void if it is not dated or it if purports to be revocable without notice as aforesaid. The proxy of any Unit Owner shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of such Unit Owner. Any proxy shall terminate automatically upon the adjournment of the first meeting at which a quorum is present held on or after the date of that proxy, and all proxies must be filed with the person presiding over the meeting before the commencement of the meeting for which they are given. Except with respect to proxies in favor of a lessee, no proxy shall be valid for a period in excess of one hundred eighty (180) days after execution thereof.

Section 11. Majority of the Votes of Unit Owners. As used in these Bylaws, the term "majority of the votes of Unit Owners" or words of like import shall mean more than fifty percent (50%) of the aggregate votes of Unit Owners listed on the current roster and present in person or by proxy at a meeting of the Council of Unit Owners at which a quorum is present.

Section 12. Quorum. Except as otherwise provided in these Bylaws or as required by law, the presence at the commencement of any meeting in person or by proxy of owners of Units to which at least 25% of the total votes in the Condominium appertain shall constitute a quorum at and throughout all meetings of the Council of Unit Owners.

Section 13. Conduct of Meetings. The minutes of all meetings shall be taken and kept by the Secretary or other person designated by the President or person presiding over any meeting in a Minute Book maintained for the Council. The then current Robert's

Rules of Order or any other rules of procedure acceptable to a majority of the votes of Unit Owners shall govern the conduct of all meetings of the Council of Unit Owners when not in conflict with these Bylaws, the Declaration, or the Condominium Act. All votes shall be tallied by persons appointed by the person presiding over the meeting. Any person designated by the Developer shall preside at the first annual meeting of the Council of Unit Owners. Thereafter, the President shall preside at all meetings of the Council of Unit Owners; in the absence of the President, the person who shall preside shall be designated by the Board of Directors.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Directors. Until the first annual meeting of the Council of Unit Owners, and, thereafter until their successors shall have been elected and shall have qualified, the Board of Directors shall consist of designees of the Developer. The Board of Directors shall be composed of three (3) persons until such time as the Developer's right to designate the Board of Directors shall have terminated, as herein provided, whereupon the Board of Directors shall be composed of five (5) persons. All non-Developer designated Directors shall be Unit Owners, or, partners, officers, directors, trustees, agents or employees of Unit Owners which are not natural persons. Subject to the foregoing, the Developer shall have the right in its sole discretion to replace any Directors it designates, and to designate their successors.

Section 2. State Reporting. In accordance with Section 11-119(d) of the Condominium Act, subject to any amendments thereto, following the first annual meeting of the Council of Unit Owners, the Board of Directors on behalf of the Council of Unit Owners shall register with the Department of Assessments and Taxation of the State of Maryland by providing to such Department the names and mailing addresses of the officers and Directors of the Condominium. An updated list, including, without limitation, the name and address of the Resident Agent and Managing Agent of the Condominium shall be provided to such Department on the April 15th next following the first annual meeting and on each April 15th thereafter.

Section 3. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things as are by the Condominium Act, the Declaration or these Bylaws directed to be done by the Council of Unit Owners. The Board of Directors shall delegate to one of its members the authority to

act on its behalf on all matters relating to the duties of the Managing Agent which might arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws or by any resolution of the Council of Unit Owners that may hereafter be adopted, the Board of Directors shall have the power to, and shall be responsible for, the following:

- (a) Adopting an annual budget, in which there shall be established the required contribution of each Unit Owner to the Common Expenses.
- (b) Levying assessments against Unit Owners to defray the Common Expenses of the Condominium, establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payment of annual and any special assessments. Unless otherwise determined by the Board of Directors, the annual assessment against each Owner for his or her proportionate share of the Common Expenses shall be payable in equal monthly installments, with each such installment to be due and payable, in advance, on the first day of each month for such month.
- (c) Providing for the operation, care, upkeep, replacement, and maintenance of the Common Elements. The Board of Directors is expressly authorized to enter into cooperative, cost sharing agreements with the owners of other neighboring condominiums if in the judgment of the Board, such arrangements will reduce Condominium costs without adversely affecting the scope, level and quality of services necessary for the proper care, upkeep and operation of the Condominium.
- (d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties, which equipment, supplies and materials shall be the property of the Council of Unit Owners.
- (e) Collecting the assessments against the Unit Owners and depositing the proceeds thereof in a bank depository (ies) which it shall approve.
- (f) Making and amending Rules and Regulations respecting the use and enjoyment of the Condominium, provided, such Rules and Regulations shall not conflict with these Bylaws, the Declaration, or the Condominium Act. All Rules and Regulations adopted after January 1, 1982 shall conform with the procedures set forth in Section 11-111 of the Condominium Act, as the same may be amended from time to time.

- (g) Opening bank accounts on behalf of the Condominium and designating the signatories required therefor.
- (h) Making, or contracting for the making of repairs, additions, and improvements to, or alterations or restorations of the Condominium in accordance with the other provisions of these Bylaws or the Declaration.
- (i) Enforcing by legal means the provisions of the Declaration, these Bylaws, the Easements and Covenants and the Rules and Regulations, and bringing or defending against any proceedings which may be instituted on behalf of or against the Unit Owners.
- (j) Obtaining and carrying insurance as provided in the Declaration, and paying the premium cost thereof, and adjusting and settling claims thereunder.
- (k) Paying the cost of all services rendered to the Condominium and not billed to Unit Owners of individual Units.
- (1) Keeping books with detailed accounts in chronological order of the receipts and expenditures affecting the Condominium, specifying maintenance and repair expenses incurred. The Council's books and records shall be maintained in the State of Maryland or within fifty (50) miles of its borders and shall be available at such address within Prince George's County as the Board of Directors from time to time shall designate for examination and copying by the Unit Owners and Mortgagees of Units or their duly authorized agents or attorneys, during general business hours on working days and after reasonable notice. All books and records shall be kept in accordance with good and acceptable accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors who shall The cost of not be a resident of the Condominium, or a Unit Owner. such audit shall be a Common Expense.
- (m) Notifying the Mortgagee of any Condominium Unit of any default by the Unit Owner of such Unit which continues uncured for more than thirty (30) days.
- (n) Borrowing money on behalf of the Council when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that at no time shall there be borrowed or owed in excess of ten thousand dollars (\$10,000) without the prior consent of at least two-thirds in number of the votes of Unit Owners obtained at a meeting duly called and held for such purpose. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this paragraph (n) is not repaid by the Council of Unit Owners, a

Unit Owner who pays to the creditor such proportion thereof as such Owner's Percentage Interest bears to the aggregate Percentage Interests in the Condominium or, if applicable, who files a written undertaking as and in the manner specified under the Maryland Rules shall be entitled to obtain from the creditor a recordable release of any judgment or other lien which such creditor shall have filed or shall have the right to file against such Unit Owner's Condominium Unit.

- (o) Exercising such rights as the Council of Unit Owners may have as a member of any recreation or other association.
- (p) Doing such other things and acts not inconsistent with the Condominium Act or the Declaration or these Bylaws which it may be authorized to do by the Condominium Act or by a resolution of the Council of Unit Owners.

Section 4. Managing Agent. The Board of Directors may employ for the Condominium a professional Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b), (f), (g), (n), and (o) of Section 3 of this Article III. Any contract with a Managing Agent must provide that it may be terminable for cause on no more than thirty (30) days written notice and without cause or imposition of any termination fee on no more than ninety (90) days written notice. The term of any such contract may not exceed two years. The Developer, or an affiliate of the Developer, may be employed as Managing Agent. The Council of Unit Owners and the Board of Directors shall not undertake self management or fail to employ a Managing Agent.

Section 5. Election and Term of Office. Subject to the provisions of Article II and Article III of these Bylaws, the term of office of members of the Board of Directors shall be determined as follows: At the first annual meeting of the Council of Unit Owners that person receiving the highest number of votes shall be elected for a term of three (3) years; those persons receiving the second and third highest number of votes shall be elected for a term of two (2) years each, and that person receiving the fifth highest number of votes shall be elected for a term of one (1) year. All persons elected as directors at any subsequent meeting shall be elected to two year terms.

Section 6. Removal or Resignation of Members of the Board of Directors. Except with respect to Directors designated by the Developer, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the votes of the Unit Owners at any regular or special meeting duly

called for such purpose, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Unit Owners shall be given at least seven (7) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Any member of the Board of Directors may resign at any time. Any Director shall be deemed to have resigned upon divestiture of title in fee or by lease for a term or terms of six (6) months or more of the Unit owned by such Director (or by such Director's corporation, partnership, trust, principal or employer, if the Unit Owner is not a natural person), unless such Director (or such Director's corporation, partnership, trust, principal or employer) acquires or contracts to acquire another Unit under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture.

Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Council of Unit Owners shall be filed by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the Council of Unit Owners and shall have qualified; provided, however, that, subject to Article II, Section 2 of these Bylaws, the vacancy in the position of any Director designated by the Developer shall be filled by the Developer.

Section 8. Organization Meeting. The first meeting of the members of the Board of Directors following any annual meeting of the Council of Unit Owners at which Directors are elected shall be held within ten (10) days after such meeting, and it shall not be necessary to give notice to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a quorum shall be present thereat.

Section 9. Regular Meetings. Regular meetings of the Board of Directors shall be held at least twice during each fiscal year, at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, telegraph, telex or telecopy at least three (3) business days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each Director, given by mail, telegraph. telex or telecopy which notice shall state the time, place and pur-

pose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and like notice on the written request of at least two (2) Directors.

Section 11. Waiver of Notice. Any Director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice by such Director of the time and place of such meeting. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present or a sole present Director may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No Director shall receive any compensation for acting as such.

Section 14. Conduct of Meetings. A minute book, recording therein all resolutions adopted by the Board of Directors, and a record of all transactions and proceedings occurring at all meetings of the Board of Directors shall be kept. The then current Robert's Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the Board of Directors shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Condominium Act.

Section 15. 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 all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 16. Liability of the Board of Directors, Officers, Unit Owners, and Council of Unit Owners.

(a) The officers of the Council of Unit Owners and the members of the Board of Directors shall not be liable to the Unit

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Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith or as otherwise provided by law. The Unit Owners and the Council of Unit Owners may indemnify and hold harmless each of the officers and Directors in accordance with Section 2-418 of Corporations and Associations Article of the Maryland Code from and against all liability arising out of contracts made or other action taken by the officers or the Board of Directors on behalf of the Unit Owners or the Council of Unit Owners, unless any such contract or action shall have been made in bad faith. The liability of any Unit Owner (other than liability arising from acts or omissions of the Unit Owner) arising out of any contract made, or other action taken by the officers of the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements, or for liabilities incurred by the Council of Unit Owners, shall be limited to an amount determined by multiplying the total liability or amount by the Percentage Interest of the given Unit Owner's Unit. Every agreement made by the officers, Board of Directors or the Managing Agent on behalf of the Council of Unit Owners shall provide, if reasonably obtainable, that the officers, Board of Directors, Or the Managing Agent, as the case may be, are acting only as agents for the Council of Unit Owners and shall have no personal liability thereunder (other than as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to the total liability thereunder multiplied by such Unit Owner's Percentage Interest.

(b) The Council of Unit Owners shall not be liable for any failure of utility services or other services obtained by the Council of Unit Owners or paid for as a Common Expense, or for injury or damages to any person or property caused by the elements, by the Unit Owner of any Condominium Unit, or by 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 pipe, drain, conduit, appliance or equipment. The Council of Unit Owners shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. diminution or abatement of any 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 from any action taken by the Council of Unit Owners to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 17. Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Council of Unit Owners and any of its Directors, or between the Council of Unit Owners and any corporation, firm or association (including the Developer) in

which any of the Directors of the Council of Unit Owners are directors or officers or are pecuniarily or otherwise interested, is or shall be either void or voidable because any such Director is 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 her vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

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

Any common or interested Director(s) may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction. The approval required in such cases under paragraph (a) above shall be made by a majority of the whole Board less the number of common or interested Director(s).

Section 18. Committees. The Board of Directors may from time to time appoint (and expand and/or disband) such committees from among its own membership and/or from among the Council of Unit Owners as the Board from time to time deems desirable to assist in the administration or operation of the affairs of the Condominium.

ARTICLE IV

Officers

Section 1. <u>Designation</u>. The principal officers of the Condominium shall be a President, a Vice President, a Secretary, and a Treasurer (or a Secretary-Treasurer), all of whom shall be Unit Owners, or partners, officers, directors, trustees, agents or employees of Unit Owners who are not natural persons, and shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and/or such other officers

as in its judgment may be necessary or desirable. The President and Vice President shall be members of the Board of Directors. Any officers other than the President and Vice President may be but shall not be required to be members of the Board of Directors. The foregoing requirements shall not apply to officers selected by Directors designated by the Developer pursuant to Section 2 of Article II. The officers shall have the duties normally incident to their respective offices in a stock corporation doing business in Maryland and such other or additional duties as from time to time shall be assigned by the Board of Directors.

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

Section 3. Removal or Resignation of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause. Any officer may resign at any time. Any officer shall be deemed to have resigned upon divestitute of title in fee or by lease for a term or terms of upon divestitute of title in fee or by lease for a term or terms of six (6) months or more of the Unit owned by such officer (or such officer's corporation, partnership, trust, principal or employer, if the Unit Owner is not a natural person), unless such officer or such officer's corporation, partnership, trust, principal, or employer acquires or contracts to acquire another Unit under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture. Any vacancy in an office shall be filled by the Board of Directors at a regular meeting or special meeting called for such purpose.

Section 4. Agreements, Contracts, Deeds, Checks, etc. all agreements, contracts, deeds, leases, checks and other instruments of the Condominium or the Council of Unit Owners for expenditures or obligations in excess of Ten Thousand Dollars (\$10,000) shall be executed by any two officers of the Condominium or by such other person or persons as may be designated by the Board of Directors. All such instruments for expenditures or obligations of Ten Thousand Dollars (\$10,000) or less may be executed by any one officer of the Condominium or by such other person as may be designated by the Board of Directors.

Section 5. Compensation of Officers. No officer shall receive any compensation for acting as such.

ARTICLE V

Operation of the Condoninium

Section 1. <u>Determination of Common Expenses and Assess</u>ments Against <u>Owners</u>.

- (a) Fiscal Year. The fiscal year of the Condominium shall consist of the twelve month period commencing March 1st of each year and terminating on February 28th (or 29th) of the following year.
- (b) Preparation and Approval of Budget. Each year, at least thirty (30) days before the beginning of the new fiscal year, the Board of Directors shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units which it is the responsibility of the Council of Unit Owners to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or by the Council of Unit Owners, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium, including reserves. The budget shall constitute the basis for determining each Unit Owner's share of Common Expense.
- (c) Assessment and Payment of Common Expenses. amount of the estimated funds required for the operation of the Condominium set forth in the budget or budgets for any fiscal year (including reserves) adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to the Percentage Interest of such Owner's Unit, and shall be a lien against each Unit Owner's Condominium Unit when perfected in accordance with the Condominium Act. When the first Board of Directors takes office, it shall determine the budget for the period commencing upon the conveyance of legal title to the first Unit by the Developer and ending on the last day of the fiscal year in which such conveyance occurs. The assessment made against each Unit Owner for each fiscal year shall set forth separately such Unit Owner's share of the amount of the total assessment allocated to normal and recurring expenses of administration, management, operation and repair, and the amount of the total assessment allocated to each category of reserves included in the budget. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12th) of the assessment for such fiscal

year made pursuant to the foregoing provisions. Within minety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget or budgets adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, in the discretion of the Board of Directors, (i) be credited, according to each Unit Owner's Percentage Interest, to the next monthly installments due from Unit Owners, or (ii) refunded pro rata to Unit Owners who paid assessments in proportion to each Unit Owner's Percentage Interest, or (iii) added to reserves, as the Board of Directors determines, until exhausted. Any net shortage shall be assessed promptly against the Unit Owners then of record in proportion to their Percentage Interests and shall be payable, in the discretion of the Board of Directors, (1) in full, with payment of the next monthly assessment due; or (2) in not more than six (6) equal monthly installments, beginning with the next monthly assessment due. In the event of any expansion of the Condominium during any fiscal year, the budget and/or assessment need not be modified if then existing assessments are not increased or decreased by more than ten percent (10%) as a result of such expansion; in such event, any net shortages or excess amounts shall be assessed, credited, refunded or applied as provided above:

The Board of Directors shall build up and Reserves. maintain adequate reserves for working capital and for repairs and seplacement of the Common Elements, and may establish reserves for The reserve for general operations, contingencies or other matters. repair and replacement of the Common Elements shall, and other reserves may, be funded by regular monthly payments, as provided for in subsection (c), rather than by special assessments. All funds accumulated for reserves shall be kept in a separate bank account(s), segregated from the general operating funds, and, if the Board of Directors deems it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to, or deterioration of, the Common Elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Council of Unit Owners. If reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners in proportion to their respective Percentage Interests. Such special assessments may be payable in a lump sum or in installments, as the

Board of Directors may determine. The Board of Directors shall serve notice of any such further assessments on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the mailing (or delivery, if personally delivered) of such notice. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessment.

- (e) Working Capital Fund. Pursuant to the requirements of the Federal Home Loan Mortgage Corporation, there will be established an initial working capital fund through payment by each Owner, upon purchase of his or her Condominium Unit from the Developer, of an amount equivalent to twice the monthly assessment for such Unit under the proforma or actual budget then in effect. The Develope shall deliver such funds so collected to the Board of Directors to provide working capital for the Council of Unit Owners. Neither the Developer, any mortgagee who obtains title to a Unit by foreclosure or deed in lieu thereof, nor any purchaser at a foreclosure sale, shall be required to pay working capital assessments. The working capital fund may be used for any lawful purpose, including, without limitation, meeting shortages in operating funds, as the Board of Directors from time to time determines.
- (f) Effect of Failure to Prepare or Adopt Budget. The Failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided whenever the same shall be determined, and in the absence of any annual budget, each Unit Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until the monthly payment which is due more then ten (10) days after a new annual budget shall have been adopted and notice of the new assessments established thereby have been given to the Unit Owners.
- (g) Accounts. Except as otherwise provided herein, all sums collected by the Board of Directors with respect to assessments against Unit Owners may be commingled into a single fund, but shall be held for each Unit Owner in accordance with such Unit Owner's Percentage Interest.

Section 2. Payment of Common Expenses. Each Unit Owner shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to these Bylaws. No Unit Owner may exempt himself or herself from liability to contribute toward payment of the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses

assessed against his or her Condominium Unit subsequent to the perfection of a sale or other divestiture of title by operation of law or otherwise of such Unit by such Unit Owner. The purchaser of a Condominium Unit, or a successor Unit Owner shall be jointly and severally liable with the divesting Unit Owner up to the time of the divestiture for all unpaid assessments against the divesting Unit Owner for which a condominium lien is recorded, without prejudice to the successor's right to recover from the divesting Unit Owner the amounts paid by the successor therefor; provided, however, that any such successor, upon written request made in accordance with the Condominium Act, shall be entitled to a statement setting forth the amount of any unpaid assessments against the divesting Unit Owner and such successor shall not be liable for any unpaid assessments in excess of the amount set forth in such statement. The recordation of a conveyance of a Unit for value extinguishes the right of the Council of Unit Owners thereafter to file a statement of Condominium lien for assessments or installments thereof due prior to such recorda-Notwithstanding the foregoing, if any party obtains title to the Condominium Unit or comes into possession of the Condominium Unit as a result of foreclosure or any other remedies provided for in the Mortgage, or by virture of a deed or assignment in lieu of foreclosure, such party at a foreclosure sale, and their successors and assigns, shall not be liable for and such Condominium Unit shall not be subject to a lien for the payment of Common Expenses assessed and payable prior to the acquisition of title to or prior to the taking of possession of (whichever first occurs) such Unit by such Mortgagee or purchaser pursuant to the aforesaid remedies. unpaid share of the Common Expenses for which, pursuant to this Section 2, a Mortgagee or purchaser shall not have liability, shall be collectible from all Unit Owners (including the aforesaid Mortgagee or purchaser) in proportion to their Percentage Interests.

Section 3. Collection of Assessments. The Board of Directors, or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment, or installment thereof, which remains unpaid for a period in excess of fifteen (15) days may bear interest from the due date thereof until paid at the maximum rate allowable by law, at the option of the Council of Unit Owners or the Board of Directors.

ments. Each Unit and the Common Elements shall be occupied and used as follows:

(a) Except as permitted by these Bylaws, no part of the Condominium shall be used for any other purpose except housing and the related common purposes for which the Condominium was designed.

- Units shall be used for residential purposes except as otherwise provided herein or in the Declaration. A Unit Owner may use a portion of a Unit For a home office or studio, provided that such use is consistent with all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction in respect of the Condominium and that the activities therein shall not interfere with the quiet enjoyment or comfort of any other Unit Owner, and provided, further, that in no event shall any part of the Condominium be used as a school or music studio. Except for such home office or studio use, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted in any Unit. Anything above or in these Bylaws or the Declaration to the contrary notwithstanding, a Unit Owner may use a Unit for a professional medical or dental only, if and only if, (a) such Unit in particular was used for such purpose prior to the creation of the Condominium and (b) such use is and remains allowable, and is exercised pursuant to all applicable zoning or other laws, ordinances and regulations.
- (c) No Unit shall be rented for transient or hotel purposes. Each Unit Owner, promptly following the execution of a lease for a Unit shall forward a conformed copy thereof to the Board of Directors.
- (d) No immoral, improper, offensive, or unlawful use shall be made of the Condominium or any part thercof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations, or requirements of any governmental agency having jurisdiction, relating to any portion of the Condominium, shall be complied with, by and at the sole expense of the Unit Owner or the Council of Unit Owners, whichever shall have the obligation under the Declaration or by law to so comply.
- (e) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Condominium without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements which will result in the cancellation of insurance on the Condominium or which would be in violation of any public law, ordinance or regulation. No waste shall be committed in, on or to the Common Elements. Nothing herein shall in any way be deemed to limit or proscribe the development activities of the Developer.
- (f) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of a reasonable number (as determined from time to time by the Board of Directors) of orderly domestic

pets is permitted subject to the Regulations adopted by the Board of Directors; provided, that such pets are not kept or maintained for commercial purposes or for breeding and provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Condominium upon three (3) days' written notice from the Board of Directors. Pets shall not be permitted upon the Common Elements unless accompanied by a responsible person. Any Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall be deemed to have indemnified and agreed to hold the Condominium, the Council of Unit Owners, each Unit Owner, the Board of Directors, the Managing Agent, and the Developer 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. All pets shall be registered and innoculated as required by law. Leash laws shall be obeyed.

(g) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Condominium.

Section 5. Right of Access.

- By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his or her Unit to the Board of Directors or the Managing Agent, their respective agents and employees, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including, without limitation, making inspections, correcting any condition originating in a Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in a Unit or elsewhere in the Condominium, or to correct any condition which violates the provisions of the Declaration, these Bylaws, the Rules and Regulations or any Mortgage covering any Condominium Unit, provided, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. Any exercise of the rights herein referred to shall be in a manner, to the extent practicable, so as not to unreasonably interfere with the use of a Unit.
- (b) Notwithstanding the provisions of paragraph (a) above, the Council of Unit Owners, the Board of Directors and the Managing Agent, their respective agents and employees, and other Unit Owners shall have an irrevocable right and easement to enter Units to make repairs to the Common Elements when such repairs reasonably appear necessary for public safety or to prevent damage to other portions of the Condominium. A reasonable effort shall be made to give notice of entry to the Unit Owner. However, in a case of emergency involving

manifest danger to public safety or property, such right of entry shall be immediate and without notice. Any damage inflicted as a result of any entry shall be repaired promptly by the party responsible for such damage.

Section 6. Rules and Regulations. Rules and Regulations concerning the operation and use of the Common Elements may be promulgated, amended and/or repealed by the Board of Directors, provided that such Rules and Regulations are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time when the same shall become effective. Except for the initial Rules and Regulations adopted by the initial Board of Directors, the adoption of all Rules and Regulations shall conform with the procedures set forth in Section 11-111 of the Condominium Act, as the same from time to time may be amended.

ARTICLE VI

Mortgages

Section 1. Notice to Board of Directors. A Unit Owner who mortgages a Condominium Unit shall notify the Board of Directors of the name and address of the Mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors.

Section 2. Notice of Unpaid Assessments for Common Expenses. The Board of Directors, whenever so requested in writing by a Mortgagee of a Condominium Unit, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the Unit Owner of the mortgaged Condominium Unit.

Section 3. Notice of Default. The Board of Directors, when giving notice to a Unit Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of such notice to each Mortgagee of such Unit whose name and address had theretofore been furnished to the Board of Directors. Further, the Board of Directors shall send such Mortgagee written notice of any default by a Unit Owner which has not been cured within thirty (30) days after the delivery to such Unit Owner of the first notice of default.

Section 4. Notice of Damage, Etc.. The Board of Directors shall promptly notify the affected holders of Mortgages on any Unit of any damage to a mortgaged Unit when such damage exceeds One Thousand Dollars (\$1,000.00), of any damage to the Common Elements when such damage exceeds Ten Thousand Dollars (\$10,000.00), and of any condemnation or similar proceedings which may affect such Mortgagee or Mortgage.

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Section 5. Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagees prior to or simultaneously with any change in the Managing Agent.

Section 6. Notice of Amendments. The Board of Directors shall give notice to all Mortgagees of any amendment to these Bylaws.

Section 7. Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Council of Unit Owners and shall have the right to speak thereat. All such Mortgagees shall have the right to examine the Books and records of the Condominium.

ARTICLE VII

Compliance and Default

Section 1. Relief. Each Unit Owner shall be governed by and shall comply with all of the terms of the Condominium Act, the Declaration, these Bylaws, the Easements and Covenants, and the Rules and Regulations, and any amendments of any of the foregoing. Subject to the notice and hearing provisions of Section 11-113 of the Condominium Act for complaints or demands arising on or after January 1, 1982, a default by a Unit Owner shall entitle the Council of Unit Owners, acting through its Board of Directors or through the Managing Agent, to the following relief:

- (a) Legal Proceedings. An action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief available at law or in equity may be sought by the Council of Unit Owners, the Board of Directors, the Managing Agent, or, if appropriate, by an aggrieved Unit Owner.
- (b) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court pursuant to Maryland law.
- (c) No Waiver of Rights. The failure of the Council of Unit Owners, the Board of Directors, the Managing Agent or a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Act, the Declaration, these Bylaws, the Easements and Covenants or the Rules and Regulations shall not constitute a waiver of the right of the Council of Unit Owners, the Board of Directors, the Managing Agent or such Unit Owner to enforce

such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Council of Unit Owners, the Board of Directors, the Managing Agent or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Act, the Declaration, these Bylaws, the Easements and Covenants or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such rights as may be granted to such party by the Condominium Act, the Declaration, these Bylaws, the Easements and Covenants or the Rules and Regulations, or at law or in equity.

(d) Abatement and Enjoinment of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Condominium Act, the Declaration or the Easements and Covenants, shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws (i) to enter the Unit in which or as to which such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that constitutes such violation and the Board of Directors shall not thereby be deemed guilty in any manner of trespass or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, as provided by law.

Section 2. Lien for Assessments.

- (a) The total annual assessment against each Unit Owner For Common Expenses, any special assessment, and any fees, charges, fines and interest permitted by the Condominium Act, hereby is declared to be a lien against the Condomiium Unit within the purview of the Condominium Act, which lien shall become effective as provided by law.
- (b) The lien for assessments shall be perfected as provided in Section 11-110 of the Condominium Act and may be foreclosed in the manner provided by the laws of the State of Maryland by action brought in the name of the Board of Directors acting on behalf of the Council of Unit Owners.
- (c) A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgment.
- Section 3. Subordination and Mortgage Protection. Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied upon any Unit (and any fees, charges, fines, interest on assessments, or the like) shall be subordinate to, and

shall in no way affect the rights of the institutional (i.e., a bank, savings and loan association, insurance company, pension fund or trust, or the Developer) holder of a Mortgage made in good faith for value received prior to the date the assessment became due and payable, provided, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Unit pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser or mortgagee of the Unit at such sale from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment, which lien shall have the same effect and be enforced in the same manner as herein provided.

ARTICLE VIII

Miscellaneous

Section 1. Notices. Except as otherwise provided in Article III, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified United States mail, return receipt requested, first-class postage prepaid, or otherwise as the Condominium Act may require or permit, (i) if to a Unit Owner, at the address that the Unit Owner shall designate in writing and file with the Council of Unit Owners, or if no such address is designated, at the address of the Unit of such Unit Owner or (ii) if the Council of Unit Owners, the Board of Directors or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates an address in writing to the Council of Unit Owners shall be entitled to receive all notices hereunder.

Section 2. <u>Invalidity</u>. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 3. <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision hereof.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, and vice versa whenever the context so requires.

Section 5. Amendments. These Bylaws may be modified or amended pursuant to the Agreement of Unit Owners of Units to which at least sixty-six and two-thirds percent (66-2/3%) of the votes in the Council of Unit Owners appertain.

Recording. A modification or amendment of Section 6. these Bylaws shall become effective only if such modification or amendment is recorded among the Land Records of Prince George's County, Maryland.

Section 7. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Condominium Act. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of the Condominium, and all Unit Owners shall be bound to abide by such modification or amendment.

Section 8. Non-Interference With the Developer. Anything herein to the contrary notwithstanding and subject to any limitations imposed by the Condominium Act, and except as required to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or any other governmental or quasi-governmental agency insuring or involved in the making or purchasing of mortgages on any Unit, so long as the Developer has a right to expand the Condominium, no Bylaw amendment or Rule and Regulation shall be adopted that could, if adopted, unreasonably interfere with the sale, lease or other disposition of Unit(s) or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Developer under the Declaration or these Bylaws or which would impose any discriminatory charge or fee against the Developer.

IN WITNESS WHEREOF, the Developer has caused these Bylaws to be executed by its duly authorized officers and its corporate seal to be affixed hereto this 301 day // 1984

> FONTAINEBLEAU, INC., a Maryland corporation

Attes

Agsistant Secretary

(SEAL)

Dale P. Shedd

President

[Corporate Seal]

) ss.: jurisdication aforesaid, do hereby certify that Dale P. Shedd and Samuel H. Weissbard as President and Assistant Secretary respectively, of Fontainebleau; Inc., a Maryland corporation personally appeared before me in said jurisdiction and being by me first duly sworn, did depose and say that they, as such officers, are parties to the foregoing and annexed instrument and that the facts set forth in said instrument are true and correct; and they acknowledged to me that they executed the said instrument as its free act and deed.

Subscribed and sworn to before me this Suth day of , 198₁2.

My Commission Expires:

[Notarial Seal]

State of Maryland