

**BY-LAWS  
AUTUMN GLEN CONDOMINIUM, INC.**

**ARTICLE I**

**Section 1. Name and Location.** The name of the Corporation is Autumn Glen Condominium, Inc. Its principal office is located at 5515 Security Boulevard, Suite 550, Rockville, Maryland 20850.

**ARTICLE II  
Plan of Condominium Regime**

**Section 1. Council of Unit owners.** This Corporation is the legal entity comprising the Council of Unit Owners of Autumn Glen Condominium, a Condominium established pursuant to the Real Property Article, Section 11-101 *et. seq.*, Annotated Code of Maryland (1988 Cum. Supp.) (the "Maryland Condominium Act") by the recordation of a Declaration, these By-Laws and Condominium Plats in the Land Records of Montgomery County, Maryland. As the Council of Unit Owners of Autumn Glen Condominium, this corporation shall govern and administer the affairs of the Condominium.

**Section 2. Definitions.**

**A. Declaration.** "Declaration" as used herein, means that certain Declaration made the 29<sup>th</sup> day of August, 2002, by the Grantor therein identified, pursuant to the Maryland Condominium Act, by which certain described premises (including land) are submitted to the Condominium property regime, and which Declaration is recorded among the Land Records for Montgomery County, Maryland, immediately prior hereto, and to which these By-Laws are appended as an Exhibit.

**B. Mortgagee.** "Mortgagee", as used herein, means the holder of any recorded mortgage, or the party secured, or beneficiary of, any recorded deed of trust encumbering one or more of the Condominium Units in the Condominium. "Mortgage", as used herein shall include deed of trust. "First mortgage," as used herein shall mean a Mortgage with priority over other mortgages. As used in these By-Laws, the term "Mortgagee" shall mean any mortgagee, and shall not be limited to institutional mortgagees.

**C. Documents.** "Documents" means, collectively, the Declaration and Condominium Plat recorded and filed pursuant to the Maryland Condominium Act, these By-Laws and the Rules and Regulations of the Condominium, as they may be amended from time to time. Any Exhibit, Schedule, or certification accompanying each document is deemed to be a part of such document.

**D. Eligible Mortgagee.** "Eligible Mortgagee" means the holder, insurer or guarantor of a first Security Interest in a unit which has notified the Council of Unit Owners, in writing, of its name and address, and that it holds a first Security Interest in a unit. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights

described herein. By example, a list of potential Eligible Mortgagees may include, but is not limited to the Federal National Mortgage Association ("Fannie Mae" or "FNMA"), the Federal Home Loan Mortgage corporation ("Freddie Mac" or "FHLMC"), the Government National Mortgage Association ("GNMA"), the U.S. Department of Housing and Urban Development ("FHA"), and the Veterans Administration ("VA"). Wherever in the Documents the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding Security Interests in Units which, in the aggregate, have allocated to them such specified percentage of votes in the Council of unit Owners when compared to the total percentage allocated to all units then subject to security Interests held by Eligible Mortgagees.

**E. Security Interest.** "Security Interest" means an interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an Ownership interest in the Condominium, and any other consensual lien or title retention contract intended as security for an obligation.

**F. 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 Declaration or in the Maryland Condominium Act.

### **ARTICLE III** **Membership**

**Section 1. Members.** Every person, group of persons, corporation, partnership, 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, corporation, partnership, trust or other legal entity, or any combination thereof which holds such interest solely as security for the performance of an obligation shall not be a member.

**Section 2. 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 the distribution to the members, an amount equal to the member's prior percentage interest in the Common Elements, as designated in the Declaration and the Plats.

### **ARTICLE IV** **Meetings 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 first annual meeting of the members of the Corporation shall be held within sixty (60) days after Units representing fifty percent (50%) of the votes in the Condominium have been sold to the initial purchaser of the Units and title to the same has been conveyed. Thereafter, the annual meetings of the members of the Corporation shall be held each succeeding year within the same month as the first annual meeting. At the first annual meeting, and each succeeding annual meeting, there shall be elected, by ballot, the members of the Board of Directors, in accordance with the requirements of Sections 1 and 4 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 twenty-five percent (25%) of the total votes of the membership being presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 4. Roster of Unit Owners.** The Corporation shall maintain a current roster of the names and addresses of each member to which written notice of meetings of the members 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 maintain a current roster of names and addresses of each unit Owner. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each member of record, at the address shown on the roster on the date of the notice, at least ten (10) days, but not more than Ninety (90) days, prior to such meeting. Service may also be accomplished by the delivery of such notice to the member at his Unit or last known address. Notice by either method shall be considered as notice served.

**Section 6. Quorum.** The presence, either in person or by proxy, of four (4) members representing at least twenty-five percent (25%) of the total votes of the membership shall constitute a quorum for the transaction of business at all meetings of members. If the number of members at a meeting drops below the quorum and the question of lack of quorum is raised, no business may thereafter be transacted.

**Section 7. Adjourned or Additional 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, by majority vote, except as otherwise provided by law: (1) adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called; or (2) invoke the procedure authorized by Section 5-206, Corporations and Associations Article, Annotated Code of Maryland, provided the notice for the meeting stated that such procedure might be invoked.

**Section 8. Order of Business.** The order of business at all meetings of the Corporation shall be as follows:

- A. Roll Call.
- B. Proof of notice of meeting.
- C. Reading of Minutes of preceding meeting.
- D. Reports of Officers.
- E. Report of Board of Directors.
- F. Reports of Committees.
- G. Appointment of inspector of election (when so required).
- H. Nomination of Directors from the floor (when so required).
- I. Election of members of the Board of Directors (when so required).
- J. Unfinished business.
- K. New business.

In the case of a special meeting, items A through E shall be applicable and, thereafter, the agenda shall consist of the items specified in the notice of the meeting.

**Section 9. Voting.** At every meeting of the members, each member shall have the right to cast one (1) vote for each Condominium Unit owned by that member on each question. Members shall be entitled to vote by proxy, but the proxy must be submitted to the Secretary prior to the meeting, and be effective only for a maximum period of one hundred eighty (180) days following its issuance, unless granted to a mortgagee or lessee. All proxies so granted may be revoked at any time by the member executing such proxy. Only a member voting in person, or a proxy voting for a specific candidate or candidates designated by the member appointing such proxy, may vote for members of the Board of Directors. "Blank" proxies may be used to vote for all other matters of business before the Corporation, including obtaining a quorum. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. In the case of a unit which is owned by more than one person or entity, any or all of such Owners may be present at any meeting of the corporation and may vote or take any other action as a unit Owner, either in person or by proxy. If such multiple Owners shall be unable to agree upon their vote upon any subject, then if only one votes his vote binds all, and if more than one votes, the vote of the majority binds all. If more than one vote and the vote is evenly split on any particular matter,

each fraction may vote the interest in question proportionally; or any person voting the interest of any beneficiary may apply to a court of competent jurisdiction to appoint an additional person to act with the persons voting the interest and the interest shall then be voted as determined by a majority of those persons and the person appointed by the court. In the event any Condominium unit is owned by a corporation, then the vote appurtenant to such Condominium Unit shall be cast by a person designated in a certificate signed by the president or any vice president and attested by the secretary or an assistant secretary of such corporation and filed with the Secretary of the corporation at or prior to the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote of the members representing fifty-one percent (51%) of the total votes of those present and voting shall decide any questions brought before such meeting, unless the question is one upon which, by express provision of statute or of the Documents, a different vote is required, in which case such express provision shall govern and control. No member shall be eligible to vote or to be elected to the Board of Directors if the Corporation has recorded a statement of Condominium lien on his unit and the amount necessary to release the lien has not been paid at the time of the meeting. No member shall be entitled to vote at the meetings of the corporation until said member has furnished to the Secretary his name and current mailing address. 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 sixty (60) days delinquent in any payment due the Corporation.

**Section 10. Inspectors of Election.** The Board of Directors may in advance of any annual or special meeting of the members, appoint an uneven number of one (1) 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 special meeting of members shall appoint such inspectors election. Each inspector so appointed, before entering upon discharge of his duties, shall take and sign an oath faithfully execute the duties of inspector of election at such meeting. The oath so taken shall be filed with the Secretary of the Corporation. No Officer or Director of the Corporation shall act as an inspect of election at any meeting of the members if one of the purposes such meeting is to elect Directors.

**Section 11. Rights of Eligible Mortgagees.** Any Eligible Mortgagee who desires notice of the annual and special meetings of the members shall notify the Secretary to that effect. Any such notice shall contain the name and post office address of such Eligible Mortgagee and the name of the person to whom notice of the annual and special meetings of the members should be addressed. The Secretary of the Corporation shall maintain a roster of all Eligible 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 annual or special meeting of the members to each such Eligible Mortgagee, in the same manner, and subject to the same requirements and limitations as are provided in this Article for notice to the members. Any such Eligible Mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the members present at any such meeting. Such representative shall be have no voting rights at any such

meeting. Such representative shall be entitled to copies of the Minutes of all meetings of the members upon request made in writing to the Secretary.

**ARTICLE V**  
**Directors**

**Section 1. Number and Qualification.** The affairs of the Corporation shall be governed by the Board of Directors, composed of not fewer than three (3) or more than five (5) persons until the first annual meeting of the members in accordance with Article IV, Section 2, the Board of Directors shall consist of three (3) persons to be designated by the Grantor. At the first annual meeting, and thereafter, all of the duly chosen and qualified Directors, and those who succeed them, shall be members, or Officers or employees of members, of the Corporation.

The foregoing notwithstanding, the Grantor must transfer control to the Members no later than the earlier of:

A. Four (4) months after conveyance of 75% of the Units that may be created to unit Owners other than the Grantor; or

B. Seven (7) years after the first unit is conveyed to a Unit Owner other than the Grantor.

**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 may do all such acts and things as 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:

A. To provide for the care, upkeep and surveillance of the project and its Common Elements and services in a manner consistent with the provisions of these By-Laws and the Declaration.

B. To establish and provide for the collection of assessments and/or carrying charges from the members, and for the assessment and/or enforcement of liens therefor, in a manner consistent with the provisions of these By-Laws and the Declaration.

C. To provide for the designation, hiring and/or dismissal of the personnel necessary for the good working order of the project and for the proper care of the Common Elements, and to provide services for the project in a manner consistent with the provisions of these By-Laws and the Declaration.

D. To promulgate and enforce such rules and regulations and such restrictions 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.

E. 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 unit Owners and to declare expenses incurred in connection therewith to be Common Expenses of the corporation.

F. To purchase insurance upon the Condominium in the manner provided for in these By-Laws.

G. 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.

H. To lease, grant licenses, easements, rights-of-way other rights of use in all, or any part of, the Common Element of the Condominium.

I. 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 Declaration..

J. To appoint the members of the Architectural and Environmental Control Committee provided for in Article XI of these By-Laws, and to appoint the members of such other committees as the Board of Directors may, from time to time designate.

K. To maintain current copies of the Condominium Documents, and make them available to owners, Mortgagees and prospective purchasers, as hereinafter set forth.

L. To exercise all powers and perform all duties enumerated in Section 11-109 of the Maryland Condominium Act.

**Section 3. Management Agent.** The Board of Directors may employ for the Corporation a Management Agent (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 authorize, including, but not necessarily limited to, the duties set out in subsections A through K of Section 2 of this Article. Any management agreement entered into by the Corporation shall provide inter alia, that such agreement may be terminated by either party, with or without cause, and without penalty, upon thirty (30) days written notice thereof. The term of any 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 (1) year periods.

Within three (3) years following the date on which units have been granted by the Grantor to unit owners having a majority of the votes in the corporation, any lease, and any management contract, employment contract, or other contract affecting the use of, maintenance of or access to all or part of the Condominium, to which the Council of unit Owners is a party, entered into

between the date the Property was subjected to the Condominium regime and the date on which Units have been granted by the Grantor to Unit Owners having a majority of the votes in the corporation, may be terminated by a majority vote of the Council of Unit owners without liability for the termination. The termination shall become effective upon 30 days' written notice of the termination from the Council of Unit Owners.

**Section 4. Election and Term of Office.** The term of the Directors named in the Articles of Incorporation shall expire when their successors have been elected at the first annual meeting of the members. A member may nominate himself or any other member to be a Director. A call for nominations shall be sent to all Unit Owners not less than forty-five (45) days before notice of an election is sent. Only nominations made at least fifteen (15) days before notice of an election shall be listed on the election ballot. Candidates shall be listed on the ballot in alphabetical order, with no indicated candidate preference. Nominations may be made from the floor at the meeting at which the election to the Board is held. There shall be no cumulative voting. At the first annual meeting of the members the term of office of the Director receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the Directors receiving the second and third greatest number of votes shall be fixed at two (2) years, and the term of the Directors receiving the fourth and fifth greatest number of votes shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first 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.** At a regular or special meeting duly called, any Director may be removed with or without cause by the affirmative vote of the majority of the votes of the members present and voting, in person or by proxy, and a successor may then and there be elected by the membership to fill the vacancy thus created. The term of any Director who becomes more than sixty (60) days delinquent in payment of any assessments or carrying charges due to the corporation may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided in this Article.

**Section 7. Compensation.** No compensation shall be paid to Directors for their services as Directors. However, Directors may be reimbursed for the expenses incurred in the performance of their duties.

**Section 8. Organization Meeting.** The first meeting of the newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the 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 four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director and member, personally or by mail, telephone or telegraph, at least fifteen (15) 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 or by any two (2) Directors on fifteen (15) days notice to each Director and member, given personally or by mail, telephone or telegraph, which notice shall state time, place (as hereinabove provided) and purpose of meeting.

**Section 11. Closed Meetings.** A meeting of the Board of Directors may be held in closed session only for the following purposes:

- A. Discussion of matters pertaining to employees and personnel;
- B. Protection of the privacy or reputation of individuals in matters not related to the Council of Unit Owners' business;
- C. Consultation with legal counsel;
- D. Consultation with staff personnel, consultants, attorneys, or other persons in connection with pending or potential litigation;
- E. Investigative proceedings concerning possible or actual criminal misconduct;
- F. Complying with specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure; or
- G. On an individually recorded affirmative vote of two-thirds (2/3) of the Board members present, for some other exceptional reason so compelling as to override the general public policy in favor of open meetings.

If a meeting is held in closed session, no action may be taken, and no matter may be discussed, if it is not among those permitted by sub-sections (A) through (G) above. A statement of the time, place and purpose of such meeting, the record of the vote of each board member by which such meeting was closed, and the authority under this section for closing such meeting shall be included in the Minutes of the next meeting of the Board of Directors.

**Section 12. 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 and place thereof. If all the 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 13. 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 shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 14. 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. Such written consent or consents shall be filed with the Minutes of the proceedings of the Board of Directors.

**Section 15. Meeting by Conference Telephone.** The Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment if all members of the Board of Directors participating in the meeting can hear and speak to each other at the same time. Participation in a meeting by these means constitutes a presence in person at a meeting. In the event that a meeting held telephonically shall be a meeting other than a closed meeting as defined in Article V, Section 11, the Condominium Unit Owners who seek to attend the meeting shall be provided a location at which they can hear and, to the extent permissible by these By-Laws, participate in the meeting.

**Section 16. Rights of Eligible Mortgagees.** Any Eligible Mortgagee who desires notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect. Any such notice shall contain the name and post office address of such Eligible 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 Eligible 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 Eligible 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 Eligible 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 request made to the Chairman in advance of the meeting, address the members of the Board of Directors present 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 17. Fidelity Bonds.** The Board of Directors shall require that all Officers, Directors and employees of the Corporation 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 XII of these By-Laws. The premiums on such bonds or insurance shall be paid by the Corporation. The Board of Directors shall give prompt written notice of any lapse, cancellation or material modification to such bond or insurance to each Eligible Mortgagee.

**Section 18. Procedure Prior to Imposition of Sanction for Rule Violations.** The Board may not impose a fine, suspend voting, or infringe upon any other rights of a member or other occupant for violations of rules until the following procedure is followed:

A. written demand to cease and desist from the alleged violation is served on the alleged violator specifying:

(1) the alleged violation;

(2) the action required to abate the violation; and

(3) a time period, not less than ten (10) days, during which the violation may be abated without further sanction if the violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing if the violation is not continuing.

B. Within twelve (12) months of the demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is violated subsequently, the Board serves the alleged violator with written notice of a hearing to be held by the Board in session. The notice shall contain:

(1) the nature of the alleged violation;

(2) the time and place of the hearing, which time may be not less than ten (10) days from the giving of the notice;

(3) an invitation to attend the hearing and produce any statement, evidence, and witnesses on his or her behalf; and

(4) the proposed sanction to be imposed.

C. A hearing occurs at which the alleged violator has the right to present evidence and present and cross-examine witnesses. The hearing shall be held in executive session pursuant to this notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction, proof of notice and the invitation to be heard shall be placed in the

Minutes of the meeting. This proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Officer or Director who delivered the notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The Minutes of the meeting shall contain a written statement of the results of the hearing, and the sanction, if any, imposed.

D. A decision pursuant to these procedures shall be appealable to the Courts of Maryland.

**Section 19. Registration.** The Board shall register, initially and annually, as required by, and pursuant to, the provisions of Section 11-119(d) of the Maryland Condominium Act.

## **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. Prior to the first annual meeting of Unit Owners, all of the Officers of the Corporation need not be unit Owners. The President shall be elected from among the members of the Board of Directors. The Directors may appoint Assistant Secretaries and Assistant Treasurers, and such other Officers as in their judgment may be necessary.

**Section 2. Election of Officers.** The Officers of the Corporation shall be elected annually by the Board of Directors at the organizational 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 the President of a corporation, including, but no limited to, the power to appoint committees from among the membership, from time to time, as he may, in his discretion, decide is 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 perform such other duties as shall, from time to time, be imposed upon 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 of the Corporation; he shall have custody of the Seal of the Corporation; he shall have charge of the membership transfer books, and of such other books and papers as the Board of Directors may direct; he shall count votes at the meetings of the members of the Corporation; 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 corporate funds and securities, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Corporation, in such depositories as may, from time to time, be designated by the Board of Directors. He shall be bonded under a fidelity bond, in such amount as may be determined by the Board of Directors.

**Section 8. Registration.** The Officers of the Corporation shall register annually, pursuant to the provisions of the Condominium Act.

## **ARTICLE VII**

### **Liability and Indemnification of Officers and Directors**

**Section 1. Liability and Indemnification of Officers and Directors.** The Corporation shall indemnify every person who is or was an Officer or Director of the Corporation, and who was, is or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, whether civil, criminal, administrative or investigative, if that person (1) acted in good faith; and (2) reasonably believed (a) in the case of conduct in that person's official capacity, that the conduct was in the best interests of the Corporation; and (b) in all other cases, that the conduct was at least not opposed to the best interests of the Corporation; and (3) in the case of any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful. The indemnification provided for in this Article is against judgments, penalties, fines, settlements and reasonable expenses actually incurred in connection with any such threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative; provided, however, that if any such action, suit or proceeding was one by or in the right of the Corporation, indemnification shall be made only against reasonable expenses and shall not be made in respect of any proceeding in which the person otherwise entitled to indemnification pursuant to the provisions of this Article has been adjudged to be liable to the Corporation. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, creates a rebuttable presumption that the person otherwise entitled to indemnification did not meet the requisite standard of conduct set forth in this Article. A person who is or was an Officer or Director of the Corporation is not indemnified under the provisions of this Article in respect of any threatened, pending or completed action, suit or proceeding charging improper personal benefit to that person, whether or not involving action in that person's official capacity, in which the person was adjudged to be liable on the basis that personal benefit was improperly

received. The provisions of this Article are intended to provide every person who was, is, or is threatened to be made, a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, with indemnification, to the extent permitted in Section 2-418(b) of Title 2, Corporations and Associations Article, Annotated Code of Maryland, as from time to time amended or superseded. Indemnification under this Article may not be made by the Corporation unless authorized in the specific case after a determination has been made that indemnification is permissible because the person who is or was an Officer or Director of the Corporation has met the standard of conduct set forth in this Article. Such determination shall be made in the manner provided in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland, as from time to time amended or superseded. Reasonable expenses incurred by any person who is or was an Officer or Director of the Corporation, and who is a party to any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, may be paid or reimbursed by the Corporation in advance of the final disposition of that proceeding, after a determination that the facts then known to those making the determination would not preclude indemnification under this Article, upon receipt by the Corporation of:

A. A written affirmation by that person of that person's good faith belief that the standard of conduct necessary for indemnification by the Corporation, as authorized in this Article, has been met; and

B. A written undertaking by or on behalf of that person to repay the amount if it shall ultimately, be determined that the standard of conduct necessary for indemnification by the Corporation, as authorized in this Article, has not been met. The undertaking required by this sub-paragraph (B) shall be an unlimited general obligation of the person making it, but need not be secured, and may be accepted without reference to financial ability to make the repayment. Determination and authorization of payments under this Article shall be in the manner specified in section 2-418 (e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland, as from time to time amended or superseded. The Officers and Directors of the Corporation shall not be liable to the Corporation for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Officers and 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 except to the extent that such Officers or Directors may also be members of the Corporation, and the Corporation shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment, except as aforesaid. The provisions of this Article do not limit the power of the Corporation to pay or reimburse expenses incurred by any person who is an Officer or Director of the Corporation in connection with an appearance as a witness in any proceeding by reason of service in that capacity, or otherwise involving the Corporation, when that person has not been made a named defendant or respondent in the proceeding. Any right to indemnification provided for in this Article shall be in addition to, and not exclusive of, any other rights to which any person who is or was an Officer or Director of the Corporation may be entitled by law, or otherwise. The Corporation

may purchase and maintain insurance on behalf of any person who is or was an Officer or Director of the Corporation against any liability asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not the Corporation would have the power to indemnify against such liability pursuant to the provisions of this Article, or otherwise. Any indemnification of, or advance of expenses to, any person in accordance with the provisions of this Article, if arising out of a proceeding by, or in the right of the Corporation, shall be reported in writing to the members of the corporation with notice of the next annual meeting of members of the corporation or prior to the next annual meeting of members.

## **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. A contract or other transaction between the Corporation and any of its Directors, or between the Corporation and any other corporation, firm or other entity in which any of its Directors is a Director or has a material financial interest is not void or voidable solely because of the common Directorship or interest, or because the Director is present at the meeting of the Board of Directors which authorizes, approves or ratifies the contract or transaction, or because the vote of the Director was counted for the authorization, approval or ratification of the contract or transaction, if any of the following conditions exist:

A. The fact of the common Directorship or interest is disclosed or known to the Board of Directors, and the Board of Directors authorizes or ratifies the contract or transaction by the affirmative vote of a majority of disinterested Directors, even if the disinterested Directors constitute less than a quorum; or

B. The fact of the common Directorship or interest is disclosed or known to the members of the Corporation entitled to vote, and the contract or transaction is authorized, approved or ratified by a majority of the votes cast by the members entitled to vote, other than the votes appurtenant to memberships owned by the interested Director or corporation, firm or other entity; or

C. The contract or transaction is fair and reasonable to the Corporation at the time it is authorized, approved or ratified. Common or interested Directors, or the votes which they are entitled to cast or which are entitled to be cast by an interested corporation, firm or other entity, may be counted in determining the presence of a quorum at a meeting of the Board of Directors, or at a meeting of the Unit Owners, as the circumstances may require, at which the contract or transaction is authorized, approved or ratified. If a contract or transaction is not authorized, approved or ratified in the manner provided for in sub-paragraphs (A) or (B) of this Paragraph, the person asserting the validity of the contract or transaction bears the burden of proving the contract or transaction was fair and reasonable to the Corporation at the time it was authorized, approved or ratified.

**ARTICLE VIII**  
**Management**

**Section 1. Management and Common Expenses.** The Corporation shall manage, operate and maintain the Condominium project and, for the benefit of the Condominium units and Owners thereof, shall enforce the provisions hereof, and may payout of the Common Expense fund the following:

A. The cost of providing water, sewer, garbage and trash collection, electrical and other necessary utility services for the Condominium, including recreational facilities used by the Condominium project and for the Condominium Units, except where individually metered and separately billed to an individual Unit.

B. The cost of fire and extended liability insurance on the project, the cost of such other insurance as the Corporation may obtain, and the cost of the fidelity bond of the Treasurer and of such other employees as deemed necessary by the Board.

C. The cost of the services of a person or firm to manage the project, 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 for the operation of the project.

D. The cost of providing such legal and accounting services as may be considered necessary to the operation of the project.

E. The cost of painting, maintaining, repairing and snow removal of the Common Elements, and such furnishings and equipment for 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 or exterior of any Condominium Unit, or maintain the Limited Common Elements, or any fixtures or equipment located therein.

F. The cost of any and all 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 General 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 may be specially assessed to the Owner or Owners thereof.

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 General Common Elements or to preserve the appearance or value of the 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, nor (except in the case of an emergency) without reasonable written notice to the Owner of the Condominium Unit proposed to be maintained, and provided, further, that 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 to the then Owner of said Condominium, at which time the assessment shall become due and payable and a continuing lien and obligation of said Owner in all respects, as provided in Article IX of these By-Laws.

H. Any amount necessary to discharge any lien or encumbrance levied against the project, or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against any of the Common Elements rather than the interest of the Owner of an individual Condominium Unit. The cost of all material and labor incident to the maintenance and/or repair of all exterior paint and/or stain, roof, exterior doors, gutters and downspouts, and other items of exterior trim of all Condominium units.

I. The Corporation may, at the discretion of the Board of Directors, collect and pay the dues and fees owed by the Condominium Unit Owners to the Autumn Glen Homeowners Association, Inc. In the event that the Board of Directors shall decide to collect and pay said dues and fees, said dues and fees shall become part of the condominium dues and fees paid by each Condominium Unit Owner to the Corporation and the failure to pay said Homeowners Association dues shall be enforceable in the same manner as if the Condominium Unit Owners shall have failed to pay the Condominium Dues to the Corporation.

Except in the event of a bona fide emergency, if the cost of any item contained in sub-paragraphs A-I above has not been budgeted for by the Board and will exceed Twenty-Five Thousand Dollars (\$25,000.00), the Board of Directors shall not pay or authorize such expense until it is approved by a majority of the membership.

**Section 2. Duty to Maintain.** It shall be the sole obligation and the exclusive right of the corporation to perform the exterior maintenance and/or repair set forth in Section 1(I) above. Except for those specific requirements imposed upon the corporation, the Owner of any Condominium Unit shall, at his own expense, repair and, maintain his Condominium Unit, and any and all equipment, fixtures, appliances, electrical systems, plumbing systems and utilities [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, repair and the like which may, at any time, be necessary to maintain the good appearance of his Condominium unit. The Owner of any Condominium Unit shall also, at his own expense, maintain, repair and replace any Limited Common Elements which may be appurtenant to such Condominium Unit in a clean, orderly and sanitary condition, including, but not limited to, the maintenance of the fireplace, balcony, deck and/or patio. All maintenance, repairs and replacements to the General Common Elements, whether located inside or outside of the units (except when such repairs are required by the negligence, misuse or neglect of the unit Owner, in which case such expense shall be charged to the unit Owner) shall be made by the Board of Directors and charged to all the Unit Owners as a

Common Expense. Each Unit Owner shall maintain the interior glass windows and/or interior and exterior doors, if any, located in or about his Unit. The exterior and interior surfaces of all entry doors leading to Common Elements or Limited Common Elements shall be cleaned, maintained and repaired by, and at the expense of, the individual unit Owners.

**Section 3. 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 notice to the Owner, to enter any Condominium unit or Limited Common Element appurtenant thereto, at any hour and by any means considered to be reasonable under the circumstances. In the event that the Unit Owner has not provided the Management Agent with a key which permits access to the Unit, in the event of an emergency, any damage caused to the Unit in the process of gaining such emergency access shall be the sole responsibility of the Unit Owner.

**Section 4. Easements for Utilities and Related Purposes.** Subject to restrictions contained in the Declaration, the Corporation is authorized and empowered to grant licenses, easements and/or rights-of-way for sewer lines, water lines, electrical cables, telephone cables, television cables, gas lines, storm drains, underground conduits, ingress and egress thereto, and/or such other purposes related to the provision of public utilities to the project or other similar projects as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation of the health, safety, convenience and/or welfare of the Owners of the Condominium Units. The same may be granted over only those portions of the Common Elements upon which no building or structure has been erected.

**Section 5. 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 from any 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 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 IX**

### **Assessments and Carrying Charges**

**Section 1. Annual Assessments and Carrying Charges.** Each member shall be liable for all assessments, or installments thereof, coming due while he is the owner of a Unit. Each member shall pay to the corporation, in advance, a monthly sum (hereinafter sometimes referred to as "the common expense assessment") equal to one-twelfth (1/12) of the member's proportionate share

(determined in accordance with the percentage set forth in Exhibit "C" to the Declaration) of the sum required by the Corporation, as estimated by its Board of Directors, to meet its annual expenses and for the creation of reserves for the payment of future Common Expenses, including, but in no way limited to, the following:

A. The cost of all operating expenses of the project and services furnished, including charges by the corporation for facilities and services furnished by it.

B. The cost of necessary management and administration, including fees paid to any Management Agent.

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.

D. The cost of fire and extended liability insurance on the project, and the cost of such other insurance as the Corporation may obtain.

E. The cost of furnishing water, sewer, electricity, garbage and trash collection and/or other utilities, to the extent such utilities are not separately metered and billed to individual units.

F. The cost of funding all reserves established by the Corporation.

G. The estimated cost of repairs, maintenance and replacements of the project to be made by the Corporation.

The regular (as opposed to special) assessments determined pursuant to this Article shall include an adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a regular basis. The Board of Directors shall determine the amount of the assessment annually, so as to equal the estimated annual operating expenses, and may do so at more frequent intervals, should circumstances so require. In addition, a working capital fund shall be established, which shall be funded by a non-refundable initial capital contribution by each member equal to two (2) months' assessment, and payable by each member to the Corporation upon the purchase of a Unit from the Grantor. Such fund shall be used as working capital, and shall not reduce future assessments. Each such capital contribution received from a member shall be deposited into the Corporation's operating account, shall be used to pay the operating expenses of the Corporation. The Board of Directors of the corporation shall make reasonable efforts to fix the amount of the assessment against each member for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the membership and assessments applicable thereto, which shall be kept at the office of the Corporation, and shall be open to inspection by any member upon reasonable notice to the Board. Written notice of the assessment shall, thereupon, be sent to the members. The failure of the Board of Directors to fix the said assessments, or to notify the members thereof before the expiration of any assessment period, shall not be deemed a waiver or modification in any respect

of the provisions of this Article, or a release of any member 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 the Condominium Unit belonging to him.

**Section 2. 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 project, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate, provided that any such assessment shall have the assent of the members representing sixty-seven percent (67%) of the votes present at a special meeting called for the purpose of approving or disapproving such special assessment. The meeting of the members shall be duly called for this purpose, written notice of which shall be sent to all members, at least fifteen (15), but not more than thirty (30), days in advance of such meeting, which notice shall set forth the purpose of the meeting.

**Section 3. Non-Payment of Assessment.** Any assessment levied pursuant to these By-Laws, or any installment thereof, which is not paid on the date when due, shall be delinquent and shall, together with interest, late charges, if any, the actual costs of collection, and reasonable attorneys' fees, become a continuing lien upon the Condominium Unit on which it is assessed, and shall bind such Condominium Unit or Units in the hands of the then owner, his heirs, devisees, personal representatives and assigns, provided that a "Statement of Condominium Lien" is recorded against the Unit, in accordance with the provisions of the Maryland Contract Lien Act.

The recordation of a grant of a unit for value extinguishes the right of the Corporation thereafter to file a statement of Condominium Lien for assessments, or installments thereof, due prior to the recordation of the grant. The lien shall be effective against a Unit from and after the time a Statement of Condominium Lien is recorded among the Land Records of Montgomery County, Maryland, stating the description of the Unit, the name of the record owner, the amount due and the period for which the assessment was due.

The Statement of Condominium Lien shall state that written notice of intention to file the Statement of Condominium Lien, of the amount due, and of the Unit Owner's right to request a hearing was given to the owner of the Unit, at the address shown on the roster maintained pursuant to Article IV, section 4 of the By-Laws, by or on behalf of the Corporation, at least fifteen (15) days in advance of recording. The Statement of Condominium Lien shall be signed and verified by an Officer or agent of the Corporation as specified in the By-Laws, and then may be recorded. The owner of the unit may, before recording, obtain a hearing before the Board of

Directors by requesting a hearing in writing within fifteen (15) days after notice is given, if the owner believes that the amounts stated in the written notice or in the Statement of Condominium Lien are erroneous, or are otherwise not due as claimed. After a hearing, or fifteen (15) days after notice is given if no hearing is requested, the Statement of Condominium Lien may be recorded. After the Statement of Condominium Lien is recorded, the owner of the unit may petition the circuit Court for Montgomery County to reform the recorded Statement of Condominium Lien to correct any error therein. On full payment of the assessment and other permitted amounts for which the lien is claimed, the unit Owner shall be entitled to a recordable satisfaction of the lien in any form used for the release of mortgages in Montgomery County. Fees and charges imposed under section 11-109(d) of the Maryland Condominium Act, and fines imposed under section 11-113 of the Maryland Condominium Act are enforceable as assessments under this Section.

If a member fails to pay a monthly installment when due, the Corporation may demand payment of the remaining annual assessment coming due within that fiscal year. Such a demand by the Corporation is not enforceable unless the Corporation, within fifteen (15) days of a member's failure to pay a monthly installment, notifies the member that, if the member fails to pay the monthly installment within fifteen (15) days of the notice, full payment of the remaining annual assessment will then be due and shall constitute a lien on the Unit, as provided in this Section.

In addition to any other remedies available to the Corporation, the Corporation may suspend the use by a Condominium Unit Owner, his family, guests or tenants of any of the recreational facilities for failure to make payment of any assessment or fees due.

Any assessment levied pursuant to these By-Laws or installment thereof, which is not paid within ten (10) days after it is due shall bear interest at the rate of eighteen percent (18%) per annum from the date when due until paid, and the Corporation may bring an action at law against the member personally obligated to pay the same, or foreclose the lien against the Condominium Unit or units then belonging to said member in the same manner, and subject to the same requirements, both procedural and substantive as are now established under the laws of Maryland for the foreclosure of mortgages, in either of which events interest, costs, and reasonable attorneys' fees of not less than fifteen percent (15%) of the sum claimed shall be added to the amount of each assessment. No action may be brought to foreclose the lien unless brought within three (3) years following the recordation of the Statement of Condominium Lien. No action may be brought to foreclose the lien except after ten (10) days written notice to the member given by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to the address of the member shown on the books of the Corporation. If any assessment, or installment thereof, is not paid when due, the Board of Directors may also impose a late charge of Fifteen Dollars (\$15.00), or one-tenth (1/10) 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 be imposed only if the delinquency has continued for at least fifteen (15) calendar days. A declaration in trust does not exist for the enforcement of the lien for common expenses at the date of recordation hereof.

The personal obligation of the member to pay such assessment shall remain his personal obligation for the statutory period, and a suit to recover a money judgment for non-payment of any assessments levied pursuant to these By-Laws, or any installment thereof, may be maintained without recording the Statement of Lien, and without foreclosing or waiving the lien herein, and by the aforesaid statute created to secure the same.

In the event any proceeding to foreclose the lien for any assessment due the Corporation pursuant to this Article is completed 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 rent for such unit or Units, and the corporation shall be entitled to the appointment of a receiver to collect the same.

**Section 4. Assessment Certificates.** The corporation shall, upon demand at any time, furnish to any member liable for any assessment levied pursuant to these By-Laws (or any other party legitimately interested in the same) a certificate in writing signed by an Officer 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 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 a certificate.

**Section 5. Priority of Lien.** The lien hereinabove set forth shall be inferior only to deeds of trust, mortgages or other encumbrances recorded prior to the date of the recording of the Statement of Lien, or recorded promptly after receipt of a written statement from the Board of Directors that payments due on said Unit were current as of the date of such written statement. Upon the voluntary sale or conveyance of a Unit, there shall be paid, or provided from the sale proceeds, an amount sufficient to satisfy any unpaid portion of the assessments due as of the date of sale or conveyance. Any purchaser or mortgagee in connection with any such sale or conveyance shall be entitled to a statement furnished by the Board of Directors setting forth, in detail, the amount of any unpaid assessments owed by the seller or borrower, and such purchaser or mortgagee shall be entitled to rely on such statement, and shall have no liability for, nor shall the Unit be encumbered with, an amount of unpaid assessments greater than that shown on such statement. A mortgagee who takes title by virtue of foreclosure of a mortgage, or by deed or assignment in lieu of foreclosure of a mortgage, or any purchaser at a foreclosure sale, will take the Unit free of any claims for unpaid assessments and charges by the Council against the unit which accrue prior to the time such mortgagee or purchaser takes title to the Unit.

**Section 6. Subordination and Mortgage Protection.** Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to these By-Laws upon any Condominium Unit in the project shall be subordinate to, and shall in no way affect the rights of the holder of any indebtedness secured by, any recorded mortgage upon such interest made in good faith and for value received, provided, however, that such subordination shall apply only to

assessments which have become due and payable prior to a sale or transfer of such Condominium unit pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser at such sale, or the Condominium Unit, from liability for any assessments, thereafter accruing and becoming due, nor from the lien of any such subsequent assessment, which said lien, if any, shall have the same effect and be enforced in the same manner as provided herein. No amendment to this Section shall affect the rights of the holder of any such mortgage (or the indebtedness secured thereby) recorded prior to recordation of such amendment unless the older thereof (or of the indebtedness secured thereby) shall join the execution of such amendment.

**Section 7. Additional Rights of Mortgagees - Notice.** The Corporation shall promptly notify the applicable Eligible Mortgagee on any Condominium Unit for which any assessment levied pursuant to the Declaration or these By-Laws, or any installment thereof becomes delinquent for a period in excess of sixty (60) 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 Declaration 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 Declaration or these By-Laws, or the validity of any lien to secure the same. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration 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. Additional Default.** Any recorded first mortgage secured by a Condominium Unit in the Condominium shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to the Declaration 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 provide 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.

**Section 9. 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 members and 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 10. Grantor.** The Grantor shall pay full assessments on all Units owned by the Grantor, and shall enjoy the same rights and, unless otherwise expressly stated herein to the contrary, shall assume the same duties, as they relate to each individual unit owned by the Grantor.

## ARTICLE X Use Restrictions

**Section 1. Residential Use.** Except for those Units used by Grantor as Model Units or a Sales Office, as provided in the Declaration, all Condominium Units shall be used for private residential purposes exclusively, except for such temporary non-residential uses as may be permitted by the Board of Directors, from time to time.

**Section 2. Leasing.** With the exception of a lender in possession of a Condominium unit following a default in a mortgage foreclosure proceeding, or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall lease his Unit for transient or hotel purposes. No Unit Owner shall lease or sub-lease less than the entire Unit. All leases shall be in writing, and shall provide that the lease is subject, in all respects, to the provisions of the Declaration, By-Laws and Rules and Regulations, and that a failure by the lessee to comply with the terms of such documents shall be a default of the lease. The Unit Owner shall provide to the Management Agent a copy of any lease affecting the Unit.

### **Section 3. Prohibited Uses and Nuisances.**

A. No unlawful trade or activity shall be carried on within the project, or within any Condominium Unit or any Common Elements (General or Limited) situate thereon, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other Owners. No nuisances shall be permitted within the Condominium, nor shall any use or practice be permitted which is or becomes an unreasonable source of annoyance to the Unit Owners or which unreasonably interferes with the peaceful use and possession thereof by the Unit Owners.

B. There shall be no obstruction of any Common Elements. Nothing shall be stored upon any General Common Elements without the approval of the Board of Directors.

C. Nothing shall be done or maintained in any Condominium Unit or upon any Limited or General Common Elements which will increase the rate of insurance of 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 the Limited or General Common Elements, which would be in violation of any law. No waste shall be committed upon any Limited or General Common Elements.

D. No structural alteration, construction, addition or removal of any Condominium unit or Limited or General Common Elements shall be commenced or conducted except in strict accordance with the provisions of these By-Laws, or Title 11 of the Real Property Article of the Annotated Code of Maryland.

E. The maintenance, keeping, 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 Limited or General Common Elements, except that this shall not prohibit the keeping of no more than two (2) dogs, not to exceed a combined fifty (50) pounds in weight, cats or caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes. The Board of Directors, in its sole discretion, shall have the power and authority to grant exceptions to the foregoing on a case by case basis.

F. Except for any units owned by Grantor, or its assigns, no signs of any character shall be erected, posted or displayed upon, in, from or about any Condominium unit or Limited or General Common Elements, provided, however, that one temporary real estate sign, of customary and reasonable dimensions, may be displayed upon, in or from any Condominium Unit placed on the market for sale or rent. Grantor may employ whatever means are appropriate in its sole discretion to sell units. (including the use of Common Elements and the use of "Model" Units) and may continue its sales operation in the same manner until all Units in the Condominium are sold.

G. No boats, boat trailers, recreational vehicles, trucks of a capacity of one (1) ton or more, commercial vehicles, or unlicensed vehicles may be parked upon the Common Elements, except as may be permitted by the Board of Directors. Bicycles shall not be stored on the balconies, patios or terraces.

H. No part of the Limited or General Common Elements shall be used for commercial activities of any character (except as provided in F above).

I. No burning of any trash, and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or materials or trash of any other kind shall be permitted within any Condominium Unit or upon any Limited (including balconies and terraces) or General Common Elements. Trash and garbage containers shall not be permitted to remain in public view, and all trash shall be deposited into the central trash collection area designated by the Grantor. All members shall abide by the Rules and Regulations regarding the use of the trash enclosure or compactor.

J. No structure of a temporary character, trailer, tent, shack, barn or other outbuildings shall be maintained upon any Limited or General Common Elements at any time. Outdoor clothes dryers or clothes lines shall not be maintained upon any of the Common Elements at any time. No clothing, laundry or the like shall be hung from any part of any Condominium Unit or upon any of the Common Elements.

K. 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.

L. The Limited Common Elements appurtenant to each Unit must be kept in an orderly condition so as not to detract from the neat appearance of the community. In this regard, no motorcycles may be parked on the patios, decks, front entrance ways or unpaved sections of the Common Elements.

M. No motorized vehicle may be used, or maintained on the patio or terrace or sidewalks of any building or first floor Unit, and no unlicensed vehicles are allowed on the Property. The Board of Directors shall have the right to tow any vehicle(s), the keeping or parking of which in the Common Elements violates these By-Laws or the Autumn Glen Condominium Rules and Regulations, attached to these By-Laws as Schedule 1, upon forty-eight (48) hours notice. There shall be no repair, service, or maintenance involving motorized vehicles, including without limitation, the changing of oil or other mechanical fluids and the assembly and disassembly of motorized vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkept conditions, shall not be pursued or undertaken on any portion of any Condominium unit or Common Elements, provided however, that motor vehicles may be washed and emergency minor repairs may be made. Discharge of fluids from vehicles, including, without limitation, oil, gas, and antifreeze onto the Common Elements or any Condominium Unit is strictly prohibited. No mechanical fluids of any kind shall be disposed of into the water or sewage systems of any Condominium Unit or the Common Elements.

O. There shall be no violation of any Rules or Regulations for the use of the Units or Common Elements which may, from time to time, be adopted by the Board of Directors and promulgated among the membership by them in writing.

**Section 4. First Refusal.** The right of any unit Owner to sell transfer, or otherwise convey his Unit shall not be subject to right of first refusal or any similar restriction in favor of the Corporation. Should a Unit Owner reserve to himself the right of first refusal or similar restriction in the sale of his Unit any mortgagee who obtains title to the Unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall be exempt from any such right of first refusal or similar restriction.

**ARTICLE XI**  
**Architectural Control**

**Section 1. Architectural Control.** Except for the original construction by the Grantor of the Condominium Units situate within the project and any improvements to any Limited or General Common Elements accomplished by the Grantor concurrently with said construction, and except for purposes of proper maintenance and repair, or as otherwise in these By-Laws provided, it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, decorations, aerials, antennas, radio or television broadcasting or receiving devices, interior and exterior bars on windows and doors, walls, or to make any change to or otherwise alter (including any alteration in color) in any manner whatsoever any Condominium Unit within the project, or to remove or alter any windows or exterior doors of any Condominium unit, or to make any change or alteration within or without any Unit which will alter the structural integrity of the Building or otherwise affect the Property, interest or welfare of any other unit Owner, or materially increase the cost of operating or insuring the project, without the written consent of the Board of Directors or by an Architectural and Environmental Control Committee designated by the Board of Directors.

**Section 2. Architectural and Environmental Control Committee - Operation.** The Architectural and Environmental control Committee shall be composed of an uneven number, of three (3) or more, natural persons designated, from time to time, by the Board of Directors of the corporation, and such persons shall serve at the pleasure of the Board of Directors. In the event the Board of Directors fails to appoint an Architectural and Environmental Control Committee, then the Board of Directors shall constitute the Committee. The affirmative vote of a majority of the members of the Architectural and Environmental Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article.

**Section 3. Approvals. etc.** Upon approval of the Architectural and Environmental Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting same. In the event the Architectural and Environmental Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within sixty (60) days after such plans and specifications (and all other materials and information required by the Architectural and Environmental Control Committee) have been submitted to it in writing, then approval will not be required, and this Article will be deemed to have been fully complied with.

**Section 4. Limitations.** Construction or alterations in accordance with the plans and specifications approved by the Architectural and Environmental Control committee, pursuant to the provisions of this Article, shall be commenced within six (6) months following the date upon

which the same are approved by the Architectural and Environmental Control Committee (whether by affirmative action or by forbearance from action, as in Section 3 of this Article provided for), and shall be substantially completed within twelve (12) months following the date of commencement, or within such longer period as the Architectural and Environmental Control Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Architectural and Environmental Control Committee shall be conclusively deemed to have lapsed, and compliance with the provisions of this Article shall again be required. There shall be no deviation from plans and specifications approved by the Architectural and Environmental Control Committee without the prior written consent of the Architectural and Environmental Control Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural and Environmental Control Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

**Section 5. Certificate of Compliance.** Upon the completion of any construction or alteration or other improvements or structure in accordance with plans and specifications approved by the Architectural and Environmental Control Committee in accordance with the provisions of this Article, the Architectural and Environmental Control Committee shall, at the request of the unit Owner affected, issue a certificate of compliance which shall be prima facie evidence that such construction, alteration or other improvements referenced in such certificate have been approved by the Architectural and Environmental Control Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions of these By-Laws as may be applicable.

**Section 6. Rules and Regulations, etc.** The Architectural and Environmental Control Committee may, from time to time, adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish such statements of policy, standards, guideline and establish such criteria relative to architectural styles or details, or other related matters, as it may consider necessary or appropriate. Any such guidelines must be approved by the majority of the Board of Directors. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of the Declaration or these By-Laws. Once such rules, regulations, statements, or criteria are adopted, members of the Architectural and Environmental Control Committee shall have full authority consistent with such rules and regulations. The approval of the Board of Directors is required for any act by the Architectural and Environmental Control Committee that is inconsistent with the authority granted by such rules and regulations. The Architectural and Environmental Control Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article. The decisions of the Architectural and Environmental Control Committee shall be final, except that any Unit Owner who is aggrieved by any action, or forbearance from action, by the Architectural and Environmental Control Committee may appeal the decision of the Architectural and Environmental Control Committee to the Board of Directors of the Corporation and, upon the request of such Unit Owner, shall be

entitled to a hearing before the Board of Directors.

**Section 7. Violations.** The Board of Directors shall have the absolute right to demand and enforce removal of all construction or alterations undertaken and/or completed by a Unit Owner without the required prior consent of the Architectural and Environmental Control Committee (if such consent is required by this Article XI) or undertaken and/or completed in violation of the Rules and Regulations promulgated by section 6 of this Article. In the event that the Board of Directors undertakes legal action to enforce such removal, the Unit Owner in violation shall be responsible to reimburse the Board for reasonable attorneys' fees and the payment of all costs incurred.

## **ARTICLE XII**

### **Insurance**

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

A. Casualty or physical damage insurance covering all of the Common Elements, fixtures and common personal property of the Corporation in an amount equal to the full replacement value (i.e. 100% of current "replacement cost," exclusive of land, foundation, excavation and other items normally excluded from coverage) of the Condominium project (including all building service equipment and the like) with an "Agreed Amount Endorsement," an "Inflation Guard Endorsement" (when possible), a "Steam Boiler and Machinery Coverage Endorsement" in an amount not less than Fifty Thousand Dollars (\$50,000.00) per accident, per location (if the project has central heating or air conditioning), a "Condominium Replacement Cost" Endorsement, and a "Contingent Liability from Operation of Buildings Laws" Endorsement, 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 the following:

(1) loss or damage by fire or other hazards covered by the standard extended coverage endorsement, together with coverage for Common Expenses with respect to Condominium Units during any period of repair or reconstruction;

(2) such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including, but not limited to, cost of demolition, vandalism, malicious mischief, windstorm, water damage, machinery explosion or damage, and such other insurance as the Board of Directors may, from time to time, determine; and Comprehensive general liability insurance covering all of the Common Elements, with a "Severability of Interest" Endorsement, in such amounts and in such forms as may be considered appropriate by the Board of Directors (but not less than One Million and No/100 Dollars (\$1,000,000.00), covering all claims for bodily injuries, including deaths of persons, and/or property damage arising out of a single occurrence) including, but not limited to, water damage, legal liability, hired automobile,

non-owned automobile, liability for property of others, and any and all other liability incident to the ownership, maintenance and/or use of the Condominium project or any portion thereof and legal liability arising out of lawsuits related to employment contracts of the Corporation;

C. Workmen's compensation insurance, to the extent necessary to comply with any applicable law;

D. A "Legal Expense Indemnity" Endorsement, or its equivalent, affording protection for the Officers and Directors of the Corporation from expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any Officer or Director shall have been made a party by reason of his or her services as such; and

E. Fidelity Bonds, in an amount which conforms to current lender recommendations (currently an amount equal to one hundred per cent (100%) of the maximum funds, including reserves, in the possession of the Corporation at any given time) for all Directors, Officers and employees of the Corporation regularly handling, or otherwise responsible for, the funds of or administered by the Corporation. Where the management agent has the responsibility for handling or administering funds of the Corporation, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or administering such funds. In no event shall the amount of the Fidelity Bond be less than three (3) monthly installments of the Annual Assessment for all Units, plus reserve, funds.

F. Flood insurance, if any part of the Condominium's improvements are in a special flood hazard area for which FNMA or FHLMC requires coverage. The amount of flood insurance, if required, shall be equal to the lesser of one hundred percent (100%) of the current replacement cost of the improvements, or the maximum coverage available under the appropriate National Flood Insurance Administration program.

G. Any other insurance required by Title 11 of the Real Property Article of the Annotated Code of Maryland or by any Eligible Mortgagee.

H. Such other policies of insurance as are, or shall hereafter be, considered appropriate by the Board of Directors.

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

A. All policies shall show the Corporation as the named insured for the use and benefit of each unit Owner;

B. The maximum deductible amount of any hazard insurance policy shall be the lesser of Ten Thousand Dollars (\$10,000.00) or one per cent (1%) of the policy face amount;

C. All policies shall be written or reinsured with a company licensed to do business in the State where the Condominium project is located, and holding an acceptable rating from either the A.M. Best Company, Demotech, Inc. or Standard and Poor's, Inc. Specific requirements of FNMA, which constitute an acceptable rating, are a "B" or better general policyholder's rating or a "6" or better financial performance index rating in Best's Insurance Reports, an "A" or better general policyholder's rating and a financial size category of "VIII" or better in Best's Insurance Reports -International Edition, an "A" or better rating in Demotech's Hazard Insurance Financial Stability Ratings, a "BBBq" qualified solvency ratio or a "BBB" or better claims-paying ability rating in Standard and Poor's Insurer Solvency Review, or a "BBB" or better claims-paying ability rating in Standard and Poor's International Confidential Rating Service;

D. Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors, 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," and each unit Owner appoints the corporation or such Insurance Trustee as attorney-in-fact for the purpose of purchasing and maintaining such insurance, collecting and disposing of the proceeds thereof, negotiating losses, the execution of releases of liability, the execution of all documents, and the performance of all acts reasonably required in connection therewith;

E. 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;

F. Such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, unless within the direct control, and with the actual 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, and/or their respective agents, employees, tenants, mortgagees or invitees, or by reason of any act of neglect or negligence on the part of any of them;

G. All policies and bonds shall provide that such policies and bonds may not be canceled 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 Eligible Mortgagees of the Condominium Units, and shall further provide for prompt written notice to all Eligible Mortgagees of any lapse, or cancellation thereof;

H. 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) ;

I. All policies shall contain a waiver of the right 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/or their respective agents, employees or tenants, and of any defenses based upon co-insurance or .invalidity arising from the acts of the insured;

J. 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 XIII of these By-Laws. Such mortgagee clause shall provide for notice, in writing, to the mortgagee of any loss paid as aforesaid;

K. All polices of casualty insurance shall be written on the "single entity basis" and not the "bare walls basis", thereby extending coverage to repair and replacement of betterments such as cabinetry, carpeting and fixtures;

L. All fidelity bonds shall contain waivers by the issuers of such bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms and expressions;

M. All policies shall provide that an act or omission by, any Member, unless acting within the scope of his authority on behalf of the Corporation, does not void the policy and is not a condition to recovery under the policy;

N. All policies shall be primary policies, not contributing with other insurance policies in effect.

**Section 3. Individual Policies.** The Owner of any Condominium Unit (including the holder of any mortgage thereon) may obtain additional insurance (including a "Condominium Unit-Owner's Endorsement" for improvements to the Condominium Unit made or acquired at the expense of the Owner) at his own expense. Such insurance shall be written by the same carrier as that purchased by the Board of Directors pursuant to this Article or shall provide that it shall be without contribution as against the same. Such insurance shall contain the same waiver of subrogation provision as that set forth in section 2(I) of this Article.

The Owner of any Condominium unit shall notify the Board of Directors, in writing, of any and all improvements made to the Condominium Unit at the expense of such Owner, the value of which is in excess of Two Thousand and No/100 Dollars (\$2,000.00).

**Section 4. Endorsements, etc.** The Board of Directors, at the request of any Owner of any Condominium unit in the project, or at the request of the mortgagee of any such Condominium Unit, shall promptly obtain and forward to such Owner or mortgagee (a) an endorsement to any



of the policies aforementioned in this Article showing the interest of such Owner or mortgagee as it may appear; (b) certificates of insurance relating to any of such policies; and (c) copies of such policies, duly certified by the insurer or its duly authorized agent.

**Section 5. Inspection of Insurance Policies.** The Corporation shall maintain, and make available for inspection, a copy of all insurance policies maintained by the Corporation.

### **Article XIII** **Casualty Damage -Reconstruction or Repair**

**Section 1. Use of Insurance Proceeds.** In the event of damage or destruction by fire or other casualty, the same shall be promptly repaired or reconstructed in substantial conformity with the original plans and specifications with the proceeds of insurance available for that purpose, if any, unless the Corporation elects to use one of the other options contained in subsection 11-114(g) of the Real Property Article of the Annotated Code of Maryland.

**Section 2. Proceeds Insufficient.** In the event that the proceeds of 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 herein required to be insured against, then the repair or reconstruction of the damaged Common Elements shall be accomplished promptly by the Corporation at its Common Expense (pursuant to such conditions and subject to such controls as the mortgagee, as defined in section 4 of this Article, may require) and the repair or reconstruction of any Condominium Unit shall be accomplished promptly by the Corporation at the expense of the Owner of the affected Condominium unit. The ratable share of the expense of such repairs or reconstruction may be assessed, and the lien for the same shall have all the priorities provided for in Article IX 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 the 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.** The Condominium need be restored in the event the Condominium is terminated, or repair or replacement of the Condominium would be illegal under any State or local health or safety statute or ordinance, or eighty percent (80%) of the unit Owners, including every Owner of a or assigned Limited Common Element, which will not be rebuilt vote not to rebuild or replace. If the entire Condominium is repaired or replaced, then the insurance proceeds attributable the damaged Common Elements shall be used to restore the dam area to a condition compatible with the remainder of the Condominium; and the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt, shall be distributed to the Owners of those units and the Owners of the Units to which those Limited Common Elements were assigned; and the remainder of the proceeds shall be distributed to all Unit Owners in proportion to their percentage interest in the Common Elements. If the Unit Owners vote not to rebuild any Unit, that Unit's entire common element interest, votes in the

Council of Unit Owners, and Common Expense liability are automatically reallocated upon the vote, as if the Unit had been condemned under Section 11-112 of the Real Property Article of the Annotated Code of Maryland, and the Corporation promptly shall prepare, execute and record an amendment to the Declaration reflecting the reallocations.

**Section 4. Insurance Trustee.** Except for losses involving the damage or destruction of more than two-thirds (2/3) of the Condominium project, where the members do not resolve to proceed with the repair or reconstruction, as in Section 3 of this Article provided for, in the event the cost of reconstruction or repair (as estimated by the Board of Directors) shall exceed an amount equal to two and one-half percent (2 ½ %) of the full replacement value of the Condominium project, as estimated by the Board of Directors and the insurer pursuant to the requirements of Section 1(A) of Article XII of these By-Laws, for the period during which such loss was sustained, and the institutional holder of any mortgages or other obligations secured by any Condominium Unit or Units in the aggregate principal sum of more than \$150,000.00 (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 project is located, 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 contains, inter alia, the following provisions:

A. The reconstruction or repair shall be in the charge of an 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 project from further damage, the mortgagee shall have approved the plans and specifications for 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 Board of Directors for payments previously made by the Board of Directors or is due to the contractor responsible for the restoration or repair, or to subcontractors, materialmen, laborers, engineers, architects or to other persons responsible for services or materials in connection with such restoration or repair, or for fees of the like necessarily incurred in connection with the same; and (iii) when added to amounts previously advanced by the Insurance Trustee, 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 project 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 Board of Directors 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 previously established for Ownership of appurtenant undivided interest 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 the lienor and to the extent the same is sufficient for the payment of all liens upon said Condominium unit.

#### ARTICLE XIV

##### Parking

**Section 1. General Requirements.** All parking areas within the Condominium shall be considered part of the General Common Elements. Parking may be regulated by the Board of Directors and parking spaces may initially be assigned by the Grantor and thereafter by the Board of Directors. No Unit Owner shall make use of any parking space other than the space or spaces appurtenant or assigned to his Condominium unit by Grantor or the Board of Directors, if any, without the express written consent of both the Unit Owner to whom such space has been assigned and the Board of Directors, nor shall any Unit Owner invite, encourage or permit the use by his guests of parking spaces appurtenant or assigned to Condominium units other than his own. No vehicle belonging to any unit Owner, or to any guest or employee of any unit Owner, shall be parked in a manner which unreasonably interferes with or impedes ready vehicular access to any parking space assigned to any other unit Owner. Nothing shall be stored upon any parking space nor shall the same be permitted to accumulate trash or debris.

Each unit Owner shall comply in all respects with such supplementary rules and regulations which are not inconsistent with the provisions of these By-Laws which the Board of Directors may, from time to time, adopt and promulgate with respect to parking and traffic control within the Condominium, and the Board of Directors is hereby, and elsewhere in these By-Laws, authorized to adopt such rules and regulations.

In the event the Board of Directors elects to assign parking spaces within the Condominium, the Board of Directors may make reasonable efforts to assign parking spaces in a manner calculated to make reasonable adjustments to accommodate the elderly and handicapped.

## ARTICLE XV Fiscal Management

**Section 1. Fiscal Year.** The fiscal year of the Corporation shall begin on the first day of January every year, except that the first fiscal year of the Corporation shall begin at the date of incorporation. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate.

**Section 2. Books, Accounts and Records.** Books and accounts of the Corporation shall be kept under the direction of the Treasurer, in accordance with good accounting practices, on a consistent basis. The same shall include books and detailed accounts, in chronological order, of receipts and of the expenditures affecting the project and its administration, and shall specify the maintenance and repair expenses of the Common Elements and services, and any other expenses incurred. The amount of any assessment required for payment on any capital expenditures of the Corporation shall be credited upon the Books of the Corporation to the "Paid-In-Surplus" account as a capital contribution by the members. Every record kept by the Corporation, and a copy of the current Condominium Documents, shall be maintained in Maryland, or within fifty (50) miles of its borders, and shall be available at some place designated by the Corporation within Montgomery County for examination and copying by any member, such member's mortgagee or mortgagee insurer or guarantor, and their respective duly authorized agents or attorneys, and by prospective purchasers of Units within the Condominium, during normal business hours, and after reasonable notice.

**Section 3. Annual Proposed Budget.** The Corporation shall cause to be prepared and submitted to the members an annual proposed Budget, at least thirty (30) days before its adoption. This annual Budget shall provide for at least the following items:

- A. income;
- B. administration;
- C. maintenance;

- D. utilities;
- E. general expenses;
- F. reserves; and
- G. capital items.

The Budget shall be adopted at an open meeting of the members or of any other body to which the members delegate responsibility for preparing and adopting the Budget. Any expenditure made, other than those made because of conditions which, if not corrected, could reasonably result in a threat to the health or safety of the members or a significant risk of damage to the Condominium, that would result in an increase in an amount of assessments for the current fiscal year of the Condominium in excess of fifteen percent (15%) of the Budgeted amount previously adopted, shall be approved by an amendment to the Budget adopted at a special meeting of the Board of Directors, upon not less than ten (10) days written notice to the members.

**Section 4. Auditing.** At the close of each fiscal year, the books and records of the Corporation may be audited by an independent accountant, whose report shall be prepared in accordance with generally accepted auditing standards. Based upon such report, the Corporation shall furnish its members with an annual financial statement, including the income and disbursements of the Corporation. Upon receipt of a written request signed by Owners of at least five percent (5%) of the Units, the Corporation shall cause an audit of the books and records to be made by an independent certified public accountant, provided an audit shall be made not more than once in any consecutive twelve (12) month period. The cost of the audit shall be a Common Expense.

**Section 5. 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 either the President or Vice President, and all checks shall be executed on behalf of the Corporation by such Officers, agents or other persons as are, from time to time, authorized by the Board of Directors.

**Section 6. Rights of Eligible Mortgagees.** The Corporation shall permit any Eligible Mortgagee to inspect the books and records of the Corporation and the Condominium Documents during normal business hours. The Corporation shall also provide to any Eligible Mortgagee which submits a written request therefor, a copy of an annual financial statement within one hundred twenty (120) days following the end of each fiscal year of the Corporation. Such financial statement shall be audited by an independent certified public accountant if so requested by such Eligible Mortgagee. If the Condominium contains fifty (50) or more Units, the cost of the audit shall be a Condominium expense. If the Condominium contains less than fifty (50) Units, the Eligible Mortgagee requesting the audited statement shall bear the cost of the audit.

**ARTICLE XVI**  
**Amendment**

**Section 1. Amendments.** These By-Laws may be amended by the affirmative vote of members having at least sixty-six and two thirds percent (66-2/3%) of the total votes in the Corporation. Any such amendment shall be effective only upon recordation, in accordance with Section 11-104(e) of the Real Property Article, Annotated Code of Maryland. Notwithstanding any lower requirement permitted by these By-Laws, the Declaration or the Condominium Act, no amendment of any material provision of the Condominium Documents by the Corporation or unit Owners described herein may be effective without the vote, of at least sixty-seven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in the Declaration or the Condominium Act) and until approved in writing by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by the Documents) The foregoing approval requirements shall not apply to amendments effected in accordance with Paragraph 7 of the Declaration, but shall be deemed to apply to any provision affecting the following:

- A. Increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%) , assessment liens or the priority of assessment liens;
- B. Voting rights;
- C. Reductions in reserves for maintenance, repair and replacement of Common Elements;
- D. Responsibility for maintenance and repairs;
- E. Reallocation of interests in the General Common Elements or Limited Common Elements, or rights to their use, except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees holding Security Interests in such Units must approve such action;
- F. Rights to use General Common Elements and Limited Common Elements;
- G. Re-definitions of boundaries of Units except that when boundaries of only adjoining Units are involved, or a unit is being subdivided, then only those Unit Owners and the Eligible Mortgagees holding Security Interests in such Unit or Units must approve such action;
- H. Convertibility of Units into General Common Elements or General Common Elements into Units;
- I. Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium, except as provided in paragraph 7 of the Declaration;

- J. Hazard insurance or fidelity insurance requirements;
- K. Imposition of any restrictions on the leasing of Units;
- L. Imposition of restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- M. Establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- N. Restoration or repair of the project after a hazard damage or partial condemnation in a manner other than that specified in the Documents;
- O. Termination of the legal status of the Condominium after the occurrence of substantial destruction or condemnation; and
- P. Any provision that benefits of mortgage holders, insurers or guarantors.

In addition to the foregoing, termination of the legal status of the Condominium, for reasons other than its substantial destruction or condemnation, shall require the consent of at least eighty percent (80%) of the votes of the Unit Owners, and sixty-seven percent (67%) of the Eligible Mortgagees.

**Section 2. Proposal of Amendments.** Amendments to these By-Laws may be proposed by the Board of Directors of the Corporation or by a petition signed by Unit Owners representing at least twenty-five percent (25%) of the total votes of the Unit Owners, 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 Unit Owners at which such proposed amendment is to be considered and voted upon.

**Section 3. VA and FHA Approval.** During any period that the Grantor (as such term is defined in the Declaration) is in control of the Corporation, any amendment to these By-Laws, and to any other Condominium Document, with the exception of amendments to the Declaration made pursuant and subject to Paragraph 7 of the Declaration, must be approved by the VA and FHA.

## **ARTICLE XVII** **Mortgagees**

**Section 1. Notice to Board of Directors.** A member who mortgages his unit shall, in writing, notify the Board of Directors of the name and address of his mortgagee (as defined in the Declaration), and shall file a conformed copy of the note and mortgage with the Board of Directors. The Board of Directors shall maintain such information in a book entitled "Mortgages of units".

**Section 2. Notice of Action.** The Board of Directors shall give timely written notice to Eligible Mortgagees of the following:

A. Any proposed amendment of the Declaration or any other Condominium Documents effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interests in the General or Limited Common Elements appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Council of Unit Owners appertaining to any Unit, (iv) or the purposes to which any unit or the Common Elements are restricted;

B. Any proposed termination of the Condominium regime;

C. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such Eligible Mortgagee;

D. Any delinquency in the payment of, assessments or charges owed by an owner of a Unit subject to the mortgage of such Eligible Mortgagee, where such delinquency has continued for a period of sixty (60) days;

E. Any lapse, cancellation or material modification of any insurance policy maintained by the Corporation pursuant to the provisions hereof.

**Section 3. Examination of Books.** Each member, mortgagee, and their duly authorized agents or attorneys shall be permitted to examine the books and records of account of the corporation during normal business hours. Upon request, each mortgagee shall receive an annual audited financial statement of the Condominium within ninety (90) days following the end of any fiscal year of the Condominium. Upon request, each mortgagee shall be entitled to written notice of all meetings of the Council and shall be entitled to designate a representative to attend such meetings, but said representative shall not have the power to vote.

**Section 4. Additional Notice.** The Board of Directors shall promptly notify all Eligible Mortgagees of any proposed action by the unit Owners or the Board of Directors which would require the consent of a specified percentage of Eligible Mortgagees. Further the Board of Directors shall promptly notify all Eligible Mortgagees of any judgment rendered against the Corporation. All notices required by this Article XVII, and elsewhere within these By-Laws, shall be in writing.

## **ARTICLE XVIII**

### **Eminent Domain**

**Section 1. Meaning of "taking under the power of eminent domain".** In this Article, the term "taking under the power of eminent domain" includes any sale in settlement of any pending or



threatened condemnation proceedings.

**Section 2. Allocation of Award.**

A. Each Unit Owner shall be entitled to the entire award for the taking of all or part of his respective Unit, and for consequential damages to his unit.

B. Any award for the taking of Limited Common Elements shall be allocated to the unit Owners of the units to which the use of those Limited Common Elements is restricted in proportion to their respective percentage interests in the Common Elements.

C. Any award for the taking of General Common Elements shall be allocated to all Unit Owners in proportion to their respective percentage interests in the Common Elements.

**Section 3. Reconstruction Following Taking.** Following the taking of all or a part of the Condominium, the corporation promptly shall undertake to restore the improvements of the Condominium to an architectural whole. In the event of a partial taking, such restoration shall be substantially in accordance with the Declaration and the original plans and specifications for the Condominium. Any costs of such restoration shall be a Common Expense.

**Section 4. Adjustment of Percentage Interests Following Taking, Effect of Taking on Vote Appurtenant to Unit.** The taking of part of any unit shall not affect the percentage interest appurtenant to the unit. The taking of all of any unit shall terminate the percentage interest appurtenant to the unit. The corporation promptly shall prepare and record an amendment to the Declaration reflecting the new percentage interest appurtenant to the Unit. Subject to section 6, following the taking of part of a Unit, the vote appurtenant to that Unit shall be appurtenant to the remainder of that Unit; and following the taking of all of a Unit, the right to vote appurtenant to the Unit shall terminate.

**Section 5. Priority in Distribution of Damages for Each Unit.** All damages for each Unit shall be distributed in accordance with priority of interests at law or in equity in each respective Unit.

**Section 6. Taking Not to Include Percentage Interests or Vote.** Except to the extent specifically described in the condemnation declaration or grant in lieu therefor, a taking of all or part of a Unit may not include any of the percentage interests or vote appurtenant to the Unit.

**Section 7. Notice of Condemnation.** If a Unit, or portion thereof, or the Common Elements, or portion thereof, is made the subject matter of any condemnation or eminent domain proceeding, or otherwise sought to be acquired by a condemning authority, the Council shall give timely written notice to all Eligible Mortgagees of such proceeding or proposed acquisition.

**Section 8. Rights of Mortgagee.** In the event of a taking of all for part of the Condominium, any

Eligible Mortgagee may require that the proceeds therefrom be payable to, and disbursed by, a Trustee established pursuant to Article XIII, Section 4 of these By-Laws.

## ARTICLE XIX

### Compliance- Interpretation -Miscellaneous

**Section 1. Compliance.** These By-Laws are set forth in compliance with the requirements of the Maryland Condominium Act.

**Section 2. Conflict.** These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of the Maryland Condominium Act. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as in the Declaration or the aforesaid statute. In the event of any conflict among the Maryland Condominium Act, the Declaration, Plat, or By-Laws, the provisions of each shall control in succession listed hereinbefore commencing with "Maryland Condominium Act."

**Section 3. Resident Agent.** Keith R. Havens, Esquire, 2401 Research Boulevard Suite 308, Rockville, Maryland 20850, shall be designated as the person initially authorized to accept service of process in any action relating to two or more Condominium Units or to the Common Elements as authorized under the Maryland Condominium Act. The resident agent shall register annually pursuant to the provisions of the Condominium Act.

**Section 4. Enforcement -Eligible Mortgagees.** Any and all provisions contained within these By-Laws, or within the other Condominium Documents, which are for the benefit of Eligible Mortgagees, and their successors, may be enforced by any of them by any available means, at law, or in equity.

**Section 5. Consent-Eligible Mortgagees.** Wherever in these By-Laws, or in any other Condominium Document, an amendment by or action of, the Owners shall require the consent of a certain percentage of Eligible Mortgagees, each such Eligible Mortgagee shall be deemed to have approved such amendment or action if within thirty (30) days of a written request, enclosing a copy of any proposed amendment, for such approval, sent by certified or registered mail, "return receipt requested," no response has been received by the Corporation.

**Section 6. Power of Attorney.** There is hereby reserved unto the corporation an irrevocable power of attorney, with full power of substitution, coupled with an interest, for the purpose of -c representing the members in any proceedings related to the condemnation, destruction or liquidation of all, or a part of, the Condominium, or the termination of the Condominium, including any negotiations, settlement or agreement in accordance with the provisions of the Declaration and these By-Laws, and to execute, acknowledge and deliver such further instruments as may, from time to time, be required in order to accomplish the purposes of this , section.

**Section 7. 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 given effect.

**Section 8. Waiver.** No restriction, condition, obligation or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

**Section 9. Captions.** The captions contained in these By-Laws are for convenience only, 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 10. 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.

**Section 11. Rules and Regulations.** The Board of Directors may adopt rules for the Condominium.

A. Each member shall have mailed or delivered to him a copy of the proposed rule, notice that members are permitted to submit written comments on the proposed rule, and notice of the proposed effective date of the proposed rule. Before a vote of the Board is taken on the proposed rule, an open meeting shall be held to allow each member or tenant to comment on the proposed rule. Each member shall receive written notice of this open meeting at least fifteen (15) days before said meeting. A quorum of the Board of Directors shall be present at such open meeting.

B. A regular or special meeting of the Board of Directors shall be held at which the vote on the proposed rule shall be taken. Notice of this meeting shall be given as provided in Article V, Sections 9 and 10 of these By-Laws. The proposed rule shall be passed on the affirmative vote of a majority of the Directors present and voting.

C. The vote on the proposed rule shall be final unless, within fifteen (15) days of the vote to adopt the proposed rule, fifteen percent (15%) of the members sign and file a petition with the Board of Directors, calling for a special meeting. Such special meeting shall be held between fifteen (15) and thirty (30) days after the day the petition is given to the Board of Directors. Members and their mortgagees shall receive at least fifteen (15) days written notice of such special meeting. The proposed rule shall be disapproved if a quorum of the members attends the meetings, and fifty percent (50%) of the members present and voting disapprove the proposed rule, and the members voting to disapprove are more than thirty-three per cent (33%) of the total votes of the Corporation. During such meeting, members, tenants, and mortgagees may comment on the proposed rule.

D. Each member or tenant may request an individual exception to a rule adopted while the individual was the unit Owner or tenant of the Condominium. Such a request for an

individual exception shall be made in writing and filed with the Board of Directors within thirty (30) days after the effective date of the rule.

E. Each rule adopted under this Section shall state that the rule was adopted under the provisions of this Section and Section 11-111 of the Maryland Condominium Act.

F. The House Rules and Regulations of the Autumn Glen Condominium attached to these By-Laws as Schedule 1, are the proposed initial Rules and Regulations governing the Condominium. Any additions, deletions or changes to these Rules and Regulations shall be made by the Board of Directors as provided above.

AutumnGlen\_CondoBy-Laws