

“EXHIBIT B”

BY-LAWS

COUNCIL OF UNIT OWNERS OF

MUTUAL 19-B - CONDOMINIUM OF ROSSMOOR, INC.

ARTICLE I

Name and Location

Section 1. Name and Location. The name of the Council of Unit Owners is as follows:

COUNCIL OF UNIT OWNERS OF MUTUAL 19-B - CONDOMINIUM OF ROSSMOOR, INC.

Its principal office and mailing address is as follows:

3701 Rossmoor Boulevard
Silver Spring, Maryland 20906

ARTICLE II

Definitions

Section 1. Declaration “**Declaration**”, as used herein means that certain Declaration made the 21st day of September 1979 by the Declarant therein identified, pursuant to Title 11, Real Property Article, Annotated Code of Maryland (1974 Repl. Vol.) and as amended, by which certain described premises (including land) are submitted to a 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.

Section 2. 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. As used in these By-Laws, the term “institutional mortgagee” or “institutional holder” shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies Federal National Mortgage Association (“FNMA”), Federal Home Loan Mortgage Corporation (“FHLMC”), all corporations and any agency or department of the United States Government or of any state or municipal government.

Sections 3. 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 Title 11. Real Property Article Annotated Code of Maryland (1974 Repl. Vol.) as amended.

ARTICLE III

Membership

Section 1. Members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds legal title to a unit within the condominium shall be a member of the Council of Unit Owners; provided, however that any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation shall not be a member of the Council of Unit Owners by reason only of such interest.

Section 2. Membership Certificates. In the event the Board of Directors considers it necessary or appropriate to issue membership certificates or the like, then each such membership certificates shall state that the Council of Unit Owners is organized under the laws of the State of Maryland, the name of the registered holder or holders of the membership represented thereby, and shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one of more books, and shall be issued therefrom upon certification as to the transfer of title to the condominium unit to which such membership is appurtenant. Every membership certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary of the Council of Unit Owners and shall be sealed with the seal of the Council of Unit Owners, if any. Such signatures and seal may be original or facsimile.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Council of Unit Owners and alleged to have been destroyed or lost, upon the making of an affidavit of that fact by the unit owner claiming the membership certificate to be lost or destroyed. When authorizing such issuance of a new certificates or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the registered holder or holders of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Council of Unit Owners bond in such sum as the Board of Directors may require as indemnity against any claim that may be made against the Council of Unit Owners.

ARTICLE IV

Meetings of Unit Owners

Section 1. Place of Meeting. Meetings of the unit owners shall be held at the principal office of the Council of Unit Owners or at such other suitable place within the State of Maryland reasonably convenient to the unit owners as may from time to time be designated by the Board of Directors

Section 2. Annual Meetings. The first annual meeting of the unit owners shall be held at such time as the Board of Directors shall determine but, in any event, within one hundred twenty (120) days after eighty percent (80%) of the condominium units in the project have been sold and title to the same has been conveyed by the Declarant; provided, however, that in any event, the first annual meeting of unit owners shall be held within twelve (12) months following the date upon which the Declaration is recorded among the Land Records for Montgomery County, Maryland. Thereafter the annual meetings of the unit owners shall be held during the month of May of each succeeding year. At such meeting there shall be elected by ballot of the unit owners a Board of Directors in accordance with the requirements of Article V of these By-Laws. The unit owners may also transact such other business of the Council of Unit Owners 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 unit owners as directed by resolution of the Board of Directors or upon a petition signed by unit owners representing at least twenty percent (20%) of the total votes of the unit owners having been presented to the Secretary; provided, however, that, except upon resolution of the Board of Directors, no special meeting of the unit owners shall be called prior to the first annual meeting of unit owners as herein above provided for. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as specifically stated in the notice.

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

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

Section 6. Quorum. The presence, either in person or by proxy, of unit owners representing at least fifty-one percent (51%) of the total votes of the Council of Unit Owners shall be required for, and shall constitute a quorum for the transaction of business at all meetings of members.

Section 7. Adjourned Meetings. If any meeting of unit owners cannot be organized because a quorum has not attended, the unit owners who are present, either in person or by proxy,

may, except as otherwise provided by law, adjourn the meeting to a time and not less than forty-eight (48) hours from the time the original meeting was called.

Section 8. Voting. At every meeting of the unit owners, each of the unit owners shall have the right to cast the number of votes appurtenant to his unit, as established in “EXHIBIT C” of the Declaration, on each question. The votes of the unit owners representing fifty-one percent (51%) of the votes of the unit owners present and voting, in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provision of a Condominium Act, or the Articles of Incorporation of the Council of Unit Owners, or of the Declaration, or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. The vote for any condominium unit which is owned by more than one person may be exercised by any of them present at any meeting unless any objection or protest by any other owner of such condominium unit is noted at such a meeting. In the event all of the co-owners of such condominium unit who are present at any meeting of the unit owners are unable to agree on the manner in which the vote for such condominium unit shall be cast on any particular question, then such vote shall not be counted for purposes of deciding the question. 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 certificate signed by the president or any vice president and attested by the secretary or an assistant secretary of such corporation and file with the Secretary of the Council of Unit Owners at or prior to the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote appurtenant to any condominium unit which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No unit owner shall be eligible to vote, either in person or by proxy, or to be elected to Board of Directors who is shown on the books or management accounts of the Council of Unit Owners to be more than thirty (30) days delinquent in any payment due the Council of Unit Owners.

Section 9. Proxies. A unit owner may appoint any other unit owner, his tenant, mortgagee or the Declarant or the Management Agent as his proxy. In no case may any unit owner (except the Declarant, the Management Agent or any mortgagee) cast more than one vote by proxy in addition to his own vote. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors at or before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of the unit owner; provided, however, that no proxy is effective for a period in excess of one hundred eighty (180) days unless granted to in a mortgagee or lessee of the condominium unit to which the votes are appurtenant.

Section 10. Rights of Mortgagees. Any institutional mortgage of any condominium unit in the condominium who desires notice of the annual and special meetings of the unit owners shall notify the Secretary to that effect by Registered Mail-Return Receipt Requested to whom notice of the annual and special meetings of the unit owners should be addressed. The Secretary of the Council of Unit Owners shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the unit owners to each such institutional

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 institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the unit owners 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 unit owners present at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the unit owners upon request made in writing to the Secretary.

Section 11. Order of Business. The order of business at all annual meetings of the unit owners of the Council of Unit Owner shall be as follows:

- (a) Roll call and certification of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of minutes of preceding meetings, if any.
- (d) Reports of officers, if any.
- (e) Reports of committees, if any.
- (f) Election or appointment of inspectors of election.
- (g) Election of directors.
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

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

Section 12. Rules of Order and Procedure. The rules of order and all other matters of procedure at all annual and special meetings of the unit owner shall be determined by the Chairman at such meeting.

Section 13. Inspectors of Election. The Board of Directors may, in advance of any annual or special meeting of the unit owners, appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of the unit owners shall appoint such inspectors of election. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of election as such meeting. The oath so taken shall be filed with the Secretary of the Council of Unit Owners. No officer or director of the Council of Unit Owners and no candidate for Director of the Council of Unit Owners, shall act as an inspector of election at any meeting of the unit owners if one of the purposes of such meeting is to elect Directors.

ARTICLE V

Directors

Section 1. Number and Qualification. The affairs of the Council of Unit Owners shall be governed by a Board of Directors composed of an uneven number of at least three (3) natural persons and not more than seven (7) natural persons, a majority of the whom (after the first annual meeting of the unit owners hereinabove provided for) shall be unit owners. Prior to the first annual meeting of the unit owners, the number of Directors shall be determined, from time to time, by a vote of the initial Directors hereinafter named. Thereafter, the number of Directors shall be determined by a vote of the unit owners at the first annual meeting of the unit owners and then number of Directors may be changed by a vote of the unit owners at any subsequent annual or special meeting; provided, however, that (a) the limitations of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent Director.

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Section 2. Initial Directors. The initial Directors shall be selected by the Declarant and need not be unit owners. The names of the Directors who shall act as such from the date upon which the Declaration is recorded among the Land Records for Montgomery County, Maryland, until the first annual meeting of the unit owners are as set forth in the Articles of Incorporation of the Council of Unit Owners.

Section 3. Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Council of Unit Owners and the condominium and may do all such acts and things as are not by law or by these By-Laws directed to the exercised and done by the unit owners. The powers and duties of the Board of Directors shall include, but not be limited to, the following:

To provide for the

(a) care, upkeep and surveillance of the condominium and its general and limited common elements and services in a manner consistent with the law and the provisions of these By-Laws and the Declaration; and

(b) establishment, collection, use and expenditure of assessments and carrying charges from the unit owners and for the assessment, the filing and enforcement of Statement of Condominium Liens therefore in a manner consistent with law and the provisions of these By-Laws and Declaration; and

(c) designation, hiring and dismissal of the personnel necessary for the good working order of the condominium and for the proper care of the common elements and to provide services for the project in a manner consistent with the law and the provisions of these By-Laws and Declaration; and

(d) promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the condominium and the use of the general and limited common elements and as are designated

to prevent unreasonable interference with the use and occupancy of the condominium and of the general and limited common elements by the unit owners and others, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration; and

(e) authorization, in their discretion, of the payment of patronage refunds from residual receipts or common profits when are as reflected in the annual report; and

(f) to enter into agreements whereby the Council of Unit Owners 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 Council of Unit Owners; and

(g) to purchase insurance upon the condominium in the manner provided for in these By-Laws; and

(h) to repair, restore or reconstruct all or any part of the condominium after any casualty loss in a manner consistent with laws and the provisions of these By-Laws and to otherwise improve the condominium; and

(i) to lease, grant licenses, easements, rights-of-way and other rights of use in all or any part of the common elements of the condominium; and

(j) to purchase condominium units in the condominium and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration; and

(k) to appoint the members of the Architectural and Environmental Control Committee provided for in Article X of these By-Laws and to appoint the members of such other committees as the Board of Directors may from time to time designate.

(l) the Board of Directors may not impose a fine, suspend voting, or infringe upon any other rights of a unit owner or other occupant for violations of rules until the following procedure is followed:

(i) Written demand to cease and desist from an alleged violation is served upon the alleged violator specifying:

(A) The alleged violation;

(B) The action required to abate the violation; and

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

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(ii) Within 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:

(A) The nature of the alleged violation;

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

(C) An invitation to attend the hearing and producing any statement, evidence, and witnesses on his or her behalf; and

(D) The proposed sanction to be imposed.

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(iii) 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 hereunder, proof of notice and the invitation to be heard 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.

(iv) A decision pursuant to these procedures shall be appealable to the courts of Maryland.

If any unit owner fails to comply with this title, the declaration, or bylaws, or a decision rendered pursuant to this section, the unit owner may be sued for damages caused by the failure or for injunctive relief, or both, by the council of unit owners or by any other unit owner. The prevailing party in any such proceeding is entitled to an award for counsel fees as determined by court. This section conforms to Title 11-113 of the Condominium Act. The failure of the council of unit owners (Board of Directors) to enforce a provision of this title, the declaration, or bylaws on any occasion is not a waiver of the right to enforce the provision on any other occasion.

Section 4. Management Agent. The Board of Directors shall employ for the Council of Unit Owners a management agent or manager (“the Management Agent”) at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. The Council of Unit Owners shall not undertake “self-management” or otherwise fail to employ a professional management agent or manager without the prior written approval of all of the institutional holders of all first mortgages on the condominium units in the condominium. Any management agreement entered into by the Council of Unit Owners shall provide, inter alia, that such agreement may be terminated for cause upon thirty (30) days a written notice thereof. The term of any such management agreement shall

not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

Section 5. Election and Term of Office. The term of the Directors named herein shall expire when their successors have been elected at the first annual meeting of the unit owners and are duly qualified. The election of the Board of Directors shall be by ballot, unless balloting is dispensed with by the unanimous consent of the unit owners present at any meeting, in person or by proxy. There shall be no cumulative voting. At the first annual meeting of the unit owners, 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 Director receiving the second greatest number of votes shall be fixed for two (2) years and the term of office of the other Director or Directors shall be fixed for 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. In the alternative, the membership may, by resolution duly made and adopted at the first annual meeting of the members, or any subsequent annual meeting, resolve to fix the term for each Director of elected at any such meeting at one (1) year. Directors shall hold office until their successor have been elected and holds their first regular meeting.

Section 6. 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 unit owners at the next annual meeting to serve out the unexpired portion of the term.

Section 7. Removal of Directors. At an annual meeting of unit owners, or at any special meeting duly called for such purpose (but only at or after the first annual meeting of unit owners, as hereinabove provided for) any Director may be removed with or without cause by the affirmative vote of the majority of the votes of the unit owners present and voting, in person or by proxy, and successor may then and there be elected and to fill the vacancy thus created. Any Director whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than sixty (60) days delinquent in payment of any assessments or carrying charges due the Council of Unit Owners may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided in this Article.

Section 8. Compensation. No compensation shall be paid to Directors for their services as Directors. After the first annual meeting of the unit owners, no remuneration shall be paid to any Director who is also unit owner for services performed by him for the Council of Unit Owners in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before such services are undertaken. Directors may be reimbursed for their actual out-of-pocket expenses necessarily incurred in connection with their services as Directors.

Section 9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election as 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 at such first meeting.

Section 10. 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 two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least six (6) days prior to the day name for such meeting.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-third (1/3) of the Directors.

Section 12. Waiver of Notice. Before, at or after 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 giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all 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 transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

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. Rights of Mortgagees. Any institutional mortgagee of any condominium unit in the condominium who desires notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect by Registered Mail – Return Receipt Request. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the regular and special meetings of the Board of Directors shall be addressed. The Secretary of the Council of Unit Owners shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each regular or special meeting of the Board of Directors to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article for notice to the members of the Board of Directors. Any such institutional mortgagee shall be entitled to designate

a representative to attend any regular or special meeting of the Board of Directors and such 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 of the Board of Directors present at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

Section 16. Fidelity Bonds. The Board of Directors shall require the officers, Directors and employees of the Council of Unit Owners regularly handling or otherwise responsible for the funds of the Council of Unit Owners shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty in accordance with the requirements of Article XI of these By-Laws. The premiums on such bonds or insurance shall be paid by the Council of Unit Owners.

ARTICLE VI

Officers

Section 1. Designation. The principal officers of the Council of Unit Owners 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 the unit owners, the officers of the Council of Unit Owners need not be unit owners. Thereafter, except for the President, the officers of the Council of Unit Owners need not be unit owners. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. The offices of Secretary and Treasurer may be filled by the same person.

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

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

Section 4. President. The President shall be the chief executive officer of the Council of Unit Owners he shall preside at all meetings of the unit owners 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 not limited to, the power to appoint such committees from among the unit owners from time to time as he may, in his discretion, decide are appropriate to assist in the conduct of the affairs of the Council of Unit Owners. The President shall count the votes at all meetings of the unit owners.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to

do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the unit owners for the recording of the resolutions of the Council of Unit Owners. The Secretary shall give notice on all annual and special meetings of the unit owners in conformity with the requirements of these By-Laws. The Secretary shall have custody of the seal of the Council of Unit Owners, if any. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all the duties incident to the office of Secretary.

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

ARTICLE VII

Liability and Indemnification of Officers and Directors

Section 1. Liability and Indemnification of Officers and Directors. The Council of Unit Owners shall indemnify every officer and Director of the Council of Unit Owners against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Council of Unit Owners) to which he may be made a party by reason of being or having been an officer or Director of the Council of Unit Owners, whether or not such person is an officer or Director of the Council of Unit Owners at the time such expenses are incurred. The officers and Directors of the Council of Unit Owners shall not be liable to the unit owners for any mistakes of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Council of Unit Owners shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Council of Unit Owners or the condominium (except to the extent that such officers or Directors may also be owners of the condominium units) and the Council of Unit Owners shall indemnify and forever hold each officer and Director free and harmless against any and all liability to others on account of any such contracts or commitment. Any right to indemnification provided for herein shall be in addition to and not exclusive of any other rights to which any officer or Director of the Council of Unit Owners, or former officer or Director of the Council of Unit Owners may be entitled.

Section 2. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Council of Unit Owners and the condominium. No contract or other transaction between the Council of Unit Owners and one or more of its Directors, or between the Council of Unit Owners and any corporation, firm or association (including the Declarant) in which one or more of the Directors of the Council of Unit

Owners are directors or officers or are pecularity or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(a) the fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board of Directors authorizes, approves, or ratifies such contracts or transaction in good faith by a vote sufficient for the purpose; or

(b) the fact of the common directorate or interest is disclosed or known to the unit owners, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) the contract or transaction is commercially reasonable to the Council of Unit Owners at the time it is authorized, approved, ratified or executed.

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

Section 3. Indemnification of Directors, Committee Members & Volunteers. The Council of Unit Owners shall indemnify every officer, director or volunteer of the Council of Unit Owners against any and all expense including counsel fees, reasonably incurred by or imposed upon any officer, director or volunteer in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Council of Unit Owners) to which he may be made a party by reason of being or having been an officer, director or volunteer of the Council of Unit Owners whether or not such person is an officer, director or volunteer at the time such expenses are incurred.

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ARTICLE VIII

Assessments and Carrying Charges for Common Expenses

Section 1. Annual Assessments for Expenses. Each unit owner shall pay to the Council of Unit Owners, in advance, for each month of each year, a sum equal to one-twelfth (1/12) of the total of the following amounts, as estimated by the Board of Directors:

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(a) an amount to cover the expected cost of electricity furnished for that year to that unit shall be determined by applying the E-Rating formulated by the Leisure World of Maryland or assigned by it to that unit or, if the Board of Directors so decides, shall be computed under any other method established by the Council of Unit Owners that is reasonably designated to measure the expected use of electricity by that unit during that year,

(b) an equal amount for each unit in the condominium to cover the cost of garbage and trash collection and of facilities and other services furnished for that year under the Leisure Work of Maryland Trust Agreement of March 9, 1996 (recorded at Liber 3479, Folio 396, in the land records of Montgomery County, Maryland), as amended; and an equal amount for each unit to cover the cost of electricity for the common area in those buildings (91-92-93-94) where the units are individually metered; and an equal amount for each unit to cover the cost furnishing or securing water and sewer service, and (except to the extent included in clause (a) of this section) other services or utilities not separately metered or billed directly to the unit by the utility or other company:

(c) an amount equal to the unit owner's proportionate share (determined in accordance with the percentage interests in common expenses and common profits of the condominium set forth in Exhibit C attached to the Declaration) of the sum required to meet the other annual expense of the condominium, including:

- (1) the cost of necessary management and administration;
- (2) the amount of all taxes and assessments levied against the Council of Unit Owners or upon any property which it may own which it is otherwise required to pay;
- (3) the cost of fire and extended liability insurance on the project and the cost of such other insurance as the Council of Unit Owners may secure;
- (4) the cost of funding contributions to the "Paid-in-Surplus" account of the Council of Unit Owners and the cost of funding all reserves established by the Council of Unit Owners, or under such Trust Agreement of March 9, 1966 including, when appropriate, a general operating reserve and a reserve for replacements;
- (5) the estimated cost of repair, maintenance, and replacement of the common elements of the condominium to be made by the Council of Unit Owners; and
- (6) the cost of all other operating expenses of the condominium and of other facilities and service furnished or secured by it (except to the extent included in clause (a) of this section.)

The Board of Directors shall determine the amount of the assessments at least annually but may do so at more frequent intervals should circumstances so require. Upon resolution of both the Board of Directors and the unit owners representing at least fifty-one percent (51%) of the total votes of the unit owners, installments of annual assessments may be levied and collected on a quarterly, semiannual, annual basis rather than on the monthly basis hereinabove provided for.

The Board of Directors of the Council of Unit Owners shall make reasonable efforts to fix the amount of the assessment against each condominium unit for each annual assessment period at least 30 days in advance of the commencement of such period and shall, at the time, prepare a roster of the condominium units and assessments applicable thereto which shall be kept in the

office of the Council of Unit Owners and shall be open to inspection by the owner or mortgagee of any condominium unit, and by their respective duly authorized agents and attorneys, upon reasonable notice to the Board of Directors. The written notice of the assessments shall thereupon be sent to the unit owners. The omission of the Board of Directors, before the expiration of any annual assessment period, to fix assessments for that or the next such period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or release of any unit owner from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period; but the assessment fixed for the preceding period shall continue until a new assessment is fixed. No unit owner may exempt himself from liability for assessments or carrying charges by a waiver of the use or enjoyment of any of the common elements or by abandonment of any condominium unit belonging to him.

Section 2. Budget. The Board of Directors, with the assistance and counsel of the Management Agent, shall prepare and adopt a budget for each annual assessment period which shall include estimates of the funds required by the Council of Unit Owners to meet its annual expenses for that period **and other amounts referred to in Section 1 of this Article 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 Council of Unit Owners, 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 Council of Unit Owners, on both a current basis and for prior corresponding periods, all in accordance with generally accepted accounting practices, consistently applied. Copies of the budget shall be available for examination by the unit owners and by their duly authorized agents and attorneys, and to the institutional holder of any first mortgage on any condominium unit in the condominium and by their duly authorized agents and attorneys during normal business hours for purposes reasonably related to their respective interests.

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Section 3. Special Assessments. In addition to the regular assessments authorized by this Article, the Council of Unit Owners 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 costs of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the condominium, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate; provided, however, that any such special assessment shall have the assent of the unit owners representing two-thirds (2/3) of the total votes of the Council of Unit Owners. A special meeting of the unit owners shall be duly called for this purpose.

Section 4. Reserve for Replacements. The Council of Unit Owners shall establish and maintain a reserve fund for replacement by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense. Such fund shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of any state or an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, any state or the United States of America. The reserve for replacements may be expended only for the purpose of effecting the

replacement of the common elements and equipment of the condominium and for startup costs and operating contingencies of a nonrecurring nature. The proportionate interests of any unit owner in any reserve for replacements and any other reserves established by the Council of Unit Owners shall be considered an appurtenance of his condominium unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the condominium unit to which it appertains and shall be deemed to be transferred with such condominium unit.

Section 5. Non-Payment of Assessment - Statement of Condominium Lien. Any assessment levied pursuant to the Declaration or these By-Laws, and any installment thereof, which is not paid on the date when due shall be delinquent and shall entitle the Council of Unit Owners to claim the amount of such assessment, together with interest thereon and the actual costs of collection thereof, as a lien on the condominium unit against which it is assessed; provided, however, that such lien shall be effective only after a Statement of Condominium Lien is recorded among the Land Records for Montgomery County, Maryland, stating the description of the condominium unit, the name of the unit owner of record, the amount due and the period for which the assessment is due. Any such Statement of Condominium Lien shall be in substantially the following form or as may otherwise be required by the Condominium Act:

STATEMENT OF CONDOMINIUM LIEN

This is to certify that _____, owner(s) of Unit No. _____ in "MUTUAL 19-B - CONDOMINIUM OF ROSSMOOR", (is) (are) indebted to the Council of Unit Owners in the amount of \$ _____ as of _____ 19____, for (his) (her) (their) proportionate share of the common expenses of the condominium for the period from _____, 19__ to _____, 19__, plus interest thereon at the rate of eight percent (8%), costs of collection and reasonable attorney's fees.

COUNCIL OF UNIT OWNERS OF
MUTUAL 19-B CONDOMINIUM OF
ROSSMOOR, INC.

By: _____
Officer's Title (or Agent)
Address
Telephone

I HEREBY AFFIRM under penalties of perjury that the information contained in the foregoing Statement of Condominium Lien is true and correct to the best of my knowledge, information and belief.

Officer (or Agent)

The Statement of Condominium Lien shall be signed and verified as required in the Condominium Act by any officer of the Council of Unit Owners, or by the Management Agent or

any duly authorized representative thereof, or by any agent, attorney or other person duly authorized by the Board of Directors of the Council of Unit Owners for such purposes.

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

Any assessment levied pursuant to the Declaration or these By-Laws, and any installment thereof, which is not paid when due may, upon resolution of the Board of Directors, subject the unit owner obligated to pay the same to the payment of such penalty or "late charge" as the Board of Directors may fix and the Council of Unit Owners may bring an action at all against the unit owner personally obligated to pay the same or may, after the recordation of the Statement of Condominium Lien provided for in this Article and in the Condominium Act, foreclose the Lien against the condominium unit or units then belonging to said unit owner in the same manner, and subject to the same requirements, now or hereafter provided for the foreclosure of mortgages or deeds of trust in the State of Maryland containing a power of sale or an assent to a decree; in either of which events interest at the rate of eight percent (8%) per annum, actual costs or collection and reasonable attorneys' fees of not less than twenty percent (20%) of the sum claimed shall be added to the amount of each assessment. Suit for any deficiency following foreclosure may be maintained in the same proceeding. No suit may be brought to foreclose the lien except after ten (10) days' written notice to the unit owner given by registered mail – return receipt requested to the address of the unit owner shown on the roster of unit owners maintained by the Council of Unit Owners.

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

The Board of Directors may post a list of members who are delinquent in the payment of any assessment or other fees which may be due the Council of Unit Owners, including any installment thereof which becomes delinquent, in any prominent location within the condominium.

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

(a) general and special assessments for ad valorem real estate taxes on the condominium unit; and

(b) The lien of any bona fide deed of trust, mortgage or other encumbrances duly recorded on the condominium unit prior to the recordation of the Statement of Condominium Lien, or duly recorded on the condominium unit after receipt by the holder of any such mortgage (or the holder of the indebtedness or notes secured thereby) of a certificate or a statement in writing signed by an officer or agent of the Council of Unit Owners stating the payments on account of all assessments levied by the Council of Unit Owners against the condominium unit were current as of the date of recordation of such deed of trust, mortgage instrument or other encumbrance.

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

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

Section 7. Additional Rights of Mortgagees – Notice. The Council of Unit Owners shall promptly notify the holder of the first mortgage 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 thirty (30) days and the Council of Unit Owners 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 a 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. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levied pursuant to the Declaration or these By-Laws, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and may be declared due and payable in full.

Section 9. Assessment Certificates. The Council of Unit Owners shall, upon demand at any time, furnish to any unit owner liable for any assessment levied pursuant to the Declaration or these By-Laws (or any other party legitimately interested in the same) a certificate in writing signed by an officer or agent of the Council of Unit Owners, setting forth the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any installment of any assessment therein stated to have been paid. A charge not to exceed Thirty Dollars (\$30.00) may be levied in advance by the Council of Unit Owners 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 10. Additional Defaults. Any recorded first mortgage secured on a condominium unit in the condominium shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to the Declaration or these By-Laws, or any installment thereof, shall likewise be a default in such a mortgage (or that indebtedness or notes 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 Council of Unit Owners, 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 notes secured thereby) by reason of the provisions of this Article shall not be altered, modified, or diminished by reason of any such failure.

ARTICLE IX

Use Restrictions

Section 1. Residential Use – Age Limitations, etc. It is the intention of this Mutual to provide housing for older persons. In furtherance of this:

- (1) At least 80 percent of the occupied units are occupied by at least one person who is 55 years of age or older.
- (2) No other resident of the unit may be under 50 years, except as follows:

(i) a person under the age of 18 years may reside in the unit, but not for an aggregate of more than 30 days in any calendar year;

(ii) any other person under the age of 50 years may reside in the unit, but not for an aggregate of more than 90 days in any calendar year; and

(iii) a disabled relative of a resident of the unit, if such is 50 years of age or older, may reside with such resident in the unit.

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If a resident of a unit in the Mutual who is 55 years of age or older dies or ceases to be such a resident and no other resident of the unit is 55 years of age or older, the provisions of clause (1) of the preceding sentence do not apply to that unit if (as provided by law) at least 80 percent of the units in the Mutual do meet the requirement of that sub-paragraph.

Section 2. Leasing. No portion of any condominium unit (other than the entire unit) shall be leased for any period. Any owner of any condominium unit who shall lease such unit shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. All leases shall be in writing. Any such lease shall contain a provision to the effect that the rights of the tenant to use and occupy the condominium unit shall be subject and subordinate in all respects to the provisions of the Declaration and these By-Laws and to such other reasonable rules and regulations relating to the use of the common elements, or other "house rules", as the Board of Directors may from time to time promulgate and shall provide, further, that any failure by the tenant to comply with the provisions of such documents shall be a default under the lease. The provisions of this subsection shall not apply to any institutional mortgagee of any condominium who comes into possession of the unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other judicial sale or as a result of any proceeding, arrangement, assignment or deed-in-lieu of foreclosure. No condominium unit within the condominium shall be rented for transient or hotel purposes or, without the prior written approval of the Board of Directors, for any period less than three (3) months.

Section 3. Prohibited Uses and Nuisances. Except for the activities of the Declarant and its agents in connection with the construction of the condominium, and except as may be reasonable and necessary in connection with the maintenance, improvement, repair or reconstruction of any portion of the condominium by the Declarant or the Council of Unit Owners:

(a) no noxious or offensive trade or activity shall be carried on within in the condominium or within any condominium unit, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other unit owners. No nuisances shall be permitted within the condominium, nor shall any use or practice be permitted which is or becomes a source of annoyance to the unit owners or which 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 of the common elements, excepting those areas designated for storage of personal property by the owners of the condominium units. Without limiting the generality of the foregoing, no unit

owner shall store any personal property or any other thing in the ceiling "crawl space" above his condominium unit, whether or not such "crawl space" is accessible from his condominium unit.

(c) nothing shall be done or maintained in any condominium unit or upon any of the common elements which shall increase the rate of insurance on any condominium unit or the 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 common elements which would be in violation of any law. No waste shall be committed upon any of the common elements.

(d) no structural alteration, construction, addition or removal any condominium unit or the common elements shall be commenced or conducted except in strict accordance with the provisions of these By-Laws.

(e) the maintenance, keeping, breeding, boarding and/or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited within any condominium unit or upon any of the common elements, except that this shall not prohibit the keeping of a dog, cat or caged birds as domestic pets provided that they are not kept or maintained for commercial purposes or for breeding. Pets shall not be permitted upon the general common elements of the condominium unless accompanied by an adult and unless they are carried or leashed. Any unit owner who keeps or maintains any pet upon any portion of the condominium shall be deemed to have indemnified and agreed to hold the Council of Unit Owners, each of the unit owners and the Declarant and Management Agent free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the condominium. All pets shall be registered with the Board of Directors shall otherwise be registered and inoculated as required by law. The Board of Directors shall have the right to order any person whose pet is a nuisance, to remove such pet from the premises and the Board of Directors, after affording the right to a hearing to the unit owner affected, shall have the exclusive authority to declare any pet a nuisance.

(f) except for such signs as may be posted by the Declarant or the Council of Unit Owners for promotional or marketing purposes, traffic control or the like, no signs of any character shall be erected, posted or displayed upon, in, from or about any condominium unit or the common elements without the prior consent in writing of the Board of Directors and under such conditions as they may establish. The provisions of this subsection shall not be applicable to the institutional holder of any first mortgage which comes into possession of any condominium unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other judicial sale or other proceeding, arrangement, assignment or deed-in-lieu of foreclosure.

(g) except as hereinelsewhere provided, no junk vehicle or other vehicle on which current registration plates are not displayed, trailer, truck, camper, camp truck, house trailer, boat or the like shall be kept upon any of the general common elements, nor shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out on any of the common elements or within or upon any condominium unit.

(h) except as hereinelsewhere provided, no part of the common elements shall be used for commercial activities of any character. This subsection shall not apply to the use of the common elements and of condominium units by the Declarant for display, marketing, promotional or sales purposes or as "model" condominium units

(i) no burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted within any condominium unit or upon any of the common elements. Trash and garbage containers shall not be permitted to remain in public view, except on days of collection. All refuse shall be deposited with care in containers or trash chutes designated for such purpose during such hours as may from time to time be designated by the Board of Directors.

(j) no structure of a temporary character, trailer, tent, shack, barn or other outbuilding shall be maintained upon any 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 or from or upon any balcony or patio.

(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 of the common elements without the prior written consent of the Board of Directors.

(l) nothing shall be stored upon any balcony, terrace or patio, nor shall the cooking or preparation of food be permitted upon any balcony or upon any portion of the general common elements of the project, except with the consent of the Board of Directors.

(m) no unlawful use shall be made of any condominium unit or any portion of the common elements and all laws, zoning and other ordinances, regulations or governmental and other municipal bodies and the like shall be observed at all times.

(n) no unit owner shall engage or direct any employee of the Council of Unit Owners or the Management Agent on any private business of the unit owner during the hours such employee is employed by the Council of Unit Owners of the Management Agent nor shall any member direct, supervise or in any manner attempt to assert control over any such employee.

(o) To adopt, repeal or amend the rules for the condominium association, the Board of Directors shall:

(i) Mail or deliver to each unit owner: (a) a copy of any proposal for the adoption, repeal or amendment of any rule; (b) notice of the proposed effective date of the proposed rule; (c) notice that unit owners are permitted to submit written comments on the proposed rule; (d) notice of the date of an open meeting of the Board, at which a vote will be taken on the proposed rule. Such meeting may not be less than 15 days after the date of the notice sent.

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(ii) At the open meeting of the Board, at which a quorum of the Board must be present, following consideration of all comments, the Board will vote to adopt the proposal with any modification it may determine, or to withdraw it.

(iii) Each rule adopted under this section (11-111 of the Maryland Condominium Act) shall state that the rule was adopted under the provisions of 11-111 of the Maryland Condominium Act. A rule may not be adopted under said section after July 1, 1984 if the rule is inconsistent with the condominium Declaration or By-Laws.

(iv) The Board shall send to all unit owners and lessees a report of its action (except withdrawal), the text of the rule or a summary thereof, and the effective date of the rule.

Section 4. Drapery Liners. In order to preserve the harmony of the exterior design of the building, the Board of Directors shall have the authority to require that all drapery liners shall be of a uniform color and material as selected, from time to time by the Board of Directors. Drapery liners installed in any condominium unit shall be maintained and periodically replaced at the expense of the owner of such unit and not at common expense.

ARTICLE X

Architectural Control

Section 1. Architectural and Environmental Control Committee. Except for the construction of the condominium by the Declarant or its agents and any improvements to any condominium unit or to the common elements accomplished concurrently with said original construction, and except for purposes of proper maintenance and repair or as otherwise in the Condominium Act or these By-Laws provided, it shall be prohibited for any unit owner to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, walls, aerials, antennas, radio or television broadcasting or receiving devices, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, walls or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of any condominium unit or upon any of the common elements within the project or to combine or otherwise join two or more condominium units, or to partition the same after combination, or to remove or alter any window or exterior doors of any condominium unit, or to make any change or alteration within any condominium unit which will alter the structural integrity of any building or otherwise affect the property, interest or welfare of any other unit owner, materially increase the cost of operation or insuring the condominium or impair any easement, until the complete plans and specifications, showing the location, nature, shape, change (including, without limitation, any other information specified by the Board of Directors or its designated committee) shall have been submitted to and approved in writing as to safety, the effect of any such alteration on the costs of maintaining and insuring the condominium and harmony of design, color and location in relation to surrounding structures and topography, by the Board of Directors of the Council of Unit Owners, 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 Council of Unit Owners 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 the 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 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), and shall be substantially completed within twelve (12) months following the date of the 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 consent in writing 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. Certificates 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 owner thereof, issue a certificate of compliance with 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 and requirements 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, guidelines and establish such criteria relative to architectural styles or details, or other related matters as it may consider necessary or appropriate. 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 these By-Laws. 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 Council of Unit Owners and, upon the request of such a unit owner, shall be entitled to a hearing before the Board of Directors.

Section 7. Additions, Alterations or Improvements by Board of Directors. Except in cases of bona fide emergencies involving manifest danger to life, safety or property, or the interruption of essential services to the condominium, whenever in the judgment of the Board of Directors the common elements of the condominium shall require additions, alterations or improvements requiring the expenditure of funds of the Council of Unit Owners in excess of Twenty-five Thousand and * * * No/100 Dollars (\$25,000.00), such additions, alterations or improvements shall not be made until the same shall have been approved by (a) unit owners representing a majority of the total votes of the Council of Unit Owners at a meeting of the unit owners duly called for such purpose; and (b) 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, which approval shall be in writing.

ARTICLE XI

Insurance

Section 1. Insurance. The Board of Directors of the Council of Unit Owners shall obtain and maintain to the extent reasonably available, at least the following:

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

Board of Directors with the assistance of the insurance company affording such coverage, such coverage to afford protection against at least:

(i) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; and

(ii) such other risks as shall customarily be covered with respect to project similar in construction, location and use, including, but not limited to, sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, boiler and machinery explosion or damage, and such other insurance as the Board of Directors may from time to time determine; and

(b) public liability insurance with a “Severability of Interest Endorsement” or its equivalent in such 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 and/or property damage arising out of a single occurrence) including, but not limited to, water damage liability, legal liability, hired automobile liability, non-owned automobile liability, liability for property of others, elevator collision, garage keeper’s liability, and such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including any and all other liability incident to the ownership and use of the condominium or any portion thereof.

(c) workmen’s compensation insurance to the extent necessary to comply with any applicable law; and

(d) a “Legal Expense Indemnity Endorsement”, or its equivalent, affording protection for the officers and Directors of the Council of Unit Owners for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been a party by reason of his or her services as such; and

(e) such other policies of insurance, including insurance for other risks of similar or dissimilar nature and fidelity coverage as required by Section 16 Article V of these By-Laws, as are or shall hereafter be considered appropriate by the Board of Directors. The Board of Directors shall maintain adequate fidelity coverage to protect against dishonest acts on the part of officers and Directors of the Council of Unit Owners, trustees for the Council of Unit Owners and such employees and agents of the Council of Unit Owners who handle or are responsible for the handling of funds of the Council of Unit Owners. Such fidelity coverage shall meet the following requirements:

(i) all such fidelity bonds and policies of insurance shall name the Council of Unit Owners as obligee or named insured, as the circumstances may require; and

(ii) all such fidelity bonds and policies of insurance shall be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating budget of the condominium, including reserves; and

(iii) all such fidelity bonds and policies of insurance shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of “employee” or similar expression; and

(iv) all such fidelity bonds and insurance shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all obligees and insureds named thereon and to any mortgagee of any condominium unit who requests such notice in writing.

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

(a) all policies shall be written or reinsured with a company or companies licensed to do business in the State where the condominium is located and holding a rating of Class VI or better in the current edition of Best’s Insurance Reports.

(b) exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Council of Unit Owners, as a trustee for the owners of the condominium units, or its authorized representative, including any trustee with which the Council of Unit Owners may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be hereinelsewhere referred to as the “Insurance Trustee”.

(c) in no event shall the insurance coverage obtained and maintained pursuant to the requirement 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 Council of Unit Owners pursuant to the requirements of this Article shall exclude such policies from consideration.

(d) such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board of Directors and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board of Directors or any owner of any condominium unit, or their respective agents, employees, tenants, mortgagees or invitees or by reason of any act of neglect or negligence on the part of any of them.

(e) all policies shall provide that such policies may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the condominium units.

(f) all policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors (or any Insurance Trustee) or when in conflict with the provision of any Insurance Trust

Agreement to which the Council of Unit Owners may be a party, these By-Laws or the provisions of the Condominium Act.

(g) all policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Council of Unit Owners, the Board of Directors, the owner of any condominium unit and their respective agent, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts the insured.

(h) all policies of casualty insurance shall contain the standard mortgagee clause except that any loss or losses payable to named mortgagees shall be payable in the manner set forth in Article XII of these By-Laws. Such mortgagee clause shall provide for notice in writing to the mortgagee of any loss paid as aforesaid.

Section 3. Individual Policies – Recommendation of Declarant – Notice to Board of Directors.

The owner of any condominium unit (including the holder of any mortgage thereon) may obtain additional insurance (including a "Condominium Unit-Owner's Endorsement" or its equivalent, for improvements and betterments 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 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(g) of this Article. The Declarant recommends that each owner of a condominium unit in the condominium obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a plateglass damage policy and a "Tenant Homeowner's Policy" or its equivalent, to ensure against loss or damage to personal property used or incidental to the occupancy of a condominium unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Such later policy should include a "Condominium Unit- Owner's Endorsement", or its equivalent, covering losses to improvements and betterments to the condominium unit made or acquired at the expense of the unit owner. Copies of all such policies shall be filed with the Secretary.

The owner of any condominium unit shall notify the Board of Directors in writing of any and all improvements and betterments made to the condominium unit at the expense of such unit owner the value of which is in excess of One Thousand and * * * No/100 Dollars (\$1,000.00).

Section 4. Endorsements, etc. The Board of Directors, at the request of any owner of any condominium unit in the condominium or at the request if 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 unit owner or mortgagee as in such policies; and (b) certificates of insurance relating to any of such policies; and (c) copies of any such policies , duly certified by the insurer or its duly authorized agent.

ARTICLE XII

Casualty Damage – Reconstruction or Repair

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

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

Section 3. Restoration Not Required. In the event the condominium is damaged or destroyed by fire or other casualty to the extent of two-thirds (2/3) of the full replacement value of a condominium, 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 owners do not promptly and unanimously resolve to proceed with repair or reconstruction, then and in that event the condominium shall be deemed to be owned in common by the owners of all the condominium units in the same proportion as that established in the Declaration for ownership of appurtenant undivided interests in the common elements and the condominium shall be subject to an action for partition at the suit of the owner of any condominium unit, in which event the net proceeds of sale, together with the net proceeds of any insurance paid to the Council of Unit Owners or the unit owners in common, shall be considered as one fund and shall be divided among the owners of all the condominium units in the same proportion as that established in the Declaration for ownership of appurtenant undivided interests in the common elements, after first paying out of the share of the owner of any condominium unit, to the extent such payment is required by any lienor and to the extent such share is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interests in each unit.

Section 4. Insurance Trustee. In the event the cost of reconstruction or repair (as estimated by the Board of Directors) shall exceed an amount equal two and one-half percent (2-1/2%) of the full replacement value of the condominium, as estimated by the Board of Directors and the insurer pursuant to the requirement of Section 1(a) of Article XII of these By-Laws for the period during which such loss was sustained, and the institutional holder or holders of any mortgages or other obligation secured by any condominium unit or units in the aggregate principal sum of more than \$150,000 (hereinafter in this Section 4 call the "mortgagee") shall so require, all proceeds of insurance shall be paid over to a trust company or bank (the "Insurance Trustee") having trust powers and authorized to engage in trust business in the jurisdiction wherein the condominium is located, 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 mortgage and which shall contain, inter alia, the following provisions:

(a) the reconstruction or repair shall be in the charge of the architect or engineer, who may be an employee of the Council of Unit Owners, satisfactory to the mortgagee, and hereinafter in this Section 4 called the “architect”.

(b) prior to commencement of the reconstruction or repair, other than such work as may be necessary to protect the condominium from further damage, the mortgagee shall have approved the plans and specifications 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 requirements; and (ii) the amount requested to be advanced is required to reimburse the Council of Unit Owners for payments previously made by the Council of Unit Owners or is due to the contractor responsible for the engineers, architects or to other person responsible for services or materials in connection with such restoration or repair, or for fees or the like necessarily incurred in connection with the same; and (iii) when added to amounts previously 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 with appropriate evidence from a title insurance company or the like to the effect that there has not been filed with respect to the condominium any mechanic’s or other lien, or notice of intention to file the same, which has not been dismissed or satisfied of record.

(e) the fees and expenses of the Insurance Trustee, as agreed upon by the Board of Directors and the Insurance Trustee, shall be paid by the Council of Unit Owners as a common expense, and such fees 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 Council of Unit Owners and shall be considered as one fund and shall be divided among the owners of all of the condominium units in the same proportion as that established in the Declaration for ownership of appurtenant undivided interests in the common elements, after first paying out

the share of the owner of any condominium unit , to the extent such payment is required by any lienor and to the extent the same is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interest in each unit.

Section 5. Damage Originating from Unit (Insurance Deductible). The deductible if any, on any master property damage insurance claim shall be a common expense, subject to the provisions of this subsection.

If the cause of any casualty insurance originates in a unit, as a result of the fault or negligence of the owner of the unit, the owner of the unit shall be responsible for paying the deductible amount of up to \$1,000.00 with respect to any claim made under the Leisure World of Maryland's master property damage insurance policy, up to the maximum amount permitted by the Maryland Condominium Act, and such amount may assesses against the unit as a part of the lien for assessments. Any portion of the deductible amount in excess of the maximum permitted by the Maryland Condominium Act to be charged to the unit owner shall be a common expense.

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This subsection shall not be construed to limit any party's liability to the Corporation, or to any unit owner for party's wrongful or negligent acts or omissions, nor to limit any right of the Corporation or of any unit owner to seek reimbursement of any deductible amount paid under this subsection from a party whose wrongful or negligent acts or omissions cause the damage for which the insurance claim was submitted, as permitted in these bylaws or otherwise.

ARTICLE XIII

Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Council of Unit Owners shall begin on the first day of January every year, except for the first fiscal year of the Council of Unit Owners which shall begin at the date of recordation of the Declaration among the Land Records for Montgomery County, Maryland. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Council of Unit Owners subsequently dictate.

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

Section 3. Books and Accounts. Books and accounts of the Council of Unit Owners shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Council of

Unit Owners and its administration and shall specify the maintenance and repair expenses of the common elements of the condominium, services provided with respect to the same and any other expenses incurred by the Council of Unit Owners. The amount of any assessment required for payment of any capital expenditures or reserves of the Council of Unit Owners shall be credited upon the books of the Council of Unit Owners to the "Paid-in-Surplus" account as a capital contribution by the members. The receipts and expenditures of the Council of Unit Owners shall be credited and charged to other accounts under at least the following classifications:

(a) "Current Operations" which shall involve the control of actual expenses of the Council of Unit Owners, including reasonable allowances for necessary contingencies and working capital funds in relation to the assessments and expenses hereinelsewhere provided for; and

(b) "Reserve for Deferred Maintenance" which shall involve the control of monthly funding and maintenance of such deferred maintenance costs and reserves as are approved by the Board of Directors from time to time; and

(c) "Reserves for Replacement" which shall involve the control of such reserves for replacement as are provided for in these By-Laws and as may from time to time be approved by the Board of Directors; and

(d) "Other Reserves" which shall involve the control over funding and charges against any other reserve funds which may from time to time be approved by the Board of Directors; and

(e) "Investments" which shall involve the control over investments of reserve funds and such other funds as may be deemed suitable for investment on a temporary basis by the Board of Directors; and

(f) "Betterments" which shall involve the control over funds to be used for the purpose of defraying the cost of any construction or reconstruction, unanticipated repair or replacement of a described capital improvements and for expenditures for additional capital improvements or personal property made or acquired by the Council of Unit Owners with the approval of the Board of Directors.

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

Section 5. Inspection of Books. The books and accounts of the Council of Unit Owners, vouchers accrediting the entries made thereupon and all other records maintained by the Council of Unit Owners shall be available for examination by the unit owners and their duly authorized agents or attorneys, and to the institutional holder of any first mortgage on any condominium unit and its duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.

Section 6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Council of Unit Owners by either the President or a Vice President, and all checks shall be executed on behalf of the Council of Unit Owners by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

Section 7. Seal. The Board of Directors may provide a suitable corporate seal containing the name of the Council of Unit Owners, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

ARTICLE XIV

Physical Management

Section 1. Management and Common Expenses. The Council of Unit Owners, acting by and through its Board of Directors, shall manage, operate and maintain the condominium and, for the benefit of the condominium units and the unit owners, shall enforce the provisions hereof and shall pay the cost of managing, operating and maintaining the condominium, including without limitation, the following:

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(a) the cost of providing water, sewer, garbage and trash collection and electrical, gas and other necessary utility services for the common elements and, to the extent that the same are not separately metered or billed to each condominium unit, for the condominium units; and

(b) the cost of fire and extended liability insurance on the condominium and the cost of such other insurance as the Council of Unit Owners may effect; and

(c) the cost of the services of a person or firm to manage the project to the extent deemed advisable by the Council of Unit Owners consistent with the provisions of these By-Laws, together with the services of such other personnel as the Board of Director of the Council of the Unit Owners shall consider necessary for the operation of the condominium, and

(d) the cost of providing such legal and accounting services as may be considered necessary by the Board of Directors for the operation of the condominium; and

(e) the cost of repairs, maintenance, service and replacement of the common elements of the condominium, including, without limitation, the cost of painting, maintaining, replacing, repairing and landscaping the common elements and such furnishing and equipment for the common elements as the Board of Directors shall determine are necessary and proper; provided, however, that nothing herein contained shall require the Council of Unit Owners to repair, replace, or otherwise maintain the interior of any condominium unit or any fixtures, appliances, equipment or the like located therein; and

(f) the cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments, or the like, which the Council of Unit Owners 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 condominium; provided, however, that if any of the aforementioned are provided or paid for the specific benefit of a particular condominium unit or units, the cost thereof shall be specially assessed to the owner or owners thereof in the manner provided in this Article; and

(g) the cost of the maintenance or repair of any condominium unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the common elements or to preserve the appearance or value of the condominium or is otherwise in the interest of the general welfare of all of the unit owners; provided, however, that, except in cases involving emergencies or manifest danger to safety of person or property no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the owner of the condominium unit proposed to be maintained and, provided further, that the cost thereof shall be assessed against the condominium unit for which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then owner of said condominium unit at which time the assessment shall become due and payable and a continuing obligation of said unit owners in all respects as provided in Article VIII of these By-Laws; and

(h) any amounts necessary to discharge any lien or encumbrance levied against the condominium, 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 any individual condominium unit.

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

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

Section 4. Duty to Maintain. Except for maintenance requirements herein imposed upon the Council of Unit Owners, the owner of any condominium unit shall, at his own expense, maintain the interior of his condominium unit and any and all equipment, appliances or fixtures

therein situate, and its other appurtenances (including, without limitation, any balcony, terrace, fenced area, courtyard, patio or the like appurtenant to such condominium unit and designated herein or in the Declaration or the Condominium Plat as limited common elements reserved for exclusive use by the owner of that particular condominium unit, and including all mechanical equipment and appurtenances located outside such unit which are designed, designated or installed to serve only that unit), in good order, condition and repair, free and clear of ice and snow, and in a clean and sanitary condition, and shall do all redecorating, painting and the like which may at any time be necessary to maintain the good appearance of his condominium unit. In addition to the foregoing, the owner of any condominium unit shall, at his own expense maintain, repair, replace any plumbing and electrical fixtures, water heaters, fireplaces, plenums, heating and air conditioning equipment, lighting fixtures, refrigerators, freezers, trash compactors, dishwashers, clothes washers, clothes dryers, disposals, ranges, range hoods, and other equipment that may be in or declared to be appurtenant to such condominium unit. The owner of any condominium unit shall also, at his own expense, keep any other limited common elements which may be appurtenant to such condominium unit and reserved for his exclusive use on a clean, orderly and sanitary condition.

Section 5. Windows and Doors. The owner of any condominium unit shall, at his own expense, clean and maintain both the interior and exterior surfaces of all windows of such condominium unit and shall, at his own expense, clean and maintain both the interior and exterior glass surfaces of all glass entry doors of the condominium unit, including the interior and exterior surfaces of any door leading to any balcony, deck, terrace, fenced area, courtyard, patio or the like appurtenant to such condominium unit and designated herein or in the Declaration or the Condominium Plat as a limited common element reserved for the exclusive use of the owner of that particular condominium unit. The exterior surfaces of all other entry doors shall be cleaned and maintained at common expense in accordance with a schedule determined by the Board of Directors and the interior surfaces thereof shall be cleaned and maintained by and at the expense of the individual condominium unit owners. Notwithstanding the provisions of this Section, the Board of Directors may resolve to clean the exterior surfaces of all windows in the condominium at common expense in accordance with a schedule to be determined by the Board of Directors.

Section 6. Access at Reasonable Times. The Council of Unit Owners shall have an irrevocable right and an easement to enter condominium units for the purpose of making repairs to the common elements when the repairs reasonably appear necessary for public safety or to prevent damage to other portions of the condominium. Except in cases involving manifest damage to public safety or property, the Council of Unit Owners shall make a reasonable effort to give notice to the owner of any condominium unit to be entered for the purpose of such repairs. No entry by the Council of Unit Owners for the purpose specified in this Section may be considered a trespass.

Section 7. Easement for Utilities and Related Purposes. The Council of Unit Owners is authorized and empowered to grant (and shall time to time grant) such licenses, easements and rights-of-way for sewer lines, water lines, electrical cables, telephone cables, gas lines, water drains, overhead or underground conduits and such other purposes related to the provision of public utilities to the condominium as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation and enjoyment of the common elements or

for the preservation of the health, safety, convenience and welfare of the owners of the condominium units or the Declarant.

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

ARTICLE XV

Parking and Storage

Section 1. General Requirements – Parking. 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 Declarant 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 the Declarant or by 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.

Section 2. General Requirements – Storage. All storage areas within the condominium and designated as such on the Condominium Plat shall be considered part of the general common elements. The use of storage areas may be regulated by the Board of Directors

and spaces within the storage areas may initially be assigned by the Declarant and thereafter by the Board of Directors. No unit owner shall make use of any storage space other than the space or spaces assigned to his condominium unit by the Declarant or by the Board of Directors, if any, without the express written consent of both the unit owner to whom such storage space has been assigned and the Board of Directors. Storage spaces shall not 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 storage areas within the condominium and the Board of Directors is hereby, and elsewhere in these By-Laws, authorized to adopt such rules and regulations.

ARTICLE XVI

Rights of First Refusal (This Article was removed per the By-Law Amendment recorded in the Land Records for Montgomery County at Liber 36435, Folio 490 – 499, on 01/20/2009)

ARTICLE XVII

Amendment

Section 1. Amendments. These By-Laws may be amended by the affirmative vote of unit owners representing **sixty-six and 2/3** percent (**66 2/3%**) of the total votes of the Council of Unit Owners, at any meeting of the unit owners duly called for such purpose, in accordance with the provisions and requirements of these By-Laws and Title 11, Real Property Article, of the Annotated Code of Maryland (1974 Repl Vol.), as amended. Any amendment to these By-Laws shall be effective only upon the recordation of such amendment among the Land Records for Montgomery County, Maryland together with a certificate in writing of the President of the Council of Unit Owners stating that the amendment was approved as aforesaid.

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Section 2. Proposal of Amendments. Amendments to these By-Laws may be proposed by the Board of Directors of the Council of Unit Owners or by petition signed by unit owners representing at least twenty-five percent (25%) of the total votes of the Council of 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.

ARTICLE XVIII

Mortgages – Notices – Other Rights of Mortgagees

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

mortgage with the Board of Directors. The Board of Directors shall maintain suitable records pertaining to such mortgages.

Section 2. Consents. Any other provision of these By-Laws or of the Declaration to the contrary notwithstanding, neither the unit owners, the Board of Directors nor the Council of Unit Owners shall take any of the following actions without the prior written consent and approval of the holders of all first mortgages of records on the condominium units:

(a) abandon or terminate the condominium except for abandonment or termination provided in the Condominium Act in the case of substantial damage or destruction of the condominium by fire or other casualty or in the case of a taking by condemnation or eminent domain; or

(b) modify or amend any material provision of the Declaration or of these By-Laws, including, but without limitation, any amendment which would change the percentage interest of the unit owners in the common elements of the condominium, the percentage interests of the unit owners in the common expenses and common profits of the condominium or the voting rights of the unit owners; or

(c) modify the method of determining and collecting common expense assessments or other assessments as provided in Article VIII of these By-Laws; or

(d) partition, subdivide, transfer or otherwise dispose of any of the common elements the condominium project; or

(e) resolve to use the proceeds of casualty insurance for any purpose other than the repair or restoration of the condominium.

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

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

Section 5. Condemnation or Eminent Domain. In the event any condominium unit or any part of the common elements of the condominium is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Council of Unit Owners shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the condominium units. No provision of the Declaration or these By-laws shall entitle any unit owner to any priority over the holder of any first mortgage of record on his condominium

unit with respect to the distribution to such owner of the proceeds of any condemnation award or settlement.

ARTICLE XIX

Compliance – Interpretation – Miscellaneous

Section 1. Compliance. These By-Laws are set forth in compliance with the requirements of Title 11, Real Property Article, Annotated Code of Maryland (1974 Repl. Vol.), as amended.

Section 2. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of Title 11, Real Property Article, Annotated Code of Maryland (1974 Repl. Vol.), as amended. 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 between these By-Laws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between the aforesaid Declaration and Title 11, Real Property Article, Annotated Code of Maryland (1974 Repl. Vol.), as amended, the provisions of the statutes shall control.

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

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

Section 5. Waiver. No restriction, condition, obligation or provisions 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 6. Captions. The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

Section 7. Gender, etc. Whenever in these By-Laws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

“EXHIBIT C”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
88-1A	1.287073
88-2A	1.287073
88-3A	1.287073
88-1B	0.991286
88-2B	0.991286
88-3B	0.991286
88-1C	0.991286
88-2C	0.991286
88-3C	0.991286
88-1D	0.841172
88-2D	0.991286
88-3D	0.991286
88-1E	1.287073
88-2E	1.287073
88-3E	1.287073
88-1F	1.287073
88-2F	1.287073
88-3F	1.287073
88-1G	0.991286
88-2G	1.088993
88-3G	1.088993
88-1H	0.991286
88-2H	0.991286
88-3H	0.991286
88-1J	0.991286
88-2J	0.991286
88-3J	0.991286
88-1K	1.287073
88-2K	1.287073
88-3K	1.287073

“EXHIBIT C”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
89-1A	1.287073
89-2A	1.287073
89-3A	1.287073
89-1B	0.841172
89-2B	0.991286
89-3B	0.991286
89-1C	0.991286
89-2C	0.991286
89-3C	0.991286
89-1D	0.991286
89-2D	0.991286
89-3D	0.991286
89-1E	1.287073
89-2E	1.287073
89-3E	1.287073
89-1F	1.287073
89-2F	1.287073
89-3F	1.287073
89-1G	0.991286
89-2G	0.991286
89-3G	0.991286
89-1H	0.991286
89-2H	0.991286
89-3H	0.991286
89-1J	0.991286
89-2J	1.088993
89-3J	1.088993
89-1K	1.287073
89-2K	1.287073
89-3K	1.287073

“EXHIBIT C”

<u>Unit No.</u>	Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls <u>Voting Rights)</u>
90-1A	1.287073
90-2A	1.287073
90-3A	1.287073
90-1B	0.991286
90-2B	0.991286
90-3B	0.991286
90-1C	0.991286
90-2C	0.991286
90-3C	0.991286
90-1D	0.841172
90-2D	0.991286
90-3D	0.991286
90-1E	1.287073
90-2E	1.287073
90-3E	1.287073
90-1F	1.287073
90-2F	1.287073
90-3F	1.287073
90-1G	0.991286
90-2G	1.088993
90-3G	1.088993
90-1H	0.991286
90-2H	0.991286
90-3H	0.991286
90-1J	0.991286
90-2J	0.991286
90-3J	0.991286
90-1K	1.287073
90-2K	1.287073
90-3K	1.287073

“EXHIBIT C-1”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
88-1A	0.772243
88-2A	0.772243
88-3A	0.772243
88-1B	0.554771
88-2B	0.554771
88-3B	0.554771
88-1C	0.554771
88-2C	0.554771
88-3C	0.554771
88-1D	0.504703
88-2D	0.554771
88-3D	0.554771
88-1E	0.772243
88-2E	0.772243
88-3E	0.772243
88-1F	0.772243
88-2F	0.772243
88-3F	0.772243
88-1G	0.554771
88-2G	0.653396
88-3G	0.653396
88-1H	0.554771
88-2H	0.554771
88-3H	0.554771
88-1J	0.554771
88-2J	0.554771
88-3J	0.554771
88-1K	0.772243
88-2K	0.772243
88-3K	0.772243

“EXHIBIT C-1”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
89-1A	0.772243
89-2A	0.772243
89-3A	0.772243
89-1B	0.504703
89-2B	0.554771
89-3B	0.554771
89-1C	0.554771
89-2C	0.554771
89-3C	0.554771
89-1D	0.554771
89-2D	0.554771
89-3D	0.554771
89-1E	0.772243
89-2E	0.772243
89-3E	0.772243
89-1F	0.772243
89-2F	0.772243
89-3F	0.772243
89-1G	0.554771
89-2G	0.554771
89-3G	0.554771
89-1H	0.554771
89-2H	0.554771
89-3H	0.554771
89-1J	0.554771
89-2J	0.653396
89-3J	0.653396
89-1K	0.772243
89-2K	0.772243
89-3K	0.772243

“EXHIBIT C-1”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
90-1A	0.772243
90-2A	0.772243
90-3A	0.772243
90-1B	0.554771
90-2B	0.554771
90-3B	0.554771
90-1C	0.554771
90-2C	0.554771
90-3C	0.554771
90-1D	0.504703
90-2D	0.554771
90-3D	0.554771
90-1E	0.772243
90-2E	0.772243
90-3E	0.772243
90-1F	0.772243
90-2F	0.772243
90-3F	0.772243
90-1G	0.554771
90-2G	0.653396
90-3G	0.653396
90-1H	0.554771
90-2H	0.554771
90-3H	0.554771
90-1J	0.554771
90-2J	0.554771
90-3J	0.554771
90-1K	0.772243
90-2K	0.772243
90-3K	0.772243

“EXHIBIT C-1”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
91-1A	0.772243
91-2A	0.772243
91-3A	0.772243
91-1B	0.554771
91-2B	0.554771
91-3B	0.554771
91-1C	0.554771
91-2C	0.554771
91-3C	0.554771
91-1D	0.504703
91-2D	0.554771
91-3D	0.554771
91-1E	0.772243
91-2E	0.772243
91-3E	0.772243
91-1F	0.772243
91-2F	0.772243
91-3F	0.772243
91-1G	0.554771
91-2G	0.653396
91-3G	0.653396
91-1H	0.554771
91-2H	0.554771
91-3H	0.554771
91-1J	0.554771
91-2J	0.554771
91-3J	0.554771
91-1K	0.772243
91-2K	0.772243
91-3K	0.772243

“EXHIBIT C-1”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
92-1A	0.772243
92-2A	0.772243
92-3A	0.772243
92-1B	0.554771
92-2B	0.554771
92-3B	0.554771
92-1C	0.554771
92-2C	0.554771
92-3C	0.554771
92-1D	0.504703
92-2D	0.554771
92-3D	0.554771
92-1E	0.772243
92-2E	0.772243
92-3E	0.772243
92-1F	0.772243
92-2F	0.772243
92-3F	0.772243
92-1G	0.554771
92-2G	0.653396
92-3G	0.653396
92-1H	0.554771
92-2H	0.554771
92-3H	0.554771
92-1J	0.554771
92-2J	0.554771
92-3J	0.554771
92-1K	0.772243
92-2K	0.772243
92-3K	0.772243

“EXHIBIT C-2”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
88-1A	0.551603
88-2A	0.551603
88-3A	0.551603
88-1B	0.424837
88-2B	0.424837
88-3B	0.424837
88-1C	0.424837
88-2C	0.424837
88-3C	0.424837
88-1D	0.360502
88-2D	0.424837
88-3D	0.424837
88-1E	0.551603
88-2E	0.551603
88-3E	0.551603
88-1F	0.551603
88-2F	0.551603
88-3F	0.551603
88-1G	0.424837
88-2G	0.466711
88-3G	0.466711
88-1H	0.424837
88-2H	0.424837
88-3H	0.424837
88-1J	0.424837
88-2J	0.424837
88-3J	0.424837
88-1K	0.551603
88-2K	0.551603
88-3K	0.551603

“EXHIBIT C-2”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
89-1A	0.551603
89-2A	0.551603
89-3A	0.551603
89-1B	0.360502
89-2B	0.424837
89-3B	0.424837
89-1C	0.424837
89-2C	0.424837
89-3C	0.424837
89-1D	0.424837
89-2D	0.424837
89-3D	0.424837
89-1E	0.551603
89-2E	0.551603
89-3E	0.551603
89-1F	0.551603
89-2F	0.551603
89-3F	0.551603
89-1G	0.424837
89-2G	0.424837
89-3G	0.424837
89-1H	0.424837
89-2H	0.424837
89-3H	0.424837
89-1J	0.424837
89-2J	0.466711
89-3J	0.466711
89-1K	0.551603
89-2K	0.551603
89-3K	0.551603

“EXHIBIT C-2”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
90-1A	0.551603
90-2A	0.551603
90-3A	0.551603
90-1B	0.424837
90-2B	0.424837
90-3B	0.424837
90-1C	0.424837
90-2C	0.424837
90-3C	0.424837
90-1D	0.360502
90-2D	0.424837
90-3D	0.424837
90-1E	0.551603
90-2E	0.551603
90-3E	0.551603
90-1F	0.551603
90-2F	0.551603
90-3F	0.551603
90-1G	0.424837
90-2G	0.466711
90-3G	0.466711
90-1H	0.424837
90-2H	0.424837
90-3H	0.424837
90-1J	0.424837
90-2J	0.424837
90-3J	0.424837
90-1K	0.551603
90-2K	0.551603
90-3K	0.551603

“EXHIBIT C-2”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
91-1A	0.551603
91-2A	0.551603
91-3A	0.551603
91-1B	0.424837
91-2B	0.424837
91-3B	0.424837
91-1C	0.424837
91-2C	0.424837
91-3C	0.424837
91-1D	0.360502
91-2D	0.424837
91-3D	0.424837
91-1E	0.551603
91-2E	0.551603
91-3E	0.551603
91-1F	0.551603
91-2F	0.551603
91-3F	0.551603
91-1G	0.424837
91-2G	0.466711
91-3G	0.466711
91-1H	0.424837
91-2H	0.424837
91-3H	0.424837
91-1J	0.424837
91-2J	0.424837
91-3J	0.424837
91-1K	0.551603
91-2K	0.551603
91-3K	0.551603

“EXHIBIT C-2”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
92-1A	0.551603
92-2A	0.551603
92-3A	0.551603
92-1B	0.424837
92-2B	0.424837
92-3B	0.424837
92-1C	0.424837
92-2C	0.424837
92-3C	0.424837
92-1D	0.360502
92-2D	0.424837
92-3D	0.424837
92-1E	0.551603
92-2E	0.551603
92-3E	0.551603
92-1F	0.551603
92-2F	0.551603
92-3F	0.551603
92-1G	0.424837
92-2G	0.466711
92-3G	0.466711
92-1H	0.424837
92-2H	0.424837
92-3H	0.424837
92-1J	0.424837
92-2J	0.424837
92-3J	0.424837
92-1K	0.551603
92-2K	0.551603
92-3K	0.551603

“EXHIBIT C-2”

<u>Unit No.</u>	<u>Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls Voting Rights)</u>
93-1A	0.551603
93-2A	0.551603
93-3A	0.551603
93-1B	0.424837
93-2B	0.424837
93-3B	0.424837
93-1C	0.424837
93-2C	0.424837
93-3C	0.424837
93-1D	0.360502
93-2D	0.424837
93-3D	0.424837
93-1E	0.551603
93-2E	0.551603
93-3E	0.551603
93-1F	0.551603
93-2F	0.551603
93-3F	0.551603
93-1G	0.424837
93-2G	0.466711
93-3G	0.466711
93-1H	0.424837
93-2H	0.424837
93-3H	0.424837
93-1J	0.424837
93-2J	0.424837
93-3J	0.424837
93-1K	0.551603
93-2K	0.551603
93-3K	0.551603

“EXHIBIT C-2”

<u>Unit No.</u>	Percentage Interest in Common Elements, Common Expenses and Common Profits (Also Controls <u>Voting Rights</u>)
94-1A	0.551603
94-2A	0.551603
94-3A	0.551603
94-1B	0.424837
94-2B	0.424837
94-3B	0.424837
94-1C	0.424837
94-2C	0.424837
94-3C	0.424837
94-1D	0.360502
94-2D	0.424837
94-3D	0.424837
94-1E	0.551603
94-2E	0.551603
94-3E	0.551603
94-1F	0.551603
94-2F	0.551603
94-3F	0.551603
94-1G	0.424837
94-2G	0.466711
94-3G	0.466711
94-1H	0.424837
94-2H	0.424837
94-3H	0.424837
94-1J	0.424837
94-2J	0.424837
94-3J	0.424837
94-1K	0.551603
94-2K	0.551603
94-3K	0.551603

**CERTIFICATE OF AMENDMENT
OF BY-LAWS
COUNCIL OF UNIT OWNERS OF
MUTUAL NINETEEN-B - CONDOMINIUM OF ROSSMOOR, INC.**

This is to certify that the By-Laws of Mutual Nineteen-B, Condominium of Rossmoor, Inc. a Maryland Corporation referred to in that Declaration, made by Rossmoor Corporation, recorded among the Land Records of Montgomery County, Maryland , in Liber 2458 at Folio 000261, et seq (said By-Laws being attached to said Declaration as “Exhibit B”) were duly amended at the annual meeting of the membership of said corporation held on the 9th day of May 1985; that said meeting was duly called pursuant to all requirements for notice so as to permit said amendment of the By-Laws; that said amendment was duly adopted at said meeting in accordance with all requirements for adoption of an amendment to said By-Laws; that the entry from the minutes of said meeting attached as “Exhibit I” is a true and complete copy of the amendment so adopted; and that attached hereto as “Exhibit II” is a certificate of the persons appointed to count votes at the meeting of the Council of Unit Owners; that the amendment was approved by unit owners having the percentage of votes required by the By-Laws,

In witness whereof we hereunto set out hands and seals this 30th of May, 1985.

Edward C. Pomeroy, President

Council of Unit Owners of Mutual 19-B--
Condominium of Rossmoor, Inc.

Virginia Praetorius

Council of Unit Owners of Mutual 19-B--
Condominium of Rossmoor, Inc.

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY)

SS:

I HEREBY CERTIFY that on this 30th day of May, 1985, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Mr. Edward C. Pomeroy, who made oath in due form of law that he executed in his capacity as President of the Council of Unit Owners of Mutual 19-B—Condominium of Rossmoor Inc., the foregoing document (Certification of Amendments to the Bylaw of said Corporation) for the purposes therein contained and acknowledges this to be his act.

WITNESS my hand a notorial seal.

Elizabeth A. L'Heureux, Notary Public

My Commission expires _____

STATE OF MARYLAND)
) SS:
COUNTY OF MONTGOMERY)

I HEREBY CERTIFY that on this 30th day of May, 1985, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Virginia Praetorius, who made oath in due form of law that he executed in his capacity as Secretary of the Council of Unit Owners of Mutual 19-B—Condominium of Rossmoor Inc., the foregoing document (Certification of Amendments to the Bylaw of said Corporation) for the purposes therein contained and acknowledges this to be her act.

WITNESS my hand a notorial seal.

Elizabeth A. L'Heureux, Notary Public

My Commission expires _____

EXHIBIT 1
**EXCERPT FROM MINUTES OF THE ANNUAL MEETING OF THE MEMBERSHIP
OF THE COUNCIL OF UNIT OWNERS OF MUTUAL 19B--ROSSMOOR, INC.**

WHEREAS, it has been determined that it is desirable to amend Article VIII, Section 1 and 2, and Article XIV, Section 1, of the By-Laws of the Council of Unit Owners of Mutual 19B--Condominium of Rossmoor, Inc., after the Membership cast ballots regarding the proposed amendments, it was passed by at least 87.134602 of the Membership to

AMEND ARTICLE VIII, Section 1, by deleting in its entirety all of Section 1 preceding the last two paragraphs thereof and substituting in lieu thereof the following:

Section 1. Annual Assessments for Expenses. Each unit owner shall pay to the Council of Unit Owners, in advance, for each month of each year, a sum equal to one-twelfth (1/12) of the total of the following amounts, as estimated by the Board of Directors:

(a) an amount to cover the expected cost of electricity furnished for that year to that unit shall be determined by applying the E-Rating formulated by the Leisure World of Maryland Corporation or assigned by it to that unit or, if the Board of Directors so decides, shall be computed under any other method established by the Council of Unit Owners that is reasonably designated to measure the expected use of electricity by that unit during that year,

(b) an equal amount for each unit in the condominium to cover the cost of garbage and trash collection and of facilities and other services furnished for that year under the Leisure Work of Maryland Trust Agreement of March 9, 1966 (recorded at Liber 3479, Folio 396, in the land records of Montgomery County, Maryland), as amended; and an equal amount for each unit to cover the cost of electricity for the common area in those buildings (91-92-93-94) where the units are individually metered; and an equal amount for each unit to cover the cost furnishing or securing water and sewer service, and (except to the extent included in clause (a) of this section) other services or utilities not separately metered or billed directly to the unit by the utility or other company:

(c) an amount equal to the unit owner's proportionate share (determined in accordance with the percentage interests in common expenses and common profits of the condominium set forth in Exhibit C attached to the Declaration) of the sum required to meet the other annual expense of the condominium, including:

(1) the cost of necessary management and administration;

(2) the amount of all taxes and assessments levied against the Council of Unit Owners or upon any property which it may own which it is otherwise required to pay;

(3) the cost of fire and extended liability insurance on the project and the cost of such other insurance as the Council of Unit Owners may secure;

(4) the cost of funding contributions to the "Paid-in-Surplus" account of the Council of Unit Owners and the cost of funding all reserves established by

the Council of Unit Owners, or under such Trust Agreement of March 9, 1966 including, when appropriate, a general operating reserve and a reserve for replacements;

(5) the estimated cost of repair, maintenance, and replacement of the common elements of the condominium to be made by the Council of Unit Owners; and

(6) the cost of all other operating expenses of the condominium and of other facilities and service furnished or secured by it (except to the extent included in clause (a) of this section.)

AMEND ARTICLE VIII, Section 2 by inserting “and other amounts referred to in Section 1 of this Article” after “its annual expenses”, so that the first sentence reads as follows:

The Board of Directors, with 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 Council of Unit Owners to meet its annual expenses and other amounts referred to in Section 1 of this Article for that period.

AMEND ARTICLE XIV, Section 1, preceding clauses (a) by striking out “out of the common expense fund hereinelsewhere provided for”, so that the first paragraph of Section 1 reads as follows:

The Council of Unit Owners, acting by and through its Board of Directors, shall manage, operate and maintain the condominium and, for the benefit of the condominium units and the unit owners, shall enforce the provisions hereof and shall pay the cost of managing, operating and maintaining the condominium, including, without limitation, the following:

CHANGE THE 75% AFFIRMATIVE VOTE TO AMEND BY-LAWS TO 66 ⅔ AS PERMITTED UNDER STATE LAW. (See Article XVII, Sec. 1, By-Laws, p. 39 of Montgomery County Property Report for Mutual 19-B).

THIS IS TO CERTIFY that the foregoing amendment to the By-Laws was adopted at the annual meeting of the membership of the Council of Unit Owners of Mutual 19-B--Condominium of Rossmoor, Inc., on May 8, 1985, and that said action is approved by the Board of Directors.

ATTEST:

Elizabeth L’Heureux
Assistant Secretary

Edward C. Pomeroy
President

EXHIBIT I

AMENDMENT OF THE BYLAWS AS APPROVED AT THE ANNUAL MEETING OF THE MEMBERSHIP OF COUNCIL OF UNIT OWNERS OF MUTUAL 19B -- CONDOMINIUM OF ROSSMOOR, INC.

The following amendments to the By-Laws of the Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc. were approved by the unit owners representing 73.92% of the Membership:

AMEND ARTICLE IX, SECTION 1, by deleting in its entirety the first sentence and inserting in lieu thereof the following:

It is the policy of this Mutual to provide housing for older persons. Implementation of this policy and other reasonable restrictions on occupancy or residents under 55 years of age in the units of this Mutual shall be governed by rules established by the Board of Directors.

AMEND ARTICLE IX, SECTION 3, by deleting paragraph (o) in its entirety and inserting in lieu thereof the following:

- (o) To adopt, repeal or amend the rules for the condominium association, the Board of Directors shall:
 - (i) Mail or deliver to each unit owner: (a) a copy of any proposal for the adoption, repeal or amendment of any rule; (b) notice of the proposed effective date of the proposed rule; (c) notice that unit owners are permitted to submit written comments on the proposed rule; (d) notice of the date of an open meeting of the Board, at which a vote will be taken on the proposed rule. Such meeting may not be less than 15 days after the date of the notice sent.
 - (ii) At the open meeting of the Board, at which a quorum of the Board must be present, following consideration of all comments, the Board will vote to adopt the proposal with any modification it may determine, or to withdraw it.
 - (iii) Each rule adopted under this section (11-111 of the Maryland Condominium Act) shall state that the rule was adopted under the provisions of 11-111 of the Maryland Condominium Act. A rule may not be adopted under said section after July 1, 1984 if the rule is inconsistent with the condominium Declaration or By-Laws.
 - (iv) The Board shall send to all unit owners and lessees a report of its action (except withdrawal), the text of the rule or a summary thereof, and the effective date of the rule.

The following amendment to the By-Laws of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc., were approved by the unit owners representing 73.92 percent of the Membership:

AMEND SECTION 3, ARTICLE V, by adding a new paragraph (1) Dispute Settlement Mechanism as follows:

- (1) The Board of Directors may not impose a fine, suspend voting, or infringe upon any other rights of a unit owner or other occupant for violations of rules until the following procedure is followed:
 - (i) Written demand to cease and desist from an alleged violation is served upon the alleged violator specifying:
 - (A) The alleged violation;
 - (B) The action required to abate the violation; and
 - (C) A time period, not less than 10 days, during which the violation may be abated without further sanction, if the violation is a continuing one; or if the violation is not a continuing one, a statement that further violation of the same rule may result in the imposition of sanction after due notice and hearing
 - (ii) Within 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:
 - (A) The nature of the alleged violation;
 - (B) The time and place of the hearing, which time may not be less than 10 days from the giving of the notice;
 - (C) An invitation to attend the hearing and producing any statement, evidence, and witnesses on his or her behalf; and
 - (D) The proposed sanction to be imposed.
 - (iii) 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 hereunder, proof of notice and the invitation to be heard 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.

- (iv) A decision pursuant to these procedures shall be appealable to the courts of Maryland.

If any unit owner fails to comply with this title, the declaration, or bylaws, or a decision rendered pursuant to this section, the unit owner may be sued for damages caused by the failure or for injunctive relief, or both, by the council of unit owners or by any other unit owner. The prevailing party in any such proceeding is entitled to an award for counsel fees as determined by court. This section conforms to Title 11-113 of the Condominium Act. The failure of the council of unit owners (Board of Directors) to enforce a provision of this title, the declaration, or bylaws on any occasion is not a waiver of the right to enforce the provision on any other occasion.

THIS IS TO CERTIFY THAT the foregoing amendments to the Bylaws were adopted at the annual meeting of the membership of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc., on May 9, 1990 by an excess of the required $66 \frac{2}{3}$ percent of the membership.

ATTEST:

Virginia Praetorius
Secretary

Edward C. Pomerey
President

**CERTIFICATE AND REPORT
OF
INSPECTORS ELECTION**

The undersigned, duly appointed Inspectors of Election of _____
Mutual 19-B -- Condominium of Rossmoor, Inc.,
hereby certify as follows:

- (A) That an annual meeting of the Corporation was held on the 9th day of May, 1990, pursuant to due notice.
- (B) That before entering upon the discharge of our duties we were severally sworn, and the oath so taken by us is annexed hereto.
- (C) That we inspected the signed proxies used at meeting, if any, and found the same to be in proper order.
- (D) That the members representing at least 73.92 percent of the total value of the project were present at the meeting, either in person or by proxy.
- (E) That we received the votes by the members by ballot for the election of one director of the Corporation and that the following received the number of votes set opposite their names, said votes representing the percentages of the total value of the project set opposite their respective names:
- (F) That we received the votes by the members by ballot for by-law amendments and that the following amendment received the votes representing the percentages of the total value of the project set opposite the respective amendment. (See reverse side).

Inspector - Margaret Neuber

Inspector - Bernard Snyder

Inspector - Edward Royston

CERTIFICATE OF AMENDMENT

OF BYLAWS

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

This is to certify that the Bylaws of Council of Unit Owners No. 19B - Condominium of Rossmoor, Inc. referred to in that Master Deed, made by Rossmoor Construction Corporation, Inc., recorded among the Land Records of Montgomery County, Maryland, in Liber 5408 at Folio 243, et. Seq. (said Bylaws being attached to said Declaration as "Exhibit B") were duly amended at a Special Meeting of the membership of said Corporation held on the 15th of July, 2002; that said amendment was duly adopted in accordance with all requirements for adoption of an amendment to said Bylaws; that the amendment attached hereto as "Exhibit I" is a true and complete copy of the amendment so adopted, and that attached hereto as "Exhibit II" is a certificate of the persons appointed to count votes at said meeting of the Council of Unit Owners; that the amendment was approved by unit owners having the percentage of votes required by the Bylaws.

In witness whereof, we hereunto set out hands and seals this 15th day of July, 2002.

Hugh Yarrington, Vice President
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

ATTEST:

Rosemary Marks, Secretary
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

I.D. No. 982 409

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.
BYLAW AMENDMENT**

Article XII of the Bylaws of is amended by adding at the end thereof the following section.

Section 5. Damage Originating From Unit. (Insurance Deductible)

The deductible if any, on any master property damage insurance claim shall be a common expense, subject to the provisions of this subsection.

If the cause of any casualty damage originates in a unit, as a result of the fault or negligence of the owner of the unit, the owner of the unit shall be responsible for paying the deductible amount of up to \$1,000.00 with respect to any claim made under the Leisure World of Maryland's master property damage insurance policy, up to the maximum amount permitted by the Maryland Condominium Act, and such amount may assessed against the unit as a part of the lien for assessments. Any portion of the deductible amount in excess of the maximum permitted by the Maryland Condominium Act to be charged to the unit owner shall be a common expense.

This subsection shall not be construed to limit any party's liability to the Corporation, or to any unit owner for party's wrongful or negligent acts or omissions, nor to limit any right of the Corporation or of any unit owner to seek reimbursement of any deductible amount paid under this subsection from a party whose wrongful or negligent acts or omissions cause the damage for which the insurance claim was submitted, as permitted in these bylaws or otherwise.

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

OATH OF INSPECTORS OF ELECTION

STATE OF MARYLAND

COUNTY OF MONTGOMERY

The undersigned, duly appointed Inspectors of Election of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc. being severally and duly sworn, do solemnly swear that we will fairly and impartially perform our duties as Inspectors of Election for the Special Meeting held on July 15, 2002, for amendment of the Bylaws , and will faithfully and diligently canvass the votes at such vote and honestly and truthfully report the results of said vote.

Joan Griffin
Inspector of Election

Renee Steward
Inspector of Election

SUBSCRIBED AND SWORN to before me on this 15th Day of July, 2002.

Elizabeth A. L'Heureux

My Commision Expires: 8/1/05

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

REPORT OF INSPECTORS OF ELECTION

The undersigned duly appointed and qualified Inspectors of Election for the Special Meeting of member of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc. held on July 15, 2002 hereby certify that there are registered a total of 177 memberships of said Corporation, and that the same represent 80% of the total of the project known as Maryland Mutual No. Nine, Inc.

Present in Person and by Proxy 80%

WITNESS our hands the year and day first above written.

Joan Griffin
Inspector of Election

Renee Steward
Inspector of Election

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

**CERTIFICATE AND REPORT
OF
INSPECTORS OF ELECTION**

The undersigned, duly appointed Inspectors of Election of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc.

- (A) The Special Meeting of the Corporation was held on the 15th day of July 2002 pursuant to due notice.
- (B) That before entering upon the discharge of our duties we were severally sworn and the oath taken by us is annexed hereto.
- (C) That we inspected the ballots used at the meeting, and found the same to be in proper order.
- (D) That members representing at least 66 $\frac{2}{3}$ percent of the total value of the project were registered.
- (E) That we received the votes by the members by ballot for amendment of the Bylaws and that the amendment received affirmative votes representing 80% of the total value of the project.

Joan Griffin
Inspector of Election

Renee Steward
Inspector of Election

RETURN TO:
LEISURE WORLD OF MARYLAND CORP.
3701 ROSSMOOR BLVD.
SILVER SPRING MD 20906
ATT: ELIZABETH A. L'HEUREUX

**CERTIFICATE OF AMENDMENT
OF BYLAWS**

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

This is to certify that the Bylaws of Council of Unit Owners No. 19B - Condominium of Rossmoor, Inc. referred to in that Master Deed, made by Rossmoor Construction Corporation, Inc., recorded among the Land Records of Montgomery County, Maryland, in Liber 5408 at Folio 243, et. Seq. (said Bylaws being attached to said Declaration as "Exhibit B") were duly amended at a Special Meeting of the membership of said Corporation held on the 24th of June, 2004; that said amendment was duly adopted in accordance with all requirements for adoption of an amendment to said Bylaws; that the amendment attached hereto as "Exhibit I" is a true and complete copy of the amendment so adopted; and that attached hereto as "Exhibit II" is a certificate of the persons appointed to count votes at said meeting of the Council of Unit Owners; that the amendment was approved by unit owners having the percentage of votes required by the Bylaws.

In witness whereof, we hereunto set out hands and seals this 6th day of August, 2004.

Hugh Yarrington, Vice President
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

ATTEST:

Jessie Acker, Secretary
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

I.D. No. 982 409

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.
BYLAW AMENDMENT**

Article VII of the Bylaws of is amended by adding at the end thereof the following section.

BYLAW AMENDMENT - Indemnification of Directors, Committee Members & Volunteers

“Article VII, Section 3. Indemnification of Directors, Committee Members & Volunteers The Council of Unit Owners shall indemnify every officer, director or volunteer of the Council of Unit Owners against any and all expenses including counsel fees, reasonably incurred by or imposed upon any officer, director or volunteer in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Council of Unit Owners) to which he may be made a party by reason of being or having been an officer, director or volunteer of the Council of Unit Owners whether or not such person is an officer, director or volunteer at the time such expenses are incurred.”

CERTIFICATE OF AMENDMENT

OF BYLAWS

COUNCIL OF UNIT OWNERS OF MUTUAL 19B –

CONDOMINIUM OF ROSSMOOR, INC.

This is to certify that the Bylaws of Council of Unit Owners No. 19B - Condominium of Rossmoor, Inc. referred to in that Master Deed, made by Rossmoor Construction Corporation, Inc., recorded among the Land Records of Montgomery County, Maryland, in Liber 5408 at Folio 243, et. Seq. (said Bylaws being attached to said Declaration as “Exhibit B”) were duly amended at a Special Meeting of the membership of said Corporation held on the 24th of June, 2004; that said amendment was duly adopted in accordance with all requirements for adoption of an amendment to said Bylaws; that the amendment attached hereto as “Exhibit I” is a true and complete copy of the amendment so adopted; and that attached hereto as “Exhibit II” is a certificate of the persons appointed to count votes at said meeting of the Council of Unit Owners; that the amendment was approved by unit owners having the percentage of votes required by the Bylaws.

In witness whereof, we hereunto set out hands and seals this 6th day of August, 2004.

Hugh Yarrington, Vice President
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

ATTEST:

Jessie Acker, Secretary
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

I.D. No. 982 409

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.
BYLAW AMENDMENT**

Article XVII of the Bylaws of is amended by adding at the end thereof the following section.

BYLAW AMENDMENT – Percentage Require to Approve Bylaw Amendments

“ARTICLE XVII, Section 1, Amendments – Percentage Required to Approve Bylaw Amendments”

These Bylaws may be amended by the affirmative vote of unit owners representing 66 and 2/3 (66 2/3%) of the total votes of the Council of Unit Owners, at any meeting of the unit owners duly called for such purpose, in accordance with the provisions and the requirements of these Bylaws and Title II, Real Property Article, of the Annotated Code of Maryland (1974 Repl. Vol.) as amended. Any amendment to these Bylaws shall be effective only upon the recordation of such amendment among the Land Records of Montgomery County, Maryland together with a certificate in writing of the President of the Council of Unit Owners stating that the amendment was approve as aforesaid.

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.
BYLAW AMENDMENT**

Article IX of the Bylaws of Council of Unit Owners Mutual 19B Condominium of Rossmoor, Inc., is amended by adding at the end thereof the following new sections:

Article IX, Section 1. Residential Use – Age Limitations – It is the intention of this Mutual to provide housing for older persons. In furtherance of this:

- (1) At least 80 percent of the occupied units are occupied by at least one person who is 55 years of age or older.
- (2) No other resident of the unit may be under 50 years, except as follows:
 - (i) a person under the age of 18 years may reside in the unit, but not for an aggregate of more than 30 days in any calendar year;
 - (ii) any other person under the age of 50 years may resident in the unit, but not for an aggregate of more than 90 days in any calendar year; and
 - (iii) a disabled relative of a resident of the unit, if such is 50 years of age or older, may reside with such resident in the unit.

If a resident of a unit in the Mutual who is 55 years of age or older dies or ceases to be such a resident and no other resident of the unit is 55 years of age or older, the provisions of clause (1) of the proceeding sentence do not apply to that unit if (as provided by law) at least 80 percent of the units in the Mutual do meet the requirement of that sub-paragraph.

CERTIFICATE OF AMENDMENT

OF BYLAWS

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B –
CONDOMINIUM OF ROSSMOOR, INC.**

This is to certify that the Bylaws of Council of Unit Owners No. 19B - Condominium of Rossmoor, Inc. referred to in that Master Deed, made by Rossmoor Construction Corporation, Inc., recorded among the Land Records of Montgomery County, Maryland, in Liber 5408 at Folio 243, et. Seq. (said Bylaws being attached to said Declaration as “Exhibit B”) were duly amended at a Special Meeting of the membership of said Corporation held on the 3rd of May, 2006, that said amendment was duly adopted in accordance with all requirements for adoption of an amendment to said Bylaws; that the amendment attached hereto as “Exhibit I” is a true and complete copy of the amendment so adopted; and that attached hereto as “Exhibit II” is a certificate of the persons appointed to count votes at said meeting of the Council of Unit Owners; that the amendment was approved by unit owners having the percentage of votes required by the Bylaws.

In witness whereof, we hereunto set out hands and seals this 28th day of June, 2006.

Lawrence Kotzker, President
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

ATTEST:

Lawrence Damsky, Secretary
Council of Unit Owners No. 19B-
Condominium of Rossmoor, Inc.

I.D. No. 982 409

RETURN TO:
Leisure World of MARYLAND CORP.
3701 ROSSMOOR BLVD
SILVER SPRING MD 20906
Attention: Jessie A. Maselka

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

OATH OF INSPECTORS OF ELECTION

STATE OF MARYLAND

COUNTY OF MONTGOMERY

The undersigned, duly appointed Inspectors of Election of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc. being severally and duly sworn, do solemnly swear that we will fairly and impartially perform our duties as Inspectors of Election for the Annual Meeting held on May 3, 2006, for amendment of the Bylaws, and will faithfully and diligently canvass the votes at such vote and honestly and truthfully report the results of said vote.

Joan Griffin
Inspector of Election

Renee Steward
Inspector of Election

SUBSCRIBED AND SWORN to before me on this 28th Day of June, 2006.

Notary Public

My Commision Expires 6/20/07

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

REPORT OF INSPECTORS OF ELECTION

The undersigned duly appointed and qualified Inspectors of Election for the Special Meeting of member of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc. held on May 3, 2006 hereby certify that there are registered a total of 104 memberships of said Corporation, and that the same represent 78% of the total of the project known as Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc.

Present in Person and by Proxy 78%

WITNESS our hands the year and day first above written.

Joan Griffin
Inspector of Election

Renee Steward
Inspector of Election

**COUNCIL OF UNIT OWNERS OF MUTUAL 19B -
CONDOMINIUM OF ROSSMOOR, INC.**

**CERTIFICATE AND REPORT
OF
INSPECTORS OF ELECTION**

The undersigned, duly appointed Inspectors of Election of Council of Unit Owners of Mutual 19B - Condominium of Rossmoor, Inc.

- (A) The Special Meeting of the Corporation was held on the 3rd day of May 2006 pursuant to due notice.
- (B) That before entering upon the discharge of our duties we were severally sworn and the oath taken by us is annexed hereto.
- (C) That we inspected the ballots used at the meeting, and found the same to be in proper order.
- (D) That members representing at least 66 $\frac{2}{3}$ percent of the total value of the project were registered.
- (E) That we received the votes by the members by ballot for amendment of the Bylaws and that the amendment received affirmative votes representing 78% of the total value of the project.

Joan Griffin
Inspector of Election

Renee Steward
Inspector of Election

RETURN TO:
LEISURE WORLD OF MARYLAND CORP.
3701 ROSSMOOR BLVD.
SILVER SPRING MD 20906
ATT: ELIZABETH A. L'HEUREUX