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**Bylaws
of
THE NEW MARK COMMONS
HOMES ASSOCIATION, INC.**

ARTICLE I

Section 1. Name and Location of Association. The name of this Corporation is The New Mark Commons Homes Association, Inc. (the "Association"). The Board of Directors ("Board") shall, as required, specify the Association's address as its principal place of business in filings with the appropriate State regulator.

Section 2. Purpose of the Association. The purpose of this Association is to:

- a. Preserve the significance and harmony of the architecture and overall community landscaped environment as recognized by the National Register of Historic Places.
- b. Ensure ongoing architectural control for all residential townhouses and detached homes.
- c. Ensure ongoing landscape care and reforestation.
- d. Maintain the facilities and amenities on common Association property.
- e. Document and execute responsibilities and processes for administrative oversight of the community.

Section 3. Definitions. Unless otherwise defined in these Bylaws, words or phrases used herein shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions of the Association duly recorded among the Land Records of Montgomery County, Maryland (the "Land Records").

**ARTICLE II
MEMBERSHIP**

Section 1. Eligibility and Voting Rights. Every person, group of persons or entity who is a record owner of a fee interest in any Lot which is or becomes subject by covenants of record to Assessments and/or fines by the Association shall be a member of the Association. However, any such person, group of persons, or entity who holds such interest solely as security for the performance of an obligation shall not be a Member. Regardless of the number of persons who may own a Lot or Living Unit, only one vote shall be cast representing such Lot or Living Unit wherever an Owner or Member approval or vote is required under the governing documents (*i.e.*, one Lot or Living Unit, one vote).

Section 2. Responsibilities. (a) All Members of the Association must comply with the Covenants, the Articles of Incorporation, these Bylaws, and any rules, regulations, policies, procedures, notices, or codes of conduct adopted and published by the Board of Directors or its duly authorized committees (collectively referred to as the "Governing Documents"). As set forth in the Covenants and these Bylaws, failure to comply with the Governing Documents may result in certain sanctions, such as fines or suspension of rights, upon notice and opportunity for a hearing.

- 54
55 (b) The Board must adopt reasonable notice requirements for publication of all Governing
56 Documents.
57

58 **Section 3. Assessments and Liens.** The rights of the membership are subject to the
59 payment of Assessments levied by the Association. Such Assessments imposed upon each
60 Member shall become a lien upon the Lot against which such Assessments are made as
61 more fully provided in the Covenants.
62

63 **Section 4. Suspension of Membership Rights.** Subject to prior notice and a
64 reasonable opportunity for a hearing, the membership rights of any Member may be
65 suspended as follows:
66

- 67 (a) **For non-payment of assessed dues and fines.** The membership rights of any person
68 whose Lot is subject to assessments of dues and/or fines, whether or not they be
69 personally obligated to pay such assessments of dues and/or fines, shall be and remain
70 suspended during the period such assessment or fine remains unpaid for thirty (30) or
71 more days. However, upon full payment of any such delinquent Assessments,
72 membership rights shall be automatically restored.
73
- 74 (b) **For violations of governing documents.** The Board of Directors may, in its discretion,
75 suspend the rights of any Member or other person for violation of published Governing
76 Documents concerning the use of community recreational and other facilities for a
77 period not to exceed thirty (30) days. However, the Board may successively suspend
78 membership rights for each new violation, if deemed appropriate, to bring the Member
79 in compliance.
80

81 **Section 5. Lien.** The Association shall have a lien on the outstanding memberships in
82 order to secure payment of any sums which shall be due or become due from the holders
83 thereof for any reason whatsoever. Nothing herein contained shall prohibit or estop the
84 Association from asserting any other lien which may inure to it. The lien for any unpaid
85 Assessments, fines or other charges due the Association may be enforced and foreclosed in
86 such manner as may from time to time be provided in the Maryland Contract Lien Act.¹ Any
87 Assessment, until paid, may at the election of the Board of Directors bear interest to the
88 extent permitted under the Covenants. In addition, the Board of Directors may impose late
89 charges and/or the costs of collection (including reasonable attorneys' fees), if any, with
90 respect to any Assessment which has not been fully paid when due. Such late charges and
91 other costs shall not exceed the permissible amounts provided for in the Maryland
92 Homeowners Association Act, and shall otherwise comply therewith². All such interest, late
93 charges and other costs shall constitute a lien upon the Lot which is appurtenant to such Lot
94 until fully paid.
95

96 **Section 6. Books and Records.** Books and records kept by or on behalf of the
97 Association will be made available to members for examination and copying, as required by
98 the State of Maryland statute, unless excepted therein.³
99

100

¹ See Sections 14-201 through 14-206 of the Maryland Annotated Code, Real Property article.

² See Section 11B-112.1 of the Maryland Homeowners Association Act.

³ See Section 11B-112 of the Maryland Homeowners Association Act.

ARTICLE III
MEETINGS OF MEMBERS

Section 1. Notice of Meetings.

- (a) Except as may be specifically required otherwise by Governing Documents, at least ten (10) but not more than sixty (60) days prior to each annual or special meeting of the Members of the Association, written notice of each meeting of the Members shall be given by the Management Agent at the direction of the Secretary or person authorized to call the meeting.
- (b) Notice shall be given in the manner prescribed in Article IX, Section 1 of these Bylaws.
- (c) Such notice shall state:
- (i) the time, date, place and purpose of the initial meeting, the quorum and voting requirements for the meeting, and that an additional meeting may be called if there is insufficient quorum at the initial meeting as per Section 5(a) or (c) below, as applicable, and a majority of members present, in person or by proxy, at the initial meeting call for an additional meeting for the same purpose;
 - (ii) the time, place and date (not less than 15 days from the date of the initial meeting) of the additional meeting, if one is called;
 - (iii) that only an announcement of the date, time, place, purpose and quorum requirements for this additional meeting shall be posted on the homepage of the Association's website at least ten (10) days before the additional meeting, if one is called; and
 - (iv) that unless the Bylaws provide otherwise, a majority of members present, in person or by proxy, at the additional meeting may approve or authorize the proposed action and take any other action that could have been taken if a sufficient number of members had been present at the initial meeting.⁴ However, nothing herein shall be construed to affect the percentage of votes required to amend the Covenants or Bylaws or to take any other action required to be taken by a specified percentage of votes.
- (d) All meetings of the Members shall be held at places and times convenient to the greatest practicable number of Members.

Section 2. Place of Meetings.

- (a) In-person Meetings. Meetings of the membership shall be held at the Association's Club House on 607 Tegner Court or at such other suitable place convenient to the membership as may be designated by the Board of Directors.
- (b) Virtual Meetings.⁵
- (i) Meetings of the Association, Board of Directors or committees may be conducted or attended by telephone conference, video conference or similar electronic

⁴ See §11B-111(6) of the Maryland Homeowners Association Act.

⁵ See §11B-113.6 of the Maryland Homeowners Association Act.

151 means. Any equipment used for this purpose must permit all attendees to hear
152 and be heard by all others at the meeting.

- 153
- 154 (ii) Notice of virtual meetings shall include a link or instructions on how to use the
155 electronic equipment.
- 156
- 157 (iii) Any Member, Board member or committee member attending a virtual meeting
158 shall be deemed present for quorum and voting purposes.
- 159
- 160 (iv) Any matter requiring a vote of Members may be set by the Board for a vote at the
161 virtual meeting, and a ballot may be delivered to Members with notice of the
162 meeting. Only Members present, in person or by proxy, during virtual meeting
163 shall be considered present for quorum purposes and authorized to vote a ballot.
- 164
- 165 (v) The Board may set a reasonable deadline, not later than 24 hours after the
166 conclusion of a meeting, for return of ballots to the Association, including return by
167 electronic transmission.
- 168
- 169 (vi) The inability of a Member to join a meeting due to technical difficulties with
170 Member's telephone, computer or other electronic device shall not invalidate the
171 meeting or any action taken at the meeting.

172

173 **Section 3. Annual Meetings.** Annual meetings of the Members of the Association
174 shall be held on the second Monday of March each succeeding year or such other reasonably
175 similar date as may be selected by the Board. If the day for the annual meeting shall fall upon
176 a holiday, the meeting will be held on the first day following which is not a holiday. At such
177 meeting, a Board of Directors shall be elected by a ballot of the Members. The Members may
178 also transact such other business of the Association as may properly come before them.

179

180 **Section 4. Special Meetings.** It shall be the duty of the President to call a special
181 meeting of the Members, when directed so to do by a resolution of the Board of Directors or
182 upon the written request of at least twenty-five per cent (25%) of all Members, which request
183 shall be presented to the Secretary. No business shall be transacted at any special meeting
184 except that set out in the notice thereof unless there is first obtained the consent of two-thirds
185 (2/3) of the Members present, either in person or by proxy.

186

187 **Section 5. Quorums: Annual & Special Membership Meetings.**

- 188
- 189 (a) **Initial Meeting.** At a regular or special meeting of the Members, the presence, in person
190 or by proxy, of at least twenty per cent (20%) of all Members shall be requisite for, and
191 shall constitute, a quorum for the transaction of any business. Once a quorum has been
192 established, Members may continue to do business until adjournment even if some
193 Members subsequently withdraw from the meeting, leaving less than a quorum.
- 194
- 195 (b) **Additional Meeting.**⁶
- 196
- 197 (i) If a quorum is not present at the initial meeting, a majority of those present, in
198 person or by proxy, may call for an additional meeting for the same purpose to be
199 held on the date, time and place specified in the notice of initial meeting for an
200 additional meeting. Other than posting a notice of this additional meeting at the
201 Association's website (containing information specified in Section 1 above) at least

⁶ See §11B-111(6) of the Maryland Homeowners Association Act.

202 ten (10) days before the additional meeting, no other formal notice of this additional
203 meeting to the Members is required.

- 204
205 (ii) At the additional meeting, Members present, in person or by proxy, shall constitute a
206 quorum, and unless the Bylaws provide otherwise, a majority of Members present,
207 in person or by proxy, may approve or authorize the proposed action and take any
208 other action that could have been taken if a sufficient number of Members had been
209 present at the initial meeting. However, nothing herein shall be construed to affect
210 the percentage of votes required to amend the Covenants or Bylaws or to take any
211 other action required to be taken by a specified percentage of votes.

212
213 **Section 6. Voting.** (a) At any meeting of the Members of the Association, Members
214 shall be entitled to only one vote for each Lot in which they hold the interest required for
215 membership.

216
217 (b) The vote of the majority of those present, either in person or by proxy, shall decide any
218 question brought before the meeting, unless the question is one upon which a different
219 vote is required by express provisions of Governing Documents or the laws of the State
220 of Maryland.

221
222 (c) The vote for any membership which is owned by more than one person may be
223 exercised by any of the co-owners present at any meeting unless any objection or
224 protest by any other Owner of such membership is noted at such meeting. In the event
225 all of the co-owners of any membership who are present at any meeting of the
226 Members are unable to agree on the manner in which the votes for such membership
227 shall be cast on any particular question, then they shall not be permitted to cast a vote
228 for purposes of deciding that question.

229
230 (d) In the event any membership is owned by a corporation, then the vote for any such
231 membership shall be cast by a person designated in a certificate signed by the
232 President or any Vice President of such corporation and attested by the Secretary or an
233 Assistant Secretary of such corporation and filed with the Secretary of the Association,
234 prior to or during the meeting.

235
236 (e) The vote for any membership which is owned by a trust or partnership may be
237 exercised by any trustee or partner thereof, as the case may be, and, unless any
238 objection or protest by any other such trustee or partner is noted at such meeting, the
239 Chairperson of such meeting shall have no duty to inquire as to the authority of the
240 person casting such vote or votes.

241
242 **Section 7. Suspension of Voting Privileges.** No Member shall be eligible to vote or
243 to be elected to the Board of Directors who is shown on the books of the Association to be
244 more than thirty (30) days delinquent in the payment of any Assessments due the Association.

245
246 **Section 8. Proxies.** (a) A Member entitled to vote may do so in person or by proxy
247 executed in writing by the member or his attorney-in-fact in a form approved by the Board,
248 which approval may not be unreasonably withheld. Any written proxy which conforms with the
249 applicable laws of Maryland shall be satisfactory and approved as to form by the Board.

250
251 (b) No proxy will be valid after eleven months from its date of execution and any proxy will
252 automatically become a nullity upon the sale by a Member of the Lot to which the
253 membership is appurtenant.

- 255 (c) A Member may appoint as a proxy only a member of their immediate family or
256 household, another Member, the Association's Management Agent, or a director of the
257 Association.
258
- 259 (d) Any proxy must be filed with the Management Agent or a person designated by the
260 Board, prior to the appointed time of each meeting.
261
- 262 (e) Regardless of anything herein to the contrary, only a directed proxy may be utilized to
263 vote for a member of the Board. Any proxy directing the proxy holder to vote for
264 specified candidates may also vote on any matters of business other than the election
265 of Directors if so authorized by the terms of the proxy.
266
- 267 (f) In accordance with Section 11B-113.2 of the Maryland Homeowners Association Act,
268 proxies may be submitted by electronic transmission if authorized by the Board of
269 Directors and the electronic transmission contains information that verifies that the
270 proxy is authorized by the Member or Member's proxy.
271

272 **Section 9. Order of Business.** The order of business at all annual meetings of the
273 Members of the Association shall be as follows:
274

- 275 (a) Registration of Members present, in person or by proxy
276 (b) Meeting called to order, and a count of Members present in person/by proxy announced
277 (c) Proof of quorum
278 (d) Proof of notice of meeting or waiver of notice
279 (e) Reading and approval of minutes of preceding meeting
280 (f) Reports of officers
281 (g) Report of committees
282 (h) Election of directors
283 (i) Community forum
284 (j) Unfinished business
285 (k) New business
286 (l) Adjournment
287

288 Subject to Section 11B-111 of the Maryland Homeowners Association Act and reasonable
289 rules adopted by the Board, the Board will provide a designated period of time during a
290 meeting to allow Members to comment on any matter relating to the Association (community
291 forum). In the case of special meetings, items (a) through (d) shall be applicable and
292 thereafter the agenda shall consist of the items specified in the notice of meeting. At a special
293 meeting, the Members' comments may be limited to the topics listed on the meeting agenda.⁷
294

295 **Section 10. Open Meetings.** (a) All meetings of the Association shall be open to all
296 Members of the Association or their agents, except that such meetings may be held in closed
297 session for the following purposes:
298

- 299 (i) Discussion of matters pertaining to employees and personnel;
300
301 (ii) Protection of the privacy or reputation of individuals in matters not related to
302 Association business;
303
304 (iii) Consultation with legal counsel on legal matters;
305

⁷ See Section 11B-111(3)(ii) and (iii) of the Maryland Annotated Code, Real Property article.

- 306 (iv) Consultation with staff personnel, consultants, attorneys, board members, or other
307 persons in connection with pending or potential litigation or other legal matters;
308
309 (v) Investigative proceedings concerning possible or actual criminal misconduct;
310
311 (vi) Consideration of the terms or conditions of a business transaction in the
312 negotiation stage if the disclosure could adversely affect the economic interests of
313 the Association;
314
315 (vii) Complying with a specific constitutional, statutory or judicially imposed requirement
316 protecting particular proceedings or matters from public disclosure; or
317
318 (viii) Discussion of individual owner assessment accounts.
319
320 (b) If a meeting is held in a closed session pursuant to the procedures established above:
321
322 (i) No action may be taken and no matter may be discussed other than those permitted
323 above; and
324
325 (ii) A statement of the time, place and purpose of any closed meeting, the record of the
326 vote of each member of the Board (or committee, if applicable) by which any meeting
327 was closed, and the authority under this Section for closing the meeting shall be
328 included in the minutes of the next meeting of the Board (or committee, if applicable).
329

330 **ARTICLE IV**
331 **DIRECTORS**
332

333 **Section 1. Number and Qualification.** The affairs of the Association shall be
334 governed by a Board of Directors composed of an uneven number of not less than three (3) or
335 more than seven (7) Directors, all of whom shall be elected by the Members. All members of
336 the Board of Directors shall be Members of the Association. The number of Directors shall be
337 established by the vote of a majority of the Members present at a meeting. The number of
338 Directors may be changed at any subsequent annual meeting of the Association by the vote
339 of a majority of the Members present provided, however, that any change in the number of
340 Directors shall not operate to curtail or extend the term of office of any incumbent Director.
341

342 **Section 2. Powers and Duties.** The Board of Directors shall have all the powers and
343 duties necessary to supervise and effect the administration of the affairs of the Association.
344 The Board's authority to exercise its powers must be conducted through a majority vote as
345 defined below. The powers and responsibilities of the Board of Directors shall include, but
346 not be limited to, the following:
347

- 348 (a) To call annual meetings of the Members and, when deemed necessary, special
349 meetings, or whenever requested in writing so to do by at least twenty-five per cent
350 (25%) of the voting membership, as herein elsewhere provided.
351
352 (b) To adopt rules and procedures for virtual meetings or access to meetings by electronic
353 means as referred to in Article III, Section 2 of these Bylaws.
354
355 (c) To elect and remove principal officers serving at the pleasure of the Association.
356
357 (d) To engage and remove at pleasure all agents, Management Agent, contractors and
358 employees of the Association upon such terms as the Board may determine.
359

- 360 (e) To supervise all agents, Management Agent, contractors and employees of the
361 Association, and ensure that their duties are properly performed.
362
- 363 (f) To establish, levy and collect the assessments of dues, fines and all other charges due
364 the Association referred to in Article II, Section 3, of these Bylaws, including, taking any
365 enforcement actions to collect such assessments, fines or other charges, such as the
366 recording of a lien.
367
- 368 (g) To establish and promulgate such rules, policies and procedures pertaining to the use
369 of the recreational and other community facilities and the personal conduct of the
370 Members and their guests thereon as may be deemed proper.
371
- 372 (h) To suspend membership rights, subject to prior notice and opportunity for a hearing.
373
- 374 (i) To cause to be kept a complete record of all of its acts and corporate affairs which
375 record shall be available to the Members for inspection at reasonable times.
376
- 377 (j) To exercise for the Association all powers, duties and authority vested in or delegated
378 to the Association and not reserved to the membership by other provisions of these
379 Bylaws, the Articles of Incorporation, or the Covenants.
380
- 381 (k) To contract for services that may benefit the Association.
382
- 383 (l) To procure and maintain adequate liability and hazard insurance on property owned by
384 the Association.
385
- 386 (m) To cause all officers or employees or agents having fiscal responsibilities to be insured,
387 as it may deem appropriate.
388
- 389 (n) To cause the Common Areas and Community Facilities to be maintained and maintain
390 any other property which is the responsibility of the Association pursuant to the
391 Covenants or the direction of any governmental agency or agreement or which is
392 appurtenant to or serves and benefits any portion of the Property.
393
- 394 (o) To authorize the issuance of outside pool memberships and establish terms for those
395 memberships.
396
- 397 (p) To otherwise perform or cause to be performed the functions and obligations of the
398 Board and the Association as provided for in the Governing Documents.
399

400 **Section 3. Management Agent.** The Board may employ one or more management
401 agents or managers ("Management Agent") at a rate of compensation determined in the
402 discretion of the Board. The Management Agent shall perform such duties and services as
403 the Board shall from time to time authorize in writing, including, but not limited to, the
404 following:
405

- 406 (a) Establishing and providing for the collection of the Assessments and the enforcement of
407 liens therefore in a manner consistent with applicable law and the Covenants;
408
- 409 (b) Designating, hiring and dismissing such personnel as may be required for the good
410 working order, maintenance and efficient operation of the Association and Common
411 Area; and,
412

413 (c) Providing such other services for the Association as may be consistent with applicable
414 law and the Covenants.
415

416 Any management agreement entered into by the Board shall provide, among other things,
417 that such agreement may be terminated for cause by either party upon thirty (30) days' written
418 notice thereof to the other party, and without cause, upon ninety (90) days written notice. The
419 term of any such management agreement shall not exceed two (2) years, provided, however,
420 that the term of any such management agreement may be renewable by mutual agreement of
421 the parties for successive periods not in excess of two (2) years.
422

423 **Section 4. Promulgation of Rules, Policies and Procedures.** The Board shall
424 publish all Association rules, regulations, policies, procedures and codes of conduct, and any
425 amendments thereto, ("rules") in a location accessible to all Members on the Association's
426 website. The Board shall adopt reasonable notice requirements for publication of any
427 changes to such rules to the membership of the Association, such as broadcast emails to
428 Members and appropriate articles in Association newsletters. Any changes to rules will not
429 take effect until at least thirty (30) days after publication, unless a justification is provided for
430 them to go into effect at an earlier date. Ignorance of published rules will not be an excuse for
431 non-compliance. The Board may delegate the authority to draft specific rules to an appropriate
432 committee or task force.
433

434 **Section 5. Duty to Complete HOA Trainings.** Board members must complete all
435 training required in the Montgomery County Code and provided by the Montgomery County
436 Commission on Common Ownership Communities ("CCOC") within the timeframe required in
437 the Code. All new Directors must also complete a review of the Association's Governing
438 Documents and rules.
439

440 **Section 6. Duty to Fix Assessments of Dues.** As more fully set out in the Covenants,
441 it shall be the duty of the Board of Directors of this Association:
442

- 443 (a) To fix the amount of the assessment of dues against each Lot for each assessment
444 period at least thirty (30) days prior to the beginning of such period; and
445
446 (b) To send by ordinary mail, postage prepaid, a written notice of each assessment to the
447 owner of the Lot subject thereto; and
448
449 (c) To issue a certificate setting forth whether or not the current assessment against any
450 Lot has been paid, upon demand by any person. The Board may charge a fee not to
451 exceed twenty dollars (\$20.00). The maximum fee may be increased consistent with the
452 percentage increase in inflation.
453

454 **Section 7. Term of Office.** (a) The term of each Director shall be three (3) years. The
455 terms of office of the Directors must be staggered as follows:
456

- 457 (i) if the number of Directors is three (3), then only one (1) Director shall be elected
458 at the annual meeting each year; or
459
460 (ii) if the number of Directors is five (5), then only a maximum of two (2) Directors
461 shall be elected at the annual meeting each year; or
462
463 (iii) if the number of Directors is seven (7), then only a maximum of three (3) Directors
464 shall be elected at the annual meeting each year.
465

466 If necessary, in order to create the initial staggering of the Directors consistent with this
467 Section, the Board may need to limit the term of any such Director to less than three (3) years.
468 However, the successor of such Director shall serve a term of three (3) years. Vacancies may
469 impact the number of Directors elected at the annual or special meeting. A Director elected at
470 the annual meeting to fill an unexpired term will serve for the duration of that term.

471
472 (b) Any change in the term of office of Directors shall not operate to curtail or extend the
473 term of office of any incumbent Director.
474

475 **Section 8. Vacancies.** (a) The Board shall endeavor to fill as soon as possible any
476 vacancy that may occur in the Board caused by any reason other than the removal of a
477 director by a vote of Association Members. Such vacancies occurring less than ninety (90)
478 days prior to the next annual meeting can be left vacant by the Board until the annual
479 meeting. Vacancies filled by the Board must be decided by a vote of the majority of the
480 remaining directors. However, if the number of remaining directors is insufficient to meet the
481 quorum requirement, the remaining directors may nevertheless fill such vacancies by a
482 majority vote of the remaining directors. Any director so elected shall serve until a successor
483 is elected by the Members at the next annual or special meeting duly called for that purpose.
484

485 (b) Vacancy due to non-payment of dues. The term of any director who becomes
486 delinquent in the payment of any assessment due to the Association, will be denied the
487 right to vote at any Board meeting while they are in delinquency. The Board may
488 terminate the term of a director remaining delinquent for more than sixty (60) days. A
489 successor for a director terminated due to non-payment shall be elected pursuant to
490 Section 8 (a) herein above.
491

492 **Section 9. Removal of Directors.**
493

494 (a) By Association Members. At any meeting of Members duly called for such purpose, any
495 director may be removed by the affirmative vote of the majority of Association Members
496 present and voting and a successor may then and there be elected to fill the vacancy
497 thus created and to serve out the unexpired portion of the term of the director so
498 removed.
499

500 (b) By Board of Directors. The term of office of any director who shall be absent, without
501 reasonable cause, from three (3) out of four (4) consecutive regular meetings of the
502 Board of Directors shall automatically terminate upon commencement of the next
503 regular meeting of the Board following such Director's third consecutive absence. Upon
504 such termination, the remaining directors shall elect a successor pursuant to Section
505 8(a) hereinabove.

506 **Section 10. Resignation.**
507

508 (a) Resignation by a Director. A Director may resign by submitting a written resignation to
509 the other Directors. If the resigning director is also a principal officer, s/he may not
510 continue to serve as a principal officer. The resignation becomes effective as of the
511 date it is tendered unless a future date is clearly specified as the date when it becomes
512 effective.
513

514 Once tendered, a resignation may not be withdrawn. No acceptance is required for the
515 resignation to be effective. The resigning director shall not vote in the election of a
516 successor to fill that vacancy.
517

518 (b) Resignation by a Principal Officer. A principal officer of the Board may resign as a
519 principal officer by submitting a written resignation to the other directors. Unless the
520 resignation clearly states that the director is also resigning as a member of the Board,
521 the resigning principal officer remains a Board member. The resignation becomes
522 effective as of the date it is tendered unless a future date is clearly specified as the date
523 when it becomes effective.

524
525 Once tendered, a resignation may not be withdrawn. No acceptance is required for the
526 resignation to be effective.

527
528 **Section 11. Compensation of Directors.** No director shall receive compensation for
529 any service rendered to the Association. However, any director may be reimbursed for actual
530 expenses incurred in the performance of their director's duties.

531
532 **Section 12. Nominations.** Nominations for election to the Board shall be made through
533 self-nominations by candidates using a standard format approved by the Board. Self-
534 nominations must be submitted to the Board no later than thirty (30) days prior to the annual
535 meeting and must be provided by the Board to all Association members no later than three (3)
536 weeks prior to the annual or special meeting at which the directors are to be elected.
537 Nominations may also be made from the floor at such annual or special meeting. Write-in
538 candidates on a ballot are also permitted. However, at or before such a meeting to elect the
539 directors, any candidate who is nominated from the floor or whose name is filled-in as a write-
540 in candidate must declare their acceptance of nomination before the polls close and the
541 counting of ballots begins. A candidate who fails to declare such timely acceptance will not be
542 deemed an eligible candidate.

543
544 **Section 13. Election.** Election to the Board shall be by written or electronic ballot.
545 Members shall be provided the option to cast their ballot in a manner that preserves the
546 anonymity of their vote ("secret ballot"). Only directed proxies shall be valid for the purpose of
547 casting of votes for election of members to the Board. All election materials prepared with
548 funds of the Association shall list candidates in alphabetical order and shall not suggest a
549 preference among candidates. The persons receiving the largest number of votes shall be
550 elected. Votes shall not be counted until after the time allotted by the Association for voting
551 has ended.

552
553 **Section 14. Execution of Corporate Documents.** With the prior authorization of the
554 Board of Directors, all notes, contracts and other documents shall be executed on behalf of
555 the Association by either the President or the Vice President, unless delegated to the
556 Management Agent at the discretion of the Board, and all checks and other drafts shall be
557 executed on behalf of the Association by the Treasurer, unless delegated to the Management
558 Agent at the discretion of the Board.

559
560 **Section 15. Committees.**

561
562 (a) In addition to the committees provided for under the Covenants, the Board of
563 Directors may appoint such other committees as it considers necessary or appropriate from
564 the membership of the Association, each of which shall consist of a chairman and at least two
565 (2) other Members. The Board may appoint director/s as member/s of or a liaison to the
566 committee. Any committee or its members so appointed shall serve at the pleasure of the
567 Board.

568
569 (b) The Board may authorize committees to receive applications from homeowners and
570 take actions to approve or disapprove such applications to ensure compliance with provisions

571 of Covenants. Examples include applications to make external modifications (architectural
572 control) or to remove trees.

573
574 **ARTICLE V**
575 **DIRECTORS' MEETINGS**

576
577 **Section 1. Organizational Meeting.** The first meeting of a newly elected Board of
578 Directors shall be held within ten (10) days following election at such time and place as shall
579 be fixed by the directors.

580
581 **Section 2. Meeting Procedures.**

582
583 (a) **Open Meetings.** All regular and special meetings of the Board shall be open to all
584 Members of the Association or their agents and shall be held at places and times
585 convenient to the greatest number of Members. Meetings of the Board may be held in
586 closed session only in accordance with Article III, Section 10 of these Bylaws.

587
588 (b) **Notice and Agenda.** A notice for every Board meeting shall be published at the
589 Association's website at least seven (7) days prior to a regular Board meeting, and at
590 least five (5) days prior to a special Board meeting. Notice of a meeting shall specify the
591 time and place for the meeting.

592
593 An agenda of a Board meeting shall be published at the Association's website at least
594 forty eight (48) hours prior to a meeting. When circumstances require a shorter notice, a
595 notice and agenda shall be published as reasonably practicable and announced by a
596 broadcast email to Members.

597
598 (c) **Waiver of Notice.** If a Director does not receive a notice of Board meeting pursuant to
599 Subsection (b), they may attend the meeting for the express purpose of objecting to the
600 transaction of business thereat on the basis that the meeting has not been lawfully
601 called. Any Director may waive such notice requirement in writing at any time. However,
602 a Director who continues to transact business at that meeting without objection, or
603 approves the minutes of that meeting at a subsequent Board meeting, would be
604 deemed to have waived the notice requirement.

605
606 (d) **Community Forum.** The Board shall allocate time to allow Members to comment on any
607 matter relating to the Association; except that during a meeting to which the agenda is
608 limited to specific topics or at a special meeting, the Members' comments may be
609 limited to the topics listed on the meeting agenda. The Board has the discretion to
610 determine the length of time for such Members' comments and when such comments
611 will be received as part of the agenda for the meeting.

612
613 **Section 3. Regular Meetings.** Regular meetings of the Board of Directors shall be
614 held at least once during every quarter of each fiscal year.

615
616 **Section 4. Special Meeting.** A special meeting of the Board of Directors may be
617 called by the President of the Association or by a majority of the Board of Directors.

618
619 **Section 5. Quorum.** Except as otherwise provided in the Covenants or these Bylaws,
620 at all meetings of the Board of Directors, a majority of the directors shall constitute a quorum
621 for the transaction of business, and the acts of the majority of the directors present at a
622 meeting at which a quorum is present shall be the acts of the Board of Directors.

623

624 **Section 6. Action Taken Without a Meeting.** The directors shall have the right to take
625 any action in the absence of a meeting which they could take at a meeting by obtaining the
626 written approval of all the directors and filing such approval with the minutes of the proceeding
627 of the Board or Directors. Any action so approved shall have the same effect as though taken
628 at a meeting of the directors.
629

630 **ARTICLE VI**
631 **PRINCIPAL OFFICERS**
632

633 **Section 1. Designation.** The principal officers of the Association shall be a President,
634 a Vice President, a Secretary, and Treasurer. They shall all be selected by the Board of
635 Directors from among the members of the Board.
636

637 **Section 2. Election of Principal Officers.** The principal officers of the Association
638 shall be elected annually by the Board of Directors at the organization meeting of each new
639 Board and shall hold office at the pleasure of the Board
640

641 **Section 3. Removal of Principal Officers.** Any principal officer may be removed, with
642 or without cause, by a majority vote of all members of the Board of Directors. Prior to removal,
643 the Board must give an opportunity to be heard to the principal officer that is the subject of
644 removal. The principal officer that is the subject of removal must not participate in the Board's
645 removal vote. Upon removal, a successor shall be elected by a majority vote of all the
646 remaining members of the Board.
647

648 **Section 4. President.** The President shall:

- 649 (a) Preside at all meetings of the Members and of the Board of Directors.
650
651 (b) Execute contracts, orders, and other documents in the name of the Association as its
652 agent, when authorized by the Board.
653
654 (c) Serve as spokesperson for the Board in most matters relating to general Association
655 business.
656
657 (d) Serve as liaison between the Management Agent and the Board, and between the
658 Association's attorney and the Board, and share information received from these
659 consultants with the Board in a timely manner.
660
661

662 **Section 5. Vice President.** The Vice President shall take the place of the President
663 and perform his/her duties whenever the President shall be absent or unable to act. If neither
664 the President nor the Vice President is able to act, the Board of Directors shall appoint some
665 other member of the Board to so do on an interim basis.
666

667 **Section 6. Secretary.** The Secretary of the Association is responsible for ensuring
668 that all official records of the Association, including records of all meetings of the Board and
669 the membership, are properly maintained. The Secretary is responsible for ensuring access to
670 those records by the Members of the Association and their authorized representatives.
671

672 **Section 7. Treasurer.** The Treasurer is responsible for ensuring that financial records
673 and reports of the Association are maintained properly in accordance with sound accounting
674 practices. The Treasurer is responsible for ensuring proper safeguards exist for the proper
675 handling of Association funds and that the expenses incurred are in accordance with
676 authorizations by the Board. The Treasurer is responsible for coordinating the development of

677 proposed annual budget and for preparing and giving annual financial report on the financial
678 status of the Association.

679
680 **Section 8. Multiple Offices.** Excluding the President, two of the offices of Vice
681 President, Secretary and Treasurer may be held by the same person, but in no event shall the
682 same person execute, acknowledge or verify any instrument in more than one capacity, if
683 such instrument is required by law, the Covenants, the Articles of Incorporation or these
684 Bylaws to be executed, acknowledged or verified by two (2) or more officers.

685
686 **Section 9. Duties.** The duties of the Secretary and Treasurer may be assigned, in
687 whole or in part, by the Board to the Management Agent in accordance with Article IV, Section
688 3 of these Bylaws.

689
690 **ARTICLE VII**
691 **INSURANCE**

692
693 **Section 1. Fidelity Insurance.** Blanket fidelity insurance shall be maintained by the
694 Board of Directors for all officers, directors, managers, trustees, employees and volunteers of
695 the Association and all other persons handling or responsible for funds held or administered
696 by the Association, whether or not they receive compensation for their services in accordance
697 with Section 11B-111.6 of the Maryland Homeowners Association Act. Where the Board of
698 Directors has delegated some or all of the responsibility for the handling of funds to a
699 management agent, such management agent shall be covered by its own fidelity insurance
700 policy which must provide the same coverage as fidelity insurance maintained by the Board of
701 Directors. Except for fidelity insurance that a management agent obtains for its personnel, all
702 other fidelity insurance policies should name the Association as the insured and should have
703 their premiums paid as a Common Expense by the Association. Fidelity insurance obtained
704 by a management agent shall name the Association as an additional insured. The total
705 amount of fidelity coverage required should be sufficient to cover the maximum funds
706 (including reserve funds) that will be in the custody of the Association or management agent
707 at any time while the fidelity insurance policy is in force, and should at least equal the sum of
708 three (3) months aggregate Assessments on all Lots within the Association, plus any
709 reserves. Fidelity insurance policies should contain waivers by the insurers of all defenses
710 based upon the exclusion of persons serving without compensation from the definition of
711 "employees", or similar terms or expressions. The fidelity insurance policies should provide
712 that they cannot be canceled or materially modified (including cancellation for non-payment of
713 premium) without at least ten (10) days prior written notice to the Association.

714
715 **Section 2. Additional Insurance.** The Board may obtain and maintain, to the extent
716 necessary and reasonably available, the following:

- 717
718 (a) workers' compensation insurance for employees of the Association to the extent
719 necessary to comply with any applicable law; and
720
721 (b) a "Legal Expense Indemnity Endorsement", or its equivalent, affording protection for the
722 officers, directors, managers, trustees, employees and volunteers of the Association for
723 expenses and fees incurred by any of them in defending any suit or settling any claim,
724 judgment or cause of action to which any such person shall have been made a party by
725 reason of his or her services as such; and
726
727 (c) such other policies of insurance, including director and officer liability insurance and
728 insurance for other risks of a similar or dissimilar nature and fidelity insurance as

729 required by these Bylaws, as are or shall hereafter be considered appropriate by the
730 Board.

731
732 **Section 3. Limitations on Insurance.** Any insurance obtained pursuant to this Article
733 shall be subject to the following provisions:

- 734
735 (a) All policies shall be written or reinsured with a company or companies licensed to do
736 business in the State of Maryland and holding a rating of "B/III" or better (or its
737 equivalent) in the current edition of Best's Insurance Guide.
738
739 (b) Exclusive authority to negotiate losses under said policies shall be vested in the Board,
740 or its authorized representative.
741
742 (c) All policies shall provide that such policies may not be canceled or substantially modified
743 (including cancellation for non-payment of premium) without at least ten (10) days prior
744 written notice to any and all insureds named thereon, including any mortgagee of any
745 Lot who requests such notice in writing.
746
747 (d) All policies shall contain a waiver of subrogation by the insurer as to any and all claims
748 against the Association and its agents or employees, the Board, the Members of the
749 Association and persons residing in the household, and of any defenses based upon co-
750 insurance or invalidity arising from the acts of the insured.

751
752 **ARTICLE VIII**

753 **BYLAWS: AMENDMENTS AND CONFLICTS**

754
755 **Section 1. Conflict between Governing Documents.** In the case of any conflict
756 between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the
757 case of any conflict between the Covenants and these Bylaws, the Covenants shall control.
758

759 **Section 2. Amendment of Bylaws.** (a) Amendments to these Bylaws may be
760 proposed by the Board of Directors or by a written request to them signed by at least twenty-
761 five percent (25%) of all Association Members. A description of any proposed amendment
762 shall accompany the notice of any regular or special meeting at which such proposed
763 amendment is to be voted upon.

- 764
765 (b) These Bylaws may be amended by the affirmative vote of the majority of all Association
766 Members.
767
768 (c) Any matter stated herein to be or which is in fact governed by the Covenants may not
769 be amended except as provided in said Covenants.
770

771 **ARTICLE IX**

772 **MISCELLANEOUS**

773
774 **Section 1. Delivery of Notices to Members/Owners.** Except as may be specifically
775 required otherwise by Governing Documents, any notice required to be sent to any Member or
776 Owner shall be deemed to have been properly sent when:

- 777
778 (a) delivered to a Member in person;
779
780 (b) left at a Member's residence;
781

- 782 (c) mailed, postage prepaid, to the last known address of the person who appears as
783 Member or Owner on the records of the Association at the time of such mailing;
784
- 785 (d) transmitted electronically in accordance with Section 11B-113.1 of the Maryland
786 Homeowners Association Act, subject to the following:
787
- 788 (i) the Board of Directors has authorized the use of delivering notices or other
789 information by electronic transmission.
790
 - 791 (ii) Owner has given prior written authorization to accept information by electronic
792 transmission; and
793
 - 794 (iii) an officer or agent of the Association certifies in writing that the Association has
795 provided notice or delivered material or information as authorized by the Owner. A
796 party that consents to electronic notice may require that notice also be sent by
797 another means as a condition to its consent to electronic notice; or
798
 - 799 (iv) delivered by any other means allowed under applicable law.
800

801 **Section 2. Liability and Indemnification of Officers and Directors.** The Association
802 shall indemnify every officer, director, committee member, or other member serving the
803 Association against any and all expenses, including counsel fees, reasonably incurred by any
804 of them in connection with any action, suit or other proceeding (including the settlement of any
805 such suit or proceeding if approved by the then Board) to which s/he may be made a party by
806 reason of being or having been an officer, director, committee member, or other member
807 serving the Association, whether or not such person is an officer, director, committee
808 member or serving the Association at the time such expenses are incurred. The officers,
809 directors, committee members, or other members serving the Association shall not be liable to
810 the members of the Association for any mistake of judgment, negligence, or otherwise, except
811 for their own individual willful misconduct or bad faith. The officers, directors, committee
812 members, or other members serving the Association shall have no personal liability with
813 respect to any contract or other commitment made by them, in good faith, on behalf of the
814 Association and the Association shall indemnify and forever hold each such officer, director,
815 committee member, or other member serving the Association free and harmless against any
816 and all liability to others on account of any such contract or commitment. Any right to
817 indemnification provided for herein shall not be exclusive of any other rights to which any
818 officer, director, committee member or other member serving the Association or former officer,
819 director, committee member or other member serving the Association may be entitled.
820

821 **Section 3. Conflict of Interest.** Any director, principal officer, committee member or a
822 Member serving the Association must avoid, to the extent possible, any conflicts of interest
823 with the business of the Association. In the event that a director, principal officer, committee
824 member or a Member serving the Association is aware of or perceives a potential conflict,
825 such person must disclose the conflict and offer to recuse oneself from any discussions
826 related to that particular matter. Further, such interested person will be prohibited from voting
827 on any decision of the Board or committee related to the conflicted matter.
828

829 **Section 4. Fiscal Year.** The fiscal year shall begin on the first day of January every
830 year. The commencement date of the fiscal year herein established shall be subject to change
831 by the Board of Directors should corporate practice subsequently dictate.
832

833 **Section 5. Audit.** At the close of each fiscal year the books and records of the
834 Association shall be audited by a Certified Public Accountant, whose report will be prepared

835 and certified in accordance with the requirements of the Board. Based upon such report, the
836 Association shall furnish its Members with an annual financial statement including income,
837 disbursements, cash balances, bank deposits, outstanding loans, balances in operating or
838 reserve funds of the Association. The annual financial statements shall disclose the required
839 information separately for parts as they relate to the operating and reserve fund budgets.

840

841 **Section 6. Severability.** In the event any provision or provisions of these Bylaws shall
842 be determined to be invalid, void, or unenforceable, such determination shall not render
843 invalid, void or unenforceable any other provisions hereof which can be given effect.

844

845 **Section 7. Waiver.** No restriction, condition, obligation, or provisions of these Bylaws
846 shall be deemed to have been abrogated by reason of any failure or failures to enforce the
847 same.