

CONDOMINIUM BY-LAWS
954 RIDGEBROOK ROAD, A CONDOMINIUM

ARTICLE I
NAME AND LOCATION

Section 1. Name and Location. The name of the Condominium is 954 Ridgebrook Road, A Condominium. The principal office and mailing address of the Council of Unit Owners is c/o Abrams Development Group, Inc., 5850 Waterloo Road, Suite 230, Columbia, Maryland 21045.

ARTICLE II
DEFINITIONS

Section 1. Declaration "Declaration" as used herein means that certain Declaration made the _____ day of _____, 2006, by Highlands Office Park One, LLC, a Maryland limited liability company as Declarant (sometimes referred to herein as "Developer") pursuant to Section 11-101, *et seq.* of the Real Property Article of the Annotated Code of Maryland, 2003 Replacement Volume, as amended (the "Act" or "Condominium Act"), by which certain described property, including land, was submitted to a Condominium Regime (hereinafter called the "Regime" or "Property"), which Declaration is recorded among the Land Records of Baltimore County, Maryland, prior hereto and to which these Condominium By-Laws are appended.

Section 2. Architectural Committee. "Architectural Committee" as used herein and in the Declaration shall mean and refer to those persons appointed by the Developer, acting on behalf of the Condominium Association as the architectural committee which shall have all of the rights and powers described in the Condominium Documents unless otherwise required by applicable law. The Architectural Committee shall serve until the earlier of: (i) the date when all Units have been conveyed and are occupied by Owners or Tenants for their intended uses; or (ii) the date the Developer decides, in its sole and absolute discretion, that it no longer desires to appoint the members of the Architectural Committee and such decision is evidenced in writing to the Condominium Association. Thereafter, the Condominium Board shall assume the rights and powers of the Architectural Committee. In addition, the Architectural Committee shall have the right to exercise any easements granted to the Condominium Board under the Condominium Documents.

Section 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 the Act.

ARTICLE III
OWNERSHIP

Section 1. Unit Owners. Every person, group of persons, corporation, trust or other legal entity, or any combination thereof, which owns a Condominium Unit within this Regime shall be a member of the Council of Unit Owners (hereinafter referred to as the "Council" or "Condominium Association"); provided, however, that any person, group of persons,

corporation, trust or other legal entity, or any combination thereof, which holds such interest solely as security for the performance of an obligation shall not be deemed an owner.

Section 2. Condominium By-Laws Applicability. The provisions of these Condominium By-Laws are applicable to the Condominium Regime. The terms "Condominium", "Condominium Regime" or "Regime" as used herein shall include the land, as well as the improvements thereon. In construing these Condominium By-Laws, and the government of the Regime pursuant thereto, the provisions of the Corporations and Associations Article of the Annotated Code of Maryland, 1999 Replacement Volume, as amended, pertaining to the government of nonstock corporations, shall be considered as governing to the extent not inconsistent with the provisions of the Condominium Act, and the Declaration and these By-Laws; the Council being considered the Corporation and the Unit Owners being considered its members. This Council shall be incorporated as provided in the Condominium Act.

ARTICLE IV MEETINGS OF CONDOMINIUM ASSOCIATION

Section 1. Place of Meetings. Meetings of the Council shall be held at the principal office or place of business of the Regime or at such other place in the Greater Baltimore Metropolitan area as may be designated by the Condominium Board.

Section 2. Annual Meetings. The Organizational and First Meeting of the Council of this Regime shall be held within sixty (60) days after the date on which Units representing at least fifty percent (50%) of the votes in the Council for the Condominium have been conveyed by the Developer to the initial purchasers of Units. Thereafter, annual meetings of the Council shall be held at such date and time and at such place as may be designated by the Condominium Board. At such meeting there shall be elected by ballot of the Unit Owners a Condominium Board in accordance with the requirements of Section 5 of Article V of these By-Laws. The Council may also transact such other business of the Regime as may properly come before it.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Council as directed by resolution of the Condominium Board or upon a petition signed by Unit Owners representing at least a majority of the total votes of the Regime having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary or his agent to mail by first class a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, and including an agenda for the meeting if one is so available, to each Unit Owner of record, at his address as it appears on the Ownership Book of the Regime on the date of the notice, or if no such address appears, at his last known address, not less than ten (10) or more than ninety (90) days prior to such meeting. Service may also be accomplished by the delivery of any such notice to the Unit Owner at his Condominium Unit. Notice by either such method shall be considered as notice served. Attendance by a Unit Owner

at any meeting of the Council shall be a waiver of notice by him of the time, place and purpose thereof.

Section 5. Open Meetings. All meetings of the Condominium Association shall be open to all members of the Condominium Association (and other interested parties in the discretion of the Board of Directors or as required by law). Meetings of the Board of Directors shall be held in accordance with the provisions herein. Notwithstanding the foregoing and if permitted by applicable law, any action by the Condominium Association required or permitted to be taken at any meeting may be taken without a meeting if all the Unit Owners shall individually or collectively consent in writing to such action. At least fifteen (15) days' advance written notice of any such proposed action shall be given to the Unit Owners. Any such written consent shall be filed with the minutes of the proceedings of the Condominium Association.

Section 6. Quorum. The presence, either in person or by proxy, of Unit Owners representing at least twenty-five percent (25%) of the total votes of the Regime shall be requisite for and constitute a quorum for the transaction of business at all meetings of the Council. In the absence of a quorum, the meeting may be adjourned from time to time by majority vote of those Owners present in person or by proxy, in accordance with the requirements of State law, and at any such adjourned meeting those Unit Owners present in person or by proxy shall constitute a quorum and any business may be transacted which may have been transacted at the meeting originally held.

Section 7. Voting. At every meeting of the Council, each of the Unit Owners shall have the right to cast the number of votes for each Unit on each question. The votes established in the Declaration shall be applicable to voting rights. The vote of the Unit Owners present and voting representing fifty and one-hundredth percent (50.01%) of the votes at that meeting shall be required, unless the question is one upon which, by express provision of the Condominium Act, the Declaration or these Condominium By-Laws, a different vote is required, in which case such express provision shall govern and control. No Unit Owner shall be eligible to vote at any annual or special meeting of the Council, or be elected to an office or to the Condominium Board if the Council has recorded a Statement of Condominium Lien against said Unit Owner's Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

Section 8. Proxies. A Unit Owner may appoint any other Unit Owner, the Developer (as defined in the Declaration), management agent, Mortgagee, attorney or lessee, as his proxy. Only a Unit Owner voting in person or a proxy voting for candidates designated by a Unit Owner may vote for members of the Condominium Board. Notwithstanding this provision, blank proxies may be used for any other purpose, including obtaining a quorum.

Proxies shall be effective for a maximum period of one hundred eighty (180) days following issuance, unless granted to a lessee or Mortgagee.

Section 9. Election Materials. Election materials prepared with funds of the Council must list candidates in alphabetical order and cannot indicate a preference among candidates.

Section 10. Powers. The Council has, subject to any provision of the Condominium Act, the Declaration and these Condominium By-Laws, the following powers:

- (a) To have perpetual existence, subject to the right of the Unit Owners to terminate the Condominium Regime as provided in Section 11-123 of the Condominium Act;
- (b) To adopt and amend reasonable rules and regulations;
- (c) To adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from Unit Owners;
- (d) To sue and be sued, complain and defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two (2) or more Unit Owners on matters affecting the Condominium;
- (e) To transact its business, carry on its operations and exercise the powers provided in the Declaration or these By-Laws in any State, territory, district, or possession of the United States and in any foreign country;
- (f) To make contracts and guarantees, incur liabilities and borrow money, sell, mortgage, lease, pledge, exchange, convey, transfer, and otherwise dispose of any part of its property and assets;
- (g) To issue bonds, notes, and other obligations and secure the same by mortgage or deed of trust on any part of its property, franchises, and income;
- (h) To acquire by purchase or in any other manner, to take, receive, own, hold, use, employ, improve, and otherwise deal with any property, real or personal, or any interest therein, wherever located;
- (i) To hire and terminate managing agents and other employees, agents, and independent contractors;
- (j) To purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, loan, pledge or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in, or obligations of corporations of the State, or foreign corporations, and of associations, partnerships, and individuals;
- (k) To invest its funds and to lend money in any manner appropriate to enable it to carry on the operations or to fulfill the purposes named in the Declaration or By-Laws, and to take and to hold real and personal property as security for the payment of funds so invested or loaned;
- (l) To regulate the use, maintenance, repair, replacement, and modification of Common Elements;

(m) To cause additional improvements to be made as a part of the General Common Elements;

(n) To grant easements, rights-of-way, licenses, leases in excess of one (1) year, or similar interests through or over the Common Elements in accordance with Section 11-125(f) of the Condominium Act, and to assess responsibility for damages resulting therefrom;

(o) To impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements;

(p) To impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, By-Laws, and rules and regulations of the Council, under Section 11-113 of the Condominium Act;

(q) To impose reasonable charges for the preparation and recordation of amendments to the Declaration, By-Laws, rules and regulations, or resolutions, resale certificates, or statements of unpaid assessments;

(r) To provide for the indemnification of and maintain liability insurance with limits not less than \$1,000,000 for officers, directors, and any managing agent or other employee charged with the operation or maintenance of the Condominium;

(s) To enforce the provisions of this title, the Declaration, By-Laws, and rules and regulations of the Council against any Unit Owner or occupant; and

(t) Generally, to exercise the powers set forth in the Condominium Act and the Declaration or By-Laws and to do every other act not inconsistent with law, which may be appropriate to promote and attain the purposes set forth in the Condominium Act, the Declaration or By-Laws.

Section 11. Annual Proposed Budget. Each year, prior to its adoption at an open meeting of the Council, the Condominium Board, or the officers, managers, or agents of the Council as delegated by the Board, shall prepare a budget in a reasonably itemized form for the Council containing an estimate of the total amount which will be necessary to pay for the upcoming fiscal year the cost of the maintenance, management, operation, repair and replacement of the Common Elements and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, Declaration, By-Laws, or a resolution of the Board. Such budget shall also include a reserve for contingencies and replacements. The Secretary of the Council or another delegated agent of the Condominium Board shall send a copy of the budget as so prepared to each Unit Owner at least ten (10) days prior to the open meeting. After receiving comments on the budget at the open meeting, the Board will adopt a budget for the Council for the next fiscal year.

Any expenditure made other than those made because of conditions which, if not corrected, could reasonably result in a threat to the health or safety of the Unit Owners or significant risk of damage to the Condominium, that would result in an increase in the annual assessment in excess of fifteen percent (15%) of the budgeted amount previously adopted, shall be approved by an amendment to the budget adopted at a special meeting, upon not less than ten (10) days written notice by the Council to the Unit Owners.

The adoption of a budget shall not impair the powers of the Council to obligate the Unit Owners for expenditures for any purpose consistent with the Condominium Act, subject to the limitations of the preceding paragraph.

Section 12. Waiver. The omission of the Council or the Condominium Board, before the expiration of any budget period, to adopt a budget hereunder for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this Article or the Condominium Act, or a release of any assessment or installment thereof, for that or any subsequent budget period, but the budget fixed for the preceding period shall continue until a new budget is fixed. No Unit Owner may exempt himself from liability for assessment by a waiver of the use or enjoyment of any of the Common Elements, or by abandonment of any Unit belonging to him. Expenditures increasing the annual assessment in excess of fifteen percent (15%) shall be levied as provided in the Condominium Act and Section 11 of this Article IV.

ARTICLE V DIRECTORS

Section 1. Number and Qualifications. The affairs of the Regime shall be governed by the Condominium Board (hereinafter sometimes referred to as the "Board") composed of five (5) Directors. Notwithstanding the preceding sentence, the Condominium Board shall be composed initially of four (4) persons, until their successors are elected as hereinafter provided.

Section 2. Initial Directors. The initial Directors shall be selected by the Developer 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 of Baltimore County, Maryland until such time as their successors are duly chosen and qualified are as follows: Richard Azrael, Alan Grabush, James M. Abrams and Leonard Raskin. These Directors shall serve until the Organizational and First Meeting of the Council, at which time the Unit Owners shall elect a Board, all as prescribed herein. Subject to the following sentence, *Initial Directors* may be removed with or without cause and their successors appointed by the Developer, its successors and assigns. So long as he is eligible to be a Director, Leonard Raskin may only be removed as an Initial Director with cause by the Developer, its successors or assigns.

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

- (a) To provide for the care, upkeep and surveillance of the Regime, as it is constituted from time to time and its General Common Elements, and services and maintenance of the Unit exteriors in a manner consistent with the law, and the provisions of the Declaration and these By-Laws; and the Master Association Declaration and the Community Declaration;
- (b) To establish and provide for the collection of assessments and fines, if levied, from the Unit Owners and for the assessment and/or enforcement of liens therefor in a manner consistent with law and the provisions of the Declaration and these By-Laws;
- (c) To designate, hire and/or dismiss the personnel necessary for the good working order of the Regime and for the proper care of the General Common Elements, and to provide services for the Regime in a manner consistent with all applicable State and local laws, the Declaration and these By-Laws;
- (d) To promulgate and enforce such rules and regulations, and such restrictions or requirements, as may be deemed proper respecting the use, occupancy and maintenance of the Regime and the use and maintenance of the General Common Elements, as they are designated, to prevent unreasonable interference with the use and occupancy of the Regime and of the General and Limited Common Elements by the Unit Owners and the quiet enjoyment of the same, all of which are to be consistent with all applicable State and local laws, the Declaration and these By-Laws; provided, however, that certain Common Elements, such as walking paths, may not be accessible for certain times due to inclement weather and other similar circumstances;
- (e) Procure bids or otherwise establish the fixed cost of all labor, materials, services, utilities and other items required for the operation, maintenance and care of the Condominium, and the convenience of the Unit Owners; review and analyze all cost and expense factors arising out of or otherwise related to the Condominium, together with the benefits and advantages to be derived therefrom; determine and fix a detailed annual budget for the Condominium, and upon the establishment of such budget, assess and collect the funds therefor as a Common Expense;
- (f) Impose and collect reasonable charges for the preparation, copying and recordation of any documents related to the Condominium; and impose and collect reasonable fines for the violations of the Condominium Declaration, these By-Laws and the rules and regulations of the Condominium Association;
- (g) Establish and maintain an accurate cash and accounting system, make collections and deposit funds in such banks, trust companies, or other depositories as the Condominium Board shall from time to time approve; verify and account for all receipts and expenditures involved in the operation of the Condominium; approve or disapprove all requisitions, bills, statements and vouchers; pay all costs and expenses incurred in the operation and maintenance of the Condominium; designate signatories to which bank or other accounts shall be subject; keep and preserve, at the principal office of the Condominium rosters, books, accounts and records covering the operation of the Condominium and execute and file any statement, certificate, affidavit, return or other form required to be filed with any governmental agency in connection

with any income or unemployment, social security or employee benefit tax, or the withholding of any tax, or any information relative to the foregoing, and prepare and submit such account or accounts of the financial condition of the Condominium as may from time to time be required or advisable;

(h) Procure and maintain all policies of insurance required by the Condominium Act, by these By-Laws, or by the Condominium Association, or otherwise deemed advisable; designate a trustee or trustees, or other person, firm or corporation as the nominal beneficiary of any policy, to hold proceeds payable thereunder for the use and benefit of the Condominium Association; negotiate and adjust any loss occurring under any policy of insurance; and make any repair, replacement or restoration of the property damaged or destroyed by fire or other casualty insured against; and

(i) Prepare, with the assistance of an accountant, if deemed necessary, and file all income and other tax returns, declarations, and other forms required of the Condominium Association by law, and arrange for payment of any tax shown thereby to be due.

Section 4. Management Agent. The Condominium Board may employ for the Regime a Management Agent at a reasonable rate of compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not necessarily limited to, the duties set out in Section 3 of this Article other than those duties reserved to the Council or Board by the Declaration, Condominium By-Laws or Condominium Act. Any professional management company so employed must have and maintain fidelity bond coverage in an amount equal to or greater than the amount specified in Section 14 of this Article.

Section 5. Elections and Terms of Office. The terms of the Directors named herein shall expire when their successors have been elected at the Organizational and First Meeting of the Council and are duly qualified. At the First Meeting of the Council, a successor shall be elected to each Director whose term then expires and one (1) new Director shall be elected. Two (2) Directors shall be elected to serve for a term of three (3) years, two (2) Directors shall be elected to serve for two (2) years, and one (1) Director shall be elected to serve for one (1) year. At each annual meeting thereafter, a successor shall be elected to each Director whose term then expires, to serve for a term of three (3) years.

Section 6. Vacancies. Vacancies on the Board caused by any reason other than the removal of a Director by a vote of the Council 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 Council at the next annual meeting.

Section 7. Removal of Directors. At a regular or special meeting duly called, any Director may be removed with or without cause by the affirmative vote of the majority of the entire Council and a successor may then be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Council shall be given an opportunity to be heard at the meeting. The term of any Director who has an unreleased Statement of Lien recorded against

him shall be automatically terminated and the remaining Directors shall appoint his successor as provided in Section 6 of this Article.

Section 8. Compensation. No remuneration shall be paid to any Director who is also a Unit Owner or a member, officer or partner of a Unit Owner for services performed by him for the Council in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board before the services are undertaken. Nothing in this Section shall prohibit the payment of a reasonable management fee to an affiliate of any Director, and any remuneration paid to a Director shall be fair and reasonable.

Section 9. Organizational Meeting. The First Meeting of a newly elected Board shall be held within ten (10) days of election at a place within the Greater Baltimore Metropolitan Area 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 shall be present.

Section 10. Regular Meetings. At least annually, the Board shall send each Unit Owner notice of its meetings. All meetings of the Board shall be open for Unit Owners (except as provided in the Condominium Act) to attend. Regular meetings of the Board may be held at such time and place within the Greater Baltimore Metropolitan Area 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.

(a) Notice of meetings of the Council or the Condominium Board may not be given on less notice than required by Section 11-109 (c) of the Condominium Act or these By-Laws (in the event of any inconsistency, the greater amount of notice shall be given).

(b) The Council shall maintain a current roster of names and addresses of each Unit Owner to which notice of meetings of the Condominium Board shall be sent at least annually.

(c) Each Unit Owner shall furnish the Council with his name and current mailing address. A Unit Owner may not vote at meetings of the Council until this information is furnished.

Section 11. Special Meetings. Special meetings of the Board may be called by the President on five (5) days notice to each Director and Unit Owner, given personally or by mail, facsimile transmission, telephone or electronic mail, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting; provided, however, that Unit Owners shall not be furnished notice of special meetings of the Board if such special meeting shall solely address any matter covered by Section 11-109.1 of the Condominium Act. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Directors.

Section 12. Waiver of Notice. Before, or at, any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the

giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof.

Section 13. Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If any meeting of the Board has less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such meeting, following an adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Fidelity Bonds. The Board shall require that all officers and employees of the Council handling or responsible for Council or trust funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Council. The amount of each bond shall not be less than the estimated maximum amount of funds to be handled for the Council. In no event may the amount of such bonds be less than a sum equal to three (3) months' assessments on all Units plus reserve funds.

ARTICLE VI OFFICERS

Section 1. Designation. The principal officers of the Council shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. Officers elected by the initial Directors need not be Unit Owners. After the Organizational and First Meeting of the Council, the Board may elect officers who need not be Unit Owners except that the President must always be a Unit Owner or a member, officer or partner of a Unit Owner. 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. Upon any affirmative vote of a majority of the members of the Board, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 3. President. The President shall be the Chief Executive Officer of the Council and a member of the Board. He shall preside at all meetings of the Council and the Board. He shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint committees from among the Unit Owners, or other persons whom he feels are qualified, from time to time, as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Council.

Section 4. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board shall appoint some other member of the

Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

Section 5. Secretary. The Secretary shall keep minutes of all meetings of the Board and the Council; he shall have charge of the "ownership" and such other books and papers as the Board may direct; and he shall, in general, perform the duties incidental to the office of Secretary, including counting the votes at meetings of the Council. In the Secretary's absence, the President shall designate some other person to perform these duties.

Section 6. Treasurer. The Treasurer shall have responsibility for Council funds and securities, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Council. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Council in such depositories as may from time to time be designated by the Board. The Board may delegate any or all of these duties to a Management Agent or banking institution.

Section 7. Compensation. During the Development Period, no remuneration shall be paid to an officer unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board before the services are undertaken. Following the Development Period, the Board shall have the power to fix the compensation for all officers of the Council. Any remuneration paid to any officer shall in any event be reasonable and customary.

ARTICLE VII TRANSACTION WITH OFFICERS AND DIRECTORS OR THEIR AFFILIATES

Section 1. Good Faith. The Directors shall exercise their powers and duties in good faith.

Section 2. Contract or Transaction. A contract or other transaction between the Council and any of its directors, or between the Council and any corporation, firm or other entity in which any of its directors is a director or has a material financial interest is not void or voidable solely because of the common directorship or interest, or because the director is present at the meeting of the Board of Directors, which authorizes, approves, or ratifies the contract or the transaction, or because the vote of the director was counted for the authorization, approval or ratification on the contract or transaction, if any of the following conditions exist:

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

(b) The fact of the common directorship or interest is disclosed or known to the members of the Council entitled to vote, and the contract or transaction authorized, approved or ratified by a majority of the votes cast by the members entitled to vote other than the votes

appurtenant to memberships owned by the interested director or corporation, firm or other entity;
or

(c) The contract or transaction is fair and reasonable to the Council at the time it was authorized, approved or ratified; or

(d) If a contract or transaction is not authorized, approved or ratified in the manner provided for in subparagraphs (a), (b) or (c) of this Article, the actions of the person asserting the validity of the contract or transaction were fair and reasonable to the Council at the time it was authorized, approved or ratified.

Common or interested directors or the votes which they are entitled to cast or which are entitled to be cast by an interested corporation, firm or other entity, may be counted in determining the presence of a quorum at a meeting of the Board of Directors or at a meeting of the Unit Owners, as the circumstances may require, at which the contract or transaction is authorized, approved or ratified.

ARTICLE VIII MANAGEMENT

Section 1. Management and Common Expenses. Subject to the Community and Master Association Documents, the Board shall manage, operate and maintain the Regime and, for the benefit of the Units and the Unit Owners thereof, shall enforce the provisions hereof and may pay out of the Common Expenses, herein elsewhere provided for, the following, which itemization shall not act as a limitation on the Board:

(a) The cost of providing water, sewer, gas, electrical and other utility services for the Common Elements and to the extent that the same are not separately metered or billed to each Unit, for the Units; provided that if the same are separately metered or billed to each Unit, the cost shall be specially assessed pursuant to Section 1 (g) of this Article;

(b) The cost of fire and extended liability insurance on the Common Elements and the cost of such other insurance as the Board or the Council may effect;

(c) The cost of the services of a person or firm to manage the Regime to the extent deemed advisable by the Council, together with the services of such other personnel as the Board or the Council shall consider necessary for the operation of the Regime;

(d) The cost of providing such legal and accounting services as may be considered necessary to the operation of the Regime;

(e) The cost of painting, maintaining, replacing, and repairing the General Common Elements and any other areas of a Unit or Common Elements which are the responsibility of the Council pursuant to the Declaration and By-Laws, including such furnishing and equipment for the General Common Elements as the Board shall determine are necessary and proper, and the

Board shall have the exclusive right and duty to acquire the same, provided, however, that nothing herein contained shall require the Council to paint, repair, or otherwise maintain the interior of any Unit or any fixtures or equipment located therein except for damage resulting from a casualty which is covered by Condominium insurance and further provided that the Council shall maintain the General Common Elements and any other areas which are the responsibility of the Council in accordance with the Replacement Reserve Schedule described in the budget for the Council;

(f) The cost of any and all other materials, supplies, labor, services, maintenance, repair, taxes, assessments or the like which the Council is required to secure, to pay for by law, or otherwise, or which in the discretion of the Board shall be necessary or proper for the operation of the General Common Elements;

(g) The cost of utilities which may be separately metered or billed to a Unit (as described in paragraph (a) above), or the maintenance or repair of any Unit in the event such maintenance or repair is necessitated due to such Unit Owner's negligence, misuse or neglect, which shall be determined in the sole discretion of the Board; provided, however, that no such maintenance or repair shall be undertaken without a resolution by the Board and not without reasonable written notice to the Unit Owner of the Unit proposed to be maintained or repaired; and provided further that the cost thereof shall be assessed against the Unit on which such maintenance or repair is performed, and when so assessed, a statement for the amount thereof shall be rendered promptly to the Owner of said Unit, at which time the assessment shall become due and payable and a continuing lien and obligation of said Unit Owner in all respects as provided in Article IX of these By-Laws;

(h) Any amount necessary to discharge any lien or encumbrance levied against the Regime or any portion thereof, which may, in the opinion of the Board, constitute a lien against any of the General or Limited Common Elements rather than the interest of the Unit Owner of any individual Unit; and

(i) The cost of any maintenance, repair or replacement contracted for between the Council or its Management Agent and individual Unit Owners having to do with an individual Unit, which cost shall be a Common Expense only with respect to that Unit, and that the cost thereof shall be assessed against the Unit on which such maintenance, repair or replacement is performed and when so assessed, a statement for the amount thereof shall be rendered promptly to the then Unit Owner of said Unit, at which time the assessment shall become due and payable and a continuing lien and obligation of said Unit Owner in all respects as provided in Article IX of these By-Laws.

Section 2. Manager. The Board may delegate such of its duties, powers or functions to the Manager, as the Board shall authorize from time to time; provided however, the selection of the Manager for the Council shall be made by the Architectural Committee, or if none, then by the Board.

Section 3. Easements, Licenses and Rights of Way for Utilities and Related Programs.

The Council, through its Board, is authorized and empowered to grant, subject to the provisions of the Condominium Act, if any, including notice to Unit Owners, hearing requirements and right of Unit Owners to override a grant made by the Board, and shall from time to time grant such licenses, easements and/or rights of way for sewer lines, waterlines, electrical cables, telephone cables, gas lines, storm drains, television antennas, underground conduits and/or such other purposes related to the provision of public utilities to the Regime, or for any other purpose as may be considered necessary and appropriate by the Board for the orderly maintenance, preservation and enjoyment of the General Common Elements, for the preservation of the health, safety, convenience, and/or welfare of the Unit Owners and the Developer and/or as required or permitted by the Declaration.

Section 4. Limitation of Liability. The Council shall not be liable for any failure of water supply or other utilities or services to be obtained by the Council or paid for out of the Common Expenses absent the Council's willful misconduct or gross negligence. The Council shall not absent the Council's willful misconduct or gross negligence be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the General Common Elements. No diminution or abatement of Common Expense Assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the General Common Elements, separately contracted maintenance to a Unit, or from any action taken by the Council to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

ARTICLE IX

CONDOMINIUM FEES/ASSESSMENTS/WORKING CAPITAL

Section 1. Annual Condominium Fees/Assessments.

(a) Commencing with the recording of the Declaration to establish the Condominium Regime, each Unit Owner shall pay to the Council the Unit Owner's proportionate share of the sum required by the Council pursuant to the Percentage Interest Factor in Common Expenses and Common Profits as set forth in the Declaration ("Assessments") to meet its annual budget, including but in no way limited to, the following:

(1) Any and all costs of operating expenses of the Regime as the same may be constituted from time to time, and services furnished, including charges by the Council for facilities and services furnished by it;

(2) Any and all costs of management and administration, including fees paid to any Management Agent;

(3) Any and all costs of taxes and assessments levied against the Council or upon any property which it is otherwise required to pay, if any;

(4) Any and all costs of public liability, fire and extended coverage insurance on the Regime and the cost of such other insurance as the Council or the Board may effect;

(5) Any and all costs of furnishing water, electricity, heat, gas, garbage and trash collection and/or utilities, to the extent furnished by the Council;

(6) Any and all costs of funding all reserves established by the Council including, when appropriate, a general operating reserve and/or reserve for replacements;

(7) Any and all costs of repairs, maintenance and replacements of the Regime, including General Common Elements to be made by the Council; and

(8) Any and all costs or fees due to the Master Association.

(b) Each Annual Assessment levied under the provision hereof shall be paid in equal successive monthly, quarterly or other periodic installments, commencing on the first day of the first month of the fiscal year for which levied, and continuing on the first day of each and every succeeding month, quarter or other period thereafter until fully paid; provided, however, that (i) the first Annual Assessment shall be paid in such number of equal or unequal periodic installments as the Condominium Board shall determine, and (ii) the first Annual Assessment shall not begin to accrue until the first day of the first fiscal year.

(c) Any Special Assessment levied under the provisions of Section 2 of this Article IX shall be due and payable fifteen (15) days after the date of levy of such Special Assessment and the serving of notice thereof upon the Unit Owners, or at such other later time or times as may be provided by the Condominium Board in making such Special Assessment.

(d) If record title to a Unit is conveyed during the period covered by an installment of an Annual or Special Assessment, the Unit Owner of such Unit immediately before such conveyance and the Unit Owner of such Unit immediately after such conveyance shall each be fully liable to the Condominium Association for the entire amount of such installment, and shall each be subject to all remedies available to the Condominium Association for the collection of such installment, as described herein, provided there be but one satisfaction of the claim. If record title to a Unit is conveyed (i) during the period covered by an Annual Assessment not payable in installments, or (ii) within one hundred eighty (180) days after the date of a Special Assessment not payable in installments, the Unit Owner of such Unit immediately before such conveyance and the Unit Owner of such Unit immediately after such conveyance shall each be fully liable to the Condominium Association for the entire amount of such Annual or Special Assessment, as applicable, and shall each be subject to all remedies available to the Condominium Association for the collection of such Annual Assessment or Special Assessment, as provided in these By-Laws and further provided there be but one satisfaction of the claim. Each such Unit Owner shall be entitled to exercise any right of contribution which it may have against the other such Unit Owner at law or in equity, or by contract, but the exercise of any such right of contribution shall not be permitted to delay or otherwise impair the collection of such

Annual Assessment or Special Assessment, or installation thereof, by the Condominium Association.

(e) In addition, each Unit Owner shall pay to the Council the amount of any fine levied against him pursuant to any rules and regulations for fining promulgated by the Board in accordance with the procedures in these By-Laws.

(f) The Board shall determine the amount of the assessment annually by preparation and adoption of an annual proposed budget.

Section 2. Special Assessments. Notwithstanding the provisions of Article IV, Section 10, and in addition to the regular Assessments authorized by this Article, the Council may levy in any assessment year a Special Assessment or Assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Regime, as then constituted, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board may consider appropriate, provided that any such assessment shall have the assent of the Unit Owners representing fifty-one percent (51%) of the total votes of the Regime. A meeting of the Unit Owners shall be duly called for this purpose, written notice of which shall be sent to all Unit Owners and any other persons or entities entitled to notice of special meetings at least ten (10) days, but not more than ninety (90) days, in advance of such meeting, which notice shall set forth the purpose of the meeting.

Section 3. Reserve for Replacements and Working Capital. The Council shall establish and maintain a reserve fund for replacements by the allocation and payment to such reserve fund of an amount to be designated from time to time by the Board. Such fund shall be conclusively deemed to be a Common Expense. Such funds shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America. The reserve for replacements may be expended only for the purpose of periodic maintenance, repair and replacement. The amounts required to be allocated to the reserve for replacements may be reduced by appropriate resolution of the Board provided that such resolution is approved by the affirmative vote of the Unit Owners representing at least sixty-six and two-thirds percent (66 2/3 %) of the total votes of the Regime at any meeting of the Council duly called for in accordance with the applicable provisions of the Condominium Act and these By-Laws. The proportionate interest of any Unit Owner in any reserve for replacements shall be considered an appurtenance of his Unit and shall not be separately withdrawn, assigned, transferred or otherwise separated from the Unit to which it appertains, and shall be deemed to be transferred with such Unit.

In addition, all Unit Owners shall at the time hereinafter provided pay One Dollar (\$1.00) per each square foot of floor space within the Unit to the Council to be used as working capital or contributed to a reserve fund, or any combination thereof, as the Council determines in its sole discretion. The working capital and reserve fund payment is established to assist with the initial operation of the Council and the establishment of a reserve fund. It shall be in addition to other Assessments and shall not be considered an advance payment of Assessments. The portion

allocated to the reserve fund shall be deposited by the Council into a segregated fund. The working capital/reserve fund amount shall be paid at the time of delivery of the deed from the Developer to a Unit Owner.

Section 4. Disposition of Common Profits. All Common Profits, if any, shall be disbursed to the Unit Owners, be credited to their assessments for Common Expenses in proportion to their percentage interests in Common Profits and Common Expenses, or be used for any other purpose as the Council determines.

Section 5. Liability for Assessments. A Unit Owner shall be liable for all Assessments or installments thereof coming due while he is the owner of a Unit. In a voluntary grant, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his share of the Common Expenses up to the time of the voluntary grant for which a statement of lien is recorded, without prejudice to the rights of the grantee to recover from the grant or the amounts paid by the grantee for such Assessments. Liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the Assessments are made.

Section 6. Imposition of Lien. Payment of Assessments, together with interest, late charges, if any, costs of collection and reasonable attorney's fees may be enforced by the imposition of a lien on a Unit in accordance with the provisions of the Maryland Contract Lien Act. Suit for any deficiency following foreclosure may be maintained in the same proceeding, and suit to recover any money judgment for unpaid Assessments may also be maintained in the same proceeding, without waiving the right to seek to impose a lien under the Maryland Contract Lien Act.

Section 7. Interest on Unpaid Assessments Late Charges.

(a) Any Assessment or installment thereof not paid when due shall bear interest at the option of the Council from the date when due until paid at the rate of eighteen percent (18%) per annum.

(b) There shall be a late charge of Two Hundred Fifty Dollars (\$250.00) or three percent (3%) of the total amount of any delinquent Assessment or installment, whichever is greater. This late charge shall not be imposed more than once for the same delinquent payment, but will be imposed on accounts when payments have not been received within fifteen (15) days of the due date.

Section 8. Assessment Certificates. The Council shall, upon demand, furnish to any Unit Owner liable for any Assessment, fine or other charge levied pursuant to the Condominium By-Laws (or to any other party legitimately interested in the same), a certificate in writing signed by an officer of the Council or its agent, setting forth the amount of the monthly or other period Assessment, the status of said Assessments, *i.e.* whether the same is paid or unpaid, any other fees payable by the Unit Owner to the Council, any judgments or pending litigation against the Council and any actual knowledge that the Council has that any alteration or improvement to the

Unit or to the Limited Common Elements assigned to the Unit violates any provision of the Declaration or these By-Laws. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A charge not to exceed the greater of Two Hundred Fifty Dollars (\$250.00) or three percent (3%) of the annual Assessments attributable to the Unit may be levied in advance by the Council for each certificate so delivered.

Section 9. Acceleration of Installments. Upon default in the payment of any one or more Assessments payable in installments that continues for more than fifteen (15) days following notice from the Council to the Unit Owner of such non-payment (provided that if any greater notice is required under the Condominium Act, then upon such greater notice), the entire remaining unpaid balance of said Assessments may be accelerated, at the option of the Board, and be declared due and payable in full, which will be enforceable in accordance with the provisions of the Maryland Contract Lien Act.

Section 10. Subordination and Mortgagee Protection.

(a) Notwithstanding any other provisions hereof to the contrary, the lien of any Assessments levied pursuant to these By-Laws upon any Unit in the Regime shall be subordinate to, and shall in no way affect the rights of the Holder of any indebtedness secured by, a First Mortgage; provided, however, that such subordination shall apply only to Assessments which have become due and payable prior to the earliest of the date of the foreclosure sale of such Unit pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure or the date of the execution of a deed in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser at such sale of the Unit from liability for any Assessments thereafter becoming due, or from the lien of any such subsequent Assessments, which lien, if claimed, shall have the same effect and be enforced in the same manner as provided herein.

(b) No amendment to these By-Laws shall affect the rights of the Holder of any Mortgage, or the indebtedness secured thereby, Recorded prior to recordation of such amendment, unless the Holder thereof, or of the indebtedness secured thereby, shall join in the execution of such amendment.

Section 11. Other Associations. The Assessments levied by the Council shall be in addition to, and not instead of any assessments levied by the Community or Master Associations on any or all of the Units under the Community or Master Association Documents.

ARTICLE X
HEARING PROCEDURES

Section 1. Statement of Purpose. It is the declared intention of the Council that rules and regulations shall be adopted freely by the Architectural Committee (or if none, then by the Condominium Board, if applicable), and without the requirement of a vote of the Council as a requisite to their adoption, provided that the rules and regulations shall be adopted in accordance with the requirement of the Condominium Act. All rules and regulations are intended to be adopted as supplements to, and not in lieu of legally required provisions of these By-Laws.

Should any adopted rules or regulations contradict any provisions of these By-Laws, as amended, such provisions of these By-Laws shall take precedence and should the provisions of these By-Laws conflict with the Condominium Act, the terms of the Act shall take precedence and the provisions of this Article X shall automatically be amended to comply with the Act. The initial Rules and Regulations are attached hereto as Exhibit "A."

Section 2. Rules and Regulations. All rules and regulations may be proposed by the Architectural Committee (or Condominium Board, if applicable) provided that

- (a) Each Unit Owner shall be mailed or delivered:
 - (1) a copy of the proposed rules and regulations;
 - (2) notice that Unit Owners are allowed to submit written comments on the proposed rules and regulations; and
 - (3) notice of the proposed effective date of the proposed rules and regulations.
- (b) Before a vote is taken on a proposed rule, an open meeting is held to allow each Owner or Tenant to comment on the proposed rule and regulation.

Section 3. Hearing and Comment

(a) The meeting held may not be held unless each Owner receives written notice at least fifteen (15) days before the meeting, a representative of the Architectural Committee (or if no Architectural Committee currently exists, then a quorum of the Condominium Board) is present and after notice has been given to the Owners, the proposed rule and regulation is passed at a regular or special meeting by the Architectural Committee (or majority vote of the Condominium Board, if applicable).

- (b) The vote on the proposed rule and regulation shall be final unless:
 - (1) Within fifteen (15) days after the vote to adopt the proposed rule and regulation, fifteen percent (15%) of the Unit Owners sign and file a petition with the Architectural Committee (or Condominium Board, if applicable) calling for a special meeting;
 - (2) A quorum of the Council attends the meeting; and
 - (3) At the meeting, fifty and one hundredth percent (50.01%) of the Unit Owners present and voting disapprove the proposed rule and regulation, and the Unit Owners voting to disapprove the proposed rule are more than thirty-three percent (33%) of the total votes in the Condominium.

a. During the special meetings held under paragraph (b) of this subsection, Unit Owners, Tenants, and Mortgagees may comment on the proposed rule.

b. A special meeting held under paragraph (b) of this subsection shall be held:

(i) After the Unit Owners and any Mortgagees have at least fifteen (15) days' written notice of the meeting; and

(ii) Within thirty (30) days after the day the petition is received by the Architectural Committee (or Condominium Board if applicable).

(c) Each Unit Owner or Tenant may request an individual exception to a rule and regulation adopted while the individual was the Unit Owner or Tenant of the Condominium.

(1) The request for an individual exception under paragraph (c) of this subsection shall be:

a. Written;

b. Filed with the Architectural Committee (or Condominium Board, if applicable) that voted to adopt the proposed rule; and

c. Filed within thirty (30) days after the effective date of the rule.

(d) Each rule adopted under this Section shall state that the rule and regulation was adopted under the provisions of Section 11-111 of the Condominium Act.

Section 4. Right of Appeal.

(a) Each Unit Owner or Tenant shall have a right to appeal to the Board for an individual exception to any rules or regulations adopted by the Architectural Committee (or Condominium Board, as the case may be).

(b) The appeal period shall begin on the effective date of the rules and regulations and shall run for a period of thirty (30) days.

(c) No appeals shall be considered, except by permission of the Architectural Committee (or Condominium Board, as applicable), if filed after the expiration of the appeal period.

(d) All appeals shall be in writing, shall be signed and dated by the Unit Owner or Owners making such appeal, and shall be delivered to a member of the Architectural Committee (or Board, if applicable). The Architectural Committee (or Board, if applicable) shall consider all appeals and shall render a decision at its next regularly scheduled meeting. Said decision shall be in writing and shall be addressed to the Unit Owner or Owners making the appeal. If the Architectural Committee (or Board, if applicable) shall deny an appeal, there shall be no requirement of publication as to the denial.

(e) If the Architectural Committee (or Board, if applicable) shall uphold any appeal, thus granting an individual exception to an adopted rule, the Architectural Committee (or Board, if applicable) shall publish or communicate in a reasonable manner to the Council an explanation of the reasons for granting the exception.

ARTICLE XI INSURANCE

Section 1. Insurance.

(a) The Board, acting on behalf of the Council, shall obtain and maintain, to the extent reasonably available, the following insurance as a Condominium Master Insurance Policy, which shall be an item of Common Expenses:

(1) Property insurance on the General Common Elements, and Units, exclusive of improvements and betterments installed in Units by Unit Owners, insuring against all risks of direct physical loss commonly insured against or such other insurance as deemed appropriate to protect the Council, the individual Owners, and the Condominium from risks customarily associated with projects similar in construction, location and use. The total amount of insurance after application of any deductibles may not be less than the full replacement value of the insured property, exclusive of land, excavations, foundations, and other item normally excluded from property policies; and

(2) Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Condominium Board, but not less than One Million Dollars (\$1,000,000.00), covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements; and

(3) Public liability insurance policy covering the Council, its officers, directors and agents, and also covering the Architectural Committee, if any, and its members and agents, having at least a One Million Dollar (\$1,000,000.00) limit per total claims that arise from the same occurrence.

(b) The Council shall give notice to all Unit Owners of the termination of any insurance policy within ten (10) days of termination. The Council, in any event, may carry any other insurance it deems appropriate to protect the Council or the Unit Owners.

(c) Insurance policies carried pursuant to subsection (a) shall provide that:

(1) Each Unit Owner is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Elements or membership in the Council;

(2) To the extent obtainable upon commercially reasonable terms, the insurer waives its right to subrogation under the policy against any Unit Owner or his members, officers, directors, partners, employees and agents;

(3) Any act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Council, does not void the policy and is not a condition to recovery under the policy; and

(4) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the policy is primary insurance not contributing with the other insurance.

(d) Any loss covered by the property policy under subsection (a)(1) shall be adjusted with the Council, but the insurance proceeds for that loss shall be payable to any Insurance Trustee designated for that purpose, or otherwise to the Council, and not to any Mortgagee. The Insurance Trustee or the Council shall hold any insurance proceeds in trust for Unit Owners and lienholders as their interests may appear. Except as otherwise provided herein, the proceeds shall be disbursed for the repair or restoration of the damaged Common Elements and Units, and the Unit Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Common Elements and Units have been completely repaired or restored, or the Condominium is terminated.

(e) Any insurance policy issued to the Council does not prevent a Unit Owner from obtaining insurance for his own benefit.

(f) An insurer that has issued an insurance policy under this Section shall issue certificates or memoranda of insurance to the Council and, upon request, to any Unit Owner, Mortgagee, or beneficiary under a deed of trust. The insurance may not be canceled until thirty (30) days after the notice of the proposed cancellation has been mailed to the Council, each Unit Owner, and each Mortgagee to whom certificates of insurance have been issued.

(g) It is recommended by the Board that each Unit Owner should obtain his own insurance policy on his Unit in the HO-6 form with an "improvements and betterments," "alterations and additions", or similar endorsement. NOTICE IS HEREBY GIVEN BY THE DEVELOPER THAT THE CONDOMINIUM MASTER POLICY REFERRED TO IN SECTION 1 OF THIS ARTICLE DOES NOT INSURE ANY ADDITIONS, ALTERATIONS, IMPROVEMENTS, BETTERMENTS OR MODIFICATIONS TO ANY UNIT AS SOLD BY THE DEVELOPER. Each Unit Owner shall be required at all times to carry appropriate insurance coverage for his Unit in an amount of not less than One Million Dollars (\$1,000,000).

(h) No Owner shall do or permit anything to be done or any condition to exist ("Increased Risk") which shall invalidate or cause the cancellation of any of the insurance policies described herein or cause an increase in the premium paid for such insurance. If any Owner does or permits any Increased Risk, then such Owner shall pay the Council promptly upon demand, for any additional premiums payable which are attributable to such increased risk.

Payment of such additional premiums will not excuse the Owner from immediately terminating or removing the Increased Risk, unless the Council, acting and through the Board, shall agree in writing to permit such Increased Risk to remain.

ARTICLE XII CASUALTY DAMAGES

Section 1. Use of Insurance.

(a) Any portion of the Condominium damaged or destroyed shall be repaired or replaced promptly by the Council unless:

- (1) The Condominium is terminated;
- (2) Repair or replacement would be illegal under any State or local health or safety statute or ordinance; or
- (3) Eighty percent (80%) of the Unit Owners, including every Owner of a Unit that will not be rebuilt, vote not to rebuild.

(b) The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If the cause of any damage to or destruction of any portion of the Condominium originates from the Common Elements or a Unit, the Council of Unit Owners' property insurance deductible is a Common Expense; provided, however, that an Owner of a Unit where the cause of the damage or destruction originated is responsible for the Council of Unit Owners' property insurance deductible up to a maximum of One Thousand Dollars (\$1,000.00) or such other limit as may be prescribed from time to time by the Act; and further, provided, that the Council of Unit Owners' property insurance deductible amount exceeding One Thousand Dollars (\$1,000.00) or such limit set by the Act, is a common expense. The Council may make an annual assessment against the Owner responsible under the preceding sentence in accordance with Section 11-110 of the Act.

(c) If the entire Condominium is not repaired or replaced:

(1) The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium;

(2) The insurance proceeds attributable to the Units that are not rebuilt shall be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were assigned; and

(3) The remainder of the proceeds shall be distributed to all the Unit Owners in proportion to their Common Element interest.

(d) If the Unit Owners vote not to rebuild any Unit, that Unit's entire interest in the Common Elements, votes in the Council, and Common Expense liability are automatically reallocated upon the vote as if the Unit had been condemned, and the provisions of the Declaration shall govern; and the Council shall promptly prepare, execute and record an amendment to the Declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, the Condominium Act (Section 11-114) governs the distribution of insurance proceeds if the Condominium is terminated.

ARTICLE XIII MAINTENANCE, REPAIR AND REPLACEMENT

Section 1. Maintenance by Owners. Except as otherwise provided in Section 2 of this Article XIII, each Unit Owner shall maintain, repair and replace all portions of his Unit and the Limited Common Elements appurtenant thereto, and each improvement thereon or therein, except those portions of or duties with respect to the Units which are, under the provisions of the Declaration or these By-Laws, to be undertaken by the Council. Each Unit Owner shall keep his Unit in an orderly, neat and clean condition.

By way of example and not as a limitation, the following items of maintenance, repair and replacement shall be performed by the Unit Owners and such maintenance, repair and replacement shall not be the responsibility of the Council or an item of Common Expense:

(a) Any heating and air conditioning systems, hot water heaters, smoke detectors, fixtures, equipment and appliances and all chutes, flues, ducts, conduits, wires, pipes or other apparatus installed or contained within the Unit. Additionally, to prevent freezing of any water in any pipe, plumbing fixture or other facility in the Condominium, and to minimize the heating costs of any adjacent Units and Common Elements, each Unit Owner, at his own expense, shall maintain the temperature inside his Unit at not less than 62 degrees Fahrenheit throughout each calendar year. Furthermore, each Unit Owner shall shut off any water main serving such Unit if the Unit Owner will not be using the Unit for more than five (5) consecutive days;

(b) All chutes, flues, ducts, conduits, wires, water pipes, sewer pipes, sprinkler pipes and condensate lines or other apparatus whether or not installed or contained within the Unit, but serving only that one Unit, including the inspection, cleaning or flushing of all such items at least once annually; and

(c) Any alteration or modification to a Unit unless such responsibility is expressly assumed by the Council in the architectural approval of same.

Each Owner shall perform such maintenance, repairs and replacements in such manner and at such hours as to not unreasonably disturb any other Unit Owner or Tenant or the use of the General Common Elements.

In the event any Owner fails to maintain, repair or replace all portions of his Unit as set forth herein, it shall be deemed a violation of these By-Laws, and, in addition to the right of

entry by the Council to remedy the violation, the Council may assess the Owner for any expenses incurred by the Council (including but not limited to administrative costs and attorneys' fees relating to pursuit of the violation) for maintenance, repair or replacement of the Unit, or for repairs or replacements to other Units or the Common Elements resulting from the negligent act, the failure to act, or the failure of such Owner, his employees, Tenants, invitees or other user of the Unit to maintain, repair or replace all portions of the Unit. Such expenses may be levied and the collection of such expenses may be enforced against the Owner in the same manner as regular Assessments.

Section 2. Maintenance by the Council. Except as provided elsewhere in the Declaration or these By-Laws, the Council shall maintain, repair, and replace all Common Elements, the costs of which shall be a Common Expense.

By way of example and not as a limitation, the following items of maintenance, repair and replacement shall be performed by the Council and such maintenance, repair and replacement shall be an item of Common Expense:

(a) All maintenance, repair and replacement of the General Common Elements, including, but not limited to, roofs and exterior walls;

(b) The painting, where applicable, of the exterior surface of all doors and door frames, windows and window frames;

(c) All exterior windows and the exterior door, storm door and exterior door and window frames including any sliding glass doors and the (interior and exterior) seals or glazing thereof (and further provided, any replacements of windows and doors may only be replaced with similar materials);

(d) The washing of all exterior windows and the replacement of all glass in the exterior windows (with the Owner of the Unit being responsible to promptly reimburse the Council for its costs in replacing the window); and

(e) Developer and Unit Owner signage (provided, however, that any permitted exterior signage for a Unit shall be installed and maintained at the expense of the Owner of the Unit) for the Condominium.

Section 3. Additions, Alterations, Improvements and Decorations.

The Master Association shall have and enforce design review and architectural control for additions, alterations or improvements to the exterior of any Unit, the windows and doors enclosing a Unit and window decorations or treatments to the extent any of the same shall be visible from the exterior of the Building (but otherwise the Architectural Committee or the Board, as applicable, shall have and enforce such design review and architectural control). If the Master Association shall cease to provide such design review and architectural control over the Regime, then the provisions of this Section 3 shall apply to all additions, alterations or

improvements with respect to a Unit. Otherwise, the design review provisions of this Section shall only apply to those additions, alterations or improvements not subject to the Master Association's review.

(a) Except as otherwise provided herein or in the Condominium Declaration, or in Subsection (b) of this Section 3, no Unit Owner, except the Developer, shall make (i) any structural addition, alteration or improvement to his Unit, or (ii) any non-structural addition, alteration, improvement or decoration to or upon the windows and doors enclosing his Unit, unless and until plans and specifications, in duplicate, showing the nature, kind, shape, height, color, materials, location and approximate cost of such addition, alteration, improvement or decoration shall have been submitted to and approved in writing by the Architectural Committee (or the Condominium Board, if applicable), which shall have the right for good cause to refuse to approve any such plans or specifications which it deems unsuitable or undesirable, whether based on inconsistency with the Community Association or Master Association Documents or aesthetic or other reasons. If the Architectural Committee (or the Condominium Board if there is no Architectural Committee) fails to deny any requested addition, alteration, improvement or decoration within sixty (60) days after receipt of two (2) complete sets of plans and specifications therefor, such request shall be deemed approved. The plans and specifications for any addition, alteration, improvement or decoration approved by the Architectural Committee or the Condominium Board, as the case may be, and actually constructed or installed shall be filed and maintained at the principal office of the Condominium, and, if appropriate, the Condominium Plat shall be amended to reflect any such addition, alteration or improvement.

(b) The Architectural Committee, or Condominium Board if there is no Architectural Committee, may adopt reasonable rules, criteria and regulations as provided herein establishing general standards for the making of one or more types of additions, alterations, improvements or decorations to or upon the Units. The initial criteria concerning signs are attached hereto as Exhibit B. Such rules and regulations may provide that to the extent any particular addition, alteration, improvement or decoration is made in compliance with such general standards, such addition, alteration, improvement or decoration may be made without the submission of plans and specifications therefor to the Architectural Committee or Condominium Board, as the case may be, and without written approval by the Architectural Committee or Condominium Board, as applicable, of said plans and specifications.

(c) For the purposes of the Condominium Declaration, and of this Section 3, a structural addition, alteration or improvement to a Unit shall include, without limitation, any addition, alteration or improvement involving any portion of the Unit (such as a utility line or duct serving that Unit) located above the top surface of any sheetrock ceiling within the Unit, whether such ceiling is a drop ceiling or is located at the upper boundary of the Unit.

Section 4. Water, Gas and Electricity. Electricity and gas are furnished to the General Common Elements through a separate meter or meters designed for the property held in common, and the Condominium Board shall pay, as a Common Expense, the cost of all electricity and gas furnished through said meter or meters. Gas and electricity are furnished to the Units through separate meters, and each Unit Owner shall pay for all gas and electricity

furnished through a separate meter to his Unit. Water is furnished to the General Common Elements through a single meter, and the Condominium Board shall pay, as a Common Expense, the cost of all water furnished through said meter. Water to each individual Unit is provided through a separate meter for such Unit, the cost of which shall be billed directly from the Condominium Association to each Owner and paid by the Owner to the Condominium Association, and any amount due for the water bill which an Owner fails to pay may be levied and collected against such Owner in the same manner as failure to pay regular Assessments.

ARTICLE XIV DISPUTE RESOLUTION

Section 1. Fine Imposition Procedure. The Condominium Association shall be entitled to impose a reasonable fine against a Unit Owner or Tenant of a Unit for the violation of any of the use restrictions or any of the rules and regulations adopted by the Condominium Association pursuant to the Declaration and these By-Laws, provided the Condominium Association follows the procedure set forth in Section 11-113 (or any successor provision) of the Condominium Act for the imposition of fines for rules violations (the "Fine Imposition Procedure"), except that notwithstanding Section 11-113 (b)(4) of the Condominium Act, a decision rendered by or on behalf of the Condominium Association pursuant to the Fine Imposition Procedure shall be appealable to an arbitration panel pursuant to Section 2 of this Article, rather than being appealable to the Courts of Maryland. Any such appeal by a Unit Owner or Tenant must be initiated by written notice delivered to the Secretary of the Condominium Association within thirty (30) days after the Condominium Association gives the Unit Owner or Tenant written notice of the decision rendered pursuant to the Fine Imposition Procedure. Any such notice of appeal shall comply with the requirements set forth in Section 2 of this Article for a Notice Invoking Arbitration.

Section 2. Arbitration. If there is any dispute concerning rules and regulations or any other matter related to the Condominium between the Condominium Association, the Architectural Committee, Condominium Board or the Manager, on the one part, and any Unit Owner or Tenant of a Unit, on the other part, which is not governed by Section 1 of this Article, or if any decision rendered by or on behalf of the Condominium Association pursuant to the Fine Imposition Procedure referred to in Section 1 of this Article is appealed, such dispute or such appeal, as applicable, shall be submitted to arbitration. Either party shall have the right to notify the other party that it is invoking the arbitration provisions of these By-Laws, as herein provided. The party initiating the arbitration shall set forth in its written notice (the "Notice Invoking Arbitration") the desire to invoke the arbitration provisions of this Article, and shall specify the name and address of the arbitrator selected to represent the party initiating the arbitration and the matter to be arbitrated. Within ten (10) days after receipt of such notice, the other party to the dispute shall specify by written notice to the party invoking arbitration, the name and address of the arbitrator to represent it. Within seven (7) days after the designation of the second arbitrator, the two (2) arbitrators so designated shall name the third arbitrator by their joint agreement. If the party requested to name its arbitrator fails to do so within the time limited, or if the two (2) arbitrators fail to agree within seven (7) days after appointment of a second arbitrator, as to a third arbitrator, then the one or two designated arbitrators, as the case may be, shall then request

the Chair of the Real Estate Section of the Maryland State Bar Association to designate an arbitrator or arbitrators so that there will be three (3) arbitrators. Such arbitration shall be conducted in accordance with all applicable arbitration laws of the State of Maryland, except that in the event of any conflict between said laws and the provisions of this Article, the provisions of this Article shall be controlling, unless otherwise required by law. A decision of the majority of the arbitrators shall be final, conclusive and binding upon both parties. The controlling decision shall be in writing, signed by the arbitrators making same, shall briefly state the grounds therefor and shall fix and allocate the cost of the proceedings between the parties.

Section 3. Failure to Comply. If either party to an arbitration proceeding shall fail to comply with the decision of the arbitrators, the other party may seek enforcement by appropriate judicial proceedings, either an action at law for damages, or a suit in equity to enjoin a breach or violation, or enforce performance, of any rule, regulation or other obligation. The prevailing party in any such proceeding shall be entitled to an award for counsel fees and other litigation expenses at the discretion of, and to the extent determined by, the court.

Section 4. Enforcement. All of the use restrictions and all of the rules and regulations adopted by the Architectural Committee (or Condominium Board, if applicable) pursuant to the Declaration and these By-Laws shall be held and construed to run with and bind the Common Elements and all Units located within the Condominium and all Unit Owners and Tenants of such Units, their respective heirs, personal representatives, successors and assigns, forever, all except as otherwise expressly set forth in said rules and regulations. Said limitations and rules and regulations shall inure to the benefit of and be enforceable by the Condominium Association, Architectural Committee, Condominium Board and Manager in accordance with the procedures set forth in Sections 1, 2 and 3 of this Article against anyone violating or attempting to violate any of said rules and regulations, provided, however, that if the person who commits or attempts such a violation is not a Unit Owner or Tenant of a Unit (or if, for any reason, such person is not subject to the procedures set forth in Sections 1 and 2 of this Article notwithstanding that such person is a Unit Owner or Tenant), the Condominium Association, Architectural Committee, Condominium Board or Manager may enforce such limitation, rule or regulation in accordance with the procedure set forth in Section 3 of this Article, without resort to the procedures set forth in Sections 1 and 2 of this Article. Furthermore, and in any event, the Condominium Association, for itself, its agents, servants, employees and contractors, after notice to a Unit Owner of any breach or violation of any rule or regulation within his Unit and the failure of said Unit Owner to correct the same within a reasonable time thereafter, shall have the right to enter said Unit and, at the expense of said Unit Owner, summarily abate or remove the breach or violation occurring in said Unit, provided, however, that appropriate judicial proceedings shall be instituted before any item of construction can be altered or demolished.

ARTICLE XV FISCAL MANAGEMENT

Section 1. Fiscal Year. The fiscal year of the Council shall begin on the first day of January every year and shall end on the 31st day of December, except that the first year of the

Council shall begin on the date of the recording of the Declaration. The commencement date of the fiscal year herein established shall be subject to change by the Board in its discretion.

Section 2. Books and Accounts. Books and accounts of the Council shall be kept under the direction of the Treasurer in accordance with generally accepted accounting principles consistently applied. The same shall include books with detailed accounts, in chronological order, of the receipts and expenditures affecting the Regime and its administration and shall specify the maintenance and repair expenses of the General Common Elements and services and any other expenses incurred. The amount of any assessment required for payment on any capital expenditures of the Council shall be a credit upon the books of the Council to the "Paid-in Surplus" account as a capital contribution by the Unit Owners.

The Council shall be required to make available to all Owners, Lenders and the Holders or Insurers of the first mortgage on any Unit, current copies of the Declaration, the Condominium By-Laws and other rules governing the Condominium (if any), and any other books, records and financial statements of the Council. The Council shall also be required to make available to prospective purchasers current copies of the Declaration, Condominium By-Laws, any rules governing the Condominium and the most recent annual audited financial statement, if the same has been prepared. "Available" for purposes of this Section shall mean available for inspection upon request during normal business hours or under other reasonable circumstances.

Section 3. Auditing. At the close of each fiscal year, the books and records of the Regime shall be reviewed, and if such review is by an independent Certified Public Accountant, his report shall be prepared and may be certified in accordance with generally accepted accounting standards. Based upon such review or report, the Council shall furnish the Unit Owners with annual financial statements, including the income and disbursements of the Council within one hundred twenty (120) days following the end of each fiscal year. Upon request of Unit Owners of at least ten percent (10%) of the Units, an audit of the Condominium shall be made by an independent Certified Public Accountant, provided an audit shall not be made more than once in any consecutive twelve (12) month period. The cost of the audit shall be a Common Expense. In addition, upon written request from any entity which has an interest or prospective interest in the Condominium, the Council may be required to furnish within a reasonable time an audited financial statement of the Council for the immediately preceding fiscal year.

ARTICLE XVI AMENDMENTS

Section 1. Amendments. Except as hereinafter provided, these By-Laws may be amended by the affirmative vote of Unit Owners representing at least sixty-six and two-thirds percent (66 2/3%) of the total votes of the Regime, at any meeting of the Council duly called for such purposes in accordance with the provisions of the Condominium Act; provided, however, that the provisions of Section 2 hereof are satisfied. Amendments may be proposed by the Board or by a petition signed by Unit Owners representing at least twenty percent (20%) of the total votes of the Regime. A description of the proposed amendment shall accompany the notice of the

regular or special meeting at which such proposed amendment is to be voted upon, and said notice shall also be given to the Holders of all first mortgages in the Regime. Any amendments adopted by the Council shall be effective only upon recordation among the Land Records of Baltimore County. The recorded amendment shall set out the Section(s) of these By-Laws being amended and the applicable provisions of the Condominium Act. The provisions of this Article are subject to the rights of the Developer as provided in the Declaration. Further, so long as he is eligible to be a Director of the Council, no amendment may be made to (i) this Section or (ii) Section 2 of Article V of these By-Laws with respect to Leonard Raskin without his consent.

Section 2. Termination of Condominium. Except as provided in the Condominium Act and excluding those amendments to the Declaration or these By-Laws made as a result of destruction, damage or condemnation, or to a reallocation of interests in the Common Elements:

(a) The consent of Owners of Units representing at least eighty percent (80%) of the votes in the Council shall be required to terminate the Condominium.

ARTICLE XVIII COMPLIANCE - INTERPRETATION - MISCELLANEOUS

Section 1. Compliance. These By-Laws are set forth in compliance with the requirements of the Condominium Act and all applicable State and local laws and ordinances, notwithstanding anything in these By-Laws to the contrary, whether expressed or implied.

Section 2. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of the Condominium Act. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as in the Declaration, and the provisions of the Declaration shall control; in the event of any conflict between the Condominium By-Laws and the applicable sections of the Condominium Act, the provisions of the Condominium Act control.

Section 3. Resident Agent. Jonathan A. Azrael, Esquire, 101 E. Chesapeake Avenue, Fifth Floor, Towson, Maryland 21286, a Maryland resident, is designated as the party authorized to accept service of process in any action relating to the Regime or to the General Common Elements, as authorized under the Condominium Act. The Board may, at its discretion, substitute another Resident Agent for the purpose of accepting such service of process as set forth above, provided that proper notification of such change is promptly filed with the Maryland Department of Assessments and Taxation.

Section 4. Rights of Action. The Condominium Association and any aggrieved Unit Owner shall have the right of action against Unit Owners who fail to comply with the provisions of the Declaration or Condominium By-Laws or the decisions made by the Condominium Association. Unit Owners have similar rights of action against the Condominium Association.

Section 5. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Condominium Association unless approved by a vote of fifty-one percent

(51%) of the Owners (other than Developer). In the case of such a vote, and notwithstanding anything contained in the Declaration or the Articles of Incorporation or Condominium By-Laws of the Council to the contrary, the Council shall not vote in favor of bringing or prosecuting any such proceeding unless authorized to do so by a vote of fifty-one percent (51%) of all Unit Owners (other than Developer) of the Council. This Section shall not apply, however, to (a) actions brought by the Council to enforce the provisions of the Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided herein, or (c) counterclaims brought by the Council in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Developer or is approved by the percentage votes pursuant to the same procedures necessary to institute proceedings as provided above.

Section 6. 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 7. Waiver. No restriction, condition, obligation or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 8. Other Agreements by Developer. Nothing in these By-Laws shall abrogate any express covenant, limitation, restriction, undertaking or other obligation of the Developer contained in its purchase agreement with an Owner of a Unit.

Section 9. Easements, Licenses, Permits. During the Development Period the Council shall not grant any easement, license, or permit that has the permanent effect of materially and adversely affecting the market value of the Units.

Section 10. Captions and Table of Contents. The captions and Table of Contents in these By-Laws are for convenience and ease of use only, and are not 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 11. Gender Etc. Whenever in these By-Laws the context so requires, the singular shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

WITNESS the signature and seal of the Developer, this _____ day of _____, 2006.

ATTEST/WITNESS:

HIGHLANDS OFFICE PARK ONE, LLC

By: _____ (SEAL)
James Michael Abrams, President

STATE OF MARYLAND, COUNTY OF BALTIMORE, to wit:

I HEREBY CERTIFY that on this ____ day of _____ 2006, before me, a Notary Public in and for the State aforesaid, personally appeared James Michael Abrams, who acknowledged himself to be the President of Highlands Office Park One, LLC, a Maryland limited liability company, the within named Developer, and that he, as such President, executed the foregoing By-Laws for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Notary Public

My commission expires: _____

ATTORNEY CERTIFICATION

The undersigned, an attorney duly admitted to practice and in good standing before the Court of Appeals of Maryland, certifies that the foregoing instrument was prepared by him.

Paul J. Schwab, III

**CONDOMINIUM BY-LAWS
954 RIDGEBROOK ROAD, A CONDOMINIUM, INC.**

EXHIBIT A

RULES AND REGULATIONS

The following Rules and Regulations have been promulgated pursuant to Section 11-111 of the Maryland Condominium Act and shall be binding on all Owners, Tenants and their respective guests and invitees. All capitalized terms shall have the meanings ascribed to them in the Condominium Declaration and/or Condominium By-Laws and for purposes hereof a Unit shall include any Limited Common Element appurtenant to the Unit.

1. The passageways, stairways, corridors and halls must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from Units. The Council shall have the right to impound any article in the Common Elements of the Condominium in violation of this provision.

2. Nothing shall be placed in, through, or upon the windows of a Unit without prior written consent of the Council and no awnings or other projections shall be attached to the outside walls of the Building.

3. Each Owner's or Tenant's janitorial service is responsible for depositing trash in dumpster on a daily basis. No trash is to be left in the hallways or stairwells at any time.

4. Unless approval is required by the Master Association pursuant to the Master Association, no sign, advertisement, notice or other lettering shall be exhibited, painted or affixed by Owners or Tenants on any part of the exterior of a Unit, or any door or window thereof, or on the halls or any other portion of the Common Element areas of the Condominium without the prior written consent of the Council.

5. Owners and Tenants shall keep the entrance doors into the hallways of the Building closed at all times except when opened for purposes of ingress and egress.

6. Nothing shall be allowed done or kept in any Unit that would cause any increase in the ordinary premium rates for fire and extended coverage or the cancellation or invalidation of any insurance maintained by the Condominium Association or the structure in which the Unit is located.

7. Owners and Tenants shall deposit with the Council a passkey to their Unit or make other arrangements satisfactory to the Council to permit emergency entrance to the Unit if necessary. If an Owner fails to provide the Council with a passkey or make other arrangements satisfactory to the Council to allow the Council to gain entry to a Unit in the event of an emergency, the Council shall have the right, in the event of an emergency, to gain entry to the Unit by such means as it deems reasonably necessary, under the circumstances, and the Council,

its officers, directors, agents, servants or employees shall not be responsible for any damage done to the Unit reasonably caused by so gaining entry in the event of an emergency.

8. Owners and Tenants shall not throw anything out of the doors, or down the passages or stairways of the Unit(s), or sweep any dirt or other substance into any of the corridors, stairways, halls, shafts or ventilators.

9. Owners nor Tenants shall play or suffer to be played any musical instrument or operate or suffer to be operated a compact disk or "DVD" player, radio or television or the like in a Unit at any time in such manner that will unreasonably disturb or annoy other Owners or Tenants of the Building.

10. No wires, cables or antennae of any type shall be erected on the roof or exterior walls of the Building without consent of the Council. Any cables, wires or antennae erected in violation of this rule shall be subject to removal by the Council without notice to the Owner or Tenant of the Unit, at the Unit Owner's expense.

11. Owners and Tenants shall not in any way interfere with the lighting or heating apparatus in halls and stairways, which are under the exclusive control of the Council and its servants and employees. Owners and Tenants are further responsible for the proper use of all heating, air conditioning and electric appliances that are the property of the Council.

12. Owners and Tenants will be held responsible for any damage by their employees or visitors to any Common Elements of the Condominium.

13. All property left by or for an Owner or Tenant with the manager or an employee of the Council will be received by such manager or employee as agent of the Owner or Tenant, as the case may be, and not of the Council. The Council assumes no responsibility and is to be subject to no liability for any damage or loss of same. The Council reserves the right to instruct its employees to refuse acceptance of any article at any time.

14. The Council or its management agent shall supervise all moves into and out of the Unit. To do this, the Owner or Tenant, as the case may be, must notify the Council at least seven (7) days before the date and time scheduled for a move into or out of a Unit. The time and date is subject to approval of the Council, and shall be rescheduled (for up to three (3) days) at the request of the Council in order to cause minimal damage and disruption to the Building in the moving process.

15. The Owner of a Unit is responsible for any damages done to the Common Elements by anyone moving into or out of the Owner's Unit. The amount of damages shall be assessed by the Condominium Board and shall be due and payable as an additional assessment with the next regular assessment for the Unit, and the amount of the assessment shall constitute a lien against the Unit, the same as the monthly assessment.

16. All windows will be hung with blinds at the time of construction. These are to be left in place; however draperies of the Owner's choice not visible from outside the Unit may be installed over the interior of the blinds.

17. No bicycles, vehicles, animals (except seeing-eye dogs) or birds of any kind shall be brought into, or kept in or about any portion of the Building or Common Elements unless approved by the Council. Fish may be kept upon approval of the Council of Unit Owners.

18. Nothing shall be done or permitted in a Unit, and nothing shall be brought into, or kept in or about the Unit, which would impair or interfere with any of the HVAC, plumbing, electrical, or structural components of the Building or the services of the Building or the proper and economic heating, or other services of the Building or the Unit, nor shall there be installed by any Owner or Tenant any ventilating, air conditioning, electrical or other equipment of any kind which, in the judgment of the Council, may cause any such impairment or interference. No Owner or Tenant, nor the employees, agents, licensees or invitees of any Owner or Tenant, shall at any time bring or keep upon the Unit any flammable, combustible or explosive fluid, chemical or substance.

19. No Unit shall be used for any immoral or illegal purpose.

20. Employees of the Council shall not perform any work or do anything outside of their regular duties, unless under special instructions from the Council or Board.

21. Canvassing, soliciting, loitering and peddling in the Building as well as gathering in the common areas are prohibited and each Owner and Tenant shall cooperate to prevent the same.

22. No Owner or Tenant shall cause or permit any odors of cooking or other processes, or any unusual or objectionable odors, to emanate from its Unit which would annoy other tenants or create a public or private nuisance. No cooking shall be done in a Unit, with the exception of a coffee maker, toaster, toaster oven or microwave oven, except as may be expressly permitted in these Rules and Regulations.

23. The water closets, lavatories and plumbing facilities shall not be used for any purpose other than those for which they were constructed; and no sweepings, rubbish, ashes, newspapers or other substances of any kind shall be thrown into them.

24. Each Owner or Tenant shall notify the Council of its plans for cleaning the Unit, including the name and telephone number of any commercial cleaning services with whom Owner or Tenant contracts. The Council shall not be responsible to any Owner or Tenant for any loss of property from its Unit however occurring, or for any damage done to the effects by any cleaning service employed by Owner or Tenant. No vending machine, lottery or gambling device of any kind shall be installed in the Building or on or about the Condominium by any Owner or Tenant, without the prior written consent of the Council.

25. Each Owner and Tenant shall keep the Unit in a neat, good and sanitary condition and to place garbage, trash, rubbish and all other disposables only where the Council directs
26. No Owner or Tenant shall bring or keep, or permit to be brought or kept, any flammable, combustible, or explosive fluid, material, chemical, or substance in or about the Building, the Common Elements or any Unit.
27. No birdhouse in, on or outside the Building is permitted, and each Owner and Tenant shall cooperate to prevent the same.
28. No portion of the Building shall be used or permitted to be used, for lodging or sleeping.
29. No Owner or Tenant shall use or permit any Unit to be used for any auctioning purposes whatsoever, unless the Council has approved said auction.
30. Deliveries to the Building shall only be made at such times and manners as shall be designated by the Council. There shall not be used in the Building by Owners, Tenants or their agents or employees, in the delivery or receipt of merchandise, freight, furniture, equipment or other matter, any hand trucks or other means of conveyance other than those equipped with rubber tires, rubber sides guards and such other safeguards as the Council may require.
31. All removals from the Building or the carrying in or out of the Building or the Units of any safes, freight, furniture, or bulky matter of any description must take place during such hours and in such manner as the Council or its agents may determine, from time to time. The Council reserves the right to inspect all freight for violation of any of these Rules and Regulations.
32. Owners and Tenants shall refer all contractors, contractor's representatives and installation technicians rendering any service on or to the Building or its systems for Tenant or Owner to Council for Council's approval and/or supervision before performance of any contractual service. This provision shall apply to all work performed in the Building, including installation of telephones, telegraph equipment, electrical devices and attachments and installations of any nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment or any other physical portion of the Building but excluding maintenance of Owner's or Tenant's equipment. Such approval, if given, shall in no way make the Council a party to any contract between Owner or Tenant and any such contractor, and the Council shall have no liability therefore.
33. Eating or drinking shall not be permitted in the common areas of the Building or outside the Building other than "picnic" or similar areas designated by the Council or on any Limited Common Element patio.

34. Smoking shall only be permitted in or outside the Building as permitted by applicable law and then only in such areas as may be designated by the Council.

35. The Council shall have the right to prohibit any advertising by any Owner or Tenant that mentions the Building or its address that in the Council's opinion, tends to impair the reputation of the Building or its desirability as a Building for offices, and upon notice from Council, such Tenant or Owner shall refrain from or discontinue such advertising.

36. The Council reserves the right to control and operate the public portions of the Building and the public facilities, as well as facilities furnished for the common use of the Owners and Tenants, in such manner as it deems best for the benefit of the Owners generally including, without limitations, the right to exclude from the Building, between the hours of 7:00 p.m. and 6:00 a.m. on business days and all hours on Saturdays, except 8:00 a.m. to 2:00 p.m. and on all hours on Sundays and holidays, all persons who do not present a pass to the Building signed by Council or other suitable identification satisfactory to the Council. The Council will furnish passes at the Owner's and Tenant's expense to persons for whom the Owner or Tenant requests such passes. Each Owner or Tenant shall be responsible for all persons for whom it requests such passes and shall be liable to the Council for all acts of such persons. Legal holidays shall be as follows: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

37. These Rules and Regulations may change from time to time, in accordance with the provisions of the Condominium Declaration, Condominium By-Laws and Maryland Condominium Act.

38. No Owner or Tenant shall use or permit any Unit to be used for the sale, manufacture or storage of prescription or non-prescription narcotics.