

*Village of*  
*Cameron Mill*  
*Homeowners Association,*  
*Inc.*

TABLE OF CONTENTS

BY-LAWS  
OF  
VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

	<u>PAGE</u>
Article I - Name and Location	
Section 1. Name and Location	4
2. Applicability	4
Article II - Definitions	
Section 1. Declaration	4
2. Other Definitions	4
Article III - Membership	
Section 1. Members	4
2. Classification of Members	5
3. Assignment of Membership	5
4. Liquidation Rights	6
5. Method of Voting Membership Held by More Than One Person	6
Article IV - Meeting of Members	
Section 1. Place of Meeting	6
2. Annual Meetings	6
3. Special Meetings	6
4. Notice of Meetings	7
5. Quorum	7
6. Adjourned Meetings	7
7. Voting	7
8. Proxies	8
9. Rights of Mortgagees	8
10. Order of Business	8
Article V - Directors	
Section 1. Number	9
2. Powers and Duties	9
3. Budget	10
4. Term of Office	10
5. Vacancies	10
6. Removal	10
7. Compensation	10
8. Organizational Meeting	11
9. Regular Meetings	11

		<u>PAGE</u>
10.	Special Meetings	11
11.	Waiver of Notice	11
12.	Quorum	11
13.	Action Without Meeting	11
14.	Fidelity Bonds	12

Article VI - Officers

Section	1. Designation	11
	2. Election of Officers	12
	3. Removal of Officers	12
	4. President	12
	5. Vice President	12
	6. Secretary	12
	7. Treasurer	12

Article VII - Liability and Indemnification of Officers and Directors

Section	1. Liability and Indemnification of Officers and Directors	13
	2. Common or Interested Directors	13

Article VIII - Management

Section	1. Management and Common Expenses	14
	2. Easements for Utilities and Related Purposes	15
	3. Limitation of Liability	15
	4. Fiscal Year	15
	5. Books and Accounts	15
	6. Auditing	15
	7. Inspection of Books	16
	8. Execution of Association Documents	16

Article IX - Use Restrictions

Section	1. Residential Use	16
	2. Leasing	16
	3. Rule-Making Authority	16

Article X - Destruction and Damage

Section	1. Use of Insurance Proceeds	17
	2. Proceeds Insufficient	17

Article XI - Architectural Control 17

PAGE

Article XII - Amendment and Approvals

Section	1. Amendments by Members	18
	2. Amendments by Declarant	18
	3. Baltimore County Approval	18

Article XIII - Mortgages - Notices

Section	1. Notice to Board of Directors	18
	2. Consents	18
	3. Definition	18

Article XIV - Interpretation - Miscellaneous

Section	1. Conflict	19
	2. Notices	19
	3. Severability	19
	4. Waiver	19
	5. Captions	19
	6. Gender, Etc.	19

BY-LAWS  
OF  
VILLAGE OF CAMERON MILLS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Section 1. Name and Location. The name of this Corporation is VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC. Its principal place of business and mailing address is 5 Shawan Road, Hunt Valley, Maryland 21030. Said principal office may be changed by the Board of Directors ("Board") at any time and from time to time. The Corporation is a non-profit, non-stock corporation organized under the laws of the State of Maryland. The Corporation may have such other offices within or without the State of Maryland as the Board or the Members may from time to time designate. The Corporation shall be the Association described in the Declaration, and for purposes of identification shall be hereinafter referred to in these By-Laws as the "Association".

Section 2. Applicability. These By-Laws and each provision thereof shall be applicable to all Lot Owners within this community known as Village of Cameron Mill Homeowners Association, Inc., situate in Baltimore County, Maryland, and described in the Declaration.

ARTICLE II  
DEFINITIONS

Section 1. "Declaration" as used herein, means that certain Declaration of Covenants, Conditions and Restrictions made the \_\_\_ day of August, 1994, by Cameron Mill Partnership and JGS Cameron, LLC, recorded among the Land Records of Baltimore County, Maryland, and any declaration amendatory or supplementary thereto.

Section 2. Other Definitions. Any other term used in these By-Laws shall have the same meaning as set forth in the Declaration except where said meaning is clearly inappropriate.

ARTICLE III  
MEMBERSHIP

Section 1. Members. Every person, group of persons, corporation, trust, firm, partnership, association or other legal entity, or any combination thereof, which owns or occupies a Lot within that portion of the Property subject to the Declaration shall be a member of the Association; PROVIDED, HOWEVER, that any person, group of persons, corporation, trust, firm, partnership, association or other legal entity, or any combination thereof, which holds such interest solely as security for the performance of any obligation shall not be a Member solely by reason of such interest.

Section 2. Classification of Members. Members of the Association shall be divided into classes as follows:

(a) Class A Members. With the exception of the Declarant (but subject to the provisions of this Section converting Class B to Class A membership), every person, group of persons, corporation, partnership, trust or other legal entity who is a record owner of a fee simple interest in any Lot which is or becomes subject to the Declaration shall be a Class A Member of the Association; PROVIDED, HOWEVER, that any such person, group of persons, corporation, partnership, trust, or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Member solely on account of such interest. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. In the event that more than one person, group of persons, corporation, partnership, trust or other legal entity is the record owner of a fee simple interest in any Lot, then the vote for the membership appurtenant to such Lot shall be exercised as they among themselves determine in the manner provided hereinbelow, but (except as herein provided) no more than one vote shall be cast with respect to any Lot.

(b) Class B Members. The Class B Member shall be (1) Cameron Mill Partnership who shall be entitled to 55 votes for each Lot owned and (2) JGS Cameron, LLC who shall be entitled to 3 votes for each Lot owned until such time as (i) Cameron Mill Partnership shall cease to own any Lots or (ii) JGS Cameron, LLC or its Assignee shall have acquired the Lots in Section Two Plat Two (when recorded), whichever shall first occur; at which time the number of votes appurtenant to JGS Cameron, LLC's Lots shall increase to 50 votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs first:

(i) when the total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership; or

(ii) ten (10) years from the date of recordation of the Declaration; PROVIDED, HOWEVER, that if the Declarant is delayed in the improvement and development of the Property on account of a sewer, water or building permit moratorium or any other cause or event beyond the Declarant's control, then the aforesaid ten (10) year period shall be extended by a period of time equal to the length of the delay's or three (3) years, whichever is less.

Upon the lapse of all of the Class B memberships, as provided in this Article III, Declarant shall be a Class A Member of the Association as to each and every Lot in which Declarant holds the interest otherwise required for such Class A membership.

Section 3. Assignment of Membership. The Class A memberships, but not the Class B membership, shall be appurtenant

to the Lot owned by a Member and may not be assigned except in conjunction with the Lot to which they are appurtenant. The Class B membership shall be freely assignable to any legal entity serving in capacity as a Declarant, hereunder as the same is defined in Article III, Section 2 herein.

Section 4. Liquidation Rights. In the event of any voluntary or involuntary dissolution of the Association, the assets of the Association shall be distributed to an appropriate public agency to be used for similar purposes to those for which this Association was created. In the event that such distribution is not accepted, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization operated for similar purposes.

Section 5. Method of Voting Membership Held by More Than One Person. In the event a membership is held by more than one person, that membership shall, nevertheless, be entitled to only one indivisible vote. The method of voting such membership shall be as described in Article IV, Section 7 of these By-Laws.

ARTICLE IV  
MEETING OF MEMBERS

Section 1. Place of Meeting. Meetings of the membership shall be held at the principal office or place of business of the Association or at such other suitable place convenient to the membership as may be designated by the Board.

Section 2. Annual Meetings. The first annual meeting of the Members of the Association shall be held at such time as the Board shall determine but shall be held, in any event, within one (1) year following the date of filing of the Articles of Incorporation with the State Department of Assessments and Taxation of Maryland. Thereafter, the annual meetings of the Members of the Association shall be held on such date as the Board may determine but not less than three nor more than five months after the last day of the Association's fiscal year. If the Board shall fail to set a date for the annual meeting, in any year, then such meeting for that year shall be held at 7:30 p.m. on the third Wednesday of April. At such meeting there shall be elected by ballot of the Members, a Board in accordance with the requirements of Article V, Section 4 of these By-Laws. The Members may also transact such other business of the Association as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Members as directed by resolution of the Board or upon a petition signed by Members representing at least twenty-five percent (25%) of the total membership entitled to vote 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 to mail a notice of each meeting or special meeting, stating the purpose thereof as well as time and place where it is to be held, to each Member of record, at his address as it appears on the membership books of the Association, or if no address appears, at his last known place of address, at least ten (10) but not more than ninety (90) days prior to such meeting. Service may also be accomplished by the delivery of any such notice to the Member at his Lot or last known address. Attendance by a Member at any meeting of the members shall be a waiver of notice by him of the time, place and purpose thereof.

Section 5. Quorum. The presence, either in person or by proxy, of Members entitled to cast one-tenth (1/10) of the votes of each class of Members shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of Members unless a greater number is provided by the Articles of Incorporation, the Declaration or these By-Laws.

Section 6. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Voting. At every meeting of the Members, each of the Members shall have the right to cast the number of votes allowable for each lot which he owns on each question. The vote of the Members representing fifty-one percent (51%) of the votes present and voting at the meeting, in person or by proxy, shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by express provision of statute or of the Articles of Incorporation, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. The vote for any membership which is owned by more than one person may be exercised by any of them present at any meeting unless any objection or protest by any other owner of such membership is noted at such meeting. In the event all of the co-owners of any membership who are present at any meeting of the members are unable to agree on the manner in which the vote for such membership shall be cast on any question, then such vote shall not be counted for purposes of deciding that question. In the event that the membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate and attested by the secretary or an assistant secretary of such corporation and filed with the Secretary of the Association prior to the meeting. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No Member shall be eligible to vote, either in person or by proxy, or to be elected to the Board if the books or management accounts show such



54

Member to be more than sixty (60) days delinquent in any payment due the Association. No vote may be divided into fractional votes on any question.

Section 8. Proxies. A Member may appoint any other Member or the Declarant as his proxy. Any proxy must be in writing and must be filed with the Secretary in a form approved by the Board before the appointed time of each meeting. Unless limited by its terms or by statute, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary, by the death of the Member, or by conveyance of the Lot to which the membership is appurtenant.

Section 9. Rights of Mortgagees. Any institutional mortgagee of any Lot who desires notice of the annual and special meetings of the Members shall notify the Secretary to that effect by registered mail, return receipt requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the annual and special meetings of the Members should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are provided in Section 4 of this Article for notice to the Members. Any such institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and may, upon his request to the Chairman in advance of the meeting, address the Members present at any such meeting. Such representatives shall have no voting rights at any such meeting.

Section 10. Order of Business. The order of business at regularly scheduled meetings of the members shall be as follows:

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

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

ARTICLE V  
DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board initially consisting of three (3) natural persons who need not be Members of the Association, and who shall be designated by the Declarant and who shall hold office until the election of their successors at the first annual meeting of the Members of the Association. The names of the initial members of the board of directors are: James McKee, R. Dennis German, and Jeffrey M. Neuman.

Commencing with the first annual meeting of the Association, the Board shall consist of an uneven number of not less than three (3) nor more than seven (7) Members who shall be elected by the Members of the Association. ~~All directors must be natural persons.~~ Prior to the lapse of the Class B memberships as provided for in the Articles of Incorporation and the Declaration, the number of directors shall be determined from time to time by a vote of the initial directors named by the Declarant; thereafter, the number of directors shall be determined by a vote of the Members at the annual meeting of Members and the number of directors may be changed by a vote of the Members at any subsequent annual or special meeting of the Members; PROVIDED, HOWEVER, that (a) the limitations of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent director.

Section 2. Powers and Duties. The Board shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things, as are not by law or by these By-Laws, directed to be exercised and done by the Members. The powers and duties of the Board shall include, but not be limited to, the following:

To provide for the:

(a) care and upkeep of the Common Areas in a manner consistent with the law, the provisions of these By-Laws, and the Declaration; ✓

(b) establishment and collection of assessments and/or carrying charges from the members and for the assessments and/or enforcement of liens therefor in a manner consistent with law and the provisions of these By-Laws and the Declaration; ✓

(c) designation, hiring, and/or dismissal of personnel necessary for the good working order of the Association, for the proper care of the Common Areas, and to provide services for the Association in a manner consistent with law and the provisions of these By-Laws and the Declaration; and ✓

(d) promulgation and enforcement of such rules as may be deemed proper respecting the use, occupancy and maintenance of the Common Areas as are designated to prevent unreasonable interference with the use and occupancy of the Association by the ✓

Members, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration.

Section 3. Budget. The Board, with the assistance of counsel, shall prepare and adopt a budget for each annual assessment period which shall include estimates of the funds required by the Association to meet its annual expenses for that period and shall include reasonable reserves for repair and replacement. The budget herein required to be prepared and adopted by the Board shall be in a format consistent with the classification of the accounts of the Association, and shall provide for sufficient estimates, on a consistent periodic basis, to permit comparison to and of deviations from the various periodic reports of the actual results of operation and the actual financial condition of the Association, on both a current basis and for prior corresponding periods, all in accordance with generally accepted accounting practices, consistently applied. Copies of the budget shall be available for examination by the Members and by their duly authorized agents and attorneys, and by the institutional holder of any first mortgage on any Lot in the project and by their duly authorized agents and attorneys, during normal business hours, for purposes reasonably related to their respective interests, and upon reasonable notice.

Section 4. Term of Office. At the first annual meeting of the Members, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years. At the expiration of the initial term of office of each respective director, his successors shall be elected to serve a term of three (3) years. In the alternative, the membership may, by resolution duly made and adopted at the first annual meeting of Members; or any subsequent annual meeting, resolve to fix the term for each Director elected at any such meeting at one (1) year. Directors shall hold office until their successors have been elected or they resign or are removed.

Section 5. Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director through normal annual elections as herein provided shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; each person so elected shall be a Director until a successor is elected by the Members at the next annual meeting or they resign or are removed.

Section 6. Removal. After the first annual meeting of the Association, any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. Prior to the first annual meeting of the Association, any director may be removed from the Board, with or without cause, by the Declarant.

Section 7. Compensation. No Director shall receive compensation for any service he may render to the Association, unless approved by a vote of two-thirds (2/3) of the Members.

However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 8. Organizational Meeting. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the entire Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director and all members, personally or by mail, telephone or telegraph, at least six (6) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board may be called by the President of the Board on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place, as hereinabove provided, and purpose of the meeting. 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 one-third (1/3) of the Directors.

Section 11. 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 waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business which may properly come before the Board at such meeting may be transacted.

Section 12. 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 and voting at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board there be less than a quorum present, the majority of those present, may adjourn the meeting from time to time. At any such meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Action Without Meeting. Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all of the Members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 14. Fidelity Bonds. The Board shall require that all officers and employees of the Association handling or responsible for association, corporate or trust funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE VI  
OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board and none of whom shall be related by marriage or otherwise. Prior to the first annual meeting of Members, the officers of the Association need not be Members of the Association. Thereafter, all officers of the Association shall be Members of the Association.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an 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 any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Members and of 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 membership from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated to him by the Board.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Members of the Association; he shall have custody of the seal of the Association; he shall have charge of the membership transfer books and of such other books and papers as the Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for association funds and securities and shall be

responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association, in such depositories as may from time to time be designated by the Board.

ARTICLE VII  
LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

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

Section 2. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the best interests of the Association. No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association (including the Declarant) in which one or more of the Directors of this Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board or any committee thereof which authorizes or approves the contract for such purposes, if any of the conditions specified in any of the following subparagraphs exist:

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

(b) The fact of the common directorate or interest is disclosed or known to the Members, or a majority thereof, and

they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

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

ARTICLE VIII  
MANAGEMENT

Section 1. Management and Common Expenses. The Association, acting by and through its Board, shall manage, operate and maintain the Common Areas and, for the benefit of the Lots and the owners thereof, shall enforce the provisions hereof and shall pay out of the common expense fund hereinelsewhere provided for, the following:

(a) The cost of providing water, sewer, garbage and trash collection, electrical and other necessary utility services for the Common Areas;

(b) The cost of directors and officers liability, fire, and extended liability insurance for the Common Areas and the cost of such other insurance as the Association may effect, or deem appropriate;

(c) The cost of the services of a person or firm to manage the project together with the services of such other personnel as the Board shall consider necessary for the operation of the project;

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

(e) The cost of painting, maintaining, replacing, repairing and landscaping the Common Areas and such furnishings and equipment 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 Association to paint, repair or otherwise maintain any Lot or any fixtures, appliances or equipment located therein, the maintenance of each Lot being the sole responsibility of the Owner or occupant thereof; and

(f) The cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments

(6)

or the like, which the Association is required to secure or pay for by law, or otherwise, or which in the discretion of the Board shall be necessary or proper for the operation of the Association and its property.

Section 2. Easements for Utilities and Related Purposes.

The Association is authorized and empowered to grant (and shall from time to time grant) such licenses, easements and/or rights-of-way for sewer lines, water lines, electrical cables, telephone cables, television and other communications cables, internal and external wiring and antennae, gas lines, storm drains, underground conduits and/or such other purposes related to the provision of public utilities and other common services to the Property or any part thereof as may be considered necessary, appropriate or desirable by the Board for the orderly maintenance, preservation and enjoyment of the Property or for the preservation of the health, safety, convenience and/or welfare of the owners of the Lots or the Declarant. Said easements, licenses and rights-of-way shall be granted by vote of the Board of Directors of the Association and the Members shall not be required to approve such grants.

Section 3. Limitation of Liability.

The Association shall not be liable for any failure of utilities or other services to be obtained by the Association or paid out of the common expense fund, or for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other person, or flow from any portion of the Property owned and/or maintained by the Association or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any Lot for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Areas. No diminution or abatement of common expense assessments, as hereinelsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas, or to any Lot or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 4. Fiscal Year.

The fiscal year of the Association shall be determined by the Board.

Section 5. Books and Accounts.

Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with good accounting practices. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures affecting the project and its administration and shall specify the maintenance and repair expenses of the Common Areas and services, and of any other expenses incurred. The amount of any assessment required for payment of any capital expenditures of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the members.

Section 6. Auditing.

At the close of each fiscal year, the books and records of the Association shall be audited by an



independent Certified Public Accountant whose report shall be prepared and certified in accordance with generally accepted auditing standards. Based upon such report, the Association shall furnish its Members with an annual financial statement, including the income and disbursements of the Association.

Section 7. Inspection of Books. The books and accounts or the Association, and vouchers accrediting the entries made thereupon, shall be available for examination by the Members of the Association, attorneys representing any of the Members, and to the institutional holder of any first mortgage on any Lot and/or its duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their interests as Members.

Section 8. Execution of Association Documents. With the prior authorization of the Board, all notes and contracts shall be executed on behalf of the Association by either the President or Vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time authorized by the Board.

ARTICLE IX  
USE RESTRICTIONS

Section 1. Residential Use. All Lots shall be used for private, residential purposes exclusively, except for such temporary non-residential uses as may from time to time be authorized by the Board and the Zoning Ordinances of Baltimore County. Nothing in this Section, or hereinelsewhere, shall be construed to prohibit the Declarant from the use of any Lots which Declarant owns for promotional or display purposes as "model houses" or from leasing any Lot(s) which Declarant owns.

Section 2. Leasing. No Lot within the project, with the exception of leases entered into by Declarant, shall be rented for transient or hotel purposes, or in any event for an initial period of less than twelve (12) months. No portion of any Lot, other than the entire Lot, shall be leased for any period. Any Owner of any Lot who shall lease such Lot shall promptly, following the execution of any such lease, forward a conformed copy thereof to the Board. Any such lease shall contain a provision to the effect that the rights of the tenant to use and occupy the Lot shall be subject and subordinate in all respects to the provisions of the Declaration and these By-Laws and to such rules relating to the use of the Common Areas or other rules as the Board may from time to time promulgate. The provisions of this Section shall not apply to any institutional mortgagee of any Lot who comes into possession of the Lot as a result of a foreclosure sale or as a result of a proceeding in lieu of foreclosure.

Section 3. Rule-Making Authority. Set forth in the Declaration are various specific restrictions on the use to which any Owner or Occupant may put his Lot and/or the Common Areas. The Association, acting by vote of its Board, shall have the right to promulgate rules implementing and supplementing said restrictions

and such rules shall have the same force and effect as if they were incorporated into the Declaration. Except where immediate implementation is necessary to prevent injury to the health, safety or welfare of persons or to prevent damage or waste to any portion of the Property, such rules shall be displayed for thirty (30) days after their promulgation prior to becoming effective.

ARTICLE X  
DESTRUCTION AND DAMAGE

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

Section 2. Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the Common Areas by fire or other casualty, or in the event such damage or destruction is caused by any casualty not herein required to be insured against, then the repair or reconstruction of the damaged Common Areas shall be accomplished promptly by the Association at its common expense. The ratable share of the expense of such repairs or reconstruction may be assessed and the lien for the same shall have all the priorities provided for in the Declaration.

ARTICLE XI  
ARCHITECTURAL CONTROL

Each Owner of a Lot in the Association (other than the Declarant and their Assignees during the course of construction on the Property) by virtue of his acceptance of a warranty deed and the Declaration of Covenants, Conditions and Restrictions (and particularly Article VI thereof), acknowledges the necessity of maintaining the physical appearance and image of the entire residential community as a quality residential community, and additionally that the success of the Declarant in selling the remaining portions of the community is closely related to the physical appearance and image of the completed portions of the community. Except for the rehabilitation and renovation of the Lots situate within the community by the Declarant and their Assignees and any improvements to any Lot or to the Common Areas accomplished concurrently with said construction, and except for purposes of proper maintenance and repair or as otherwise in these By-Laws provided, it shall be prohibited to install, erect, attach, place, build, alter, plant, remove or construct any structures or other additions to a Lot, or to any building on a Lot, including but not limited to any awnings, hot tubs, greenhouses, gazebos, patios, balconies, sundecks, porches, covers over patios/balconies/sundecks and porches, solar collecting devices, privacy enclosure walls or retaining walls; or to make any changes or alterations (including alterations in color) within any Lot which will alter the structural integrity or appearance of a

64

building or a Lot, or otherwise affect the property, interest or welfare of any other Lot owner, or impair any easement, until the complete plans and specifications, showing the location, nature, shape, dimensions, material, color, type of construction and/or any other proposed form of change including without limitation, any other information specified by the Board (or its designated committee) shall have been submitted to and approved in writing as to safety, the effect of any such alterations on the costs of maintaining and insuring the property, and harmony of design, color and location in relation to surrounding structures and topography by the Board, or by an Architectural Committee designated by it.

ARTICLE XII

~~AMENDMENTS~~

Section 1. Amendments by Members. These By-Laws may be amended by the affirmative vote of Members representing sixty-six and two-thirds percent (66-2/3%) or more of the votes of each class of Members at any meeting of the Members duly called for such purpose.

Section 2. Amendments by Declarant. During the period in which the Declarant owns a Class B membership, the Declarant reserves the right to unilaterally amend these By-Laws to meet the requirements of any title insurance company, governmental or quasi-governmental agency, or to meet the requirements of any mortgage lender; PROVIDED, HOWEVER, THAT SUCH AMENDMENTS SHALL NOT MATERIALLY ADVERSELY AFFECT THE RIGHTS AND INTERESTS HEREUNDER OF ANY MEMBER OTHER THAN DECLARANT. Any such amendment shall be distributed to all Members.

Section 3. Baltimore County Approval. Notwithstanding anything herein contained to the contrary, as long as there is a Class B membership, the following actions will require the prior approval of Baltimore County: annexation of additional properties and dedication of Common Areas.

ARTICLE XIII  
MORTGAGES - NOTICES

Section 1. Notice to Board of Directors. Any owner of any Lot in the Association who mortgages such Lot shall promptly notify the Board of the name and address of his mortgagee. The Board shall maintain suitable records pertaining to such mortgages.

Section 2. Consents. Any provision of these By-Laws to the contrary notwithstanding, the Association shall not, nor shall the Members, except by consent of two-thirds (2/3) thereof exclusive of the Declarant or the consent of two-thirds (2/3) of all first mortgagees of record, materially modify or amend the provisions of these By-laws.

Section 3. Definition. As used in this Article, the term "mortgagee" shall mean any mortgagee, and shall not be limited

to institutional mortgagees, and the term "Mortgage" shall include a deed of trust. As used generally in these By-Laws, the term "holder" or "mortgagee" shall include banks, trust companies, insurance companies, savings and loan associations, pension funds and any corporation, including a corporation of, or affiliated with, the United States Government, or any agency thereof and private individuals and corporations.

ARTICLE XIV  
INTERPRETATION - MISCELLANEOUS

Section 1. Conflict. These By-Laws are subordinate and subject in all respects to the provisions of the Declaration. All of the terms hereof, except where clearly repugnant to the content, shall have the same meaning as in the Declaration. In the event of any conflict between these By-Laws and the Declaration, the provisions of the Declaration shall control. The provisions of the Declaration are incorporated herein by reference.

Section 2. Notices. Unless another type of notice is hereinelsewhere specifically provided for, any and all notices called for in the Declaration and in these By-Laws shall be given in writing.

Section 3. Severability. In the event any provision or provisions or 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.

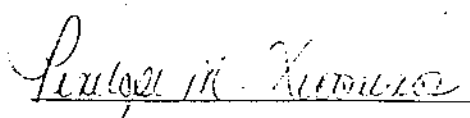
Section 4. Waiver. No restoration, condition, obligation or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

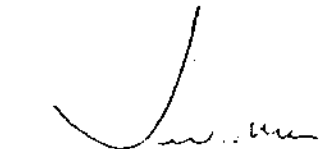
Section 5. Captions. The captions and headings contained in these By-Laws are for convenience only and are not a part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

Section 6. Gender, Etc. Whenever in these By-Laws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, we, being all of the Directors of Village of Cameron Mill Homeowners Association, Inc., have hereunto set our hands this \_\_\_\_ day of August, 1994.

WITNESS:



  
James McKee

[SIGNATURES CONTINUED ON NEXT PAGE]



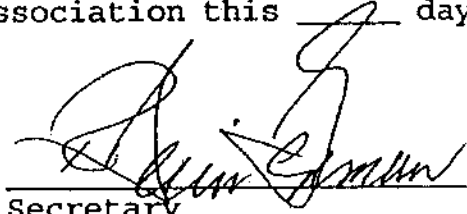
CERTIFICATION

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of Village of Cameron Mill Homeowners Association, Inc., and;

2. That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board thereof, held on the 2<sup>ND</sup> day of ~~August~~, 1994.  
*December*

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this        day of August, 1994.

  
\_\_\_\_\_  
Secretary

70

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 3

- I. The Association is located in the Sixth and Seventh Election Districts of Baltimore County, Maryland. Fifteen (15) lots are being annexed into the Association, and a maximum of thirty-eight (38) additional lots may later be annexed for a total of fifty-three (53) lots.
- II. The common areas of the Association are graphically shown on the Plats of Subdivision for Village of Cameron Mill Homeowners Association, Inc., copies of which are available in the Sales Office of the Developer: Exhibits B and C to the Declaration.
- III. The Declarant does not own land contiguous to the Development which is to be dedicated to public use.

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 4

Village of Cameron Mill Homeowners Association, Inc. is not within or a part of another development.



74

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 7

Copies of the proposed Articles of Incorporation and By-Laws of Village of Cameron Mill Homeowners Association, Inc. follow this sheet.

75

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 8

The criteria for membership in Village of Cameron Mill Homeowners Association, Inc. is set forth in Article III, Section 1 of the Declaration of Covenants, Conditions, and Restrictions and Article V of the Articles of Incorporation.

76

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 9

- I. Village of Cameron Mill Homeowners Association, Inc. is the owner of, and is responsible for the maintenance of the common areas and facilities referred to in Section 3 of this Disclosure Statement.
- II. The common areas and facilities are or will be constructed by the Declarant subject to other assurances made to Baltimore County, Maryland (a public authority).
- III. The streets are or will be constructed according to County specifications applicable to dedicated streets and roadways and will be public.

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 10

A copy of the proposed 1995 annual operating budget. There is a Reserve Fund for Replacement.

The estimates provided in the operating budget are for one (1) full year of operation (1995 Dollars) and are not intended to be and should not be construed as representations, guarantees, or warranties in any manner whatsoever. Actual costs are likely to increase in subsequent years due to normal inflationary factors and/or changes made by the Association's Board of Directors in the assumed levels of service. The estimates were developed to serve as an initial estimate of operating costs and should not be considered as any assurance that any subsequent year of operation will match these estimates. Provision has not been made in this budget for Federal or State income taxes.



CAMERON MILL SECTION 1  
HOMEOWNERS ASSOCIATION  
PROPOSED OPERATING BUDGET

INCOME

FEE INCOME (15 Units @ \$120) \$1,800

EXPENSES

ROAD AND OPEN SPACE MAINTENANCE 1,120  
REAL ESTATE TAXES 300  
ACCOUNTING 100  
OFFICE SUPPLIES 150  
MISCELLANEOUS 130

TOTAL EXPENSES 1,800

CAPITAL ASSESSMENT 15 UNITS @ 250 \$3,750

FUND EQUITY BALANCE \$3,750

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 11

There are no contracts to which the Association will be a party following closing, except as listed below.

- 1. Management Contract

Copies of all contracts, proposed or existing, are available to all Owners and Contract Purchasers at the Sales Office.

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 12

All covenants, conditions, easements, and restrictions imposed upon or enforceable against owners of lots are contained within the Declaration of Covenants, Conditions, and Restrictions (see Section 6 of this Disclosure Statement).

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 13

- I. The current or anticipated annual assessment to be paid by all owners within the Association is One Hundred Twenty Dollars (\$120.00) annually.
- II. The assessments shall be used for those purposes contained within Article V, Section 2 of the Declaration.
- III. The Declarant's obligation to pay assessments is set forth in Article V, Section 4 of the Declaration.





VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 14

The Declaration does not impose any mandatory requirement upon owners of lots pertaining to the maintenance of fire or other insurance upon improvements constructed upon their lots. The Association has an insurance policy upon the common areas as set forth in Section 11, but that coverage does not extend to individual lots.

13  
93

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 15

Information regarding zoning and other land use requirements affecting the Development are available at the Office of Planning and Zoning for Baltimore County, Maryland.

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 16

A. Mandatory homeowners association fees or assessments will be levied against owners of lots in 1994 (see Declaration, Article V, Section 8).

B. The procedure for increasing or decreasing such fees or assessments is set forth in Article V of the Declaration, Section 3.

C. Fees or assessments and delinquent charges will be collected as provided in Article V, Section 1 of the Declaration.

D. Unpaid fees or assessments are a personal obligation of owners of lots as provided in Article V, Section 1 of the Declaration.

E. Unpaid fees or assessments bear interest at the rate of 18 percent as provided in Article V, Section 9 of the Declaration.

F. Unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act pursuant to that Act and Article V, Section 1 of the Declaration.

G. Lot owners will be assessed late charges and attorneys' fees for collecting unpaid fees or assessments and other consequences for the nonpayment of the fees or assessments which will be found in Article V, Section 9 of the Declaration.

85

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 17

\$250.00 will be collected at settlement for contribution to the homeowners association as a contribution to working capital.

18

VILLAGE OF CAMERON MILL HOMEOWNERS ASSOCIATION, INC.

Section 18

All special rights or exemptions reserved by, or for the benefit of, the Declarant are contained within the Declaration of Covenants, Conditions, and Restrictions of the Association including:

A. The right to conduct construction activities within the development;

B. The right to pay a reduced homeowners association fee or assessment; (See Article V, Section 4 of the Declaration) and

C. Exemptions from use restrictions or architectural control provisions contained in the Declaration by which the declarant or the vendor intends to maintain control over the homeowners association. (See Articles III, VI and IX of the Declaration).