

**Resolution of Orchard Knolls Homeowners Association, Inc.
for Collection of Overdue Assessments**

Whereas, pursuant to the Declaration of Covenants, Conditions and Restrictions recorded in Liber 8948, Folio 407 among the land records of Montgomery County, Maryland, the owner of every lot within the community of Orchard Knolls Homeowners Association, Inc. is obligated to pay annual assessments; and

Whereas, the Board of Directors of the Orchard Knolls Homeowners Association, Inc. is authorized to establish the due dates of the assessments and pursuant to that authority has established that the annual assessment shall be paid in four (4) equal quarterly payments due on January 1, April 1, July 1, and October 1, of each year that runs from January 1 thru December 31; and

Whereas, the Board of Directors has determined that it is in the best interest of the Association and of its members to provide that when a quarterly payment of the annual assessment becomes overdue the entire annual assessment for the calendar year in question should become automatically due and payable.

It is therefore resolved:

1. Annual assessments may be paid in four (4) equal quarterly payments due on January 1, April 1, July 1, and October 1. of each year.
2. If any quarterly payment is not made within ninety (90) days of the due date then it is considered overdue, and the entire balance of the annual assessment for the year in question shall immediately and automatically become due and payable without the requirement of any further action by the Association.
3. The Association may take action to collect the entire balance of the annual assessment due by recording and then foreclosing upon a lien, filing an action in court or other appropriate means or combination of means.

The undersigned President and Secretary of the Orchard Knolls Homeowners Association, Inc. certify that at a meeting of the Board of Directors of the said corporation duly and regularly called on a monthly basis to handle Association business a quorum being present at all times, the foregoing resolution was unanimously adopted.

Attested: October 15, 1992



Jerry Way, Secretary



Diane A. Quinn, President

5/3/99

DELINQUENCY PROCEDURE

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION

Policy currently following:

Assessments due	January 1	April 1	July 1	October 1
Late Notices	January 15	April 15	July 15	October 15
Late Fees \$15.00 (applied each	January 31	April 30	July 31	October 31
Attorney Action (with Board approval)	Board President turns over and advises ABS			

Attorney - David Gardner

David Gardner
Board Approved

3-3-95
Date

2nd AMMISEK / 1st AMMISEK

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

FIRST AMENDMENT TO BY-LAWS
(Quorum Requirements)

WHEREAS, real property located within the homeowners association known as the Orchard Knolls Homeowners Association, Inc., hereinafter referred to as the "Association", is subject to a certain Declaration of Covenants, Conditions and Restrictions dated June 30, 1989 which was duly recorded August 14, 1989 in Liber 8948 at folio 380, and adopted By-Laws to govern the operation of the Association on June 30, 1989, and

WHEREAS, the members of the Association adopted at its annual meeting on March 7, 1995 the following amendment to the By-Laws for the Association by the affirmative vote of members representing over two-thirds of the members of record attending said meeting which was duly called by the Board of Directors for the purpose, among other things, of voting on this amendment.

NOW THEREFORE, the members of the Association, hereby amends the By-Laws for the Association as follows:

1. Article IV, Section 6 entitled "Quorum", is hereby amended to read as follows:

The presence, either in person or by proxy, of members entitled to cast ten percent (10%) of the votes shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of members, except that any amendment of these by-laws under the provisions of Article XIV hereof shall require a vote at a meeting with a quorum of at least twenty five percent (25%) of the members, and except as a different quorum requirement may be otherwise provided in the Articles of Incorporation, the Declaration or the By-Laws. If the number of members at a meeting drops below the quorum and the question of a lack of a quorum is raised, no business may thereafter be transacted. The members present thereat shall have the power to adjourn the meeting from time to time and call an additional meeting giving at least fifteen (15) days notice. At the additional meeting, the members present in person or by proxy shall constitute a quorum.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 26 day
of April, 1995.

ORCHARD KNOLLS HOMEOWNERS
ASSOCIATION, INC.

by: Diane A. Quinn
Diane A. Quinn, President

STATE OF MARYLAND
TO WIT Frederick
COUNTY OF MONTGOMERY

On this 26 day of April, 1995, before me, the undersigned Notary,
personally appeared Diane A. Quinn, who has satisfactorily proven to be President of the
Orchard Knolls Homeowners Association, Inc., and whose name is subscribed to this written
instrument for the purposes therein contained.

Given under my hand and seal this 26 day of April, 1995.

D. L. Runkle
Notary Public

This is to certify that at a General Meeting of the membership duly called on March 7,
1995, over twenty five percent (25%) of the members of The Orchard Knolls Homeowners
Association, Inc., were either present in person, or by proxy, and that over two-thirds of the
members attending said meeting in person or by proxy voted in favor of amending the By-Laws
for the Orchard Knolls Homeowners Association, in a manner consistent with the provisions of
this First Amendment to the By-Laws to which this certification is attached.

Mark B. Runkle
Secretary, Orchard Knolls HOA

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ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

RULE NO. 1995-1

A Rule Pertaining to Day Care Homes

WHEREAS, Article VIII, Section 8 of the Declaration of Covenants, Conditions and Restrictions for the Orchard Knolls Homeowners Association, Inc., hereinafter referred to as the "Association", dated June 30, 1989 and recorded on August 14, 1989 in Liber 8948 at folio 380, states that the homes within the Association shall be used exclusively for private residential purposes, with the exception of professional offices located within a dwelling, and

WHEREAS, Section 11B-111.1 of the Real Property Article of the Maryland Code states that the provisions of Article VIII, Section 8 of the Declaration of Covenants, Conditions and Restrictions for Orchard Knolls Homeowners Association shall not prevent the operation of family day care homes within the community unless the members vote to uphold such a restriction by a majority vote of the members duly called for that purpose, and

WHEREAS, Section 11B-111.1 of the Real Property Article of the Maryland Code states that a homeowners association may adopt a rule regulating the number or percentage of family day care homes operating in the homeowners association, provided that the percentage of family day care homes permitted may not be less than 7.5 percent of the total residences within the association, and

WHEREAS, the members of the Association adopted at its annual meeting on March 7, 1995 the following rule regulating the number or percentage of day care homes operating in the Association by the affirmative vote of a majority of the members attending said meeting which was duly called by the Board of Directors for the purpose, among other things, of adopting this rule.

NOW THEREFORE, the members of the Association hereby adopt the following rule:

1. The number of family day care homes operating in the Orchard Knolls Homeowners Association shall be limited to 7.5 percent of the total number of dwellings in the Association. All family day care homes being operated in the Association shall register their home with the Board of Directors by providing the Board with a copy of their license to operate under Title 5, Subtitle 5, Part V of the Family Law Article of the Maryland Annotated Code and with a copy of a liability insurance policy covering the children they will be watching.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 26 day of

April, 1995.

ORCHARD KNOLLS HOMEOWNERS
ASSOCIATION, INC.

by: Diane A. Quinn
Diane A. Quinn, President

STATE OF MARYLAND
TO WIT Frederick
COUNTY OF MONTGOMERY

On this 26 day of April, 1995, before me, the undersigned Notary, personally appeared Diane A. Quinn, who has satisfactorily proven to be President of the Orchard Knolls Homeowners Association, Inc., and whose name is subscribed to this written instrument for the purposes therein contained.

Given under my hand and seal this 26 day of April, 1995.

D. L. Rankin
Notary Public

This is to certify that at a General Meeting of the membership duly called on March 7, 1995, for the purpose, among other things, of regulating family day care homes in the community, over twenty five percent (25%) of the members of The Orchard Knolls Homeowners Association, Inc., were either present in person, or by proxy, and that a majority of the members attending said meeting in person or by proxy voted in favor of this regulation.

W. B. [Signature]
Secretary, Orchard Knolls HOA

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

RULE NO. 1998-2

A RULE PERTAINING TO SATELLITE DISH ANTENNAS.

WHEREAS, Article VIII, § 8, paragraph (n) of the Declaration of Covenants, Conditions and Restrictions of the Orchard Knolls Homeowners Association, Inc. (hereinafter the "Association") dated June 30, 1989 and recorded on August 14, 1989 in Liber 8948 at Folio 380, (hereinafter the "Declaration") states that no satellite dishes shall be allowed on any properties located with in the Association; and

WHEREAS, the Architectural Guidelines adopted by the Architectural Review Committee for the Orchard Knolls Homeowners Association state that all external antennas or receiving devices of any kind, including, but not limited to, satellite dishes, are prohibited and further sets forth procedures governing the approval of any exterior improvement or alteration to properties located within Orchard Knolls; and

WHEREAS, § 207 of the Telecommunications Act of 1996 prohibits homeowners associations from unreasonably restricting the installation of satellite dishes less than one meter in diameter; and

WHEREAS, on August 6, 1996 the Federal Communications Commission (FCC) adopted a rule implementing § 207 of the Telecommunications Act of 1996, which order is set forth at 47 CFR §1.4000; and

WHEREAS, the Board of Directors for the Association is desirous of adopting a rule imposing reasonable restrictions on the placement of satellite dish antennas which both preserves the Association's interest in protecting the esthetic appearance of the community while, at the same time, complying with the FCC Rule prohibiting unreasonable antenna restrictions.

NOW THEREFORE, the Board of Directors for the Association hereby adopts the following Rule:

1. **Dishes Over One Meter Prohibited.** Satellite dish antennas which are over one meter in diameter shall continue to be prohibited on any properties located with the Association.

2. **Application Process.** Any owner wishing to install a satellite dish one meter or less in diameter shall submit an architectural change application to the Architectural Review Committee (ARC) containing their installation plans. In the event that the location is not consistent with paragraph 3 hereinbelow, the homeowner must also include with the architectural change application documents indicating to the Architectural Review Committee's satisfaction that an acceptable quality signal cannot be received by the dish if it is placed at a location permitted under paragraph 3 hereinbelow. Furthermore, the application shall include a drawing of the dish as well as the proposed landscaping to shield it from visibility from the street and any adjacent residence. The Committee will review the application in accordance with the existing guidelines for review of architectural change applications and the provisions of this rule.

3. **Dishes Under One Meter Permitted.** Satellite dish antennas which are less than one meter in diameter may be installed in the rear yards of homes located within the Association or on the rear half of the roof line not visible from a street in such a location that the dish is not visible from the street, provided that the application process set forth herein is followed, and that a location having less visual impact on the community as a whole does not exist, as set forth in paragraph 4 hereinbelow.

4. **Rejection of Original Location on Architectural Change Application.** The Architectural Review Committee reserves the right to conduct, or have conducted, a site survey

on the homeowners property. The objective of this survey would be to identify other possible locations that, although less desirable to the homeowner, would have an acceptable quality signal meeting the requirements of the Telecommunications Act of 1996. If alternative locations having acceptable quality signals are identified and determined by the ARC to have less visual impact on the community as a whole, the ARC may require an alternative location on that basis alone. In that case, along with a rejection notice of the original location, the ARC shall provide the homeowner with alternative locations where the antenna will be permitted.

5. Dishes in Side Yards. In the event that an acceptable quality signal cannot be received from a satellite dish installed at a location permitted under paragraph 3 hereinabove, a satellite dish that is less than one meter in diameter may be installed on the side yard of a home located within the Association at a location as close to the home as is practicable while still permitting reception of an acceptable quality signal, and provided that landscape screening is placed around the antenna which shields the antenna from view of the street and any adjacent residence. An architectural change application showing the location of the antenna and of the proposed screening must be submitted to the Architectural Review Committee (ARC) of the Association for approval prior to the installation of the antenna. A decision on the application will be issued as soon as practicable, but in no event more than sixty days after the application has been submitted. If the ARC fails to respond to the application within sixty days, the application will be deemed approved. No specific guidelines can be created for the installation of the aforesaid landscape screening, which screening will be reviewed on a case-by-case basis. In reviewing any such screening it is understood that the cost of the landscape screening may not unreasonably increase the cost of installing the satellite dish, and the ARC will work with the

applicant to select a low cost yet effective landscape screen. For purposes of this Rule, the side yard of a home is defined as the area between the front line of the house and the rear line of the house. The area in front of the front line of the house shall be considered within the front yard. In the case of a corner lot, the side yard which abuts the adjoining street shall also be considered as part of the front yard and only the side yard which does not abut an adjoining street shall be considered as a side yard (i.e. a corner lot only has one side yard for purposes of this Rule).

6. Dishes in Front Yards. In the event that an acceptable quality signal cannot be received from a satellite dish installed at a location permitted under paragraph 3 or 5 hereinabove, a satellite dish that is less than one meter in diameter may be installed in front of a home located within the Association at a location as close to the home as is practicable while still permitting reception of an acceptable quality signal, provided that landscape screening is placed around the antenna which adequately shields the antenna from view of the street and any adjacent residence. An architectural change application showing the location of the antenna and of the proposed screening must be submitted to the Architectural Review Committee of the Association for approval prior to the installation of the antenna. A decision on the application will be issued as soon as practicable, but in no event more than sixty days after the application has been submitted. If the Committee fails to respond to the application within sixty days, the application will be deemed approved. No specific guidelines can be created for the installation of the aforesaid landscape screening, which screening will be reviewed on a case-by-case basis. In reviewing any such screening it is understood that the cost of the landscaping screening may not unreasonably increase the cost of installing the satellite dish, and the ARC will work with the applicant to select a low cost yet effective landscape screen.

7. **Existing Dish Locations Not Grandfathered.** Existing dishes which were installed without following ARC procedures are rejected. Owners or tenants must submit an application which will be reviewed pursuant to this rule.

8. **Painting to Match Background.** Consistent with the goal of making the antenna appear less obtrusive, the ARC reserves the right on a case-by-case basis to request that the antenna be "painted in a fashion that will not interfere with the reception so that it blends into the background against which it is mounted." This provision is derived from the FCC Fact Sheet dated August 1996.

9. **Limit to One Dish per Property.** There shall be a limit of one satellite dish on each property in the Association. Multiple dishes are prohibited.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 19th day of October, 1998.

ORCHARD KNOLLS HOMEOWNERS
ASSOCIATION, INC.

By: 
George Puddington, President

This is to certify that at a meeting of the Board of Directors for the Orchard Knolls Homeowners Association was duly called on October 19, 1998, and a majority of the Board voted in favor of this regulation.

 10/19/98
Secretary, Orchard Knolls HOA

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

RULE NO. 2001-3

AMENDED RULE PERTAINING TO SATELLITE DISH ANTENNAS.

WHEREAS, Article VIII, § 8, paragraph (n) of the Declaration of Covenants, Conditions and Restrictions of the Orchard Knolls Homeowners Association, Inc. (hereinafter the "Association") dated June 30, 1989 and recorded on August 14, 1989 in Liber 8948 at Folio 380, (hereinafter the "Declaration") states that no satellite dishes shall be allowed on any properties located with in the Association; and

WHEREAS, the Architectural Guidelines adopted by the Architectural Review Committee for the Orchard Knolls Homeowners Association state that all external antennas or receiving devices of any kind, including, but not limited to, satellite dishes, are prohibited and further sets forth procedures governing the approval of any exterior improvement or alteration to properties located within Orchard Knolls; and

WHEREAS, § 207 of the Telecommunications Act of 1996 prohibits homeowners associations from unreasonably restricting the installation of satellite dishes less than one meter in diameter; and

WHEREAS, on August 6, 1996 the Federal Communications Commission (FCC) adopted a rule implementing § 207 of the Telecommunications Act of 1996, which order is set forth at 47 CFR §1.4000; and

WHEREAS, the Board of Directors for the Association is desirous of adopting a rule imposing reasonable restrictions on the placement of satellite dish antennas which both

preserves the Association's interest in protecting the esthetic appearance of the community while, at the same time, complying with the FCC Rule prohibiting unreasonable antenna restrictions; and

WHEREAS, the Board of Directors originally adopted such a rule on October 19, 1998, which Rule is hereby amended to conform to recent FCC decisions and amended to the Telecommunications Act of 1996.

NOW THEREFORE, the Board of Directors for the Association hereby adopts the following Rule:

1. **Dishes Over One Meter Prohibited.** Satellite dish antennas which are over one meter in diameter shall continue to be prohibited on any properties located with the Association.

2. **Notification.** Any owner wishing to install a satellite dish one meter or less in diameter shall submit a notification to the Architectural Review Committee (ARC) containing their installation plans. In the event that the location is not consistent with paragraph 3 hereinbelow, the homeowner must also include with the notification documents indicating to the Architectural Review Committee's satisfaction that an acceptable quality signal cannot be received by the dish if it is placed at a location permitted under paragraph 3 hereinbelow.

3. **Dishes Under One Meter Permitted In Rear Yard or On Rear Half of Roof line.** Satellite dish antennas which are less than one meter in diameter may be installed in

the rear yards of homes located within the Association or on the rear half of the roof line not visible from a street in such a location that the dish is not visible from the street, provided that the notification process set forth herein is followed.

4. **Dishes in Side Yards.** In the event that an acceptable quality signal cannot be received from a satellite dish installed at a location permitted under paragraph 3 hereinabove, a satellite dish that is less than one meter in diameter may be installed on the side yard of a home located within the Association at a location as close to the home as is practicable while still permitting reception of an acceptable quality signal, and provided that landscape screening is placed around the antenna which shields the antenna from view of the street and any adjacent residence. A notification of the reasons for the antenna's location must be submitted to the Architectural Review Committee (ARC) of the Association prior to the installation of the dish, as set forth in paragraph 2 herein. After installation, the Association may inspect the antenna to ensure that the homeowner or tenant complied with safety guidelines and rules set forth herein. In reviewing any such screening it is understood that the cost of the landscape screening may not unreasonably increase the cost of installing the satellite dish, and the ARC will work with the applicant to select a low cost yet effective landscape screen. For purposes of this Rule, the side yard of a home is defined as the area between the front line of the house and the rear line of the house. The area in front of the front line of the house shall be considered within the front yard. In the case of a corner lot, the side yard which abuts the adjoining street shall also be considered as part of the front yard and only the side yard which does not abut an adjoining street shall be considered as

a side yard (i.e. a corner lot only has one side yard for purposes of this Rule).

5. **Dishes in Front Yards.** In the event that an acceptable quality signal cannot be received from a satellite dish installed at a location permitted under paragraphs 3 or 4 hereinabove, a satellite dish that is less than one meter in diameter may be installed in front of a home located within the Association at a location as close to the home as is practicable while still permitting reception of an acceptable quality signal, provided that landscape screening is placed around the antenna which adequately shields the antenna from view of the street and any adjacent residence. After installation, the Association may inspect the antenna to ensure the homeowner or tenant complied with safety guidelines and the rules set forth herein. In reviewing any such screening it is understood that the cost of the landscaping screening may not unreasonably increase the cost of installing the satellite dish, and the ARC will work with the applicant to select a low cost yet effective landscape screen.

6. **Rejection of Original Location on Architectural Change Notification.** The Architectural Review Committee reserves the right to conduct, or have conducted, a site survey on the homeowners property. The objective of this survey would be to determine that the homeowner could not receive an acceptable quality signal in his rear yard or rear half of his roof line before selecting a location in the side yard, or that the homeowner could not receive an acceptable quality signal in the side yard before selecting a location in the front yard. If alternative locations having acceptable quality signals are identified and determined by the ARC to have less visual impact on the community as a whole, the ARC may require the homeowner to relocate their antenna on that basis alone. In that case, after inspecting

and rejecting the original location, the ARC shall provide the homeowner with alternative locations where the antenna will be permitted and will receive an acceptable quality signal.

7. Existing Dish Locations Not Grandfathered. Existing dishes which were installed without following these guidelines are rejected. Owners or tenants must submit notification which will be reviewed pursuant to this rule.

8. Painting to Match Background. Consistent with the goal of making the antenna appear less obtrusive, any antenna which is installed on a side or front yard shall be "painted in a fashion that will not interfere with the reception so that it blends into the background against which it is mounted." This requirement can be waived or modified by the ARC on a case-by-case basis to ensure that the antenna is esthetical pleasing and also receives an acceptable quality signal. This provision is derived from the FCC Fact Sheets dated August 1996 and May 2001.

9. Limit to One Dish per Property Unless Unacceptable Signal. There shall be a limit of one satellite dish on each property in the Association. In the event that an acceptable quality signal for video programming or wireless communications cannot be received from one antenna, the homeowner must notify the Association and will be permitted to use such additional antennas as are necessary for the reception of video programming in the viewing area and for the reception and transfer of fixed wireless signals.

IN WITNESS WHEREOF, the undersigned has executed this instrument this ____ day of _____, 2002.

DAVID C. GARDNER
ATTORNEY AT LAW
SUITE 308
600 JEFFERSON PLAZA
ROCKVILLE, MD 20852
(301) 762-8475

ORCHARD KNOLLS HOMEOWNERS
ASSOCIATION, INC.

By: Richard J. E. C.
_____, President

This is to certify that at a meeting of the Board of Directors for the Orchard Knolls Homeowners Association was duly called on September 9, 2002, and a majority of the Board voted in favor of this regulation.

Burns

Secretary, Orchard Knolls HOA

D. C. Gardner

DAVID C. GARDNER
ATTORNEY AT LAW
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800 JEFFERSON PLAZA
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(301) 762-8475

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

RULE NO. 2003-1

A RULE PERTAINING TO CONDUCT ON COMMON AREAS

WHEREAS, Article IV, § 1, paragraph (c) of the Declaration of Covenants, Conditions and Restrictions of the Orchard Knolls Homeowners Association, Inc. (hereinafter the "Association") dated June 30, 1989 and recorded on August 14, 1989 in Liber 8948 at Folio 380, (hereinafter the "Declaration") states that the Association may adopt reasonable rules regarding use of the common areas and community facilities located within the Association; and

WHEREAS, Article VIII, § 11 of the Declaration states that the Board of Directors is authorized to adopt community rules regarding the use of the common areas and community facilities located within the Association; and

WHEREAS, Article VIII, § 13 of the Declaration states that any conduct in violation of any of the provisions of the Declaration which is not terminated or abated within fifteen days after notice of such violation is delivered to the member responsible for the violation, the Association may take such steps as necessary to terminate or abate the violation and the costs thereof and reasonable attorney's fees incurred thereby may be assessed; and

WHEREAS, in furtherance of these provisions of the Declaration, the community membership, through its duly elected Board of Directors for the Association is desirous of adopting a rule imposing reasonable restrictions with commensurate enforcement measures

on the conduct of members, guests, and children using common areas and community facilities located with the Association.

NOW, THEREFORE, the Board of Directors for the Association hereby adopts the following Rule:

1. General Rule: The common areas and community facilities located on common property owned by Orchard Knolls Homeowners Association is available for members, guests, and children to enjoy without supervision. This requires that all members, guests and children recognize the right of other members to the peaceful enjoyment of said property and facilities. All elements of this rule shall apply equally to adults and children without partiality to town home or single family home ownership
2. Not Covered: Private Lots, Homes, Personal Property, and Neighbor Disputes.
3. Need: Many members have expressed concern, and fears to Board of Directors (Hereinafter the "BOD") regarding perceptions of abuse by other members, guests and children who are on common areas of the association, (herein "common areas"). Confirming this perception, BOD has been forced to utilize the majority of it's time responding to an increasing quantity of real and documented incidents in that regard (See BOD minutes). Vandalism, property damage, litter in streets and green areas, trash, abandoned mail, newspapers, clothing, appliances, home repair refuse, even vehicles, offensive, obnoxious

and the perception of unacceptable behavior by members, guests and children - is increasing at a disturbing rate. Numerous townhome and single family home owners have repeatedly requested that BOD adopt rules to curb unacceptable behavior of other members, guests, and children on common areas, and further, to adopt legal conflict resolution procedures to enforce the rules.

4. Members Definition: For purposes of this rule, "Members" and "Owners" are synonymous.
5. General Unacceptable Behavior: Willful or negligent activity or communication, including sounds or gestures which, with predictable certainty, could be examined, defined and affirmed as unacceptable - by a majority vote of the five elected (community representatives) members of BOD, as intrusive, or offensive, or loud, or obnoxious, or a nuisance, or an annoyance, or unsafe. If the alleged activity or communication meets this general criteria, or the specific criteria identified under Section 4 (below) - it is prohibited.
6. Specific Unacceptable Behaviors:
 - a) Blocking Access: Blocking pedestrian or vehicle access ways by activities such as household moves, yard or garage sales, or children at play.
 - b) Abandoned Mail: Abandoning mail on any common area. BOD will

identify owners of abandoned mail by utilizing witnesses and tracing content.

c) Litter, Trash, Abandoned Materials: Unwanted materials, trash, or litter that has been wind blown onto common areas, may be traced to an owner. Illegal dumping will be reported to civil authorities.

d) Loud Noises: Initiating or allowing others to initiate any sounds which encroach upon the peaceful use of any common areas. Members and guests shall not raise their voice beyond outdoor adult recreational or conversational level, or beyond normal voice levels of children at play. Further, it shall be a violation of these Rules for adults or children to repeatedly scream unless eminent danger requires such communication.

e) Sound Systems: Musical instruments and sound amplification systems shall not be permitted on common area unless advance permission is granted for a limited time by BOD. Occupying a parked automobile while an interior sound device is playing is prohibited.

f) Exceptions: Automobile radios, played at reasonable levels, traveling to and from common areas. Portable radios, stereos, CD players, or other audio devices played at reasonable levels for personal individual use, limited to a reasonable time, but not to exceed four hours.

g) Implied Threats. Addressing any member or guest with an implication of threat, epithets, derogatory comments, or statements meant to demean or imply

violence to an individual or their property.

h) Unwanted Touching. Intentionally commit unwanted or offensive touching, throwing unwanted objects in a direction of another, making threatening movements toward another, or striking another with their body or an object.

i) Personal Property Time Limit: Personal property such as chairs, tables, ladders, hoses, construction materials, bicycles, toys, coolers, etc. may not be left on common areas unless the person using the personal property is present.

Any personal property left on common areas longer than four hours without presence of the owner, may be disposed of without further notice by a member or agent of BOD at the sole loss and disposal expense of the property owner

j) Damage to Community Property: Anyone who causes damage to property on common areas shall be liable for the cost of restoring said damaged property to its new value, or in the case of organic materials such as trees – restoration to its maturity value. This includes but is not limited to, trees, foliage, decorative beds, signs, play equipment, mail boxes, and other facilities owned by the community. If the person causing damage is a member or resident in Orchard Knolls, then the tax assessment record owner of the property where the member or resident resides who caused the damage will be liable for the cost of restoring said damage.

k) Vehicle and Parking Restrictions: All provisions of this rule may, at the

discretion of BOD, also apply to posted, existing HOA Vehicle and Parking Restrictions and Enforcement Rules in force at the time a complaint is made to BOD.

l) Dog Waste: All provisions of this Rule, may at the discretion of the BOD, also apply to posted, existing dog waste restrictions and enforcement rules in force at the time a complaint is made to BOD.

7. Restoration or Cleanup Costs - Fines and Attorney Fees, imposed by incidents identified by this rule, and confirmed at a hearing with BOD as described by this rule, will be billed to the tax assessment record owner of the property. Fines shall be immediately due and payable to Orchard Knoll's contractor for bookkeeping services. Collections of fines will be responsibility of the BOD, executed by its collections agent and attorneys. Monies due will be in addition to, and take priority over, quarterly assessments. Delinquent and default procedures will be the same as delinquent and default assessment procedures including potential property liens.

8. Hours of Use: Common areas are available for use only during daylight hours. Streets and parking areas are available for use at all hours; however noise restrictions of this rule apply.

9. Impact on Adjoining Property: Members, guests, and children shall respect rights of property owners adjoining common areas. Property owners may invoke this rule as a basis for complaints which originate from common areas

but have an adverse impact on enjoyment of owner's property.

10. Civil Authorities: Members may summon civil authorities and file a civil complaint to remove the offending party from the common area. In addition to penalties invoked by civil authorities, provisions of this rule may also apply.

11. Members Right to Hearing:

- a) Initial Warning: If BOD becomes aware of any violation of these Rules, a certified letter will be forwarded to the tax assessment record owner where the member, resident, or alleged violator resides requesting that same violation cease and that further violation of these rules will result in a hearing before BOD with potential fines and financial penalties imposed upon the owner's property.

- b) 2nd Warning = Summons to Hearing: If further violation of these Rules is committed by the same alleged violator or persons residing in member's property, BOD will forward a 2nd certified letter as written notice to attend a hearing to be held by BOD. Notice shall be mailed *by Certified mail, Return Receipt requested*, to the alleged violator at least fifteen days before the date of the hearing, or at least fifteen days before the next regularly scheduled monthly meeting of BOD.

- c) Failure to Appear: If alleged violator fails to appear, and if BOD has received Return Receipt indicating alleged violator received notice, BOD may invoke this rule and in abstention, impose the appropriate fine based on the 1st or subsequent offense. If no return receipt indicating the alleged violator

received notice is received, the Board of Directors may continue said hearing and post the notice to the property owner's door, which posting shall constitute valid notice of the continued hearing date.

d) Hearing Procedure: If the hearing is conducted at a monthly meeting of BOD, hearing shall be convened as the first item on the agenda. At the hearing, property owner(s) or alleged violator shall have the right to present evidence, cross-examine witnesses, and be represented by legal counsel. If legal counsel will be present, the property owner(s) or alleged violator shall provide at least ten (10) days written notice to the BOD. At conclusion of the hearing, BOD will render an "Accountable" or "Not Accountable" decision on merits of the alleged violation - based on evidence presented by BOD, or complaining party and property owner. If "Accountable" is rendered, fines shall be imposed as identified in this rule.

e) Evidence: Member and non-member witnesses, photographs, video, and recorded calls to civil authorities, police reports, and any other reliable evidence, as determined in the exclusive discretion of the BOD, shall be considered evidence at a hearing conducted pursuant to this rule.

f) Fines and Penalties: If a violation is found to have occurred, Association may impose a fine of \$50.00 per incident per violator for a first violation and \$100.00 per incident per violator for any subsequent violation.

g) Continuance of Hearing: Either the alleged violator, property owner or BOD may request a continuance of a hearing conducted under the terms of this rule, which continuance may be granted by the BOD for good cause shown.

h) BOD May Initiate Civil Suit/Restraining Orders: Violations beyond the second shall be cause for BOD to initiate remedy through the civil court system. If the violator is not a member and does not reside in the Association, or if the property owner fails to pay the imposed fines within 90 days of the hearing date and imposition of the fines, BOD shall initiate civil suit for damages to the Association, and/or a restraining order or other civil remedies to prevent violator from further use of common areas.

i) Minutes: Notes of the hearing shall be taken by Secretary of BOD, or appointee of the President, and be included in minutes of the monthly board meeting. If a hearing is scheduled other than a regularly scheduled meeting of the BOD, the hearing shall be called a "Specially Called Meeting of the BOD". Minutes of the hearing shall be taken by Secretary, or appointee of President, and recorded as a Specially Called Meeting of the BOD.

j) Owner May become Offending Party: If violator is not a member but is residing in property owned by a member, the property owner shall be considered the offender and is subject to the full weight of Association's Covenants, Bylaws and any related civil action executed by BOD.

k) Appeal: If a BOD hearing and ruling is complete, member may appeal to the Montgomery County Commission on Common Ownership Communities.

IN WITNESS WHEREOF, the undersigned has executed this Rule this

9th day of February, 2004

ORCHARD KNOLLS HOMEOWNERS
ASSOCIATION, INC.

By: Richard J. Green
President, Orchard Knolls HOA

[Handwritten initials: R.J.G. and R.H.]

This is to certify that at a regularly scheduled meeting of the Board of Directors for the Orchard Knolls Homeowners Association duly called on February 9, 2004, a majority of the Board voted in favor of this Rule.

By: [Signature]
Secretary, Orchard Knolls HOA

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

RULE NO. 2005-3

**A Rule Pertaining to Maintenance of Properties and
Architectural Control Enforcement.**

WHEREAS, Article XIII, Section 1 of the Declaration of Covenants, Conditions and Restrictions for the Orchard Knolls Homeowners Association, Inc., (hereinafter the "Association") dated June 30, 1989 and recorded on August 14, 1989 in Liber 8948 at folio 380, (hereinafter the "Declaration") states that the Lots within the Association and all improvements located thereon shall be kept in good order and repair and free of debris, including, but not limited to, the seeding, watering and mowing of all lawns, the pruning and cutting of all trees and shrubbery and the painting (or other external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management; and

WHEREAS, Article XIII, Section 1 of the Declaration states that if an Owner of any Lot in the Association fail to maintain the lot and improvements located thereon in keeping with the provisions of the Declaration the Association may appoint someone to enter upon the Lot to repair, maintain and restore the lot and may place a lien against the property for the costs of said correction, repair or restoration, which lien may be enforced in the same manner as an annual assessment; and

WHEREAS, Article VIII, Section 6 of the Declaration states that the Architectural Review Committee (ARC) may from time to time adopt and promulgate rules and regulations (one such adoption, but not limited to this adoption, is published Architectural

Guidelines of the Architectural Review Committee) regarding the form and content of plans and specifications suitable for approval, and may publish and record such statement of policy, standards, guidelines, and establish such criteria relative to styles, details, fences, colors, set-backs, materials or other matters relative to architectural control and protection of the environment, as it may consider necessary or appropriate; and

WHEREAS, Article VIII, Section 13 of the Declaration states that the Association may enter upon a Lot to remove or otherwise terminate or abate any violation of the Association's architectural controls (including Architectural Guidelines lawfully created under Article VIII), if said violation is not corrected within fifteen days after notice of such violation is delivered to the owner of the Lot upon which the violation exists; and

WHEREAS, Article VIII, Section 13 of the Declaration further provides that the costs incurred by the Association in removing, terminating or abating the violation of the Association's architectural controls and any other conduct in violation of the provisions of the conditions and restrictions set forth in Article VIII of the Declaration, and the reasonable attorneys' fees incurred thereby may be assessed against the Lot upon which such violation occurred; and

WHEREAS, Article V, Section 1 of the Declaration requires that the owner of any Lot shall, at his own expenses, maintain his Lot and dwelling and any and all appurtenances thereto, in good order, condition and repair and in a clean, sightly and sanitary condition at all times; and

WHEREAS, Article VIII, Section 13, allows that the Association shall have the further right to enter upon and inspect any Lot at any reasonable time (such as semi-annual Lot, improvements and appurtenances inspections by Architectural Review Committee and/or Board of Directors) for the purpose of ascertaining whether any violation of the provisions of this Article or any of the provisions or requirements of the Declaration, exist on such lot; and

WHEREAS, Chapter 10B of the Montgomery County Code establishes the Commission on Common Ownership Communities (CCOC) and sets forth a dispute resolution procedure to determine, among other things, the authority of a homeowners association to require a homeowner to take action (or refrain from taking action), in connection with his home; and

WHEREAS, the Board of Directors (BOD) is desirous of adopting a policy to govern the enforcement and application of Article XIII and Article VIII and Article V of the Declaration, and to that end, adopted the following resolution at a regularly scheduled monthly Board meeting identified in the execution and adoption page at end of this Rule.

NOW THEREFORE, the Board of Directors hereby adopts the following rule:

A. Inspections: Four Types of Private Property Lot Inspections:

1. Planned, Semi-Annual Community Walk-Through Inspections conducted jointly by members of Architectural Review Committee (ARC) and Board of Directors (BOD). Semi-annual inspections are generally conducted on, but not limited to, day of conversion to daylight savings time and day of

return from daylight savings time.

2. Random ARC or BOD Member Observations of Unsatisfactory Lot Conditions reported to Secretary, Board of Directors for recording in the minutes.
3. Random Owner Observations of Unsatisfactory Lot Conditions reported as complaints to ARC or BOD.
4. Random ARC or BOD Exterior Change Inspection after completion of an approved Architectural Change Request. There shall be no limitations to the post-completion inspection date allowed or conducted, nor shall any inspection by ARC or BOD guarantee or constitute satisfactory final approval of the project.
5. Not Covered: Guests, tenant and non-Orchard Knolls complaints are not covered by this Rule. Unsatisfactory conditions of the Association's Common Areas are not covered by this Rule. Those complaints should be reported directly to Board of Directors.

B. Basis of Violations:

1. Exterior Maintenance: Upon notification, either through a periodic visual inspection of Association or through a complaint received by the Board, that a Lot, appurtenance, or improvement has deviated from published standards of the association, and/or has become unsightly, and/or is not receiving routine and proper upkeep and/or maintenance, not being kept in

good order, repair, and free of debris, including, but not limited to, seeding, watering and mowing of all lawns, the pruning and cutting of all trees and shrubbery and the painting (or any other external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management, and/ or

2. Architectural Change Request: Upon notification, either through a periodic visual inspection of Association or through a complaint received by the Board, that a Lot, appurtenance, or improvement has any violation of terms and/or conditions of an Architectural Change Request previously approved by ARC or BOD, regardless of the approval date of the Architectural Change Request, and/or
3. Covenants and or By-Laws: Upon notification, either through a periodic visual inspection of Association or through a complaint received by the Board, that a Lot, appurtenance, or improvement has any violation of any of the covenants pertaining to property maintenance identified in the Declaration or the By-Laws, Board shall initiate and execute all provisions of this Rule

C. Violation Notifications and Unresolved Remedy Process:

1. Two BOD initiated violation notification letters are required, followed by a 3rd letter identifying a scheduled hearing before the board of directors (BOD): Association shall initiate two notifications to owner of the alleged

violation(s), the first being a letter sent to owner by US Mail. The second letter shall be mailed by regular and by certified mail, "Return Receipt Requested", with receipt to the Association. This rule will be satisfied upon mailing said letter, whether or not a signed return receipt is received from the homeowner. This rule will be deemed to have been complied with upon mailing of said letters, whether or not a signed return receipt is received from the homeowner.

2. Letters shall cite specific unacceptable condition and violation source: Violation notification letters shall cite in general terms the current conditions of the site that are unacceptable. The notification letter shall also cite in specific terms, the lawful source of the violation, (either the applicable Article from the Declaration of Covenants or the Architectural Guidelines.
3. Restoration Period: The restoration period of the first letter shall not be less than 90 days, and shall begin with date of the letter. The restoration period of the second letter shall not be less than 30 days, and shall begin from date of receipt of the certified letter. The Board reserves the right to impose shorter restoration periods in the event of any danger to the health, safety or welfare of Association residents. Duration of the restoration period shall be set at discretion of the Board of Directors with due consideration for reasonable labor requirements, materials availability, and

weather restrictions. Such restoration period shall not exceed 6 months. Restoration periods shall be unique to the violation and lot and shall not be globally fixed by type of correction, home, or location. Restoration periods do not have to be applied equally Lot-to-Lot or violation-to-violation. The restoration period may vary Lot to Lot according to restorative needs and desires of the community as determined by and expressed by the Board of Directors.

D. Property Maintenance and Architectural Control Enforcement Violation Hearing:

1. **Hearing Notice:** After completing a process of mailing two initial violation notices to owner as identified herein, without satisfactory remedy or restoration, BOD is to cause owner to receive a 3rd notification letter for a scheduled hearing before Board of Directors. The 3rd notification letter is to be sent to owner by regular mail and by certified mail, "Return Receipt Requested," which shall advise the owner of the alleged violation and provide a minimum of fifteen days (15) notice of a hearing at which time the owner will be permitted to attend and present information, either orally or in writing. This rule will be satisfied upon mailing said letters, whether or not a signed return receipt is received from the homeowner.
2. **Hearing Procedure:** At the hearing before the Board of Directors the following procedures will be followed:
 - a. Identification (by reading aloud) of the notice of hearing and the

invitation to be heard will be placed in the minutes of the hearing.

This requirement is waived if the homeowner appears at the hearing

- b. The ARC or Board Member reporting the violation will present the information concerning the alleged violation. The ARC or Board Member will be afforded a presentation time not to exceed 10 minutes.
 - c. The unit owner, if present, may present information regarding the alleged violation. The unit owner will be afforded a presentation time not to exceed 20 minutes.
 - d. Any other parties who wish to speak at the hearing will be allowed a time period not to exceed 3 minutes.
 - e. After the last party wishing to speak, President will adjourn the hearing, note the time in the minutes, dismiss any non-owners, and continue with the business of the monthly board meeting.
3. BOD Follow-up: After the hearing the following procedures will be accomplished:
- a. Determination Vote and Owner Notice: The Board will caucus and determine, by majority vote, a decision that: "Violation Exists" or "Violation Does Not Exist". Caucus discussions shall not be included in the minutes; however, numerical results of the vote shall be identified in the minutes.

- b. **Owner Notice:** The board will attempt to advise the unit owner, in writing, of the decision made by the Board of Directors, within fifteen days (15) after the date of the hearing. If a violation is found to exist, the unit owner will be notified in writing of the corrective actions required and the restoration period by which the corrective actions must be completed. The unit owner will be afforded a minimum of fifteen (15) days (unless an earlier date is specified by the Board in order to correct a violation which threatens the health, safety or welfare of residents in the community) to complete corrective actions.
- c. **Failure to Appear:** If the Lot owner fails to appear at the hearing, then no hearing need be held and the Board may take whatever action may be appropriate to enforce its covenants, rules, and regulations.

E. Uncorrected Violations:

- 1. **Entering the Lot for Restoration:** After the BOD Hearing, If the Board determines that the unit owner is in violation of the Architectural Controls of the Association and the violation is not corrected by the final restoration period date specified by the Board, the Board may appoint an agent to enter upon the Lot, remove, terminate or abate the violation by contracting for such modifications as the Board deems necessary, in the Board's exclusive

discretion, to either restore the premises to its original condition, or to complete an architectural change previously approved by the Board or ARC, and the entire cost thereof, plus any attorneys' fees incurred by the Association in connection with the violation, will be assessed against the owner of the Lot and a lien shall be placed against the lot to recover said costs and fees.

2. BOD's CCOC Hearing: Alternate Corrective Measure: If so desired, BOD may file a Legal Order of Complaint to Montgomery County CCOC: If the Board elects not to appoint an agent to enter upon the lot to abate the violation, it will direct legal counsel to file a Complaint with the Montgomery County Commission on Common Ownership Communities (CCOC) seeking an Order for the homeowner to remove, terminate, or abate the violation, and requesting that the homeowner be required to pay all legal fees incurred by the Association. The dispute resolution procedures set forth in this Rule will be deemed to satisfy the requirement of Section 10B-9(b) of the Montgomery County Code, which requires that a party not file a dispute with the CCOC until the party has made a good faith attempt to exhaust the procedures and remedies set forth in the Association documents.

3. Legal Action: In lieu of appointing an agent to enter upon the lot to abate the violation or filing a dispute with the CCOC, the Board reserves the right

to file a legal action in the Circuit Court for Montgomery County to obtain a Court Order directing the homeowner to remove, terminate or abate the violation, and requesting that the homeowner pay all legal fees or other expenses incurred by the Association in connection with the violation. The Board may also direct legal counsel to file suit in either the District Court or in the Circuit Court for Montgomery County to collect any monies that may be due to the Association as a result of the uncorrected violation and/or legal fees or other expenses incurred by the Association in connection with its actions to correct or abate the violation.

F: Financial Collections Procedure:

1. **Invoice to Owner:** Immediately after completion of restoration, BOD shall cause to be generated an invoice for the total of all remedy costs associated with restoration of the property, including reasonable attorney fees and documented administrative costs. Invoice shall be mailed to owner via "Certified, Return-Receipt US mail."
2. **Owner Payment:** Owner shall have no more than 10 business days from date of certified receipt to pay said invoice in full to the association before the invoice is declared a delinquent owner's debt to the association.
3. **Delinquent Owner's Debt:** If in default after 10 business days, the delinquent owner's debt will be turned over to legal collection by association's attorney for lawful collections. In addition, the delinquent

owner's debt shall immediately be escalated in priority to a more demanding debt than owner's monthly property assessment.

4. Owner's Monthly Property Assessment Becomes Default Payment: In parallel with legal collection process for the restoration debt, all incoming assessment monies for this property shall be first applied to satisfy owner's outstanding restoration debt. If the assessment becomes delinquent as a consequence of this priority, By-Law provisions shall apply including the steps necessary to record a financial (delinquent assessment) lien against the property.

IN WITNESS WHEREOF, the undersigned has executed this instrument this ____ day of Apr 11, 2005.

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

By: Richard F. Elm
President, Orchard Knolls HOA

This is to certify that at a regularly scheduled meeting of the Board of Directors of Orchard Knolls Homeowners Association on the 11th day of April, 2005, this Rule was adopted by a majority of the Board of Directors

By: Carmy Way
Secretary, Orchard Knolls HOA Board of Directors

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