

**AMENDED BYLAWS OF
OLD HUNDRED HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
Name, Principal Office**

The name of the Corporation is Old Hundred Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office of the Association shall be located at the Property and/or residence of the President of the Association, which must be a Lot within the Old Hundred community. The mailing address of the Association is P.O. Box 488, Dunkirk, Maryland 20754. Meetings of members and directors may be held at such place or places within the State of Maryland, as may be designated by the Board of Directors.

**ARTICLE II
Definitions**

Section 1. "Association" shall mean and refer to Old Hundred Homeowners Association, Inc., its successors and assigns.

Section 2. "Board of Directors" or "Board" shall mean and refer to those Members of the Association elected to serve as Directors of the Association.

Section 3. "Common Area" shall mean and refer to all real property designated on any recorded subdivision plat of the Property as owned by the Association for the common use and enjoyment of the Owners, in accordance with the Declaration, including designated open space lots, parking areas, and all areas delineated upon the recorded subdivision plat of the property neither lying within the property lines of residence lots, nor herein specifically designated "Common Area".

Section 4. "Declarant" shall mean and refer to the Declarant named in the Declaration, its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Section 5. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements, and any amendments or supplements thereto, applicable to the Properties and recorded among the Land Records of Calvert County, Maryland, to which a copy of the Bylaws are attached as an Exhibit.

Section 6. "Lot" shall mean and refer to any plot of land shown upon a recorded subdivision map of the Properties with the exception of the Common Area.

Section 7. "Member" shall mean and refer to those parties entitled to membership as provided in the Declaration. Every Owner of a Lot shall be a member of the Association.

Section 8. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 9. "Property" or "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, Restrictions and Easements, recorded among the land records of Calvert County, Maryland in Liber 612 folio 528, and such additions as may be hereafter brought within the jurisdiction of the Association.

ARTICLE III
Meetings of Members

Section 1. Semi-Annual Meeting. The first semi-annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular meeting of the members shall be held at an agreed upon date and time, no less than six months apart. All meetings of the Association, including meetings of the Board of Directors or a committee of the Association, shall be open to all members of the Association or their agents.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President of the Board of Directors, or upon written request of a minimum of twenty-five (25%) of the members of the Association. During a Special Meeting, Lot owners' comments may be limited to the topics listed on the meeting agenda.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the discretion of, the Secretary or person authorized to call the meetings, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the members shall constitute a quorum.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of their Lot.

ARTICLE IV
Board of Directors, Selection, Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of no less than three (3) nor more than five (5) directors, who must be members of the Association.

Section 2. Term of Office. At the first semi-annual meeting the members shall elect all officers for a term of one year. At the next semi-annual meeting, the Members shall elect two directors for a term of one year, two directors for a term of two years and one director for a term of three years. At every other following semi-annual meeting, the Members shall elect one director for a term of three years and one director for a term of two years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written consent or verbal approval of all directors. Any action so approved shall have the same

effect as though taken at a meeting of the Directors and shall be recorded in the minutes of the next meeting of the Board.

ARTICLE V
Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at all semi-annual meetings where elections occur. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each semi-annual meeting where such elections occur, to serve from the close of such semi-annual meeting until the close of the second semi-annual meeting thereafter and such appointment shall be announced at each meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members of the Association only.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE VI
Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly, at such place and hour as may be fixed, from time to time, by resolution by the Board. Except for closed meetings, all meetings of the Board of Directors shall be open to all members of the homeowners association or their agents.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President or any two (2) directors, and after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Closed Meetings. A meeting of the Board of Directors or a committee of the Association may be held in closed session if consulting with legal counsel or for other purposes allowed pursuant to the Maryland Homeowners Association Act. If a meeting is held in closed session, a statement of the time, place and purpose of the closed meeting, the record of the vote of each Board or committee member by which the meeting was closed, and the authority for closing the meeting shall be included in the minutes of the next meeting of the Board of Directors or the committee of the Association.

ARTICLE VII
Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have the power to:

- (a) based on the concurrence of a majority of the members of the Association, adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal

conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

- (b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days, for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor or such other employees as it deems necessary and to prescribe their duties.
- (f) levy a Special Assessment against individual Lots or Dwelling Units for fines imposed to bring a Lot or Dwelling Unit into compliance with the Declaration and Bylaws of the Association.

Section 2. Duties. It shall be the Duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the semi-yearly meetings of the members, or at any special meeting when such statement is required in writing by twenty-five percent (25%) of the members of the Association;
- (b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) as provided in the Declaration and in the Bylaws, to:
 - (i) fix the amount of the yearly assessment against each lot at least thirty (30) days in advance of each assessment period; and,
 - (ii) send written notice of assessment to every Owner subject thereto at least thirty (30) days in advance of each yearly assessment period; and,
 - (iii) accrue interest, add late charges, and bring an action at law or create a lien pursuant to the Maryland Contract Lien Act against the owner personally obligated to pay the same for which assessments or special assessment are not paid within thirty (30) days after the date of such assessments.
- (d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate

states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained and preserved in accordance with the provisions of the Declaration;
- (h) cause that portion of Lots not covered or enclosed by a house or structure to be maintained in accordance with the requirements of the Declaration.

ARTICLE VIII

Officers Nomination and Election; Term of Office; Powers and Duties

Section 1. Enumeration of Officers. The officers of the Association shall be a President, Vice-President, Secretary, and Treasurer, who shall be members of the Board of Directors, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each semi-annual meeting of the Members where Directors were elected.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may select such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board. Any officer may resign any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other officers except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- (a) The President shall preside at all meetings of the Board of Directors; shall see that order and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other

written instruments and shall co-sign all checks and promissory notes.

- (b) 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 of Directors.
- (c) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directions; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual examination (this is not an audit or review) of the Association books to be made by a public accountant (this accountant cannot hold an office on the Board of Directors, be related to, or reside in the same household as a member of the Board of Directors) at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.
- (d) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing members of the Association together with their addresses, and shall perform such other duties as required by the Board.

ARTICLE IX Committees

The Association shall appoint an Architectural Review Committee, as provided in the Declaration and the Bylaws, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes. The Committee meetings shall be held consistent with the provisions in these Bylaws concerning meetings of the Board of Directors, including recording minutes of the meetings.

Section 1. Architectural Review Committee.

- (a) The Board shall from time to time designate three or more individuals to constitute a committee to be known as the Architectural Review Committee.
- (b) The affirmative vote of at least two members of the Architectural Review Committee shall be required in order for the Architectural Review Committee
 - (i) to recommend to the Board of Directors the adoption or promulgation of any of the Rules and Regulations which are referred to in the Declaration; or
 - (ii) to make any finding, determination, ruling or order; or

(iii) to issue any permit, authorization or approval pursuant to the provisions of this Section.

(c) Unless such decision is reversed or modified by the Board of Directors upon the written application of any Owner which is made to the Board of Directors in writing within ten (10) days after the date upon which the Architectural Review Committee makes such decision, the decision of the Architectural Review Committee on those matters which are referred to in the provisions of subparagraphs (i) and (ii) of the preceding subsection shall be final.

Section 2. Architectural Control, Basis for Disapproval, Effect of Approval; Inspection of Lots; Certificate of Compliance and Approval; Removal of Structures not in Compliance; Exceptions to Architectural Control. The Board may adopt policies, procedures and terms and conditions for the Architect Review Committee to enforce regarding architectural control; basis for any disapproval of application; the effect of approval; the inspection of lots; certificate of compliance and approval; removal of structures not in compliance; and exceptions to architectural control.

ARTICLE X Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI Assessments

As more fully provided in the Declaration, each member is obligated to pay the Association annual assessments. Any assessments, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, accrue a late charge of \$15 or one-tenth of the total amount of any delinquent assessment or installment, whichever is greater, and the Association may bring an action at law or create a lien pursuant to the Maryland Contract Lien Act against the Owner personally obligated to pay the same. Interest, late charges, costs of collection and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

ARTICLE XII Rules and Regulations – Fines

The Declaration specifically empowers the Board to enact rules and regulations for purposes of enforcing the terms and conditions of the Declaration. The Bylaws authorize the Board to levy a Special Assessment against individual Lots or Dwelling Units for fines imposed to bring a Lot into compliance with the Declaration and Bylaws of the Association. In the best interests of the membership of the Association, the establishment of a fine mechanism to foster compliance with the Declaration and Bylaws of the Association shall be in accord with basic notions of due process and hence provide a fair and impartial means of:

(a) notifying owners of individual Lots or Dwelling Units of instances of alleged non-compliance with the Declaration and Bylaws of the Association

- (b) allowing owners a reasonable opportunity to cure the alleged non-compliance; and
- (c) granting the owners a hearing before a committee independent of the Board at which the owners and/or tenants would be permitted to present testimony and evidence in defense of the allegations of non-compliance.

The Board also recognizes that pursuant to Maryland law, each member of the Association and the members' tenants, guests and invitees, and the Association, are governed by, and must comply with, Maryland law, the governing documents of the Community and the rules of the Association.

The Board shall have the power to impose reasonable fines to enforce the covenants, restrictions and conditions contained in the Declaration, as supplemented and amended, as well as the rules and regulations it may, from time to time, adopt and publish. The Board shall not impose a fine upon a member, tenant, guest or invitee of a member for the violation of a covenant, restriction, condition, rule or regulation unless and until the following procedure is followed:

- (a) Written demand to cease and desist from the alleged violation shall be served upon the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation, and (iii) a time period not to exceed ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or (iv) a statement that any further violation of the same covenant, restriction, condition, rule or regulation may result in the imposition of a sanction after notice and hearing if the violation is not continuing.
- (b) Within thirty (30) days of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same covenant, restriction, condition, rule or regulation is subsequently violated, the Board shall serve the violator and the Owner with written notice of a hearing to be held before the Architectural Review Committee of at least three members appointed by the Board who are not officers, or the spouse, parent, child, brother or sister of an officer of the Association. The notice shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing which time shall not be less than fourteen (14) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statement, evidence and/or witnesses on his or her behalf, and (iv) the proposed sanction to be imposed.
- (c) The hearing shall be held before the Architectural Review Committee pursuant to the above referenced notice, and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting of said committee. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery is entered into the minutes by the Officer, Director or other authorized agent of the Association who delivered such notice. This notice requirement shall be deemed satisfied if the violator appears at the meeting called to consider the alleged violation(s). The minutes of the meeting conducted to consider the alleged violation(s) shall contain a written statement of the results of the hearing and the sanction, if any, imposed by the majority vote of the appointed committee.
- (d) Fines imposed by the appointed committee shall be \$100.00 per violation committed; provided, however, that in the event of a continuing violation, fines may be assessed for each day the violation exists at \$10.00 per day, up to a maximum aggregate fine of \$10,000.00. Violations that persist longer than ninety

(90) days will be addressed on an individual case basis and be subject to a Special Assessment appropriate to the violation by the Association. Such Special Assessment shall be subject to the terms and conditions of an annual assessment, including collection thereof, as described in these Bylaws and the Declaration.

The foregoing fine procedure shall apply to all members and any tenant, guest or invitee of any Member and shall be supplemental to any and all other enforcement remedies provided for in the governing documents of the Association or existing under Maryland law. Collection of such fines and any Special Assessments will be pursuant to that described for collection of dues described in the Bylaws and the Declaration.

ARTICLE XIV Amendments

Section 1. By Members. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the articles shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.