

**BY-LAWS**  
**OF**  
**OAK CREEK HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I**  
**Name and Location**

The name of the corporation is OAK CREEK HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association"). The principal office of the corporation shall be located at 2700 Philadelphia Road, Edgewood, Harford County, Maryland 21040. The meetings of Members and Directors (as hereinafter defined) may be held at such places within Carroll County, Maryland, as may be designated by the Board of Directors.

**ARTICLE II**  
**Definitions**

Terms used herein shall be and are defined as set forth in the Declaration of Restrictive Covenants, Conditions, Maintenance Obligations and Easements executed by BWC Development I, LLC and BWC Development II, LLC and recorded among the Land Records of Carroll County in Liber L.W.S. No. 4554, Folio 677 relating to maintenance of common areas and general restrictive covenants at the "OAK CREEK" subdivision in Eldersburg, Carroll County, Maryland (hereinafter referred to as the "Declaration"). References to "Lot" or "Lots" herein shall have the same meaning ascribed to them in the Declaration.

**ARTICLE III**  
**Membership and Membership Rights**

Section 1. Membership. Every individual or entity who is a Lot Owner, as defined in the Declaration, or who holds an undivided, common or joint interest in any Lot, including contract sellers but specifically excluding contract purchasers, shall be a Member of the Association. Voting shall be on a one (1) vote per Lot basis regardless of the composition of the ownership of any individual Lot. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Rights of Membership. The rights of membership are subject to payment of standard and special assessments levied by the Association. The obligation of such assessments is imposed against each owner of, and becomes a lien upon, the Lot against which such assessments are made as provided in the Declaration. The voting rights of any Member may be suspended by action of the Directors during the period when the Member's assessments remain unpaid; but, upon payment of such assessment, the Member's voting rights shall be automatically restored.

## **ARTICLE IV**

### **Meeting of Members**

Section 1. Annual Meetings. The first annual meeting of the Members ("Annual Meeting") shall be held on or about January 31, 2007, or as otherwise determined by the Board of Directors, and each subsequent Annual Meeting shall be held on or about the same day of the same month of each year thereafter.

Section 2. Special Meetings. Special meetings of the Members ("Special Meeting") may be called at any time by the President of the Association or by a majority of the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all the votes held by Members.

Section 3. Notice of Meetings. Notice of any meetings shall be given to the Members by the Secretary of the Association. Notice may be given to the Member either personally or by sending a copy of the notice through the mail, postage prepaid, to the address of the Member appearing on the books of the Association. Each Member shall provide the Secretary with the Member's address and notices of meetings shall be mailed to the Member at such address. Notice of any meeting shall be mailed at least ten (10) days but not more than sixty (60) days in advance of the meeting and shall set forth in general the nature of the business to be transacted.

Section 4. Place of Meeting. All meetings of the Members shall be held in Carroll County, Maryland, at the place designated in the notice.

Section 5. Quorum. (a) The presence at any meeting of Members or of proxies, entitled to cast one-fourth (1/4) of all the votes held by Members shall constitute a quorum for the transaction of business except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

(b) Notwithstanding the foregoing, if a quorum for the originally scheduled meeting of the Members is not present, a Minimum Quorum Meeting of the Members may be called for the same purposes that the originally scheduled meeting was called for if: (a) the notice of the originally scheduled meeting stated that the procedure authorized by this subsection 5(b) might be invoked, and (b) by majority vote the Members present in person or by proxy at the originally scheduled meeting call for the Minimum Quorum Meeting. Fifteen (15) days notice of the Minimum Quorum Meeting shall be given to each Member by written notice mailed to the address of the Member appearing on the books of the Association. Such notice shall

contain the quorum requirements set forth below. At the meeting of the Members called pursuant to this subsection 5(b), the Members present in person or by proxy shall constitute a quorum.

(c) Except as otherwise set forth in the Articles of Incorporation, the Declaration or elsewhere herein, the approval of a majority of the votes cast in person or by proxy at any meeting at which a quorum is present shall be required for the approval of any measure before the Association. Notwithstanding the foregoing, the number of votes required for an amendment to the Articles of Incorporation, the Declaration, and these By-Laws shall be based on all votes held by Members and not the number of votes of Members present in person or by proxy at any meeting at which there is a quorum.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. Except as provided otherwise in the Declaration, all proxies shall be in writing and filed with the Secretary and shall be revocable at will. Any proxy granted by a Member who has conveyed the Lot to which that Member's proxy vote is appurtenant shall be of no effect for any purpose whatsoever.

## **ARTICLE V**

### Board of Directors

Section 1. Selection and Term of Office. The Board of Directors (the "Board") shall consist of three (3) directors ("Directors"). The Board of Directors for the first year shall be appointed by the sole Director named in the Articles of Incorporation and shall serve for a three (3) year term from the date of appointment. Thereafter, Directors shall be elected by the membership and shall serve full three (3) year terms.

Section 2. Removal. Any Director may be removed from the Board, with or without cause, by a two-thirds (2/3) majority vote of the Members.

Section 3. Vacancies. A vacancy in a directorship shall be filled by the remainder of the Board of Directors. A Director appointed by the Board to fill any vacancy shall hold office until a successor is elected by the Members, who may make such election at any meeting of the Members.

Section 4. Compensation. No Director shall receive compensation for any service rendered to the Association as a Director. However, any Director may be reimbursed for actual expenses incurred by the Director in the performance of the Director's duties and may receive reasonable compensation for services performed for the Association other than as a Director.

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 approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## **ARTICLE VI**

### **Nomination and Election of Directors**

Section 1. Nomination. After the first year, nomination for election to the Board shall be made from the floor of any meeting at which an election to the Board shall be held.

Section 2. Election. Election to the Board shall be by secret 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 VII**

### **Meetings of Directors**

Section 1. Regular Meetings. Regular meetings of the Board shall be held twice-yearly without notice to the Members, at such place and hour as may be fixed from time to time by the Board.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two (2) Directors, 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. Notwithstanding the foregoing, a sole remaining Director shall constitute a quorum for the purpose of exercising the powers of the Board pursuant to Article VIII, Sections 1(d) and 1(h) of these By-Laws.

## **ARTICLE VIII**

### **Powers and Duties of the Board of Directors**

Section 1. Powers. The Board shall have power to:

(a) adopt and publish rules and regulations governing the use of the Association Common Areas;

(b) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Voting rights may also be suspended, after notice and hearing,

for a period not to exceed thirty (30) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members or officers by other provisions of these By-Laws, or 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;

(e) employ and remove at pleasure a manager, an independent contractor, or other employees of the Association as the Board deems necessary, and to prescribe the duties and fix the compensation of such manager, independent contractors and employees. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Director or officer of the Association in any capacity whatsoever;

(f) to call Special Meetings whenever it deems necessary and it shall call a Special Meeting at any time upon written request of Members who are entitled to vote one-fourth (1/4) of all the votes held by Members;

(g) cause the Association Common Areas to be maintained in accordance with the Declaration;

(h) fill any vacancy on the Board or of any officer of the Association by appointment.

(i) carry out those functions assigned to it relating to the administration and enforcement of restrictive covenants and/or architectural controls as set forth in the Declaration.

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 Annual Meeting or at any Special Meeting when such meeting is requested in writing by Members who are entitled to vote one-fourth (1/4) of all the votes held by Members;

(b) supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the standard assessment against each Lot, all in accordance with the Declaration to be recorded among the Land Records of Carroll County and to provide for payment thereof;

(2) collect all assessments authorized by the Association or the Declaration; and

(3) at its discretion either foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after due date, and/or bring an action at law against the Owner personally obligated to pay the same or take whatever other action is necessary and appropriate to collect the assessment;

(d) fix the amount of the annual budget in accordance with Article IX of these By-Laws;

(e) issue, or cause an appropriate officer to issue, upon demand by any Owner, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates; and

(f) procure and maintain adequate liability and hazard insurance, as necessary and appropriate.

## **ARTICLE IX**

### **Adoption of Annual Budget**

The annual budget of the Association shall be adopted by the Board for each fiscal year. The annual budget shall not exceed the total revenue expected to be received by the Association for that fiscal year through the payment by Owners of standard and special assessments levied by the Association against Lots and Owners as provided in the Declaration. The annual budget may provide for the maintenance of a reserve fund for future known and unknown expenditures.

## **ARTICLE X**

### **Officers and Their Duties**

Section 1. Enumeration of Officers. The officers of this Association shall be a President, a Secretary and a Treasurer, and such other officers as the Board 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 following each Annual Meeting.

Section 3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless such officer shall sooner resign,

or shall be removed, or is otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect 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 the Board. Any officer may resign at 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 replaced.

Section 7. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board; shall see that orders and resolutions of the Board are carried out; shall sign along with one (1) other officer all written instruments other than checks. The President, or another officer designated by the President, shall sign all checks.

Vice-President

(b) The Vice-President, if one is appointed by the Board, shall act in the place and stead of the President in the event of the President's absence or inability to act, and shall exercise and discharge such other duties as required by the Board.

Secretary

(c) 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; serve any notice required to be given by the Association by the Declaration, the Articles of Incorporation or these By-Laws; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such duties as required by the Board.

### Treasurer

(d) 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; provided, however, that a resolution of the Board shall not be necessary for disbursement made in the ordinary course of business conducted within the limits of the annual budget adopted by the Board; keep proper books of accounts; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, if same shall be requested in writing by Members who are entitled to vote one-fourth (1/4) of all the votes held by Members; and prepare an annual report of income and expenditures to be presented to the Board and to the membership at the Annual Meeting. A copy of the annual report and audit, if prepared, shall be delivered by the Treasurer to the Members at least ten (10) days prior to the Annual Meeting. The duties of the Treasurer may be delegated by the Board to a management company or an accounting firm.

## **ARTICLE XI**

### Committees

Section 1. Architectural Review Committee. There is hereby established an Architectural Review Committee for the purpose of exercising the powers and carrying out the responsibilities delegated to it under the Declaration. The members of the Architectural Review Committee shall be appointed as set forth in the Declaration and may be removed by majority vote of the Directors at any time, with or without cause.

The term of an Architectural Review Committee member appointed by the Board shall be three (3) years.

Section 2. Other Committees. The Board shall appoint such other committees as may be deemed appropriate for carrying out the purposes of the Association.

## **ARTICLE XII**

### Indemnification of Directors and Officers

The Association shall, to the maximum extent permitted by Maryland law, indemnify each of its Directors and officers against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact any such person is or was an agent of the Association. For purposes of this Section, an "agent" of the Association includes any person who is or was a Director or officer of the Association.



**ARTICLE XIII**  
**Limitation of Director and Officer Liability**

Liability of Directors and Officers to the Corporation or its Members for money damages shall be limited to the full extent permissible by MD. CODE ANN., Courts and Judicial Proceedings Article, Section 5-406 and 418 and Corporations and Associations Article, Section 2-405.2, as same may be amended or recodified from time to time.

**ARTICLE XIV**  
**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 By-Laws of the Association shall be available for inspection by any Member and copies shall be provided to any Member at reasonable cost.

**ARTICLE XV**  
**Corporate Seal**

In the event that the President shall direct the Secretary to obtain a corporate seal, the corporate seal shall be circular in form and shall have inscribed thereon the name of the Corporation, the year of its organization and the word "Maryland". Duplicate copies of the corporate seal may be provided for use in the different offices of the Corporation but each copy thereof shall be in the custody of the Secretary of the Corporation.

**ARTICLE XVI**  
**Amendments**

Section 1. These By-Laws may be amended by the Members by a vote of two-thirds (2/3) of all votes entitled to be cast by Members, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of the Association may not be amended except as provided in the Articles of Incorporation or applicable law, and provided further, that any matter herein which is governed by the Declaration may not be amended except as provided in the Declaration.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

**ARTICLE XVII**

Miscellaneous

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

August 22, 2005

(Date)

Linda Veach, Secretary