

# BY-LAWS

BY-LAWS

OF

ASHLAND HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Ashland Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 54 Scott Adam Road, Hunt Valley, Maryland 21030, but meetings of Members and Directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. The terms "Association", "Common Area", "Lots", "Owner" and "Property" as used in these By-Laws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions relating to the Subdivision dated *May 6, 1987* and recorded among the Land Records of Baltimore County in Liber S.M. No. 7531, folio 545. ("Declaration").

Section 2. "Member" means those persons or entities entitled to membership in the Association as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are (i) entitled to vote one-fourth (1/4) of all of the votes of the Class A Membership or (ii) entitled to vote one-fourth (1/4) of all of the votes of the Class B Membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than thirty (30) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member of the Association for the purpose of notice. The notice shall specify the place, day and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10th) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in 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.

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 his 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 three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association, but shall never be less than three (3).

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter 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, pursuant to these By-Laws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render 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 approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

#### ARTICLE V

##### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more other persons. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members, to serve until the close of the annual 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. Nominations may be made from among Members or non-Members of the Association.

Section 2. Election. Election to the Board of Directors shall be

by written ballot. At the 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. Cumulative voting is not permitted.

#### ARTICLE VI

##### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two 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 at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

#### ARTICLE VII

##### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

(a) adopt and publish rules and regulations governing the use of the Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their quests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an 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 Members by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties. Any agreement entered into for the professional management of the Association, or any other contract providing for the services of the developer, sponsor or builder, may not exceed one (1) year; however, such agreement may be renewable by agreement of the parties for successive one-year periods. Any such agreement must provide; (i) for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice, and (ii) for termination by the Association for cause and without payment of a termination fee on thirty (30) days or less written notice.

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

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Class A Members or by the holders of one-fourth (1/4) of the votes of the Class B Members;

(b) supervise all officers, agents and employees of this 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 annual assessment against each Lot not later than February 1st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 1st of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(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 the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of the payment with respect to any person relying on the certificate);

(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; and

(g) cause the Common Areas to be maintained.

#### ARTICLE VIII

##### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, 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 of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

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 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 the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the 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 the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two (2) offices may be held by the same person.

Section 8. 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 of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

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 By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

#### ARTICLE XI

##### ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's 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

##### AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3rds) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XII to the contrary notwithstanding, the Members shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these By-Laws or as from time to time amended or supplemented. However, this unilateral right, power and authority of the Members may be exercised only if either the Veterans Administration or the Federal Housing Administration or any successor agencies thereto shall require such action as a condition precedent to the approval by such agency of the United States of the Property or any part thereof or any Lots thereon for federally approved mortgage financing purposes under applicable Veterans Administration, Federal Housing Administration or similar programs. If the Veterans Administration or the Federal Housing Administration or any successor agencies thereto approve the Property or any part thereof or any Lot therein for federally approved mortgage financing purposes, any amendments to these By-Laws made during any period of time when there are Class B Members of the Association shall also require the prior consent of the agency giving such approval.


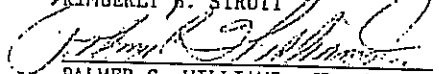
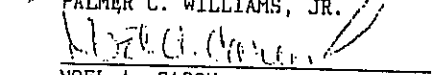
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these By-Laws, the Declaration shall control.

#### ARTICLE XIII

##### 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, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all the Directors of Ashland Homeowners Association, Inc., have hereunto set our hands this 6<sup>th</sup> day of May, 1987

  
KIMBERLY D. STRUTT  
  
PALMER C. WILLIAMS, JR.  
  
NOEL A. CARON



CERTIFICATION

I, the undersigned, do hereby certify:  
THAT I am the duly elected and acting secretary of Ashland Homeowners Association, Inc., a Maryland corporation; and

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 6 day of May, 1987.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6<sup>th</sup> day of May, 1987.

Noel A. Caron  
NOEL A. CARON

WITNESSED AND SUBSCRIBED my hand and seal of office this 5/15/87  
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SECRETARY

AMENDMENT TO BY-LAWS OF  
ASHLAND HOMEOWNERS ASSOCIATION, INC.

THIS AMENDMENT TO BY-LAWS ("Amendment") is made this  
22 day of April, 1992 by the Ashland Homeowners  
Association, Inc. (the "Association"), a non-stock corporation  
comprised of owners of lots in the Ashland subdivision in  
Baltimore County, Maryland.

INTRODUCTORY STATEMENT

A. The Association was created by recordation of a  
Declaration of Covenants, Conditions and Restrictions dated May  
6, 1987 and recorded among the Land Records of Baltimore County,  
Maryland at Liber S.M. 7531, folio 545.

B. The Members of the Association have duly  
authorized and approved the amendments to the By-laws hereinafter  
set forth in the manner and by the vote required by law and by  
Article XII of the By-laws.

NOW, THEREFORE, the undersigned officers of the  
Association hereby certify that the By-laws have been amended and  
modified as follows:

1. Article III ("Meeting of Members") is amended by  
adding thereto new Section 6:

Section 6. Informal Action. Whenever the  
Members are required or permitted by the  
provisions of the Declaration or these By-  
laws to give or withhold their approval or  
consent or to take any other action or  
whenever the taking of any action by the  
Association, or the effectiveness thereof, is  
conditioned by any of such provisions upon

the approval or consent thereto by the Members or upon them having taken any other action, such approval or consent may be given or withheld, and such action will be taken by the Members without a formal meeting of the Association having been held for such purpose, provided that number of votes which would have been sufficient to cause such approval or consent to be given or withheld or such action to be taken at a meeting duly called for such purpose at which a quorum of members were present and voting on such question, have consented thereto in writing.

2. Article IV ("Board of Directors Selection: Term of Office"), Section 2 ("Term of Office") is amended by deleting therefrom the second and third grammatical sentences thereof, and substituting therefor the following:

Commencing with the 1992 Annual Meeting of the Association, three (3) Directors shall be elected by the Members. The term of office of one such Director shall be fixed at three (3) years, the term of office of the second Director shall be fixed at two (2) years, and the term of office of the remaining Director shall be fixed at one (1) year. The Nominating Committee shall make the designation of terms in its nominations, but if it fails to do so, or a person not nominated by the Nominating Committee is elected, the assignment of a term to each Director shall be made based on the number of

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votes received with the person getting the highest number of votes getting a three (3) year term, the person receiving the next highest number of votes getting a two (2) year term, and the remaining person getting a one (1) year term. In case of a tie vote, the assignment of terms shall be made by agreement of the persons who are tied, or failing an agreement, the selection will be made by lot under direction of the then President of the Association. At the Annual Meetings in 1993 and thereafter, one (1) Director shall be elected for a three (3) year term. In addition, if any Director has been replaced prior to the expiration of his normal term of office, his or her successor shall be elected at the next annual meeting of the Association to serve for a term of one (1) or two (2) years, as the case may be, until the end of the term for which the replaced Director was originally elected.

3. Article V ("Nomination and Election of Directors") Section 1 ("Nomination") is amended by deleting therefrom the second grammatical sentence thereof, and substituting therefor the following:

Nominations may also be made by written nomination signed by at least ten (10) Members and delivered to the Secretary of the Association no later than fifteen (15) days prior to the date of the annual meeting.

4 " Except as herein amended and modified, the By-laws remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Association has caused this Amendment to be executed and sealed on its behalf by its duly authorized officers the day and year first above written.

WITNESSETH:

ASHLAND HOMEOWNERS  
ASSOCIATION, INC.

Douglas B. Schoettinger BY: Lee Rock Pres. (SEAL)  
Lee Rock, President  
Douglas B. Schoettinger BY: Douglas B. Schoettinger  
Douglas B. Schoettinger  
Secretary

STATE OF MARYLAND )  
CITY/COUNTY OF BALTIMORE )

I HEREBY CERTIFY that on this 22<sup>nd</sup> day of April, 1992, before me, the subscriber, a Notary Public for the State aforesaid, personally appeared Lee Rock, President and Douglas B. Schoettinger, Secretary of the Ashland Homeowners Association, Inc. who acknowledged the foregoing Amendment to By-laws to be the act of said Association and further acknowledged and certified that Douglas B. Schoettinger, as Secretary, is the person specified in Article VIII, Section 8 of the By-laws to tally all votes cast on questions coming before each meeting of the Association and that the foregoing Amendment to By-laws was approved by the percentage of votes required by law and by the By-laws of the Association.

AS WITNESS my hand and Notarial Seal

David N. Johnson  
Notary Public

My Commission Expires: 5/1/1993

