



*Homeowners Association  
Manual*

*Cooke's Hope*  
*Homeowners Association Manual*

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*FIRST AMENDED DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS  
COOKE'S HOPE*

RECORD FEE	55.00	RECORD FEE	55.00
TOTAL	55.00	TOTAL	55.00
Rest #	36339	Rest #	36339
WAS	407	WAS	407
May 29, 1999	11:24 AM	May 29, 1999	11:24 AM
IMP FD SURE #	2.00	IMP FD SURE #	2.00
RECORD FEE	28.00	RECORD FEE	28.00
TOTAL	30.00	TOTAL	30.00
Rest #	36339	Rest #	36339
WAS	407	WAS	407
May 29, 1999	11:24 AM	May 29, 1999	11:24 AM

THIS FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("First Amended Declaration") is made this 17<sup>th</sup> day of MAY, 1999, by Cooke's Hope LLC, a Maryland limited liability company; Cheston Limited Partnership, a Maryland limited partnership; and Trippes Creek LLC, a Maryland limited liability company, hereinafter collectively referred to as "Successor Declarants".

RECITALS

1. William T. Hunter, Jr., Christine F. Hunter, Russell W. Fisher, Christine S. Fisher, Howard William Hunter, David Christian Hunter, Peter Jasper Hunter, Matthew Allen Fisher and Kate Elizabeth Fisher ("Original Declarant") has heretofore subjected certain property consisting of 99.8 acres, more or less, located in Talbot County, Maryland, on the northerly side of Peachblossom Creek and known as "Springfield" to certain covenants, conditions and restrictions by the recording of a Declaration of Covenants, Conditions and Restrictions dated June 1, 1988 and recorded among the Land Records of Talbot County, Maryland in Liber 651, folio 931 ("Declaration"); and
2. The Original Declarant added lands to the property subject to the Declaration by virtue of a Supplementary Declaration of Covenants, Conditions and Restrictions Cook's Hope dated July 29, 1992 and recorded among the Land Records of Talbot County, Maryland Liber No. 730, folio 850 ("Supplementary Declaration"); and
3. The area known as "Springfield" and covered by the Declaration constitutes a portion of three farms owned by the Original Declarant and known as "Peachblossom Farm Annex," "Springfield," and "Cook's Hope," consisting in the aggregate of approximately 475.493 acres and referred to in the Declaration, as well as all amendments thereto, collectively as the "Cooke's Hope" community; and
4. By a Deed dated April 20, 1994 and recorded among the Land Records of Talbot County, Maryland in Liber 778, folio 429, the Original Declarant conveyed to Cooke's Hope LLC a portion of the original 475.493 acre tract consisting of 162.365 acres, more or less, and being more particularly described therein; and
5. By a Deed dated December 23, 1994 and recorded among the Land Records of Talbot County, Maryland in Liber 794, folio 98, the Original Declarant conveyed to Trippes Creek LLC a portion of the original 475.493 acre tract, and being more particularly described therein; and

6. By a Deed dated March 3, 1996 and recorded among the Land Records of Talbot County, Maryland in Liber 823, folio 213, Cheston Limited Partnership and Trippes Creek LLC conveyed to Cheston Limited Partnership a portion of the original 475.493 acre tract, and being more particularly described therein; and

7. On August 26, 1996 the Cooke's Hope LLC executed Supplemental Declaration of Covenants, Conditions and Restrictions ("Supplemental Declaration") recorded among the Land Records of Talbot County, Maryland on August 27, 1996 at Liber No. 0837 Folio 237; and

8. Cooke's Hope LLC, Trippes Creek LLC and Cheston Limited Partnership collectively are "Successor Declarants".

9. The Successor Declarants intend by this First Amended Declaration to provide for the preservation of values and amenities in the community and for the maintenance of common areas and community facilities; and

10. Pursuant to the terms of Section 3 of Article II of the Declaration, the Original Declarant reserved the absolute right to enlarge the Cooke's Hope community and to include within the community villages, additional common areas and community facilities and the Successor Declarants intend to, once again, enlarge the Cooke's Hope community and develop certain additional properties; and

11. The Successor Declarants further intend that this First Amended Declaration rescind and replace the previous Declaration, Supplementary Declaration and Supplemental Declaration; and

12. In accordance with Section 1 of Article X of the Declaration, which provides in pertinent part, that the Declaration "may be amended only by an instrument executed and acknowledged by Members of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership...;" and

13. Section 1 of Article III of the Declaration provides in pertinent part that "each Member shall be entitled to one (1) vote for each Lot in which such Member holds the interest required for membership.....Notwithstanding the foregoing, the Declarant shall be entitled to three (3) votes for each Lot that it owns;" and

14. At the time of execution of this First Amended Declaration, the Successor Declarants collectively are the owners of more than two-thirds of the Lots within the Cooke's Hope community, thus are entitled to cast at a minimum three times, two-thirds of the vote of the Membership of the Association.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are not merely

May 17, 1999



prefatory but made part hereof, the Successor Declarants hereby rescind the recording of the Declaration, Supplementary Declaration and Supplemental Declaration, in its entirety and hereby declares that the real property described in Section 2 of Article II is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens (hereinafter sometimes referred to as "covenants and restrictions") hereinafter set forth all of which are agreed to be in aid of the plan for the improvement of said property and shall be deemed to run with and bind the land, and shall inure to the benefit of and be enforceable by the Successor Declarants, their successors and assigns, and any person acquiring or owning an interest in said property and improvements, including without limitation, any person, group of persons, corporation, trust, or other legal entity, or any combination thereof, who holds interest solely as security for the performance of an obligation.

#### ARTICLE I

1. Definitions. The following words, when used in this First Amended Declaration, shall have the following meanings:

(a) "Architectural and Environmental Review Committee" means the Architectural and Environmental Review Committee established pursuant to Article VII hereof.

(b) "Association" means the Cooke's Hope Home Owner's Association, Inc., and its successors and assigns.

(c) "Board of Directors" means the Board of Directors from time to time of the Association.

(d) "Boat Slip" means that space on, above and below the surface of the water which is located between the pilings on one side and the finger piers or pilings on the other side and between the bulkhead on the landward side and the outermost piling on the channel side. The Boat Slips shall not include the pilings, finger piers, bulkhead, seawall, platforms or walkways adjacent to the Boat Slips.

(e) "Common Areas" and "Community Facilities" means all of the land, buildings and property within the Community owned or leased by the Association or otherwise available to the Association for the benefit, use and enjoyment of its Members.

(f) "Community Dock: means the dock at which the Boat Slips are located.

(g) "Cooke's Hope" shall mean and refer to all areas of those certain tracts or parcels of land consisting of 475.493 acres, more or less, described in this First Amended Declaration and shall

hereinafter be used to designate such parcels or any portions thereof, in lieu of "Cook's Hope."

(h) "The Village of Cooke's Hope" shall mean and refer to that certain area described in Article II of this First Amended Declaration and consisting of 27.394 acres, more or less, and shall be further deemed to include any additional areas which may be included in The Village of Cooke's Hope by the Successor Declarants at any time in the future by the recording of one or more additional supplemental declarations.

(i) "Declarant" or "Developer" or "Grantor" means the Declarant hereinabove identified in the preamble to the Declaration, and its successors and assigns; provided, however, that the rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant shall not inure to the benefit of or burden the successors and assigns of the Declarant except to the extent that any of the rights, reservations, easements, interests, exemptions, privileges or powers of the Declarant are specifically assigned or transferred to any such successor or assigned by an instrument in writing. For the purposes of this First Amended Declaration, Declarant may also mean "Successor Declarants".

(j) "Dwelling" means any building or portion of a building situated upon the Property and designed and intended for use and occupancy as a residence by a single person family, including a townhome.

(k) "The Galloways" means and refers to that certain area described in Article II of this First Amended Declaration and consisting of 50.430 acres of land more or less, and shall further be deemed to include any additional areas which may be included in The Galloways by the recording of one or more additional supplemental declarations at some time in the future.

(l) "Lot" means all subdivided parcels or property which are part of the Property.

(m) "Member" means every person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds a Membership in the Association.

(n) "Mortgagee" or "Holder", means the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage", shall include a deed of trust. "First Mortgage" means a mortgage with priority over other mortgages.

(o) "Owner" or "Owners" means the record Owner, whether one or more persons or entities, of the fee simple title to any Lot, including the Declarant and contract sellers, but excluding those having such interest solely as security for the performance of an obligation.

(p) "Plats" means all those Plats referred to and described in Article II, Section 1.

(q) "Private Road" means any road located within the Cooke's Hope community which is not owned by the Town of Easton, Maryland, Talbot County, Maryland or any other government utility company or public roads commission.

(r) "Project" and "Community", means that certain community being developed by the Declarant on the Property.

(s) "Property" means all of the real property described in Section 2 of Article II hereof and such additions thereto as may hereafter be made pursuant to the provisions of Article II.

(t) "Successor Declarants" shall mean Cooke's Hope, LLC, a Maryland limited liability company, Cheston Limited Partnership, a Maryland limited partnership and Trippes Creek LLC, a Maryland limited liability company.

(u) "Townhome" shall mean one of two or more residential dwellings with a common or party wall separating each dwelling unit from each other.

(v) "Townhome Group" shall mean each of the separated groups of townhomes.

(w) "Townhome Section" shall mean the parcel of land designated for or containing one or more Townhome Groups.

## ARTICLE II

1. The property described herein this Article II 1(a) through 1(e) shall be subject to this First Amended Declaration.

(a) All that land described, shown and designated as Lots 1 through 31, including "Community Area, Reserve Area" and the private roadways designated as "Cooks Hope Road" (also known as Cooke's Hope Road) and "Springfield Drive" on a plat titled "PLAT SHOWING SPRINGFIELD SUBDIVISION IN THE FIRST ELECTION DISTRICT, TALBOT COUNTY, MARYLAND prepared by McCrone, Inc, dated October 1985 and recorded among the Plat Records of Talbot County, Maryland at Liber 68, folio 13. Also including all the land described and shown on a "PLAT SHOWING LOTS 15 - 22 AND 28 A&B, SPRINGFIELD SUBDIVISION FIRST ELECTION DISTRICT, TALBOT COUNTY, MARYLAND", prepared by Rauch, Walls and Lane, Inc., dated November 1986, Scale 1"=200', and recorded among the Plat Records of Talbot County Maryland, in Plat Cabinet 1, folio 32B.

(b) All that land described, shown and designated Lots 32, 33, 34, 35 and 36 on a plat titled "PLAT SHOWING LOTS 32 THROUGH 36, 'SPRINGFIELD' FIRST ELECTION DISTRICT, TALBOT COUNTY, MARYLAND", prepared by Rauch, Walls and Lane, Inc., dated

May 1992, Scale 1"=200', and recorded among the Plat Records of Talbot County Maryland, in Plat Cabinet 2, folio 55CC.

(c) All that land described as Phase I of the proposed Cooke's Hope Village consisting of 27.394 acres, more or less, as more particularly shown and described on a plat consisting of two (2) sheets titled "SUBDIVISION PLAT PHASE I COOKE'S HOPE P.U.D. IN THE TOWN OF EASTON IN THE FIRST ELECTION DISTRICT, TALBOT COUNTY, MARYLAND," dated May 1996 (revised through 8/16/96), prepared by McCrone, Inc. and recorded among the Plat Records of Talbot County, Maryland in Plat Cabinet 3, Plat Nos. 86EE and 87E; and

(d) All that real property described as The Galloways and shown as "AREA = 50.430 ACRES (TOTAL) on sheet 1 of 2 of a plat entitled "FINAL PLAT OUTLINE BOUNDARY PHASE 1B, THE GALLOWAYS FIRST ELECTION DISTRICT, TALBOT COUNTY, MARYLAND," dated January 1999, prepared by Lane Engineering, Inc. and recorded among the Plat Records of Talbot County, Maryland in Plat Cabinet 4, Plat Nos. 87 G and GG, containing 50.430 acres more or less, as well as any plat showing future phases of The Galloways.

2. Property Not Subject to First Amended Declaration. That remaining property, which is part of Cooke's Hope but not specifically described herein this Article II sections 1(a) through 1(d), shall not be subject to the terms, conditions and restrictions of this First Amended Declaration.

3. Additions or Deletions: The Declarant may add portions of Cooke's Hope to the Property without the assent of the Members of the Association. The scheme of the within covenants and restrictions shall be extended to include any such additional property. Any annexations shall be made after the consent of the appropriate governmental authorities having jurisdiction is first obtained, by recording a supplementary Declaration of Covenants and Restrictions among the Land Records for Talbot County, Maryland. Such supplementary Declaration may contain such complementary additions and modifications to the covenants and restrictions as may be necessary to reflect the different character or land use of the property thus annexed, provided, however, that in no event shall any such addition or modification be substantially inconsistent with the provisions of the within this First Amended Declaration.

### ARTICLE III

1. Association Membership. The Association shall have one class of Members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, including the declarant and contract sellers, who is a record Owner of a fee interest in any Lot shall be a Member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Member solely on account of such interest. Each Member shall be entitled to one (1) vote for each Lot in which such Member holds the interest required for Membership. When there is more than one record Owner of a Lot, all of such record

Owners shall be Members; however, the vote for such Lot shall be exercised as such Owners shall among themselves determine and, in no event, shall more than one (1) vote be cast with respect to such Lot. Notwithstanding the foregoing, the Declarant shall be entitled to three (3) votes for each Lot that it owns.

2. Pre-emptive Rights. The Members of the Association shall have no preemptive rights, as such Members, to acquire any Memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article.

#### ARTICLE IV

1. Member's Right of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Areas and Community Facilities and such easement shall be appurtenant to and shall pass with the fee title to every Lot subject to the following:

- (a) the right of the Association, in accordance with its Articles of Incorporation and By-Laws, and with the approval of the members of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership, to borrow money for the purpose of improving the Common Areas and Community Facilities in a manner designed to promote the enjoyment and welfare of the Members and in aid thereof to mortgage any of the Common Areas and Community Facilities; and
- (b) the right of the Association to take such steps as are reasonably necessary to protect the Property of the Association against mortgage default and foreclosures; provided, however, that the same are in conformity with the other provisions of this First Amended Declaration; and
- (c) the right of the Association to adopt reasonable rules respecting use of the Common Areas and Community Facilities and to reasonably limit the number of guests of Members permitted to use any facilities which are developed upon the Property; and
- (d) the right of the Association to suspend the voting rights and the rights to use the Common Areas and Community Facilities for any period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of any of the published rules and regulations of the Association; and
- (e) the right of the Association to dedicate or transfer all or any part of the Common Areas or Community Facilities to any public or municipal agency, authority or utility for purposes consistent with the purpose of this First Amended Declaration and subject to such conditions as may be agreed to by the Members; provided, however, that no such dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless Members of the Association entitled to cast two-thirds (2/3) of the total votes of the membership consent to such dedication, transfer, purpose and conditions; and, provided further, that any such dedication or transfer shall also be subject to the limitations provided for in Article IX of this First Amended



Declaration; and

(f) the right of the Association, to grant licenses, rights-of-way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, the installation of cable television lines, to any municipal agency, public utility, the Declarant or any other person; provided, however, that no such licenses, rights-of-way or easements shall be unreasonably and permanently inconsistent with the rights of the Members to the use and enjoyment of the common Areas and Community Facilities.

2. Delegation of Right of Use. Subject to the terms and conditions of Section 10 of Article VII with respect to Boat Slips, any Member of the Association may delegate his rights to the use and enjoyment of the Common Areas and Community Facilities to the members of his family who reside permanently with him and to his tenants guests.

## ARTICLE V

### 1. Annual Maintenance Assessments.

(a) Each Owner of a Lot within the Property, (i.e., each Member of the Association), by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association, in advance, on the first day of each calendar quarter, a sum (herein referred to as "maintenance assessments") equal to one-fourth (1/4) of the Member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expenses, including but in no way limited to the following:

(i) the cost of all operating expenses of the Common Areas and Community Facilities and the services furnished to or in connection with the Common Areas and Community Facilities, including charges by the Association for any services furnished by it; and

(ii) the cost of necessary management and administration of the Common Areas and Community Facilities, including fees paid to any Management Agent; and

(iii) the amount of all taxes and assessments levied against the Common Areas and Community Facilities; and

(iv) the cost of liability insurance on the Common Areas and Community Facilities and the cost of such other insurance as the Association may effect with respect to the Common Areas and Common Facilities; and

(v) the cost of utilities and other services which may be provided by the Association, whether for the Common Areas and Community Facilities; and

(vi) the cost of maintaining, replacing, repairing, and landscaping the Common Areas, including, without limitation, maintenance of any storm water detention basins or the like located upon the Common Areas and the cost of the maintenance of all pathways upon the Common Areas; and

(vii) the cost of providing for grass cutting and lawn maintenance of all Common Areas, and the maintenance and operation of the Community Facilities; and

(viii) the cost of funding all reserves established by the Association, including, when appropriate, a general operating reserve and a reserve for replacements; and

(ix) the cost of legal, accounting, architectural and other professional services.

(b) The Board of Directors shall determine the amount of the maintenance assessment annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of annual assessments may be levied and collected on a monthly, semi-annual or annual basis rather than on the quarterly basis hereinabove provided for. Any Member may prepay one or more installments on any annual maintenance assessment levied by the Association, without premium or penalty.

(c) The Board of Directors shall make reasonable efforts to fix the amount of the annual maintenance assessment against each Lot for each assessment period at least thirty (30) days in advance of the beginning of such period and shall, at that time, prepare a roster of the Lots and the annual maintenance assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner upon reasonable notice to the Board. Written notice of the annual maintenance assessments shall be sent to the Members. The omission by the Board of Directors, before the expiration of any assessment period, to fix the amount of the annual maintenance assessment hereunder for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this Article or a release of any Member from the obligation to pay the annual maintenance assessment, or any installment thereof, for that or any subsequent assessment period shall continue until a new maintenance assessment is fixed. No Member may exempt himself from liability for maintenance assessments by abandonment of any Lot belonging to him or by the abandonment of his right to the use and enjoyment of the Common Areas and Community Facilities.

(d) Except as may be specifically provided for herein, this First Amended Declaration does not contemplate that the Association shall have any responsibility for the maintenance or repair of the Dwellings or their appurtenances and the responsibility and duties of the Association for maintenance and repairs shall be limited to the Common Areas and Community Facilities.

2. Special Maintenance Assessments. In addition to the regular maintenance assessments authorized by this Article, the Association may levy in any assessment year a special

maintenance assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, extraordinary repair or replacement of a described capital improvement located upon, or forming a part of the Common Areas and Community Facilities, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate; provided, however, that any such assessment shall have the assent of the Members of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership.

3. Reserves for Replacements. The Association shall establish and maintain a reserve fund for replacement of the Common Areas and Community Facilities, by the allocation and payment calendar quarterly by the Board of Directors. Such fund shall be conclusively deemed to be a common expense of the Association and may be deposited with any banking institution, the accounts of which are insured by an agency of the United State of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America.

The reserve for replacement of the Common Areas and Community Facilities may be expended only for the purpose of affecting the replacement of the Common Areas and Community Facilities, major repairs, equipment replacement, and operating contingencies of a non-recurring nature relating to the Common Areas and Community Facilities. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of any Member in any such reserves shall be considered an appurtenance of his Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Lot to which it appertains and shall be deemed to be transferred with such Lot.

4. Increase in Annual Maintenance Assessment.

(a) From and after January 1, 1990, the annual maintenance assessment for all Memberships may be increased by the Board of Directors without a vote of the Membership, by an amount equal to five percent (5%) of the annual assessment for the preceding year plus the amount by which any ad valorem real estate taxes and casualty and other insurance premiums and utility costs payable by the Association have increased over amounts payable for the same or similar items for the previous year, plus the amount by which the Consumer Price Index for Urban Wage Earners and Clerical Works, U.S. City Average, All Items, published by the Bureau of Labor Statistics of the Department of Labor of the United States (1982-1984=100) shall have increased above the level prevailing as of the date of the recording of this First Amended Declaration. In addition, to the foregoing, the assessments may be further increased as may be dictated by the results of the comprehensive analysis of reserve requirements.

(b) The annual maintenance assessments for all Memberships may be increased above that established by the preceding paragraph by a vote of the Members, as hereinafter provided, for the



next succeeding year and, thereafter, at the end of such year, for each succeeding year. Any change made pursuant to this paragraph shall have the assent of the Members of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership.

5. The Galloways Assessment and Maintenance Easement.

(a) Reservation of Maintenance Easement. The Declarant hereby reserve for themselves, their successors and assigns, a nonexclusive easement for access and maintenance through, over and across each Lot located within The Galloways for the purpose of maintaining, repairing, improving or altering any Lot and/or exterior of any structure located in The Galloways.

(b) Galloways Assessment. The Board of Directors of the Association shall have the authority to levy and collect assessments for The Galloways, in addition to the annual assessments and special assessments which may be levied against all properties within the Cooke's Hope community, for purposes including but not limited to the maintaining, repairing, improving or altering any Lot and/or the exterior of any townhome or Townhome Group. Maintaining, repairing, improving or altering includes but is not limited to lawn and yard maintenance, roof repairs, and painting and siding.

6. The Village of Cooke's Hope Assessment and Maintenance Easement.

(a) Reservation of Maintenance Easement. The Declarant hereby reserve for themselves, their successors and assigns, a nonexclusive easement for access and maintenance, through, over and across each Lot located within The Village of Cooke's Hope for the purpose of maintaining, repairing, improving or altering any Lot located in The Village of Cooke's Hope.

(b) The Village of Cooke's Hope Village Assessment. The Board of Directors of the Association shall have the authority to levy and collect assessments for The Village of Cooke's Hope, in addition to the annual assessments and special assessments which may be levied against all properties within the Cooke's Hope community for purposes including, but not limited to, maintaining any Lot within The Village of Cooke's Hope. Maintenance of a Lot within The Village of Cooke's Hope includes but is not limited to lawn and yard maintenance.

ARTICLE VI

1. Non-Payment of Assessments. Any assessment levied pursuant to this First Amended Declaration, or any installment thereof, which is not paid on the date when due shall be delinquent and shall, together with interest thereon and the cost of collection thereof, including reasonable attorney's fees, become a continuing lien upon the Lot or Lots belonging to the Member against whom such assessment is levied and shall bind such Lot or Lots in the hands of the then Owners,

his heirs, devisees, personal representatives and assigns. The personal obligation of the Member to pay such assessment shall, in addition, remain his personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any assessment levied pursuant to this Declaration, or any installment thereof, may be maintained without foreclosing or waiving the lien herein created to secure the same.

(b) Any assessment levied pursuant to this First Amended Declaration, or any installment thereof, which is not paid within ten (10) days after it is due, may, upon resolution of the Board of Directors, bear interest at a rate not to exceed the maximum legal rate permitted from time to time in the State of Maryland, and may, by resolution of the Board of Directors, subject the Member obligated to pay the same to the payment of such penalty or "late charge" as the Board of Directors may fix, and the Association may bring an action at law against the Member personally obligated to pay the same, or foreclose on the lien against the Lot or Lots then belonging to said Member in the manner now or hereafter provided for the foreclosure of mortgages, deed of trust or other liens on real property in the State of Maryland containing a power of sale and consent to a decree, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs and reasonable attorney's fees of not less than fifteen percent (15%) of the sum claimed shall be added to the amount of each assessment.

(c) The Association may establish and enforce a lien for any assessment, annual, special or additional granted herein pursuant to the Maryland Contract Lien Act. A lien is imposed upon the Lot against which such assessment is made. A lien may be established and enforced for damages, cost of collection, late charges permitted by law, and attorney's fees provided for herein or awarded by a court for breach of any of the covenants herein.

(d) The Association may notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to this First Amended Declaration becomes delinquent for a period in excess of thirty (30) days and in any other case where the Owner of such Lot is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days, but any failure to give such notice shall not affect the validity of the lien for any assessment levied pursuant to this Declaration, nor shall any such failure affect any of the priorities established in this Article.

2. Assessment Certificates. The Association shall upon demand at any time furnish to any Member liable for any assessment levied pursuant to this First Amended Declaration (or any other party legitimately interested in the same) a certificate in writing signed by an officer of the Association, setting forth the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A charge not to exceed Twenty-five Dollars (\$25.00) may be levied in advance by the Association for each certificate so delivered.

3. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levied pursuant to this First Amended Declaration, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

4. Priority of Lien. The lien established by this First Amended Declaration shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(a) general and special assessments for ad valorem real estate taxes on the Lot; and

(b) The liens of any deeds of trust, mortgage instruments or encumbrances duly recorded on the Lot prior to the assessment thereon of the lien provided for in this First Amended Declaration or duly recorded on said Lot after receipt of a written statement from the Board of Directors reflecting that payments on said lien were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance.

(c) Notwithstanding any other provision of this First Amended Declaration to the contrary, the lien of any assessment levied pursuant to this First Amended Declaration upon any Lot, as in this Article provided, shall be subordinate to the lien of any deed of trust, mortgage or other encumbrance duly recorded on such Lot and made in good faith and for value received and shall in no way affect the rights of the holder of any such deed of trust, mortgage or other encumbrance; provided, however, that such subordination shall apply only to assessments, and installments thereof, which have become due and payable prior to a sale or transfer of the Lot pursuant to a foreclosure of such deed of trust, mortgage or other encumbrance, or any deed, assignment or other proceeding or arrangement in lieu of foreclosure. Any holder of any deed of trust, mortgage or other encumbrance duly recorded on the Lot and made in good faith and for value received who comes into possession of the Lot pursuant to a foreclosure of such deed of trust, mortgage or other encumbrance, or any deed, assignment or other proceeding or arrangement in lieu of foreclosure, and any other purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid maintenance assessments levied against the Lot which accrue prior to the time such holder comes into possession of the Lot or prior to the foreclosure sale, except for claims for a proportionate share of such unpaid maintenance assessments resulting from a reallocation of such unpaid maintenance assessments among the Lots upon the Property. Such foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not, however, relieve the mortgagee in possession or the purchaser at any foreclosure sale from any liability for any maintenance assessments thereafter becoming due, or from the lien herein created to secure the payment of such maintenance assessments, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

(d) No amendment to this Section shall affect the rights of the holder of any first mortgage on any Lot (or the indebtedness secured thereby) recorded prior to recordation of such

amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

(e) The Board of Directors may, in its sole and absolute discretion, extend the provisions of this Section to the holders of mortgages (or in the indebtedness secured thereby) not otherwise entitled thereto.

5. Commencement of Annual Assessments. Except as may be otherwise resolved by the Board of Directors, the annual maintenance assessment for Membership shall commence on the date a deed for the Lot to which such Membership is appurtenant is delivered by the Declarant to the Member. The first calendar quarterly installment of each such annual assessment shall be made for the balance of the calendar quarter during which a deed for the Lot is delivered to the Member and shall become due and payable and a lien on the date a deed for the Lot is delivered to the Member. Except as herein elsewhere provided, the calendar quarterly installments of each such annual assessment for the Lot for any calendar quarter after the first calendar quarter shall become due and payable and a lien on the first day of each successive calendar quarter

## ARTICLE VII

### 1. Architectural and Environmental Review Committee.

(a) Except for construction or development from time to time undertaken by, for or under contract with the Declarant, and except for any improvements to any Lot or to the Common Areas or Common Facilities accomplished by the Declarant concurrently with said construction and development, and except for purposes of proper maintenance and repair; no building, fence, wall or other improvements or structures shall be commenced, directed, placed, moved, altered or maintained upon the Property, nor shall any exterior addition to or change (including any change of color) or other alteration thereupon be made until the complete plans and specifications showing the location, nature, shape, height, material, color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural and Environmental Review Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the Community by the Architectural and Environmental Review Committee.

(b) Subject to the same limitations as hereinabove provided for, it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, fences, wall, slabs, sidewalks, curbs, gutters, patios, balconies; porches, driveways, or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of any improvements constructed upon any Lot or upon any of the Common Areas or Common Facilities, or to remove or alter any windows or exterior doors of any Dwelling, until the complete plans and specifications, showing the location, nature,

shape, height, material color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural and Environmental Review Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the Community by the Architectural and Environmental Review Committee.

(c) No landscaping shall be conducted on any of the Lots until complete plans with respect thereto (including without limitation, any other information specified by the Architectural and Environmental Review Committee) shall have been submitted to and approved in writing as to safety and harmony in design in relation to surrounding Lots and topography and conformity with the design concept for the Community by the Architectural and Environmental Review Committee.

2. Architectural and Environmental Review Committee - Composition and Operation.

(a) The Architectural and Environmental Review Committee shall be composed of three (3) persons and the following persons are designated as the initial members:

- (i) CHRISTINE F. HUNTER - Member #1
- (ii) RICHARD B. FIRTH - Member #2
- (iii) WILLIAM T. HUNTER, JR. - Member #3

Unless the initial members of the Architectural and Environmental Review Committee have resigned, their respective terms of office shall be as follows:

- (i) The term of Member #1 shall expire on December 31, 1999.
- (ii) The term of Member #2 shall expire on December 31, 2000.
- (iii) The term of Member #3 shall expire on December 31, 2001.

Upon the expiration of each of the aforesaid terms of office, the Board of Directors, by a majority vote, shall appoint the new members of the Architectural and Environmental Review Committee and such members shall serve a three (3) year term of office.

(b) The affirmative vote of a majority of the members of the Architectural and Environmental Review Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article.



(c) Any member of the Architectural and Environmental Review Committee may, at any time, resign from the Architectural and Environmental Review Committee upon written notice to the Board of Directors. Vacancies on the Architectural and Environmental Review Committee, however caused, shall be filled by a majority vote of the Board of Directors within thirty (30) days of the creation of the vacancy. Any new member elected to the Architectural and Environmental Review Committee to fill a vacancy shall serve the unexpired term of the member vacated. Members of the Architectural and Environmental Review Committee may serve successive terms.

3. Approvals. Upon approval by the Architectural and Environmental Review Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such the Architectural and Environmental Review Committee and a copy of such plans and specifications bearing such approved, in writing, shall be returned to the applicant submitting the same. In the event the Architectural and Environmental Review Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within sixty (60) days after such plans and specifications (and all other materials and information required by the Architectural and Environmental Review Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with.

4. Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural and Environmental Review Committee pursuant to the provisions of this Article shall be commenced within six (6) months following the date upon which the same are approved by the Architectural and Environmental Review Committee (whether by affirmative action or by forbearance from action, as in Section 3 of this Article provided), and shall be substantially completed within twelve (12) months following the date of commencement, or within such other period as the Architectural and Environmental Review Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Architectural and Environmental Review Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviation from the plans and specifications approved by the Architectural and Environmental Review Committee without the prior consent in writing of the Architectural and Environmental Review Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural and Environmental Review Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

5. Certificate of Compliance. Upon the completion of any construction or alterations or other improvements or structures in accordance with plans and specifications approved by the Architectural and Environmental Review Committee in accordance with the provisions of this Article, the Architectural and Environmental Review Committee shall, at the request of the Owners thereof, issue a certificate of compliance which shall be prima facie evidence that such construction,

alteration or other improvements referenced in such certificate have been approved by the Architectural and Environmental Review Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of the First Amended Declaration as may be applicable.

6. Rules and Regulations - Architectural Control. The Architectural and Environmental Review Committee may from time to time adopt and promulgate such rules and regulations regarding the form and contents of plans and specifications to be submitted for approval and may publish and record such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, landscaping, fences, colors, setbacks, materials or other matters relative to architectural control and the protection of the environment, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of this Declaration. The Architectural and Environmental Review Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article. The decisions of the Architectural and Environmental Review Committee shall be final except that any Member who is aggrieved by any action or forbearance from action by the Architectural and Environmental Review Committee (or by any policy, standards or guidelines established by the Architectural and Environmental Review Committee) may appeal the decision of the Architectural and Environmental Review Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors.

7. Prohibited Uses and Nuisances.

(a) Except for the activities of the Declarant and its assignees during the construction or development of the Community, or as may be necessary in connection with reasonable and necessary repairs or maintenance upon the Common Areas or Common Facilities.

(i) No noxious or offensive trade or activity shall be carried on upon any Lot or within any Dwelling, nor shall anything be done therein or thereon, which may be or become an annoyance or nuisance to the neighborhood or other Members. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Dwelling or upon the exterior of any other improvements.

(ii) The maintenance, keeping, boarding or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited on any Lot or within any Dwelling, except that this shall not prohibit the keeping of dogs, cats or customary household animals as domestic pets, provided that such animals are not kept, bred or maintained for commercial purposes and, provided further, that such domestic pets are not a source of annoyance or nuisance to the neighborhood or Owners and do not roam at large. The Board of Directors shall have the authority, after a hearing, to determine whether a particular pet is a nuisance or a source of annoyance to other

Members, and such determination shall be conclusive. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law. Pets shall not be permitted upon the Common Areas or Community Facilities unless accompanied by a responsible person and unless they are carried or leashed. The Board of Directors shall have the right to adopt such additional rules and regulations regarding pets that it may from time to time consider necessary or appropriate. Notwithstanding the foregoing, the maintenance of horses, cattle and other livestock in future Common Areas of the Property as expanded shall be permitted.

(iii) No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except building materials during the course of construction of any approved Dwelling or other permitted structure.

(iv) No burning of trash shall be permitted on any Lot. If trash or other refuse is to be disposed of by being picked up and carried away on a regular basis, containers may be placed in the open on any day that a pickup is to be made at such place on the Lot so as to provide access to persons making such pickup. At all other times such containers shall be stored in such a manner so that they cannot be seen from any public way or from any other Lot.

(v) No junk vehicle, unlicensed or inoperable motor vehicle, commercial vehicle, (including, without limitation, panel trucks and other vehicles displaying the names or logos of businesses), trailer, camp truck, boats stored on trailers, house trailer, horse trailers, bus or other similar machinery or equipment of any kind or character (except for such equipment and machinery as may be customary and usual in connection with the use and maintenance of any Lot) shall be kept upon the Property unless stored or parked within garages or other permitted structures nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon.

(vi) No structure of a temporary character shall be erected, used or maintained on any Lot at any time.

(vii) No structure shall be erected, placed or maintained on any Common Area except:

- (1) Structures designed exclusively for the common use of Owners; and,
- (2) Drainage, storm and utility systems.

The Common Areas may be graded, planted with trees, shrubs or other plants for the use, comfort and enjoyment of the Owners, or for the establishment, retention or preservation of the natural growth or topography of the Common Areas, or for aesthetic reasons. Notwithstanding the foregoing, structures necessary for the maintenance of livestock in the common areas shall be permitted.



(viii) Except for entrance signs, directional signs, signs for traffic control or safety and such promotional sign or signs as may be maintained by the Declarant, no signs or advertising devices of any character, including realtor's signs, shall be erected, posted or displayed upon, in or about any Lot or Dwelling.

(ix) No commercial activities shall be conducted on any Lot, except that an Owner may conduct a professional occupation provided the occupation is conducted entirely within the Dwelling; there is no outdoor storage whatsoever associated with the occupation; the occupation does not employ anyone at the dwelling who is not a resident of the Dwelling in which the professional occupation is conducted; and, the professional occupation does not violate any of the other conditions or restrictions contained herein this Declaration.

(x) No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

(xi) No structure, planting or other material shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels.

(xii) No sound hardwood trees measuring in excess of six (6) inches in diameter, two (2) feet above the ground, shall be removed from any Lot without written approval of the Architectural and Environmental Review Committee. The Architectural and Environmental Review Committee may, from time to time, adopt and promulgate such additional rules and regulations regarding the preservation of trees and other natural resources and wildlife as it may consider appropriate.

(xiii) No poles or wires for the transmission of electricity, telephone and the like shall be placed or maintained above the surface of the ground on any Lot.

(xiv) No outside television aerial or radio antenna, or other aerial or antenna for either reception or transmission, shall be maintained upon any Lot except that such aerials or antennae may be erected and maintained within the Dwellings. A single satellite dish may be maintained on a Lot provided said dish is less than 18" in diameter, less than 36" in height and screened from view from neighboring properties and the road.

(xv) No Lot shall be subdivided provided, however, this restriction shall not apply to any Lot owned by the Declarant.

(xvi) No hunting shall be permitted on any Lot.

(xvii) No Dwelling and/or building appurtenant thereto, including, without limitation, detached garages, accessory dwellings, sheds, barns, tennis courts, swimming pools, children's play

houses, dog kennels, clotheslines, fuel tanks, garbage cans, incinerators, gardens and wood and/or compost piles shall be located within fifteen (15) feet of any boundary line of any Lot or within one hundred (100) feet from the mean high water line of any Lot, except as otherwise provided for herein this Section 7.

(xviii) No dock, pier or boat ramp shall be erected on, adjacent to or appurtenant to any Lot.

(xix) No excavation shall be made on any Lot except for the purpose of building thereon at the same time when the building operations are commenced, and no earth or sand shall be removed from any Lot except as a part of such operations; provided, however, that this restriction shall not be construed to prohibit the construction of swimming pools or ponds.

(xx) No exterior lighting shall be placed or fixed in such a manner as to cause a concentrated beam to be directed outside the boundaries of any Lot.

(xxi) No Lot shall be so used as to cause any pollution to waterways, streams or ponds on or adjacent to the Lots or to any adjoining property's water supplies. No Lots shall be so used or maintained as to cause any erosion of soil or sediment into such waterways, streams or ponds. During the grading and construction of any improvements upon any Lot, adequate arrangements shall be made to insure that no erosion of soil or sediment into such waterways, streams or ponds shall take place.

(xxii) The drilling of wells and the construction of private sewage disposal systems upon all Lots shall be in strict accordance with the Health Department regulation of Talbot County and/or the State of Maryland.

(xxiii) The parking of any type of vehicle, including but not limited to cars, vans, trucks and/or trailers on any Private Road or any area designated as an "alley" on any Plat is prohibited. Parking on a Private Road may be permitted under the following limited circumstances: (1) when said parking is incidental to a permitted function or gathering at a Lot and parking on the Private Road is necessary to accommodate the Owner's guests; or, (2) when construction, maintenance or repair work being performed on a Lot requires the Owner to park its vehicle(s) on the Private Road.

(xxiv) Dwellings located on a Lot within The Galloways and constructed by the Declarants, its successors, assigns or any agent thereof, shall have no setback requirement from any boundary line of any Lot within The Galloways.

(xxv) No accessory building and/or structure appurtenant to the dwelling shall be located on any Lot within The Galloways, unless said structure and/or building is constructed and/or located by the Declarants, its successors, assigns or any agent thereof.

(xxvi) No exterior improvements, maintenance, or repairs shall be made to any structure or dwelling within The Galloways unless said improvement, maintenance, or repair is authorized by the Board of Directors and made by an employee, agent or contractor of the Association.

(b) These restrictions shall not be construed as permitting any action or thing prohibited by the applicable zoning laws, or the laws, rules or regulations of any appropriate governmental authority. In the event of any such conflict, the most restrictive provision of such laws, rules, regulations or the restrictions shall be deemed to govern and control.

8. Residential Use. Except to the extent provided for herein this Declaration, all Dwellings shall be used for private residential purposes exclusively. Nothing contained in this Article, or elsewhere in this Declaration, shall be construed to prohibit the Declarant from the use of any Lot or Dwelling for promotional or display purposes, or as "model homes", a sales office, or the like.

9. Maintenance. Except for Owners of Lots located in The Galloways, each Owner shall keep his Lot, and all improvements therein or thereon, in good order and repair, including, but not limited to, the seeding, watering and mowing of the lawn, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management.

10. Boat Slips. There are twenty-four (24) Boat Slips currently located at the Community Dock. The Declarant, or the Association with the approval of Members entitled to cast two-thirds (2/3 rds) of the votes, shall have the right to enlarge the Community Dock and to construct additional Boat Slips or to reconfigure the Boat Slips. The Owners shall have the exclusive use of the Boat Slips subject to such rental as may be established by the Board of Directors from time to time, but such use may not be assigned, delegated or transferred to others. As among the Owners, each of the waterfront Lot Owners shall on an annual basis have the right of first refusal for the use of a Boat Slip, which right shall be exercisable by such Owner giving written notice of his desired use for the ensuing calendar year to the Board of Directors by no later than thirty (30) days prior to December 31<sup>st</sup> of the current year. Such Boat Ships that the waterfront Lot Owner do not elect to lease shall be made available to the Owners of the interior Lots on a "first come - first serve" basis or in accordance with such other method of selection as may be adopted by the Board of Directors from time to time.

11. Community Rules. The Board of Directors may, from time to time, adopt and promulgate such rules and regulations regarding the use of the Common Areas and Common Facilities as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the terms or conditions of any provision or requirement of this Declaration. The decision of the Board of Directors shall be final.

12. Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained in this Article shall occur or be maintained upon any Lot, or in the event of any other conduct in violation of any of the provisions or requirements of this First Amended Declaration, then the same shall be considered to have been undertaken in violation of the First Amended Declaration and, upon written notice from the Architectural and Environmental Review Committee, such violation shall be promptly removed or abated. In the event the same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days (or such shorter period as may be required in any such notice) after notice of such violation is delivered to the Owner of the Lot upon which such violation exists, then the Architectural and Environmental Review Committee shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and the cost thereof may be assessed against the Lot upon which such violation occurred and when so assessed, a statement for the amount thereof shall be rendered to the Owner of said Lot at which time the assessment shall become due and payable and a continuing lien upon such Lot, and a binding personal obligation of the Owner of such Lot. Any lien established upon a Lot by this First Amended Declaration shall have preference over any other assessments, liens, judgements or charges of whatever nature, except for: (a) general and special assessments for ad valorem real estate taxes on the Lot and (b) the liens of any deeds of trust, mortgage instruments or encumbrances duly recorded on the Lot prior to the assessment thereon of the lien or duly recorded on said Lot after receipt of a written statement from the Architectural and Environmental review Committee reflecting that payments on any lien imposed pursuant to this Section 12 were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance. Upon receipt of a written request, the Architectural and Environmental Review Committee shall issue a written statement certifying as to the existence of any liens established pursuant to this Section 12 within fourteen (14) days following receipt of such written request. In the event that the Architectural and Environmental Review Committee shall fail to issue such a written certification within the aforesaid fourteen (14) day period, a presumption shall be established that no such lien exists and the person or entity requesting the written certification shall be entitled to rely upon such failure to issue a written certification as conclusive evidence of the absence of any such lien. The Architectural and Environmental Review Committee shall have the further right, through its agents or employees, to enter upon and inspect any Lot at any reasonable time for the purpose of ascertaining whether any violation of the provisions of this Article or any of the other provisions or requirements of this First Amended Declaration exist on such Lot; and neither the Architectural and Environmental Review Committee nor any such agent or employee shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

## ARTICLE VIII

1. Management Agent. The Board of Directors may employ for the Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing.

The Management Agent, if any, shall perform such duties and services as the Board of Directors shall authorize in writing, including, without limitation:

(a) to establish (with the approval of the Board of Directors) and provide for the collection of the annual maintenance assessments and any other assessments provided for in this First Amended Declaration and to provide for the enforcement of liens therefor in a manner consistent with law and the provisions of this First Amended Declaration; and

(b) to provide for the care, upkeep, maintenance and surveillance of the Common Areas and Community Facilities; and

(c) to designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the Common Areas and Community Facilities; and

(d) to promulgate (with the approval of the Board of Directors) and enforce such rules and regulations and such restrictions or requirements, "house rules" or the like as may be deemed proper respecting the use of the Common Areas and Community Facilities; and

(e) to provide such other services (including accounting services) for the Association as may be consistent with law and the provisions of this First Amended Declaration.

2. Limitation of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements or resulting from water which may leak or flow from any portion of the Common Areas or Community Facilities, or from any wire, pipe, drain, conduit or the like. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of articles which may be stored upon the Common Areas or Community Facilities. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas or Community Facilities, or from any action taken by the Association to comply with any of the provisions of this First Amended Declaration or with any law or ordinance or with the order or directive of any municipal or other governmental authority.

## ARTICLE IX

1. Reservation of Easement Rights by the Declarant. The Declarant hereby reserves a non-exclusive easement and right-of-way in, through, over and across the Common Areas and Community Facilities for the purpose of the storage of building supplies and materials, the installation, construction, maintenance, reconstruction and repair of sanitary sewer lines, water lines, cables, storm drains and appurtenances to any of the same, and for all other purposes reasonably related to the completion of construction and the provisions of utility services, whether public or private, to the Community and to other property adjacent to, or in the vicinity of, the Community.



Any and all instruments of conveyancing made by the Declarant to the Association with respect to any of the Common Areas and Community Facilities shall be conclusively deemed to incorporate this reservation, whether or not specifically set forth in such instruments. At the request in writing of the Declarant, the Association shall from time to time execute, acknowledge and deliver to the Declarant such further assurances of this reservation as may be necessary.

2. Easements for Utilities and Related Purposes. The Association is authorized and empowered to grant (and shall from time to time grant) such other licenses, easements and rights-of-way over the Common Areas and Community Facilities for sewer lines, water lines, electrical cables, telephone cables, gas lines, storm drains, cables, underground conduits and such other purposes related to the provisions of utility services to the Community as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation and enjoyment of the Common Areas and Community Facilities and for the preservation of the health, safety, convenience and welfare of the Owners or the Declarant.

3. Utility and Drainage Easements. The Declarant reserves an easement over all land in each Lot lying within thirty (30) feet of a roadway or within fifteen (15) feet of a boundary with an adjacent Lot, for the installation of utility lines and drainage structures.

## ARTICLE X

1. Amendment. This First Amended Declaration may be amended only by an instrument executed and acknowledged by Members of the Association entitled to cast two-thirds (2/3 rds) of the total votes of the membership which instrument shall be recorded among the Land Records for Talbot County, Maryland. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording.

2. Duration. Unless amended in accordance with the provisions of Section 1 of this Article and the other requirements of this First Amended Declaration, and except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of this shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this First Amended Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date of recordation of this First Amended Declaration, after which the said covenants shall be automatically extended for successive periods of ten (10) years each.

3. Construction and Enforcement. The provisions hereof shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Community. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restriction, either to restrain or enjoin violation or to recover damages or both, and against any Lot to enforce the lien created hereby; and the failure or forbearance by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so

thereafter.

There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted violation or breach of any of the within covenants or restrictions cannot be adequately remedied by action at law or exclusively by recovery damages.

4. Successors of Declarant. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Declarant, with or without notice to the Association.

5. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers any Lot, and deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, servitudes, easements, charges and liens set forth in this Declaration.

6. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

7. No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any Common Areas or Community Facility by any public or municipal agency, authority, or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation of any of the Common Areas or Community Facilities.

8. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way affect any other provisions hereof, each of which shall remain in full force and effect.

9. Consents.

(a) Any other provision of this First Amended Declaration to the contrary notwithstanding, neither the Members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent and approval of the holders of at least two-thirds ( $2/3$  rds) of the first mortgages of record on the Lots:

(i) abandon, partition, subdivide, encumber, sell or transfer any of the Common Areas and Community Facilities; provided, however, that the granting of rights-of-way easements and the like for public utilities or for other purposes consistent with the use of the Common Areas and Community Facilities by the Members of the Association shall not be considered a transfer within the meaning of this section; or

- (ii) abandon or terminate this First Amended Declaration; or
- (iii) modify the method of determining and collecting common expense assessments or other assessments as provided for in this First Amended Declaration; or
- (iv) resolve to use the proceeds of casualty insurance for any purpose other than the repair, replacement or reconstruction of the Common Areas and Community Facilities; or
- (v) modify or amend any material or substantive provision of this First Amended Declaration or the By-Laws of the Association.

(b) No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this First Amended Declaration except after ten (10) days' written notice to the holder of the first mortgage on the Lot which is the subject matter of such suit or proceeding.

(c) Any first mortgagee of any Lot may pay any taxes, utility charges or other charge levied against the Common Areas and Community Facilities which are in default and which may or have become a charge or lien against any of the Common Areas and Community Facilities and any such first mortgagee may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the lapse of any policy, with respect to the Common Areas and Community Facilities. Any first mortgagee who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Association.

10. Casualty Losses. In the event of substantial damage or destruction to any of the Common Areas or Community Facilities, the Board of Directors shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the Lots. No provision of this Declaration or the By-laws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such Member of any insurance proceeds paid or payable on account of any damage or destruction of any of the Common Areas or Community Facilities.

11. Condemnation or Eminent Domain. In the event any part of the Common Areas and Community Facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the Lots. No provision of this First Amended Declaration or the By-Laws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such Member of the proceeds of any condemnation or settlement relating to a taking of any of the Common Areas and Community Facilities.

12. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this First Amended Declaration and are not intended in any way to limit



or enlarge the terms and provisions of this First Amended Declaration. Whenever the context so requires, the neuter and the male shall include all genders and the singular shall include the plural.

IN WITNESS WHEREOF, Declarants have caused this instrument to be properly executed and sealed as of the day and year first above written.

ATTEST:

COOKE'S HOPE LLC,  
a Maryland limited liability company

Edee Merriken

By:

[Signature]

Richard B. Firth, Manager

[SEAL]

CHESTON LIMITED PARTNERSHIP  
a Maryland limited partnership

Edee Merriken

By:

[Signature]

William T. Hunter, Jr.

President of Bainbridge Corporation

General Partner of Cheston Limited Partnership

[SEAL]

TRIPPES CREEK, LLC,  
a Maryland Limited Liability Company

Edee Merriken

By:

[Signature]

William T. Hunter, Jr., Member

[SEAL]

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I HEREBY CERTIFY, that on this 17<sup>th</sup> day of May, 1999, before me, the subscriber, a Notary Public for the aforesaid State and County, personally appeared RICHARD B. FIRTH, who acknowledged himself to be the Manager of Cooke's Hope, LLC, a Maryland limited liability company, and that he as such Manager, being authorized so to do, executed the foregoing First Amended Declaration for the purposes therein contained, by signing the name of said limited liability company by himself as Manager.

WITNESS my hand and Notarial Seal.

Laura B. Covey

Notary Public

My Commission Expires: 03/01/03

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I HEREBY CERTIFY, that on this 17<sup>th</sup> day of May, 1999, before me, the subscriber, a Notary Public for the aforesaid State and County, personally appeared WILLIAM T. HUNTER, JR., who acknowledged himself to be the President of Bainbridge Corporation, General Partner of Cheston Limited Partnership, a Maryland limited partnership and Member of Trippes Creek, LLC, a Maryland limited liability company, and that he as such President, General Partner and Member, being authorized so to do, executed the foregoing First Amended Declaration for the purposes therein contained, by signing the name of said limited liability company by himself as Manager.

WITNESS my hand and Notarial Seal.

Laura B. Covey

Notary Public

My Commission Expires: 03/01/03

The undersigned, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that this First Amended Declaration was prepared by him or under his supervision.

Joseph A. Stevens

S:\CLIENTS\COOKES.HOP\01-1AMDECL.FIN

May 17, 1999

28

LIBERO 930 FOLIO 690

AMENDMENT NO. 1

TO FIRST AMENDED DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS

COOKE'S HOPE

THIS AMENDMENT NO. 1 TO THE FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Amendment No. 1") is made this 22nd day of May, 2007, by COOKE'S HOPE LLC, a Maryland limited liability company; CHESTON LIMITED PARTNERSHIP, a Maryland limited partnership; and TRIPPES CREEK LLC, a Maryland limited liability company ("Successor Declarants").

WHEREAS, the Successor Declarants have subjected portions of property ("Property") known as "Cooke's Hope" located in Talbot County, Maryland to certain covenants, conditions and restriction by the recording of a First Amended Declaration of Covenants, Conditions and Restrictions for Cooke's Hope dated May 17, 1999 (the "First Amended Declaration") and recorded among the Land Records of Talbot County, Maryland in Liber 930, folio 663; and

WHEREAS, pursuant to Paragraph 1 of Article X of the First Amended Declaration, the First Amended Declaration may be amended by an instrument executed and acknowledged by Members of the Cooke's Hope Homeowner's Association (the "Association") entitled to cast two-thirds (2/3) of the total votes of the membership of the Association; and

WHEREAS, at the Annual Meeting of the Association held on May 17, 2007, the requisite number of Members of the Association approved the amendment of the First Amended Declaration as hereinafter set forth and authorized the Secretary of the Association to join in the execution of this Amendment No. 1 to evidence the consent of the Association to the amendment of the First Amended Declaration as hereinafter set forth.

NOW, THEREFORE, WITNESSETH, Successor Declarants do hereby amend the First Amended Declaration as follows:

1. Association Membership. Paragraph 1 of Article III of the First Amended Declaration is hereby deleted and the following shall be inserted in lieu thereof:

"1. Association Membership. The Association shall have one class of Members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, including the declarant and contract sellers, who is a record Owner of a fee interest in any subdivided or proposed Lot within the Cooke's Hope community, shall be a Member of the Association; provided, however, that any such person, group of persons, corporation,

partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Member solely on account of such interest. Each Member shall be entitled to one (1) vote for each Lot in which such Member holds the interest required for Membership in the Association. When there is more than one record Owner of a Lot, all of such record Owners shall be Members; however, the vote for such Lot shall be exercised as such Owners shall among themselves determine and, in no event, shall more than one (1) vote be cast with respect to such Lot. Notwithstanding the foregoing, and as set forth in Paragraph 8(b) of Article IV of the By-Laws of the Association, the Successor Declarants shall be entitled to three (3) votes for each subdivided or proposed Lot that it owns."

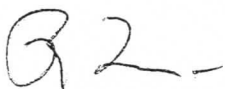
2. Ratification. Except as expressly modified by this Amendment No. 1, all terms and conditions of the First Amended Declaration are hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, Successor Declarants have caused this instrument to be properly executed and sealed as of the day and year first above written.

WITNESS:


COOKE'S HOPE LLC,  
a Maryland limited liability company



By:  (SEAL)  
Richard B. Firth, Manager

CHESTON LIMITED PARTNERSHIP  
a Maryland limited partnership



By:  (SEAL)  
William T. Hunter, Jr.  
President of Bainbridge Corporation  
General Partner of Cheston Limited Partnership

TRIPPES CREEK, LLC,  
a Maryland limited liability company

[Signature]

By: [Signature] (SEAL)  
William T. Hunter, Jr., Manager

[Signature]

By: [Signature] (SEAL)  
Richard B. Firth, Manager

STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

I HEREBY CERTIFY, that on this 22<sup>nd</sup> day of May, 2007, before me, the subscriber, a Notary Public of the aforesaid State, personally appeared **RICHARD B. FIRTH**, who acknowledged himself to be the Manager of Cooke's Hope LLC, a Maryland limited liability company, and that he as such Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of said limited liability company by himself as such Manager.

WITNESS my hand and Notarial Seal.

[Signature]  
Notary Public

My Commission Expires:



STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

I HEREBY CERTIFY, that on this 22<sup>nd</sup> day of May, 2007, before me, the subscriber, a Notary Public of the aforesaid State, personally appeared **RICHARD B. FIRTH**, who acknowledged himself to be the Vice President of Bainbridge Corporation, a Maryland corporation, General Partner of Cheston Limited Partnership, a Maryland limited partnership, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Bainbridge Corporation, General Partner of Cheston Limited Partnership, by himself as such officer.

WITNESS my hand and Notarial Seal.

*R. K. Calver*  
Notary Public

My Commission Expires:

1/1/08

STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

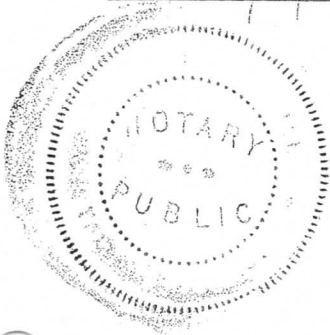
I HEREBY CERTIFY, that on this 22<sup>nd</sup> day of May, 2007, before me, the subscriber, a Notary Public of the aforesaid State, personally appeared **WILLIAM T. HUNTER, JR. and RICHARD B. FIRTH**, who acknowledged themselves to be the Managers of Trippes Creek LLC, a Maryland limited liability company, and that they as such Managers, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of said limited liability company by themselves as such Managers.

WITNESS my hand and Notarial Seal.

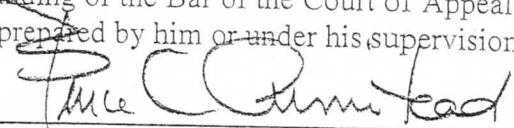
*R. K. Calver*  
Notary Public

My Commission Expires:

1/1/08




THE UNDERSIGNED, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that this Amendment was prepared by him or under his supervision.

  
Bruce C. Armistead

SECRETARY'S CERTIFICATION

I, Richard B. Firth, the duly elected Secretary of the Cooke's Hope Community Association, Inc., hereby certify that the foregoing Amendment No. 1 to First Amended Declaration of Covenant, Conditions and Restrictions was approved by the affirmative vote of at least two-thirds (2/3rds) of the total votes of the membership of the Association at the annual meeting of the Association held on May 17, 2007.

  
\_\_\_\_\_  
Secretary



Cooke's Hope Homeowners Association, P.O. Box 1647, Eastern, MD 21601

RECORDED  
NOV 11 2007  
TALBOT COUNTY, MD  
LIBER 1587 FOLIO 612

AMENDMENT NO. 2  
TO FIRST AMENDED DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS  
COOKE'S HOPE

THIS AMENDMENT NO. 2 TO THE FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Amendment No. 2"), is made on this 26<sup>th</sup> day of November, 2007, by COOKE'S HOPE LLC, a Maryland limited liability company; CHESTON LIMITED PARTNERSHIP, a Maryland limited partnership; and TRIPPES CREEK LLC, a Maryland limited liability company (the "Successor Declarants").

WHEREAS, the Successor Declarants have subjected portions of property (the "Property") known as "Cooke's Hope" located in Talbot County, Maryland to certain covenants, conditions and restrictions by the recording of a First Amended Declaration of Covenants, Conditions and Restrictions for Cooke's Hope dated May 17, 1999 (the "First Amended Declaration") and recorded among the Land Records of Talbot County, Maryland in Liber 930, folio 663; and

WHEREAS, pursuant to paragraph 1 of Article X of the First Amended Declaration, the First Amended Declaration may be amended by an instrument executed and acknowledged by Members of the Cooke's Hope Homeowner's Association (the "Association") entitled to cast two-thirds (2/3rds) of the total votes of the membership of the Association; and

WHEREAS, at the annual meeting of the Association held on May 17, 2007, the requisite number of Members of the Association approved Amendment No. 1 To First Amended Declaration of Covenants, Conditions and Restrictions for Cooke's Hope dated May 22, 2007 ("Amendment No. 1") and recorded among the Land Records of Talbot County, Maryland in Liber 1559, folio 178, which Amendment No. 1 amended paragraph 1 of Article III (titled "Association Membership") of the First Amended Declaration; and

WHEREAS, at a meeting of Association held on November 8, 2007, the requisite number of Members of the Association approved another amendment to the First Amended Declaration as hereinafter set forth and authorized the Secretary of the Association to join in the execution of this Amendment No. 2 to evidence the consent of the Association thereto.

NOW, THEREFORE, WITNESSETH, the Successor Declarants and the Association do hereby amend the First Amended Declaration, as follows:

1. Recitals. The recitals set forth above are incorporated herein by reference.
2. Community Rules. Paragraph 11 of Article VII of the First Amended Declaration is hereby deleted in its entirety and the following shall be inserted in lieu thereof:

"11. (a) Community Rules. The Board of Directors may, from time to time, adopt and promulgate such rules and regulations regarding the use of the Common Areas and Common Facilities as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the terms or conditions of any provision or requirement of this Declaration. The decision of the Board of Directors shall be final.

(b) Leasing. Any lease agreement between an Owner and a tenant shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration, the Articles of Incorporation, Bylaws, and rules and regulations of the Association, and that any failure by the Owner or the tenant to comply with the terms of the foregoing documents shall be a default under the lease. All such leases shall be in writing and shall be for a term of not less than six (6) months and in no event shall a transient tenant be accommodated in any dwelling. All such leases shall provide that the Association shall have the right, but not the obligation, to terminate such lease upon default by the Owner or the tenant in observing any of the provisions of this Declaration, the Articles of Incorporation, Bylaws, and rules and regulations of the Association or of any other document or instrument governing the Property, and to pursue any and all rights and remedies as may be available, at law or in equity, including, without limitation, evicting the tenant from the dwelling. The Owner and the tenant shall be jointly and severally liable to pay any and all costs and expenses incurred by the Association in the event of a default by either the Owner or the tenant hereof including, without limitation, all attorney's fees and court costs. The Owner of a Lot that is leased shall also be jointly and severally liable with the tenant to pay for any claim for injury or damage to persons or property caused by any action or omission by the tenant, including, without limitation, the negligence of the tenant. The Owner of a Lot, at its expense, shall provide copies of all executed leases to the Board of Directors within ten (10) days prior to the effective date of such lease. Every lease shall be subordinate to any lien filed by the Association, whether before or after the date of such lease."


3. Ratification. Except as expressly modified by this Amendment No. 2, all of the terms and conditions of the First Amended Declaration, and Amendment No. 1, are hereby

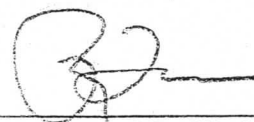
ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the Successor Declarants have caused this Amendment No. 2 to be properly executed and sealed as of the day and year first above written.

WITNESS:


COOKE'S HOPE, LLC




By:  (SEAL)  
Richard B. Firth, Manager

WITNESS:

CHESTON LIMITED PARTNERSHIP



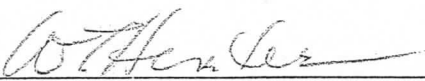
By:  (SEAL)  
William T. Hunter, Jr.,

President of Bainbridge Corporation  
General Partner of Cheston Limited  
Partnership

WITNESS:

TRIPPES CREEK LLC



By:  (SEAL)  
William T. Hunter, Jr., Manager



By:  (SEAL)  
Richard B. Firth, Manager

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I HEREBY CERTIFY, that on this 20<sup>th</sup> day of November, 2007, before me, the subscriber, a Notary Public of the foregoing State and County, personally appeared RICHARD B. FIRTH, who acknowledged himself to be the Manager of Cooke's Hope LLC, a Maryland limited liability company, and that he as such Manager, being authorized so to do, executed the foregoing Amendment No. 2 for the purposes therein contained, by signing the name of said limited liability company by

himself as such Manager.

IN WITNESS WHEREOF, I hereunto set my hand and official seal as of the day and year last above written.



*[Signature]*

Notary Public

My Commission Expires: 1/1/08

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I HEREBY CERTIFY, that on this 26<sup>th</sup> day of November, 2007, before me, the subscriber, a Notary Public of the foregoing State and County, personally appeared WILLIAM T. HUNTER, JR., who acknowledged himself to be the President of Bainbridge Corporation, a Maryland corporation, which is the General Partner of Cheston Limited Partnership, a Maryland limited partnership, and that he as such officer, being authorized so to do, executed the foregoing Amendment No. 2 for the purposes therein contained, by signing the name of Bainbridge Corporation, as the General Partner of Cheston Limited Partnership, by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal as of the day and year last above written.



*[Signature]*

Notary Public

My Commission Expires: 1/1/08

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I HEREBY CERTIFY, that on this 26<sup>th</sup> day of November, 2007, before me, the subscriber, a Notary Public of the foregoing State and County, personally appeared WILLIAM T. HUNTER, JR., who acknowledged himself to one of the Managers of Trippes Creek LLC, a Maryland limited liability company, and that he as such Manager, being authorized so to do, executed the foregoing Amendment No. 2 for the purposes therein contained, by signing the name of said limited liability company by himself as such Manager.

IN WITNESS WHEREOF, I hereunto set my hand and official seal as of the day and year last above written.



*[Signature]*

Notary Public

My Commission Expires: 1/1/08

STATE OF MARYLAND, COUNTY OF TALBOT, to wit:

I HEREBY CERTIFY, that on this 26<sup>th</sup> day of November, 2007, before me, the subscriber, a Notary Public of the foregoing State and County, personally appeared RICHARD B. FIRTH, who acknowledged himself to one of the Managers of Trippes Creek LLC, a Maryland limited liability company, and that he as such Manager, being authorized so to do, executed the foregoing Amendment No. 2 for the purposes therein contained, by signing the name of said limited liability company by himself as such Manager.

IN WITNESS WHEREOF, I hereunto set my hand and official seal as of the day and year last above written.

*[Signature]*

Notary Public

My Commission Expires: 1/1/08

CERTIFICATION

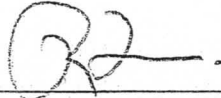
This document was prepared by or under the supervision of John M. Eglseder, an attorney admitted to practice before the Court of Appeals of Maryland.

*[Signature]*

John M. Eglseder

SECRETARY'S CERTIFICATION

I, Richard B. Firth, the duly elected Secretary of the Cooke's Hope Homeowner's Association, Inc. (the "Association"), on this 26<sup>th</sup> day of November, 2007, hereby certify that the foregoing Amendment No. 2 to First Amended Declaration of Covenants, Conditions and Restrictions Cooke's Hope was approved by the affirmative vote of at least two-thirds (2/3rds) of the total votes of the membership of the Association at the meeting of the Association held on November 8, 2007.



---

Richard B. Firth, Secretary



BY-LAWS

COOK'S HOPE COMMUNITY ASSOCIATION, INC.

ARTICLE I

Name and Location

1. Name and Location. The name of this Association is as follows:

COOK'S HOPE COMMUNITY ASSOCIATION, INC.

Its principal office and mailing address is:

The Bullitt House  
Dover and Harrison Streets  
Easton, Maryland 21601

ARTICLE II

Definitions

Unless the context or circumstances otherwise require, all terms used herein shall have the meanings assigned to them in the Declaration of Cook's Hope Community Association, Inc. dated June 1, 1988. Unless herein specifically provided to the contrary, or unless it is plainly evident from the context that a different meaning is intended all other terms used herein shall have the same meaning as they are understood to have in documents of similar import to these By-Laws.

ARTICLE III

Membership

1. Membership. The Association shall have one class of members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, including the Declarant and contract sellers, who is a record owner of a fee interest in any lot shall be a member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a member solely on account of such interest.

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article.

2. Membership Certificates. In the event the Board of Directors considers it necessary or appropriate to issue membership certificates or the like, then each such membership certificate shall state that the Association is organized under the laws of the State of Maryland, the name of the registered holder or holders of the membership represented thereby, and shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to the transfer of title to the lot to which such membership is appurtenant. Every membership certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary and shall be sealed with the corporate seal. Such signatures and seal may be original or facsimile.

3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Association and alleged to have been destroyed or lost, upon the making of an affidavit of that fact by the person claiming the membership certificate to be lost or destroyed. When authorizing such issuance of a new certificate or certificates, the Board of Directors may, in its discretion, and as a condition precedent to the issuance thereof, require the registered holder or holders of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Association a bond in such sum as the Board of Directors may require as indemnity against any claim that may be made against the Association on account of the issuance of such new certificate.

4. Liquidation Rights. In the event of any voluntary or involuntary dissolution of the Association the members of the Association shall be entitled to receive out of the assets of the Association available for distribution to the members an amount equal to that proportion of such assets which the number of memberships held by such member bears to the total number of memberships of the Association then issued and outstanding.

#### ARTICLE IV

##### Meeting of Members

1. Place of Meeting. Meetings of the memberships shall be held at the principal office or place of business of the Association or at such other suitable place which is reasonably convenient.

2. Annual Meetings. The first annual meeting of the members of the Association shall be held at such time and place as may be designated by the Board of Directors; provided, however, that the first annual meeting of members shall be held within one (1) year from the date of filing of the Articles of Incorporation of the Association. Thereafter, the annual meetings of the members shall be held on the

AMENDED MAY 17, 2005

The annual meetings of the members shall be held during the third week of May of each year and at a place and time to be specified in the notice of the meeting to the members.

~~third Tuesday of May of each succeeding year.~~ At such meeting there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Article V of these By-Laws. The members may also transact such other business as may properly come before them.

3. Special Meetings. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by at least twenty-five percent (25%) of the members having been presented to the Secretary; provided, however, that no special meetings shall be called either (a) except upon resolution of the Board of Directors, prior to the first annual meeting of members as hereinabove provided for; or (b) to consider any matter which is substantially the same as a matter voted on at any special meeting of the members held during the preceding twelve (12) months. The Secretary shall inform the members who petition for a special meeting of the reasonably estimated cost of preparing and mailing a notice of the meeting and, upon payment of the estimated cost to the Association, shall notify each member entitled to notice of the meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each member of record, at his address as it appears on the membership books of the Association or, if no such address appears, at his last known place of address, at least ten (10) but not more than ninety (90) days prior to such meeting. Notice by either such method shall be considered as notice served. Attendance by a member at any meeting of the members shall be a waiver of notice by him of the time, place and purpose thereof. Attendance by any member at any annual or special meeting, either in person or by proxy, shall be a waiver of notice by that member of the time, place and purpose of that meeting. Notice of any annual or special meeting of the members of the Association may also be waived by any member either prior to, at or after any such meeting.

5. Roster of Membership. The Board of Directors of the Association shall maintain a current roster of the names and addresses of each member to which written notice of meetings of the members of the Association shall be delivered or mailed. Each member shall furnish the Board of Directors with his name and current mailing address.

6. Quorum. The presence, either in person or by proxy, of members holding at least twenty-five percent (25%) of the total votes of the membership, shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of members. 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.

7. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may, adjourn and reconvene the meeting in accordance with the provisions and requirements of applicable statutory law, as from time to time amended.

8. Voting. Each member shall be entitled to one (1) vote for each lot in which such member holds the interest required for membership in the Association. When there is more than one record owner of a lot, all of such owners shall be members; however, the vote for such lot shall be exercised as such owners shall among themselves determine and, in no event, shall more than one (1) vote be cast with respect to such lot. Notwithstanding the foregoing, the Declarant shall be entitled to three (3) votes for each lot that it owns. The vote of the members holding fifty-one percent (51%) of the total of the votes of the membership present at the meeting, in person or by proxy, calculated as aforesaid, shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association, prior to or during the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association.

9. Action Without Meeting. Any action required or permitted to be taken at any annual or special meeting of the members may be taken without a meeting if all of the members shall individually or collectively consent in writing to such action and if such written consent or consents is filed with the minutes of the proceedings of the members.

10. Proxies. A member may appoint any other member or the Declarant or the Management Agent as his proxy. Any proxy must be in writing and must be filed with the Secretary in form approved by the

Board of Directors before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of the member; provided, however, that no proxy shall be effective for a period in excess of one hundred eighty (180) days unless granted to a mortgagee or lessee of the lot to which the votes are appurtenant.

11. Rights of Mortgagees. Any institutional mortgagee of any lot who desires notice of the annual and special meetings of the members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the annual and special meetings of the members should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article for notice to the members. Any such institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the members present at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the members upon request made in writing to the Secretary.

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

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

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

13. Rules of Order and Procedure. The rules of order and all other matters of procedure at all annual and special meetings of the members shall be determined by the Chairman of such meeting.

14. Inspectors of Election. The Board of Directors may, in advance of any annual or special meeting of the members appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of members shall appoint such inspectors of election. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of election at such meeting. The oath so taken shall be filed with the Secretary of the Association. No officer or Director of the Association, and no candidate for Director of the Association, shall act as an inspector of election at any meeting of the members if one of the purposes of such meeting is to elect Directors.

## ARTICLE V

### Directors

1. Number and Qualifications. The affairs of the Association, shall be governed by the Board of Directors composed of an uneven number of at least three (3) natural persons and not more than nine (9) natural persons, a majority of whom shall be members of the Association.

The number of the initial Directors shall be three (3), which number may be changed by a vote of the members at any annual or special meeting of the members; provided, however, that (a) the limitations of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent Director.

2. Initial Directors. The initial Directors shall be selected by the Declarant and need not be members of the Association. The names of the Directors who shall act as such from the date upon which the Declaration is recorded among the Land Records for Talbot County, Maryland, until the first annual meeting of the members or until such time as their successors are duly chosen and qualified are as set forth in the Articles of Incorporation of the Association.

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

To provide for the:

(a) care, upkeep and surveillance of the common areas and community facilities and services in a manner consistent with law and the provisions of these By-Laws and the Declaration; and



(b) establishment, collection, use and expenditure of assessments and carrying charges from the members and for the assessment, filing and enforcement of liens therefor in a manner consistent with law and the provisions of these By-Laws and the Declaration; and

(c) designation, hiring and dismissal of the personnel necessary for the good working order and proper care of the common areas and community facilities and to provide services for the project in a manner consistent with law and the provisions of these By-Laws and the Declaration ; and

(d) promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the common areas and community facilities as are designated to prevent unreasonable interference with the use of the common areas and community facilities by the members and others, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration; and

(e) execution of agreements whereby the Association acquires leaseholds, memberships and other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the members and to declare expenses incurred in connection therewith to be common expenses of the Association; and

(f) purchase of insurance upon the common areas and community facilities in the manner provided for in these By-Laws; and

(g) repair, restoration or reconstruction of all or any part of the common areas and community facilities after any casualty loss in a manner consistent with law and the provisions of these By-Laws and to otherwise improve the common areas and neighborhood facilities, as defined in the Declaration; and

(h) execution of agreements whereby the Association leases, grants licenses, easements, rights-of-way and other rights of use in all or any part of the common areas and community facilities; and

(i) purchase of lots and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration; and

(j) appointment of the members of the Architectural and Environmental Review Committee provided for in the Declaration and to appoint the members of such other committees as the Board of Directors may from time to time designate.

4. Management Agent. The Board of Directors shall, except upon the express contrary direction of a majority of the members, employ for the Association a management agent or manager (the

"Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any Management Agent shall perform such duties and services as the Board of Directors shall authorize in writing, including without limitation:

(a) to establish (with the approval of the Board of Directors of the Association) and provide for the collection of the annual maintenance assessments and any other assessments provided for in the Declaration and to provide for the enforcement of liens therefor in a manner consistent with law and the provisions of the Declaration; and

(b) to provide for the care, upkeep, maintenance and surveillance of the common areas and community facilities; and

(c) to designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the common areas and community facilities; and

(d) to promulgate (with the approval of the Board of Directors of the Association) and enforce such rules and regulations and such restrictions or requirements, "house rules" or the like as may be deemed proper respecting the use of the common areas and community facilities; and

(e) to provide such other services (including accounting services) for the Association as may be consistent with law and the provisions of the Declaration.

5. Election and Term of Office. The term of the Directors named herein shall expire when their successors have been elected at the first annual meeting of members and are duly qualified. The election of Directors shall be by secret written ballot, unless balloting is dispensed with by the unanimous consent of the members present at any meeting, in person or by proxy. There shall be no cumulative voting. At the first annual meeting of the members, the term of office of the Director receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the Director receiving the second greatest number of votes shall be fixed for two (2) years and the term of office of the other Director or Directors shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. In the alternative, the membership may, by resolution duly made and adopted at the first annual meeting of members, or at any subsequent annual meeting, resolve to fix the term for each Director elected at any such meeting at one (1) year. Directors shall hold office until their successors have been elected and hold their first regular meeting.

6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the

membership or an increase in the number of Directors shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected by the members at the next annual meeting to serve out the unexpired portion of the term. Vacancies in the Board of Directors caused by an increase in the number of Directors shall be filled by a vote of the majority of the entire Board of Directors; and each person so elected shall be a Director until a successor is elected by the members at the next annual meeting of members.

7. Removal of Directors. At an annual meeting of members, or at any special meeting duly called for such purpose, any Director may be removed with or without cause by the affirmative vote of the majority of the votes of the members present and voting, in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting. The term of any Director who is a member of the Association and who (a) becomes more than sixty (60) days delinquent in payment of any assessments or carrying charges due the Association, or (b) is consistently absent from meetings of the Directors may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided in this Article.

8. Compensation. No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to any Director who is also a member for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration shall have also been adopted by the Board of Directors before such services are undertaken. Directors may be reimbursed for their actual out-of-pocket expenses necessarily incurred in connection with their services as Directors.

9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors with respect to such meeting.

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

11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director, given personally or by mail, telephone or telegraph, which

notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-half (1/2) of the Directors.

12. Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

13. Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

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

15. Rights of Mortgagees. Any institutional mortgagee of any lot who desires notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the regular and special meetings of the Board of Directors should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each regular or special meeting of the Board of Directors to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations, as are otherwise provided in this Article for notice to the members of the Board of Directors. Any such institutional mortgagee shall be entitled to designate a representative to attend any regular or special meeting of the Board of Directors and such representatives may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the members of the Board of Directors present at any such meeting. Such representative shall be entitled to copies of

the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

16. Fidelity Bonds. The Board of Directors shall require that all officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty in accordance with the requirements of Article VII of these By-Laws. The premiums on such bonds or insurance shall be paid by the Association.

## ARTICLE VI

### Officers

1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. Except for the President, the officers of the Association need not be members of the Association. The Board of Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. A person may hold more than one office but may not serve concurrently as both the President and Vice President or as the President and the Secretary.

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

3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of a corporation.

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

6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association. The Secretary shall give notice of all annual and special meetings of the members of the Association in conformity with the requirements of these By- Laws. The Secretary shall have custody of the seal of the Association, if any. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

7. Treasurer. The Treasurer shall have responsibility for funds and securities of the Association and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for causing the deposit of all monies and other valuable effects in the name, and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

## ARTICLE VII

### Insurance

1. Insurance. The Board of Directors of the Association shall obtain and maintain, to the extent reasonably available, at least the following:

(a) casualty or physical damage insurance in an amount equal to the full replacement value (i.e., 100% "replacement cost" exclusive of land, foundation and excavation) of the common areas and community facilities (including all building service equipment and the like) with an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, an "Increased Cost of Construction Endorsement" or its equivalent and a "Contingent Liability from Operation of Building Laws Endorsement" or its equivalent, without deduction or allowance for depreciation, as determined annually by the Board of Directors with the assistance of the insurance company affording such coverage, such coverage to afford protection against at least:

(i) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; and

(ii) such other risks as shall customarily be covered by the standard "all-risk" endorsement and such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including, but not limited to, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, boiler and machinery explosion or damage, and such other insurance as the Board of Directors may from time to time determine; and



(b) A comprehensive policy of public liability insurance with a "Severability of Interest Endorsement" or its equivalent in such amounts and in such forms as may be considered appropriate by the Board of Directors (but not less than One Million Dollars (\$1,000,000.00) covering all claims for bodily injuries and/or property damage arising out of a single occurrence) including, but not limited to, water damage liability, legal liability; hired automobile liability, non-owned automobile liability, liability for property of others and, if applicable, host liquor liability, and such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including any and all other liability incident to the ownership and use of the common areas and community facilities or any portion thereof.

(c) workmen's compensation insurance to the extent necessary to comply with any applicable law; and

(d) a "Legal Expense Indemnity Endorsement", or its equivalent, affording protection for the officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and

(e) such other policies of insurance, including insurance for other risks of a similar or dissimilar nature and fidelity coverage as required by these By-Laws, as are or shall hereafter be considered appropriate by the Board of Directors.

2. Fidelity Bonds. The Board of Directors shall maintain adequate fidelity coverage to protect against dishonest acts on the part of officers and Directors of the Association, trustees and volunteers for the Association and such employees and agents of the Association who handle or are responsible for the handling of funds of the Association. Such fidelity coverage shall meet at least the following requirements:

(a) all such fidelity bonds and policies of insurance shall name the Association as obligee or named insured, as the circumstances may require; and

(b) all such fidelity bonds and policies of insurance shall be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating budget of the Association, including reserves; and

(c) all such fidelity bonds and policies of insurance shall contain waivers of any defense based upon the exclusion of volunteers and other persons who serve without compensation from any definition of "employee" or similar expression; and

(d) all such fidelity bonds and insurance shall provide that they may not be surrendered, cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all obligees and insured named thereon and to any mortgagee of any lot who requests such notice in writing.

3. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

(a) all policies shall be written or reinsured with a company or companies licensed to do business in the State of Maryland and holding a general policyholder's O rating of Class B or better and a current financial rating of Class VI or better in the current edition of Best's Insurance Reports.

(b) exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Association, or its authorized representative.

(c) in no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the owners of the lots or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Association pursuant to the requirements of this Article shall exclude such policies from consideration.

(d) such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board of Directors and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board of Directors or any members of the Association, or any of their respective agents, employees, tenants, mortgagees or invitees or by reason of any act of neglect or negligence on the part of any of them.

(e) all policies shall provide that such policies may not be surrendered, cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all insureds named thereon, including any mortgagee of any lot who requests such notice in writing.

(f) all policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors or when in conflict with the provisions of these By-Laws or the provisions of the Declaration.

(g) all policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, the members of the Association and their respective agents, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

#### ARTICLE VIII

##### Casualty Damage - Reconstruction or Repair

1. Use of Insurance Proceeds. In the event of damage or destruction to the common areas and community facilities by fire or other casualty, the same shall be promptly repaired, replaced or reconstructed in substantial conformity with the original plans and specifications for the common areas and community facilities with the proceeds of insurance available for that purpose, if any. The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of the common areas and community facilities for purposes other than the repair, replacement or reconstruction of the common areas and community facilities without the prior written consent and approval of the holders of all first mortgages of record on the lots.

2. Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the common areas and community facilities caused by fire or other casualty, or in the event such damage or destruction is caused by any casualty not insured against, then and in either of those events, upon resolution of the Board of Directors, the repair, replacement or reconstruction of the damage shall be accomplished promptly by the Association at its common expense.

#### ARTICLE IX

##### Fiscal Management

1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year, except for the first fiscal year of the Association which shall begin at the date of recordation of the Declaration among the Land Records for Talbot County, Maryland. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

2. Principal Office - Change of Same. The principal office of the Association shall be as set forth in Article I of these By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of the common areas and community facilities, services required or provided with respect to the same and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment, required for payment of any capital expenditures or reserves of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the members. The receipts and expenditures of the Association shall be credited and charged to other accounts under at least the following classifications:

(a) "Current<sup>\*</sup> Operations" which shall involve the control of actual expenses of the Association, including reasonable allowances for necessary contingencies and working capital funds in relation to the assessments and expenses hereinelsewhere provided for; and

(b) "Reserves" which shall involve the control over funding and charges against any reserve funds which may from time to time be approved by the Board of Directors; and

(c) "Investments" which shall involve the control over investment of reserve funds and such other funds as may be deemed suitable for investment on a temporary basis by the Board of Directors.

4. Auditing. At the close of each fiscal year, the books and records of the Association shall be audited by a public accountant or by an independent Certified Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Association shall furnish the members and any mortgagee requesting the same with an annual financial statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon and all other records maintained by the Association shall be available for examination by the members and their duly authorized agents or attorneys, and to the institutional holder of any first mortgage on any lot and its duly authorized agents or attorneys, at some place designated by the Board of Directors, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.

6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be

executed on behalf of the Association by either the President or a Vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

7. Seal. The Board of Directors may provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

## ARTICLE X

### Amendment

1. Amendments. Subject to the other limitations set forth in these By-Laws, these By-Laws may be amended by the members entitled to cast two-thirds (2/3rds) of the total votes of the membership.

2. Proposal of Amendments. Amendments to these By-Laws may be proposed by the Board of Directors of the Association or by petition signed by members holding at least twenty-five percent (25%) of the total votes of the membership, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the members at which such proposed amendment is to be considered and voted upon.

## ARTICLE XII

### Mortgage - Notice - Other Rights of Mortgagees

1. Notice to Board of Directors. Any owner of any lot in the project who mortgages such lot shall promptly notify the Board of Directors of the name and address of his mortgagee and, if requested so to do, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain a suitable roster pertaining to mortgages concerning which it receives such notice.

2. Consents. Any other provision of these By-Laws or of the Declaration to the contrary notwithstanding, neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent and approval of the holders of at least two-thirds (2/3) of the first mortgages of record on the lots:

(a) abandon, partition, subdivide, encumber, sell or transfer any of the common areas and community facilities; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the common areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section; or

(b) abandon or terminate the Declaration; or

(c) modify or amend any material or substantive provision of the Declaration or these By-Laws.

3. Casualty Losses. In the event of substantial damage or destruction to any part of the common areas and community facilities, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the lots. No provision of these By-Laws shall entitle any member of the Association to any priority over the holder of any first mortgage of record on his lot with respect to the distribution to such member of any insurance proceeds.

4. Condemnation or Eminent Domain. In the event any portion of the common areas or community facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the lots. No provision of these By-Laws shall entitle any member of the Association to any priority over the holder of any first mortgage of record on his lot with respect to the distribution to such member of the proceeds of any condemnation award or settlement.

#### ARTICLE XIII

##### Interpretation - Miscellaneous

1. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation of the Association. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these By-Laws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between these By-Laws and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

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

3. Severability. In the event any provision or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.



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

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

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

AMENDMENT NO. 1  
TO THE BY-LAWS OF  
COOKE'S HOPE COMMUNITY ASSOCIATION, INC.

THIS AMENDMENT NO. 1 TO THE BY-LAWS OF COOKE'S HOPE COMMUNITY ASSOCIATION, INC. ("Amendment No. 1") is made this 17<sup>th</sup> day of MAY, 2007, by COOKE'S HOPE COMMUNITY ASSOCIATION, INC. (the "Association"), acting by and through its duly authorized Secretary of record.

WHEREAS, the Association was formed on June 1, 1988, as a Maryland unincorporated homeowner's association; and

WHEREAS, the Association adopted a set of By-Laws on May 31, 1988, a copy of which are filed with the Board of Directors of the Association; and

WHEREAS, the Members of the Association are the owners of all the Lots within the Community of Cooke's Hope located in Talbot County, Maryland; and

WHEREAS, at the Annual Meeting of the Association held on May \_\_, 2007, the Association approved the amendment of its By-Laws as more particularly set forth herein.

NOW, THEREFORE, WITNESSETH, Cooke's Hope Community Association, Inc. hereby amends its By-Laws as follows:

1. Title. The title of the By-Laws appearing on page 1 is hereby deleted and the following shall be inserted in lieu thereof:

"BY-LAWS

COOKE'S HOPE COMMUNITY ASSOCIATION, INC."

2. Name and Location: Paragraph 1 of Article I of the By-Laws is hereby deleted and the following shall be inserted in lieu thereof:

"Name and Location. The name of this Association is as follows:

COOKE'S HOPE COMMUNITY ASSOCIATION, INC.

Its principal office and mailing address is:

P. O. Box 1647  
Easton, MD 21601"

3. Membership. Paragraph 1 of Article III of the By-Laws is hereby deleted and the following shall be inserted in lieu thereof:

“1. Membership. The Association shall have one class of members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, including the Declarant and contract sellers, who is a record owner of a fee interest in any subdivided or proposed lot within the Cooke’s Hope community shall be a member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation, shall not be a member solely on account of such interest.

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article.”

4. Annual Meeting. Paragraph 2 of Article IV of the By-Laws is hereby deleted and the following shall be inserted in lieu thereof:

“2. Annual Meeting. The first annual meeting of the members of the Association shall be held at such time and place as may be designated by the Board of Directors; provided, however, that the first annual meeting of members shall be held within one (1) year from the date of filing of the Articles of Incorporation of the Association. Thereafter, the annual meetings of the members shall be held on the first Thursday in November of each succeeding year. At such meeting there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Article V of these By-Laws. The members may also transact such other business as may properly come before them.”

5. Voting. Paragraph 8 of Article IV is hereby deleted and the following shall be inserted in lieu thereof:

“8. Voting.

(a) Voting Rights of Members Other than the Declarant. Each member, other than the Declarant, shall be entitled to one (1) vote for each lot in which such member holds the interest required for membership in the Association. When there is more than one record owner of a lot, all of such owners shall be members; however, the vote for such lot shall be

exercised as such owners shall among themselves determine and, in no event, shall more than one (1) vote be cast with respect to such lot.

(b) Voting Rights of Declarant. The voting rights of Declarant shall be governed by the total number of existing and planned lots owned by Declarant at the time of any vote. The Cooke's Hope community has been approved for a total of three hundred sixty-five (365) residential building lots. Declarant shall be entitled to three (3) votes for each subdivided lot that it owns. Provided that Declarant shall have elected to pay an annual assessment for each residential building lot that has not been subdivided, but for which Declarant shall be entitled to seek subdivision approval (up to the maximum number of lots set forth herein), Declarant shall also be entitled to three (3) votes for each lot for which Declarant shall be entitled to seek or obtain subdivision approval; provided, however, that Declarant acknowledges and agrees that the total number of subdivided lots within the Cooke's Hope community shall not exceed three hundred sixty-five (365) unless otherwise approved by the Association and all governmental entities having jurisdiction over the Cooke's Hope community. For purposes of calculation of the voting rights of the Declarant, the Declarant shall be entitled to three (3) votes for each lot owned by the Declarant and calculated according to the following formula:

Three hundred sixty-five (365) lots *less* number of lots owned by any owner other than the Declarant [the result will be the number of subdivided and proposed lots owned by Declarant] *times* (x) three (3) *equals* votes that Declarant shall be entitled to cast on any vote before the Association at that time.

Nothing contained in this Amendment No. 1 shall be construed to obligate Declarant to pay an annual assessment for any lot or parcel owned by Declarant, but not yet subdivided into a residential building lot; provided, however, that unless Declarant shall have paid or agreed to pay the annual assessment for a lot not yet subdivided, Declarant shall not be entitled to include any such lot in the computation of the voting rights of Declarant.

(c) Majority Vote. Proxies. Etc. The vote of the members holding fifty-one percent (51%) of the total of the votes of the membership present at the meeting, in person or by proxy, calculated as aforesaid, shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or any Vice

President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association, prior to or during the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association."

6. Number of Directors. Paragraph 1 of Article V is hereby deleted and the following shall be inserted in lieu thereof:

"1. Number and Qualifications. The affairs of the Association shall be governed by the Board of Directors composed of an uneven number of at least three (3) natural persons and not more than seven (7) natural persons, a majority of whom shall be members of the Association, and a majority of whom shall maintain their principal place of resident in the Cooke's Hope community."

7. Election of Directors. Paragraph 2 of Article V is hereby deleted and the following shall be inserted in lieu thereof:

"(a) Establishment of Districts within Cooke's Hope. The directors shall be elected by districts within the Cooke's Hope community and the voting for the directors from each district shall be limited to the residents of the applicable district. For purposes of the election of directors, there shall be three (3) "districts" within the Cooke's Hope community as depicted on Exhibit A attached hereto. The residents of each district shall be entitled to elect the following number of directors allocated to each district:

Cooke's Hope Village	Three (3) Directors
The Galloways	Two (2) Directors
Springfield	Two (2) Directors

Each director shall be elected by the residents of the district that he or she will serve and residents of each district shall be entitled to vote only for the directors to be elected from that district. Following the election to be held in May 2007 and unless a director shall be elected to fill a vacancy on the Board of Directors in

accordance with Paragraph 6 of this Article V, each director shall be elected for a term of three (3) years.

(b) Voting by Districts.

Cooke's Hope Village: At the May 2007 annual meeting, the residents of the Cooke's Hope Village district shall elect three (3) directors to serve terms as follows: The director receiving the highest number of votes at the annual meeting shall serve an initial term of three (3) years; the director receiving the second highest number of votes at the annual meeting shall serve an initial term of two (2) years; and the director receiving the third highest number of votes at the annual meeting shall serve an initial term of one (1) year.

The Galloways: At the May 2007 annual meeting, the residents of the Galloways district shall elect two (2) directors to serve terms as follows: The director receiving the highest number of votes at the annual meeting shall serve an initial term of three (3) years; and the director receiving the second highest number of votes at the annual meeting shall serve an initial term of two (2) years. Upon the expiration of the terms of the directors elected at the May 2007 meeting and at each subsequent election of directors by the residents of the Galloways district, each director elected by the residents of the Galloways district shall serve a term of three (3) years. As a result, residents of the Galloways shall elect a director in two (2) out of every three (3) years and no directors once every three (3) years.

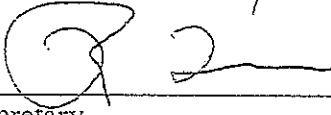
Springfield: At the May 2007 annual meeting, the residents of the Springfield district shall elect two (2) directors to serve terms as follows: The director receiving the highest number of votes at the annual meeting shall serve an initial term of three (3) years; and the director receiving the second highest number of votes at the annual meeting shall serve an initial term of two (2) years. Upon the expiration of the terms of the directors elected at the May 2007 meeting and at each subsequent election of directors by the residents of the Springfield district, each director elected by the residents of the Springfield district shall serve a term of three (3) years. As a result, residents of the Springfield district shall elect a director in two (2) out of every three (3) years and no directors once every three (3) years."

8. Ratification. Except as expressly modified by this Amendment No. 1, all terms and conditions of the By-Laws dated May 31, 1988 are hereby ratified and confirmed and shall remain in full force and effect.

9. Approval of Amendments. This Amendment No. 1 was approved by at least two-thirds (2/3rds) of the total votes of the membership at the annual meeting of the Association held on May 17, 2007.

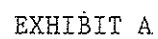
SECRETARY'S CERTIFICATION

I, Richard B. Firth, the duly elected Secretary of the Cooke's Hope Community Association, Inc., hereby certify that the foregoing Amendment No. 1 was approved by the affirmative vote of at least two-thirds (2/3rds) of the total votes of the membership of the Association at the annual meeting of the Association held on May 17, 2007.

  
\_\_\_\_\_  
Secretary



3 = SPRINGFIELD



AMENDMENT NO. 2  
TO THE BY-LAWS OF  
COOKE'S HOPE COMMUNITY ASSOCIATION, INC.

**THIS AMENDMENT NO. 2 TO THE BY-LAWS OF COOKE'S HOPE**

**COMMUNITY ASSOCIATION, INC.** ("Amendment No. 1") is made this 16<sup>th</sup> day of May, 2013, by **COOKE'S HOPE COMMUNITY ASSOCIATION, INC.** (The "Association"), acting by and through its duly authorized Secretary of record.

WHEREAS, the Association was formed on June 1, 1988, as a Maryland unincorporated homeowner's association; and

WHEREAS, the Association adopted a set of By-Laws on May 31, 1988, a copy of which are filed with the Board of Directors of the Association; and

WHEREAS, the Members of the Association are the owners of all the Lots within the Community of Cooke's Hope located in Talbot County, Maryland; and

WHEREAS, at the Annual Meeting of the Association held on May \_\_, 2007, the Association approved the amendment of its By-Laws as more particularly set forth herein.

NOW, THEREFORE, WITNESSETH, Cooke's Hope Community Association, Inc. hereby amends its By-Laws as follows:

ARTICLE IX – FISCAL MANAGEMENT: ARTICLE IX of the By-Laws is hereby deleted and the following shall be inserted in lieu thereof:

1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year.
2. Principal Office – Change of Same. The principal office of the Association shall be as set forth in Article I of these By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.
3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied.
4. Auditing. At the close of each fiscal year, the books and records of the Association shall be reviewed by an independent public accountant according to generally accepted accounting principle guidelines for reviews, and shall be audited at the end of every fourth year by an independent Certified Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon these reports, the Association shall furnish the members and any mortgagee

requesting the same with an annual financial statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon and all other records maintained by the Association shall be available for examination by the members and their duly authorized agents or attorneys, and to the institutional holder of any first mortgage on any lot and its duly authorized agents or attorneys, at some place designated by the Board of Directors, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.
6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Association by either the President or a Vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.
7. Seal. The Board of Directors may provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

Ratification. Except as expressly modified by this Amendment No. 2, all terms and conditions of the By-Laws dated May 31, 1988 are hereby ratified and confirmed and shall remain in full force and effect.

Approval of Amendments. This Amendment No. 2 was approved by at least two-thirds (2/3rds) of the total votes of the membership.

#### SECRETARY'S CERTIFICATION

I, Doug Walker, the duly elected Secretary of the Cooke's Hope Community Association, Inc., hereby certify that the foregoing Amendment No. 2 was approved by the affirmative vote of at least two-thirds (2/3rds) of the total votes of the membership of the Association.

Douglas Walker  
Secretary

# ARTICLES OF AMENDMENT

OF

## COOK'S HOPE HOMEOWNERS ASSOCIATION, INC.

The undersigned, being duly authorized to execute and file these Articles of Amendment of Cook's Hope Homeowners Association, Inc., a Maryland corporation (the "Association"), hereby certifies to the Maryland State Department of Assessments and Taxation that:

1. The Association desires to amend its Articles of Incorporation as currently in effect.
2. These Articles of Amendment hereby amend the text of the Articles of Incorporation as follows:

Article SECOND of the Association's Articles of Incorporation is hereby deleted in its entirety and the following is hereby inserted in lieu thereof:

"SECOND: The name of the corporation (which is hereinafter called the "Association") is "Cooke's Hope Homeowners Association, Inc."."

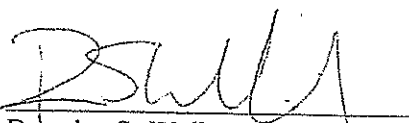
3. Pursuant to Section 2-605(a)(1) of the Corporations and Associations Article of the Maryland Annotated Code, this amendment of the Articles of Incorporation was approved by a majority of the entire Board of Directors during its May 16, 2013 meeting, no stock entitled to be voted on the matter was outstanding or subscribed for at the time of the approval and the amendment is limited to a change expressly authorized by Section 2-605 of the Corporations and Associations Article of the Maryland Annotated Code to be made without action by the members of the Association.

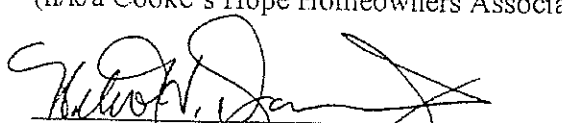
4. The Amendment will be effective as of the date of execution hereof.
5. The Articles of Incorporation, as amended hereby, are ratified and confirmed in all respects and shall continue in full force and effect.

WITNESS WHEREOF, the Association has caused these presents to be signed in its name and on its behalf by its President and its corporate seal to be hereunder affixed and attested by its Secretary this day of May 17, 2013, and its President acknowledges that these Articles of Amendment are the act and deed of COOK'S HOPE HOMEOWNERS ASSOCIATION, INC. and, under the penalties of perjury, that the matters and facts set forth herein with respect to authorization and approval are true in all material respect to the best of his knowledge, information and belief.

ATTEST:

COOK'S HOPE HOMEOWNERS ASSOCIATION, INC.  
(n/k/a Cooke's Hope Homeowners Association, Inc.)

  
Douglas S. Walker  
Secretary

  
Hilbert Hugh Dawkins, Jr.  
President

## RESOLUTION TO CHANGE PRINCIPAL OFFICE OR RESIDENT AGENT

The directors/stockholders/general partner/authorized person of

Cooke's Hope Homeowners Association, Inc.

(Name of Entity)

organized under the laws of Maryland passed the following resolution:  
(State)

(Check applicable boxes)

☒ The principal office is changed from: (old address)

117 Bay Street, P.O. Box 1647, Easton, Maryland 21601

to: (new address)

6967 Cooke's Hope Road, Suite 2, Easton, Maryland 21601

☒ The name and address of the resident agent is changed from:

William T. Hunter, Jr.

117 Bay Street, P.O. Box 1647, Easton, Maryland 21601

to:

Darlene Debnam

6967 Cooke's Hope Road, Suite 2, Easton, Maryland 21601

I certify under penalties of perjury the foregoing is true.

Signed

Francisco R. Rouse

Secretary or Assistant Secretary  
General Partner  
Authorized Person

I hereby consent to my designation in this document as resident agent for this entity.

Signed

Darlene E. Debnam

Resident Agent

ARTICLES OF INCORPORATION

COOK'S HOPE HOMEOWNERS ASSOCIATION, INC.

FIRST: I, the undersigned, Richard K. White, Jr., whose post office address is 101 Bay Street, Easton, Maryland, being at least twenty-one (21) years of age, do hereby form a corporation under and by virtue of the general laws of the State of Maryland.

SECOND: The name of the corporation (which is hereinafter called the "Association") is:

COOK'S HOPE HOMEOWNERS ASSOCIATION, INC.

THIRD: This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and architectural control of the residence lots and the Association's property within all that certain property shown on the plat, a reduced copy of which is attached hereto as Exhibit "A" and made a part hereof, and such additional property described in Exhibit "B" attached hereto and made a part hereof (the property described on Exhibit "A" being a part of the property described on Exhibit "B") as may be subjected to the Declaration of Covenants, Conditions and Restrictions made by CHESTON LIMITED PARTNERSHIP, a Maryland Limited Partnership; WILLIAM T. HUNTER, JR.; CHRISTINE F. HUNTER, wife of William T. Hunter, Jr.; RUSSELL W. FISHER (also referred to as "R.W. Fisher"), by William T. Hunter, Jr., as Attorney-in-Fact under a Power of Attorney, dated June 1, 1988 and recorded among the Land Records of Talbot County, Maryland immediately prior hereto; CHRISTINA S. FISHER, wife of Russell W. Fisher, by William T. Hunter, Jr., as Attorney-in-Fact under a Power of Attorney, dated June 1, 1988 and recorded among the Land Records of Talbot County, Maryland immediately prior hereto: WILLIAM T. HUNTER, JR., as Custodian for Howard William Hunter under the Maryland Uniform Gifts to Minors Act until said minor attains the age of twenty-one; WILLIAM T. HUNTER, JR., as Custodian for David Christian Hunter under the Maryland Uniform Gifts to Minors Act until said minor attains the age of twenty-one; WILLIAM T. HUNTER, JR., as Custodian for Peter Jasper Hunter under the Maryland Uniform Gifts to Minors Act until said minor attains the age of twenty-one; WILLIAM T. HUNTER, JR., as Custodian for Matthew Allen Fisher under the Maryland Uniform Gifts to Minors Act until said minor attains the age of twenty-one; and WILLIAM T. HUNTER, JR., as Custodian for Kate Elizabeth Fisher under the Maryland Uniform Gifts to Minors Act until said minor attains the age of twenty-one (collectively "Declarant", dated June 1, 1988, and recorded or intended to be recorded among the Land Records for Talbot County, State of Maryland (hereinafter called the "Declaration"), and to promote the health, safety and welfare of the residents within the above described

property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for these purposes to:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligation of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) Borrow money, and with the assent of the members entitled to cast two-thirds (2/3rds) of the total votes of the membership, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) Dedicate, sell or transfer all or any part of the Association's property to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common property, provided that any such merger, consolidation or annexation shall have the assent of the members entitled to cast two-thirds (2/3rds) of the total votes of the membership;

(g) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

FOURTH: The post office address of the principal office of the Association in this State is The Bullitt House, Harrison and Dover Streets, Easton, Maryland 21601. The name and post office address of the Resident Agent of the Association in this State is Richard K. White, Jr., 101 Bay Street, Easton, Maryland 21601. Said Resident Agent is an individual actually residing in the State of Maryland.



FIFTH: The Association shall not be authorized to issue any capital stock. Every person or entity who is a record owner ("Owner") of the fee simple title in any lot which is subject to the Declaration and to assessments by the Association, including the Declarant and contract sellers, but excluding those having such interest merely as security for the performance of an obligation, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any such lot.

SIXTH: The Association shall have one (1) class of voting membership which shall consist of all of the Owners of the lots. When more than one person holds an interest in any lot, all of such persons shall be members; however, the vote for such lot shall be exercised as they among themselves determine and in no event, shall more than one (1) vote be cast with respect to any lot. The Declarant shall be entitled to three (3) votes for each lot that it owns.

SEVENTH: The affairs of this Association shall be managed by a Board of three (3) directors. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

William T. Hunter, Jr.

The Bullitt House  
Dover and Harrison Streets  
Easton, Maryland 21601

Christine F. Hunter

The Bullitt House  
Dover and Harrison Streets  
Easton, Maryland 21601

Richard B. Firth

The Bullitt House  
Dover and Harrison Streets  
Easton, Maryland 21601

EIGHTH: The Association may be dissolved with the assent given in writing and signed by the members entitled to cast two-thirds (2/3rds) of the total votes of the membership. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

NINTH: The Association shall exist perpetually.

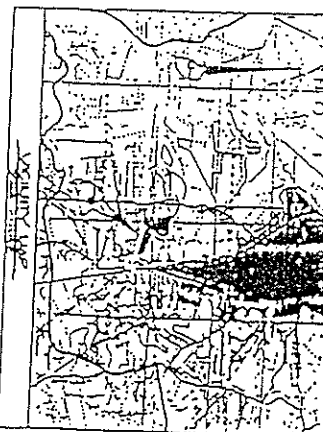
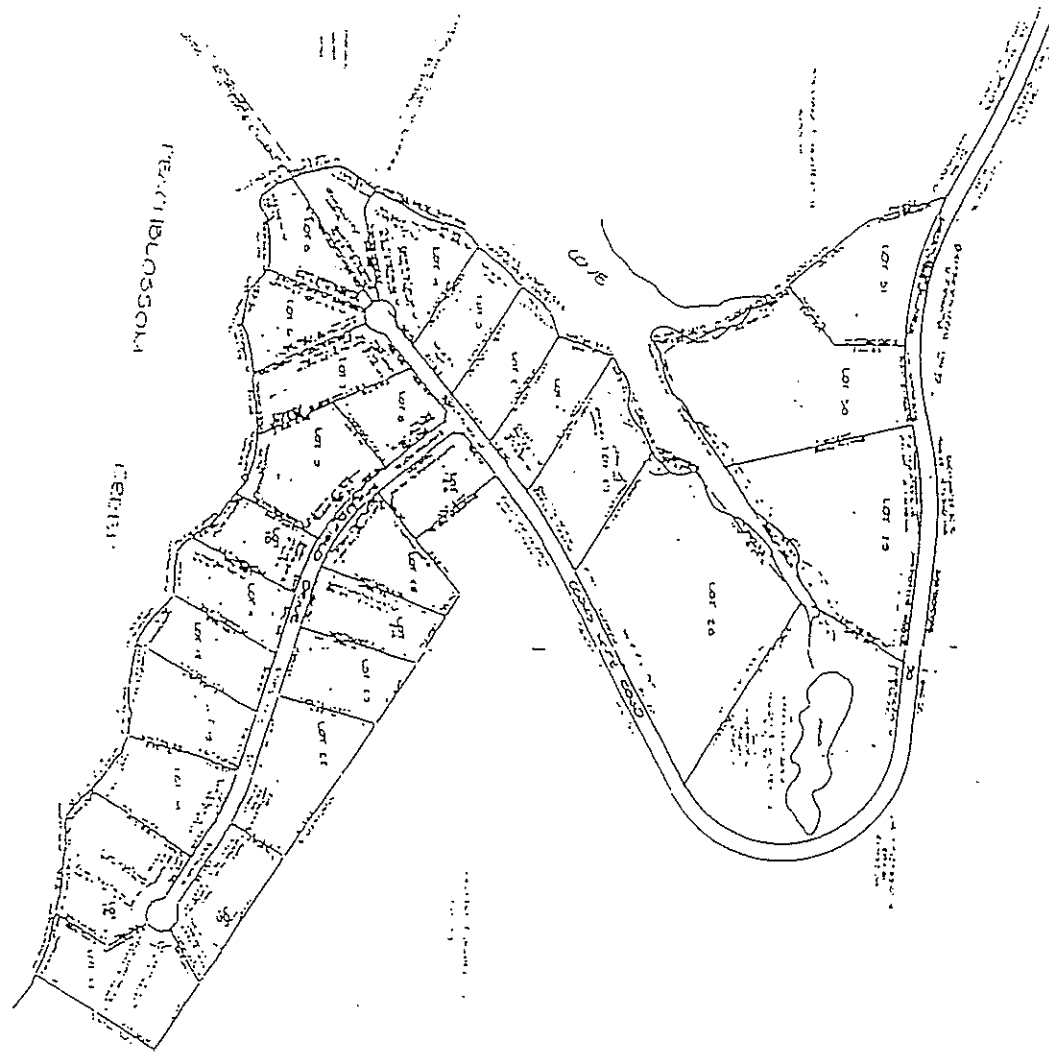
RKWCKH01.INC (053188)

IN WITNESS WHEREOF, I have signed these Articles of Incorporation and have acknowledged the same to be my act this 1st day of June, 1988.

WITNESS:

Parula H. Poore

Richard K. White, Jr. (SEAL)



I, the undersigned, being a duly qualified and licensed Surveyor, do hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the owner thereof, and that the same has been compared with the original survey and found to be correct.

W. R. Rogers  
 Surveyor

11/27/35

The Springfield Subdivision is located in the County of ... State of ... and is bounded by ... The area of the subdivision is ... acres. The subdivision is shown on the attached map.

1. The Springfield Subdivision is located in the County of ... State of ... and is bounded by ... The area of the subdivision is ... acres. The subdivision is shown on the attached map.

The Entire Tract contains all those parcels or tracts of land situate, lying and being in the Easton or First Election District, Talbot County, Maryland, and more particularly described as follows:

TRACT I

All those two parcels or tracts of land containing 464.7329 Acres and 6.0701 Acres, respectively, located in Easton District, Talbot County, Maryland, called or known as "Springfield", "Cook's Hope", "Peachblossom", or by whatsoever name or names the same may be known; and being fully described in a Deed dated March 14, 1969 by and between Sherlock D. Hackley and Helena J. Hackley, his wife, and W. Henry duPont and Martha Verge duPont, his wife, and recorded among the Land Records of Talbot County in Liber 434, folio 333; reference being made to said Deed for a complete description of said property.

TOGETHER WITH all right, title and interest in and to the land lying between the Southwesterly face of the Northeasterly abutment of the former bridge which carried said former railroad over Big Peach Blossom Creek and the Northwesterly line of the parcel of land containing 4.69 acres,  $\pm$ , conveyed by The Delaware Railroad Company to Eugene S. Schwaninger and Anna May Schwaninger, his wife, by deed dated April 1, 1963.

SAVE AND EXCEPT that 48.3712 acre parcel and 50 foot wide right-of-way conveyed by Philip E. L. Dietz to The Jasper Corporation, an Iowa corporation, by a deed dated June 24, 1977 and recorded among the Land Records of Talbot County, Maryland in Liber 513, folio 186; said parcel being more particularly shown on a plat entitled "A PART OF SPRINGFIELD FARM TO BE CONVEYED TO THE JASPER CORPORATION, 1ST ELECTION DISTRICT, TALBOT CO., MD., SCALE: 1" = 200', dated June 1977", made by J. R. McCrone, Jr., Inc. and recorded among the Plat Records of Talbot County, Maryland in Liber 43, folio 21.

BEING the same parcels or tracts of land described as "Tract I" in a deed by Philip E. L. Dietz to William T. Hunter, Jr. and Christine F. Hunter, his wife, R. W. Fisher and Christina S. Fisher, his wife, R. W. Fisher, as Trustee, and William T. Hunter, Jr., as Trustee, dated June 24, 1977 and recorded among the Land Records of Talbot County, Maryland in Liber 513, folio 195.

TRACT II

BEGINNING for the same at a Point on the northerly shore of Peachblossom Creek, said Point being the southeasterly corner of the herein described land and the end of the 27th Course of the description of Parcel No. One contained in a deed from Sherlock D. Hackley and Helena J. Hackley to W. Henry duPont and Martha Verge duPont, dated March 14, 1969 and recorded in the Land Record Books of Talbot County, Maryland under Liber 434, folio 333, and from said Place of Beginning running by and with the mean low-water line of the said

Peachblossom Creek and the many meanderings thereof, generally, the following thirteen courses and distances (the 28th through 40th of the said description of Parcel No. One): (1) North 80 degrees 20 minutes 42 seconds West 244.46 feet; thence (2) North 61 degrees 22 minutes 47 seconds West 461.37 feet; thence (3) North 83 degrees 33 minutes 16 seconds West 240.52 feet; thence (4) North 66 degrees 35 minutes 02 seconds West 415.19 feet; thence (5) North 47 degrees 30 minutes 15 seconds West 242.77 feet; thence (6) North 67 degrees 53 minutes 26 seconds West 207.24 feet; thence (7) South 87 degrees 00 minutes 11 seconds West 191.26 feet; thence (8) South 66 degrees 14 minutes 20 seconds West 378.03 feet; thence (9) North 83 degrees 14 minutes 02 seconds West 297.07 feet; thence (10) North 30 degrees 06 minutes 24 seconds West 275.11 feet; thence (11) Due North 117.00 feet; thence (12) North 27 degrees 30 minutes 12 seconds East 491.55 feet; thence (13) North 41 degrees 05 minutes 16 seconds East 549.29 feet; thence by and with a new division line between the herein described land and the reserved land of "Springfield" Farm the following three courses and distances: (14) South 58 degrees 16 minutes 16 seconds East 320.00 feet to the center of a 50-foot-wide right-of-way; thence (15) continuing South 58 degrees 16 minutes 16 seconds East 2292.29 feet; thence (16) South 26 degrees 39 minutes 18 seconds West 450 feet, more or less, to the Place of Beginning, containing 48.3712 Acres of Land, more or less;

TOGETHER WITH a 50-foot-wide right-of-way, leading from the herein described land across the land described as "Tract I" in a Deed by Philip E. L. Dietz to William T. Hunter, Jr., and Christine F. Hunter, his wife, R. W. Fisher and Christina S. Fisher, his wife, R. W. Fisher, as Trustee and William T. Hunter Jr., as Trustee dated June 24, 1977 and recorded among the Land Records of Talbot County, Maryland in Liber 513, folio 195, to the public road leading from Oxford to Easton, known as Maryland Highway No. 333, the centerline of said right-of-way being more particularly described by courses and distances as follows: Beginning for the same at the end of the 14th Course of the above description and running thence (1) North 31 degrees 43 minutes 44 seconds East 150.00 feet; thence (2) North 28 degrees 49 minutes 09 seconds West 869.60 feet to the center of an existing Driveway; thence generally by and with the center of the said existing Driveway the following five courses and distances: (3) North 50 degrees 11 minutes 40 seconds West 195.26 feet; thence (4) North 33 degrees 00 minutes 19 seconds West 94.34 feet; thence (5) North 23 degrees 51 minutes 37 seconds West 284.30 feet; thence (6) North 38 degrees 06 minutes 27 seconds West 129.63 feet; thence (7) North 62 degrees 12 minutes 20 seconds West 1324.73 feet, more or less, to the said Maryland Highway No. 333.

The above described parcel being more particularly shown on a Plat entitled "A PART OF SPRINGFIELD FARM TO BE CONVEYED TO THE JASPER CORPORATION, 1ST ELECTION DISTRICT TALBOT CO., MD.", Scale: 1" = 200', dated June, 1977, made by J. R. McCrone, Jr., Inc., Registered

RKWCKH01.DES (052688)

Professional Engineers and Land Surveyors recorded among the Plat Records of Talbot County, Maryland in Liber 43, folio 21.

BEING the same parcel or tract of land described as "Parcel No. 3" in a deed by Philip E. L. Dietz to The Jasper Corporation, an Iowa corporation dated June 24, 1977 and recorded among the Land Records of Talbot County, Maryland in Liber 513, folio 186.

## ARCHITECTURAL & ENVIRONMENTAL REVIEW COMMITTEE POLICY

All improvements and exterior changes at Cooke's Hope (including Village, Hedges, Galloways and Springfield homes) need to be approved by the Architectural & Environmental Review Committee (AERC). This process is not complicated. If you contemplate a change or addition to your property, please submit your plans to the AERC as follows:

1. Submit detailed plans and completed AERC Request Form to Darlene Debnam either via email at [propertymanager@cookeshope.org](mailto:propertymanager@cookeshope.org) or drop in the Property Manager's Drop Box in the Post Office Building. Please submit any visual aids, literature, etc. to assist in your request, and in the case of additions, your site plan elevation.
2. Your request will be logged, date-stamped and sent to the Chairman of the AERC.
3. The AERC will discuss and decide approval/disapproval.
4. A letter will be sent to you regarding the Committee decision. You should receive the decision within approximately two weeks. However, if a final decision has not been made within two weeks, a status report will be given to the lot owner.

No exterior changes to any residence may be undertaken without the prior written approval of this Committee. This would include, but not be limited to, the following:

1. Color (doors, siding, trim and fencing)
2. Addition or exterior change to any outbuilding or general landscape plan\*
3. Addition of any new outbuilding, shed, playground, recreation or other permanent (or non-permanent) equipment
4. Fences and/or screening
5. Pool
6. Shutters
7. Awnings and/or Exterior Blinds
8. Satellite Dish
9. Lightning rods, weather vanes or attic fans
10. Window boxes
11. Solar Panels or Collectors
12. Walkways and driveways

However, if you are replacing in kind (same color, detail, etc.) conforming items that are currently in existence, approval is not necessary.

\*With reference to landscaping, replacement in kind does not require approval. Additions of beds and other significant modifications to your existing landscape need to be approved by the AERC.

All approved improvements are to commence within six (6) months of approval and shall be substantially completed within twelve (12) months following the date of commencement, or within the time frame specified by the Committee in its approval as per the First Amended Declaration of Covenants, Conditions and Restrictions, page 16, item 4, Limitations.

If your request is denied, you may appeal the decision of the AERC to the Board of Directors and, upon your request, shall be entitled to a hearing before the Board.



## GUIDELINES FOR AWNING INSTALLATION IN THE GALLOWAYS

From the onset of construction, the developer and his representatives expressed strong desire to maintain uniformity in the exterior appearances of the Galloway's Townhomes. As a result, the following recommendations were made regarding awnings or canopies that might be installed on those townhomes. Guidelines were adopted but not formalized.

The AERC has voted to recommend that the following policy regarding awnings be adopted by the Board:

- Awnings or canopies may be installed at the rear or the side of the residence only.
- SUNBRELLA "Hemlock Tweed" (Pattern #4605-000) is the approved fabric. Other manufacturers have a duplicate of this fabric and they may be substituted. If vinyl coated fabric is used, a "Forest Green" material-available from all manufacturers should be specified.
- The installations may be Lateral Arm Retractable, Retractable Window Awnings, or Fixed Rigid canopies.
- The frame color for all Retractable Awnings should be white. Welded fixed frame canopies may use standard finish aluminum tubing. "Pipe Frame" canopies may use the industry standard galvanized pipe.

ELIGIBILITY FOR BOARD OF DIRECTORS  
Cooke's Hope Homeowners Association

This policy establishes the eligibility for members of the Board of Directors and sets forth additional guidelines relating to this matter:

Eligibility for Board of Directors:

1. Amendment No. 1 of the By-Laws states that a majority of the Board members must be members of the Association and a majority of whom shall maintain their principal residence in the Cooke's Hope Community.
2. It is preferred that all members of the Board should be resident property owners with the exception of the seat held by the Developer.
3. In the event sufficient candidates cannot be found among resident property owners, selection from non-resident property owners may be allowed at the discretion of the Board.
4. In the event suitable candidates cannot be found as per items #2 and #3, the Board may select non-resident, non-property owners as candidate(s).

Establishment of a Nominating Committee:

1. The Board of Directors hereby establishes a Nominating Committee. The purpose of said Committee is to provide names of eligible persons for election to vacant Board seats.
2. Nominating Committee will be comprised of one member of the Board of Directors and one resident of each jurisdiction affected by a Board vacancy.
3. Nominations will be made on or about August 1 of each calendar year.

Deadline for Filing for Vacant Board Seat:

1. The initial mailing soliciting candidates for Board of Directors vacancies will be sent on or about August 1 of each calendar year.
2. The deadline for filing will be placed at three weeks from the date of above-noted mailing.
3. If a candidate withdraws within one week of the deadline, the deadline will be extended an additional two weeks.

Voting Guidelines:

1. Secret ballots shall be cast for each Board seat. Lot numbers will be placed on the ballot, however, to ensure proper tracking of number of votes cast.
2. All votes will be counted by a group of three (3) Inspectors of Election. Process will be overseen by the Property Manager.

## Boat Slip Assignment Policy and Procedure

Based on Article VII, Section 10 of the By-laws, as interpreted in a May 18, 2006, legal opinion, (copy attached) the 24 Boat Slips currently located at the Cooke's Hope Community Dock will be assigned each December for use in the following calendar year:

First, to any Springfield Waterfront owner who wishes to rent a Boat Slip for the following calendar year;

Second, based on the availability of Boat Slips not assigned to Springfield Waterfront owners, to those Springfield Inland owners who had rented a Boat Slip in the current year and wish to rent a Boat Slip for the following calendar year;

Third, based on the availability of remaining unassigned Boat Slips, to other Springfield Inland owners who wish to rent a Boat Slip for the following calendar year;

Fourth, based on the availability of remaining unassigned Boat Slips, to Village, Galloways and Hedges owners who had rented a Boat Slip in the current year and who wish to rent a Boat Slip for the following calendar year;

Fifth, based on the availability of remaining unassigned Boat Slips, to Village, Galloways and Hedges owners on the waiting list who wish to rent a Boat Slip for the following calendar year; and

Sixth, based on the availability of remaining unassigned Boat Slips, to Village, Galloways and Hedges owners not included on the waiting list who wish to rent a Boat Slip for the following calendar year.

The first round of assignment of Boat Slips for the following calendar year will begin on or about November 10 of the current calendar year. On that date all Springfield Waterfront owners will be notified by mail that they may rent a Boat Slip for the following calendar year by filing a Boat slip application and rental fee with the Cooke's Hope Homeowners Association (CHHA) on or before December 1 of the current calendar year.

Springfield Waterfront owners who rented a Boat Slip for the current calendar year are guaranteed the right to rent the same Boat Slip for the following calendar year and may select that Boat Slip or any other Boat Slip not otherwise

guaranteed to another Springfield Waterfront owner for the following calendar year. If more than one Springfield Waterfront owner would like to rent the same unassigned Boat Slip, the actual assignment shall be made by drawing names from among those Springfield Waterfront owners who want to rent the same unassigned Boat Slip.

The failure of a Springfield Waterfront owner to file a Boat Slip application and appropriate rental fee with the CHHA on or before December 1 of the current year will result in that Springfield Waterfront owner being precluded from renting a Boat Slip for the following calendar year unless a Boat Slip remains unassigned after all other Cooke's Hope residents have had the opportunity to rent a Boat Slip for the following calendar year.

After all Springfield Waterfront owners have had the opportunity to rent a Boat Slip for the following calendar year, Boat Slips remaining unassigned will be offered for rent in a second and third round of Boat Slip assignments. The second and third rounds of Boat Slip assignments will commence on or about December 5 of the current calendar year when all Springfield Inland owners, as well as Village, Galloways and Hedges owners who rented a Boat Slip for the current calendar year, will be notified by mail that if they would like to rent an available Boat Slip for the following calendar year they may file a Boat Slip application with the appropriate rental fee with the CHHA on or before December 26 of the current calendar year.

In the second round of Boat Slip assignments, Springfield Inland owners who had rented a Boat Slip for the current calendar year shall have first choice to rent the same Boat Slip or any other Boat Slip that is not reserved as the first choice of another Springfield Inland owner. However, if the Boat Slip a Springfield Inland owner rented in the current year has been assigned to a Springfield Waterfront owner in the first round of Boat Slip assignments, that Springfield Inland owner's selection of a Boat Slip to rent is limited to only those Boat Slips, if any, that have not been assigned to either a Springfield Waterfront owner or as the first choice of another Springfield Inland owner for the following calendar year.

If any Boat Slips remain available for assignment after Springfield Inland owners who had rented a Boat Slip for the current year have had the opportunity to rent a Boat Slip

for the following calendar year, all other Springfield Inland owners who filed a Boat Slip application with the appropriate rental fee with the CHHA on or before December 26 of the current calendar year shall have the opportunity to rent any remaining unassigned Boat Slip for the following calendar year. These Springfield Inland owners may select any Boat Slip that has not been assigned to either a Springfield Waterfront owner or another Springfield Inland owner. If, there are more Springfield Inland owners who wish to rent an unassigned Boat Slip for the following calendar year then there are unassigned Boat Slips available, the actual assignment of an unassigned Boat Slip to those Springfield Inland owners shall be made by drawing names from the pool of those Springfield Inland owners who wish to rent a Boat Slip for the following calendar year.

The failure of any Springfield Inland owner to file a Boat Slip application with the appropriate rental fee with the CHHA on or before December 26 will preclude that Springfield Inland owner from renting a Boat Slip for the following calendar year unless a Boat Slip remains unassigned and available after all other Cooke's Hope owners have had the opportunity to rent a Boat Slip for the following calendar year.

Rental fees included with the application for a Boat Slip by Springfield Inland owners who are unable to rent a Boat Slip for the following calendar year for any reason will be returned to the owner as soon as practicable after the Boat Slip assignment process has been completed.

If any Boat Slips remain unassigned after both Springfield Waterfront and Springfield Inland owners have had the opportunity to rent a Boat Slip for the following calendar year, a third round of Boat Slip assignment will commence. In this round, any Boat Slips remaining unassigned will be offered first to those Village, Galloways or Hedges owners who had rented a Boat Slip for the current year and who, pursuant to the December 5 mail notification, filed an application to rent a Boat Slip for the following calendar year with the appropriate rental fee with the CHHA on or before December 26 of the current calendar year.

Those Village, Galloways or Hedges owners who had rented a Boat Slip for the current calendar year shall have first choice to rent the same Boat Slip for the following calendar year or any other unassigned Boat Slip for the following calendar year that is not the first choice of another

Village, Galloways or Hedges owner. However, if the Boat Slip the Village, Galloways or Hedges owner rented in the current year has been assigned to a Springfield Waterfront owner or a Springfield Inland owner in the first or second round of Boat Slip assignments, that Village, Galloways or Hedges owner's selection is limited to only those Boat Slips, if any, that have not been assigned to a Springfield Waterfront, a Springfield Inland owner or as the first choice of another Village, Galloways or Hedges owner.

The failure of any Village, Galloways or Hedges owner to file a Boat Slip application and appropriate rental fee with the CHHA on or before December 26 will preclude that Village, Galloways or Hedges owner from renting a Boat Slip for the following calendar year unless a Boat Slip remains available after all other Cooke's Hope owners have had the opportunity to rent a Boat Slip for the following calendar year.

Rental fees included with the application for a Boat Slip by Village, Galloways or Hedges owners who are unable to rent a Boat Slip for the following calendar year for any reason will be returned to the owner as soon as practicable after the Boat Slip assignment process has been completed.

If, any Boat Slips remain unassigned after the above assignment procedures have been completed, such Boat Slips will be offered to those Cooke's Hope owners listed on the waiting list in descending order of their placement on the list.

#### Waiting List

A waiting list containing the names of Cooke's Hope owners who wish to rent a Boat Slip for a future calendar year shall be updated each calendar year with such owners listed in order of receipt of an application to rent a Boat Slip.

Cooke's Hope owners listed on the waiting list will be asked each year if they wish to remain on the list. If they choose to have their name dropped from the waiting list all other Cooke's Hope owners listed below them on the waiting list will move up one space.



## Cooke's Hope Collection Policy

All bills for dues, special assessments and yard maintenance fees are to be sent out at least 30 days before the due date. The due date and the delinquent charges are to be stated on the bill.

Bills for all other services provided by the Association, such as Handyman Services and additional garden services, are due 30 days from the date rendered. The due date and the delinquent charges are to be stated on the bill.

Accounts unpaid 30 days after the due date are delinquent, and

- the account will automatically be charged a one-time collection service fee of \$50.00; and
- the account will automatically bear interest at the rate of 1.5% per month (18% per year) on the unpaid balance from the due date until paid; and
- a reminder invoice showing these additional charges will be sent.

Accounts in arrears for 60 days will receive a dunning letter from the Association stating that, if not paid within the next 30 days, an action to place a lien on their property for the unpaid balance will be filed with the appropriate court. Any additional costs will be added to the amount due and their property may be sold at public auction to pay the debt.

When an account is unpaid for 90 days, the Property Manager will notify the Association attorney to initiate action for collection.

Note: When counting the number of days, do not count the first day. For example, if the bill is due September 1, it is 30 days delinquent on October 1, unless that day is a Saturday, Sunday, holiday, or other day on which the office is closed. In that case, the delinquency will be the next business day.

Fence Guidelines  
Cooke's Hope Homeowners Association

Fences may be either of the following materials:

- All cedar
- Cedar with salt treated posts
- All salt treated
- Vinyl
- Wrought Iron

The following guidelines are to be adhered to when considering the finishing of the fence:

- If the fence is all cedar (including posts), the fence may be stained, painted or allowed to weather naturally. If painted, the fence must be allowed to season for four to six months, primed and painted with two coats. If stained, two coats of stain must be applied for adequate coverage.
- If the fence is cedar with salt treated posts, the fence may be stained or painted. If painted, the fence must be allowed to season for four to six months, primed and painted with two coats. If stained, two coats of stain must be applied for adequate coverage.
- If the fence is all salt treated (including posts), the fence may be stained or painted. If painted, the fence must be allowed to season for four to six months, primed and painted with two coats. If stained, the product used must be opaque and two coats applied for adequate coverage.

All fences must be approved by the Architectural Committee. Please submit a detailed plan regarding your request. This is to include:

- Materials to be used. If vinyl is chosen, a visual aid is required (i.e. picture or sample).
- Make and color of stain and/or paint.

Approved fence heights are as follows:

- Front yard – 4 foot maximum height
- Corner lots – 4 foot maximum height on all sections serving as front yard
- Back yard – 6 foot maximum for slats plus 1 foot maximum for lattice for an overall maximum of 7 feet
- Gates – 4 foot wide minimum to allow for lawn mower entrance

## Clarification of Landscape Installation and Maintenance Policy

The purpose of this document is to clarify the Landscape Installation and Maintenance Policies of the Cooke's Hope Homeowner's Association (HOA).

### A. Landscape Installation

All properties are required to be landscaped at a quality level consistent with the established landscape quality and theme of the development. At a minimum, landscape installations shall provide plant material sized for immediate impact and installation practices that promote successful, vigorous landscape health and maturity. All landscaping, or significant changes to landscape installations over time, is subject to the approval of the Architectural Committee through its sub-committee charged with landscape and site plan review.

#### 1. Plant Material Specifications

- a. All plant materials shall be procured from competent plant growers, nurseries, wholesalers and retailers in the region. Plant materials shall be free of insects and disease.
- b. Unless otherwise approved through the Architectural Committee design review process, plant materials shall be installed at the following minimum sizes:

Large Deciduous Trees-	2-2 ½" caliper measured 12" above root crown
Large Evergreen Trees-	7' height
Small Deciduous/Flowering Trees-	7' height multi-stem or 1½ -2" caliper single stem
Small Evergreen Trees-	4' height
Shrubs that mature larger than 4' height-	24" height or spread depending on form
Shrubs- smaller species normally massed-	18" height and spread
Perennials, Groundcovers-	1 gallon sizes
Turf	Sod required for all new lawn areas in the front easement and preferred for other grass areas. Seeding, if permitted and approved by the Architectural Committee, shall be 8lbs per 1000 sq ft turf type fescue/perennial rye blend.

Note: Minimum height requirements do not include early spring sprout growth. All plant specimens should be full canopy.

#### 2. Landscape Planting Beds

Beds shall be prepared and amended to create a satisfactory planting and plant growth regime. The underlying soils over much of Cooke's Hope are compacted and not well

suited for successful plant vigor and health without substantial soil amendments, raised planting areas and efforts to loosen compacted soils for deeper tree root plantings. Beds shall be raised wherever possible; however, beds adjoining house foundations should be graded to a level one brick course below the foundation vents. (Note- consider this elevation when determining the height of the house first floor; raise house to accommodate deeper landscape beds. Landscape installations that do not consider raised beds and soil conditioning resulting in recurring plant loss or plant stress will increase homeowner maintenance expense associated with Front Easement and Private Yard Area maintenance described in the following sections.

### 3. Grading/Drainage

While the Homeowner's various contractors may perform the actual work, the ultimate responsibility for proper grading/drainage lies with the Homeowner. Properties shall be graded for positive drainage and shall feather grading and drainage swales in consideration of adjoining properties to promote shared drainage where appropriate and prevent drainage impacts to adjoining properties or common areas. Options for roof down-spout drainage conveyance shall be considered early in the house siting and design process and solutions to convey this run-off be addressed. Roof drainage shall be conveyed beyond landscape beds to turf or stone catchment areas. Environmentally sensitive, on-site and self contained (no open surface ponds) storage of roof and impervious surface run-off is permitted, subject to Architectural Committee approval, so long as it is managed and it does not become a mosquito breeding or other undesirable feature.

Site grading, roof outfall drains and landscape bed preparation shall be inspected by the Ground Maintenance Supervisor and/or his staff or representative prior to landscape installation.

### B. Landscape Maintenance

Cooke's Hope Landscape Maintenance is divided into three (3) categories; Common Areas, Street Trees, and Sidewalks, Front Easement Areas and Private Yard Areas.

#### 1. Common Areas, Street Trees and Sidewalks

- a. Common Areas are all areas of the Cooke's Hope/Springfield properties not otherwise platted as individual lots under specific ownership. Common areas include streets and alleys. Except as specifically noted below, maintenance of landscaping and landscape features, turf, irrigation and drainage improvements in these areas is the responsibility of the HOA and is funded by HOA dues. Neighborhood entrance features are considered "common" area and the maintenance responsibility of the HOA.
- b. Street Trees in the "Village" (not Hedges, Galloways or Springfield), defined as large deciduous type trees planted within 6' of the back of curbing or edge of paving where no curb exists, are installed by the Developer and replaced periodically, including cost of tree and installation, by the HOA. Watering shall be provided by the property owner; all other maintenance is provided by the HOA through the Front Easement Area Maintenance charges defined later

in this document. The cost of HOA street tree replacement due to irresponsible over-watering by the adjacent Property Owner shall be the responsibility of the Property Owner. Tree replacement costs shall be based on the cost of installing a 3" caliper tree. Property Owners should consult with the Ground Maintenance Supervisor for guidance related to over-watering of these areas.

- c. Maintenance of the turf strip between the back of curb and sidewalk where sidewalks exist is the responsibility of the adjoining property owner. Similar to street trees, watering of this area is the specific responsibility of the Property Owner; all other required maintenance shall be provided by the HOA through the Front Easement Area Maintenance charges defined later in this document.
- d. Sidewalks- the cost of maintaining and replacing sidewalks shall be the responsibility of the HOA. Adjacent property owners shall maintain sidewalks in a neat condition and remove trash and debris as necessary.
- e. Specific to the Hedges, Galloways and Village Lots, all landscape related maintenance costs for the area adjoining private properties and beginning at the back of the curb or edge of paving shall be the responsibility of the Property Owner as Front Easement Area charges, Private Yard charges or Homeowner Maintenance efforts.

## 2. Front Easement Area

The Front Easement Area is located in the Village, Hedges and Galloways and is defined as the area from the back of curb to the front of the main facade of the house extended from side of lot to side of lot. Corner lots with street frontage on two streets have a larger Front Easement Area.

Landscape Maintenance services for the Front Easement Area shall be provided by the HOA. This consistent maintenance by the HOA maintains uniformity and the quality of the landscape areas viewed by all. The maintenance schedule for the front easement area is determined by the HOA. On the rare occasion when weather or other events beyond the HOA's control result in delayed maintenance, Homeowners are discouraged from engaging outside maintenance services and in no case will reimbursement for outside or individual services be provided. Excluding street tree costs as noted above, the costs for plant material, sod/seed and other related landscape materials required for plant replacement, are the responsibility of the Homeowner. Installation labor and equipment costs shall be provided by the HOA, with the following exceptions:

- a. the recurring (more than once every 3 years) cost of the plant materials and installation costs for plants requiring replacement due to poor bed

preparation, incorrect species selection, faulty irrigation or the lack thereof, shall be the responsibility of the Homeowner. This scenario will only occur if corrective drainage measures or landscaping change recommendations are not implemented by the Property Owner. We urge the Property Owner to get a one year warranty for all plant materials installed.

- b. Turf re-seeding, and the cost thereof, shall be the responsibility of the HOA, except when it can be demonstrated that too little or excessive irrigation is the cause of failure.
- c. Maintenance costs of hardscape (fences, walkways, walls and other non-plant material improvements) is the responsibility of the Property Owner.

### 3. Private Yard Maintenance

Maintenance of all yard areas on individual lots not otherwise included in Front Easement Areas is required and the responsibility of the Property Owner. Maintenance can be provided by the Property Owner and/or his/her contractor or can be provided by the HOA at a fee to be determined annually. Several levels of maintenance packages are available from the HOA staff. Turf fertilization and herbicide/pesticide applications in private yard areas is a required service provided by the HOA and included in the Front Easement Area maintenance cost as determined annually. Unless proven the fault of the HOA maintenance staff, all costs for replacing plant material or turf (material and labor) shall be borne by the Property Owner.

Minimum maintenance requirements include turf watering and mowing to keep turf at maximum 4" height, maintaining plant material in a healthy growing condition, including watering, fertilizing, mulching, pruning and spraying for pest or disease problems. Additionally, private yard maintenance shall include a spring and fall cleanup of debris and fallen leaves with mulching required at a minimum in the fall. Note- the generally intense landscape conditions throughout the community, while enjoyable to all, promote increased horticultural stress on plant material requiring regular monitoring for sign of insect and disease problems.

The HOA reserves the right, subject to advance notification and at Property Owner expense, to spray or treat plant materials for insects and disease problems on private property where the Property Owner provides individual private yard maintenance and is not otherwise providing the same level of plant protection and where this lack of protection is determined to be hazardous to adjoining properties landscape improvements.

### Reimbursement Policies

Homeowners who contract with the HOA for private yard maintenance for the season shall not be eligible for reimbursement in the event they decide to cancel their agreement at any time during the season.

PET ETIQUETTE  
COOKE'S HOPE HOMEOWNERS ASSOCIATION POLICY

As almost all of Cooke's Hope is within the Easton city limits, we are subject to the town's leash law. Therefore, pets shall not roam at large. Additionally, please be courteous and clean up after your pet. If you place your pet's waste in a plastic bag, please dispose of it properly. Do not put the bags down the storm drains as anything deposited there will flow into our ponds and, eventually, find its way to the Chesapeake Bay and its tributaries.

Please be mindful as to your dog's barking. Domestic pets should not be a source of annoyance or nuisance to the neighborhood.

Any persons threatened by a potentially dangerous situation with regard to a pet should find out the name of the pet owner and speak with them regarding the situation. If the situation is not corrected, please report the incident to the Humane Society (410-822-0107) as soon as possible.

Any persons affected by a nuisance situation with regard to a pet, should find out the name of the pet owner and speak with them regarding the situation. If the situation is not corrected, please report the incident to the Easton Police Department non-emergency number (410-822-1111).

RENTAL POLICY  
COOKE'S HOPE HOMEOWNERS ASSOCIATION

All homeowners who are renting their homes in Cooke's Hope are required to register their tenant(s) with the Association. Registration forms are available at the Sales Office. A \$250 orientation fee is also required payable by the homeowner or their tenant. If your rental property falls within the Easton town limits, you should make application for a license from the Town of Easton.

The following are Board approved policy statements addressing issues that need clarification beyond the confines of the Amendment to the First Amended Declaration of Covenants, Conditions and Restrictions:

**Vacancy Prior to Expiration of Lease**

Notwithstanding any mandatory minimum lease term set out in the covenants, if a tenant vacates a rental property at any point in time before the end of the mandatory minimum lease term, the landlord would be free to re-rent the property the next day. In this case, the new tenant would have to abide by the mandatory minimum lease term.

**Extension of Lease**

At the end of the mandatory minimum lease term, if the current renter so wishes to extend the lease, the term of the lease will be determined by the landlord.

**Subleases**

The approval of a sublease is a decision of the homeowner. However, a new orientation must be completed by the new tenant. The homeowner is responsible to pay another orientation fee.



SIGNAGE POLICY  
COOKE'S HOPE HOMEOWNERS ASSOCIATION

The Association has instituted a policy that dictates mandatory design standards for all signs erected on any homeowner's property. Any question regarding these standards, which will be strictly enforced, should be addressed to the Cooke's Hope Architectural Committee. The design standards and signage rules are as follows:

1. No more than one sign will be permitted on any property.
2. Signs are to be white with black lettering.
3. All signs are to be 12 inches by 12 inches and mounted on a single 2 inch by 2 inch post and painted white with black lettering. The signs may have a black, blue or red border.
4. Signs may not incorporate information tubes or other communication boxes.
5. Signs are to be placed in the front gardens in the Village, Hedges and the Galloways or at the edge of the property near the road in Springfield.
6. Contractor identification signs and for sales signs must be removed immediately after work is completed or the property is under contract.
7. No signs may be erected on common area property without the express permission of the Cooke's Hope Sales Office. This includes Open House and other real estate sales related signage in the area along the Oxford Road at the entrance to Cooke's Hope or at any of the street/road intersections in the Community. Our policy allows for the usage of the Cooke's Hope generic open house sandwich style sign to be placed at the entrance to the Community for the duration of the open house and removed immediately thereafter. Please contact the Sales Office to make arrangements to use this sign. Directional signs with real estate company logos may be placed at the intersection of streets and roads. However, refrain from using balloons on these signs. Again, these are to be removed immediately following the open house.
8. It is the responsibility of the homeowner to advise their real estate agent of these rules.

### Suspicious Activity

If you see unruly or suspicious activity, you should write down a description of the perpetrators and/or their cars or bikes, license plate number and, if possible, take a digital photograph.

If you live in the Galloways, Hedges or Village, any suspicious, unruly, illegal or criminal activity should be reported to the non-emergency number of the Easton Police Department at 410-822-1111.

If you live in Springfield, such activity should be reported to the Talbot County Sheriff's Department at 410-822-1020.

YARD SALES  
COOKE'S HOPE HOMEOWNERS ASSOCIATION POLICY

There are no yard sales allowed in Cooke's Hope. If a homeowner wants to have a sale inside their home and /or closed garage, there is no objection. However, no signs will be allowed and no display of items for sale outside of the home is permitted.