

**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR "NUTTERS CROSSING"**

THIS DECLARATION, made this 5th day of September 1990, by THOMAS H. RUARK, INC., hereinafter termed "Developer".

WITNESSETH:

WHEREAS, Developer is the owner of certain parcels of land situate in the Nutters Election District of Wicomico County, Maryland, which parcels are being subdivided into a subdivision known as "Nutters Crossing" as per plats thereof to be recorded among the Land Records of Wicomico County, Maryland.

WHEREAS, the plats of "Nutters Crossing" provide for extensive portions thereof to be dedicated for drainages, easements, walkways, golf course buffer areas, open space environmental easements, storm water management areas, maintenance easements and other seminar areas; and

WHEREAS, Developer deems it advisable to provide for the preservation and maintenance of said Areas, and to subject the lots about to be sold to certain mutually beneficial restrictive covenants, conditions, charges, easements and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each Owner thereof; and

WHEREAS, Developer has deemed it advisable, for the efficient preservation of the values and of the above described special areas in said community to create an association to which shall be delegated and assigned the powers and responsibilities of maintaining the special areas herein referred to and administering and enforcing these covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer shall organize an association for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares the real property above described known as "Nutters Crossing" as per plats thereof heretofore or hereafter recorded among the Land Records of Wicomico County, Maryland, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and charges (sometimes referred to as "Declaration") hereinafter set forth.

1. Not more than one (1) private dwelling house or residence and a garage solely for the use of the owner or occupier thereof shall be erected or placed upon any of the individual building lots; and such house or residence shall never be used or occupied for any purpose except for that of a private residence exclusively; nor shall any part or portion thereof ever be used or occupied except solely as a single family residence; nor shall any lot or any part thereof ever be used or occupied for trade, business or professional purposes of any kind whatsoever; nor shall any signs or other displays be erected with the exception of a customary "For Sale" sign giving notice that the particular house or lot on which the sign is located is for sale. However, speculative construction of houses is permitted.

2. No private dwelling house, residence, garage, fence, wall, television antennae, outdoor lighting facilities, or other structure shall be commenced, erected or maintained on any lot; nor shall any addition to or change or alteration therein be made until and unless plans and specifications showing the nature, kind, shape, height, materials, construction, details, floor plans, color scheme, elevation, grade, location and approximate cost of such structure and the grading plan of the lot to be built upon shall have been submitted to and approved in writing permanently with the Developer. The

Developer shall have the right to refuse to approve any such plans or specifications or grading plan which will not be suitable or desirable in the Developer's opinion for aesthetic or other reasons; and in so passing upon such plans, specifications or grading plan, the Developer shall have the right to take into consideration the suitability of the proposed dwelling house, residence, garage or other structure and of the materials of which it is to be built, to the site upon which it is proposed to erect the same, the harmony thereof with the surroundings and the effect of the private dwelling house, residence, garage or other structure as planned, to the adjacent property and to the outlook of the adjacent or neighboring property. Developer shall notify a lot owner of the approval or disapproval within twenty (20) days after plans and specifications and grading plans are submitted to the Developer.

3. All buildings or part thereof shall be constructed so as to comply with the minimum setback lines as established on the subdivision plat. However, the Developer may waive this requirement when construction has unintentionally been placed over the setback line if the Developer files among the Land Records a waiver stating their approval and that such violation does not adversely affect the value of the adjoining properties. The Developer's waiver shall not affect setback or other requirements of the Zoning Code, and the appropriate governmental agency shall continue to be consulted with respect to zoning matters. Furthermore, all notations on the subdivision plat shall be binding on all lots.

4. No hogs, cattle, horses, ponies or other livestock and no poultry shall be kept or maintained on or about said premises.

5. All owners or occupants of lots are not entitled by virtue of their lot ownership to be members of the golf course; however, all owners and occupants of any lot in Nutters Crossing Subdivision which immediately adjoins the golf course shall abide by all golf course rules and regulations; and those lots which adjoin the golf course and are shown on the subdivision plat as shaded areas and being "golf buffer zone" do specifically provide for an easement over such shaded areas for all purposes which may reasonably be anticipated for the operation and maintenance of the golf course over and under such areas specifically including, but not by way of limitation, access over such areas for golf course play, stabilized and paved cart paths, the installation and maintenance of irrigation and drainage lines, irrigation control stations and for all forms of landscaping.

6. All owners and occupants of any lot which binds upon the golf course and is subject to the easement provided in paragraph 5 above agree not to erect or maintain any structure which would impede the use of said golf course within the easement area, and the golf course operators shall have the right to remove any such structure at the lot owners expense.

6.1. During periods of construction on owners lots, all owners will keep the lots free of debris and in a neat and orderly appearance.

6.2. All lots which are subject to easements designated on the subdivision plat as "Golf Buffer Zone" which run into the golf course will allow the operators of the golf course to maintain the landscaping and grass cutting on the easement areas and shall allow for golf course markers thereon. All trees or other vegetation shall not be planted or removed from the easement areas without golf course operators approval.

7. For lots with waterlines, sewage liens and/or sewage disposal areas within the "golf course buffer area", the property owner has the right to replace and maintain such systems but this must be done under the schedule and supervision of the golf course owner, and the golf course owner has the right to perform the work at lot owner's expense if it can perform the work at no greater expense than the property owner's reasonably estimated price.

8. All owners and occupants of any lot in Nutters Crossing Subdivision shall extend to any and all golfers lawfully using the golf course the courtesy of allowing such golfers to retrieve any and all errant golf balls which have taken refuge on any lot in the subdivision, providing such golf balls may be recovered without damaging any flowers, shrubbery or the property in general of the owner of any such lot.

9. The owner of each lot in said Subdivision will cut or cause to be cut, and clean, the grass, weeds, and underbrush on said lot to the standards required by the developer, and in the event of failure so to do, the developer, its successors or assigns, or their agents, servants, or employees, may enter upon said lot whereof the owner has failed to cut, or cause to be cut, or clean, the said grass, weeds, and underbrush as aforesaid, and to cut or clean, the same and for so doing the owner covenants to pay to the said developer, its successors or assigns, the reasonable cost of such work (but in no instance shall this charge be less than Fifty Dollars (\$50.00) together with court costs and a reasonable attorneys fee incurred in the collection of such cost or costs. Furthermore, each owner shall seed all non-wooded areas as needed to provide grass cover.

10. All owners of lots or parcels of land shown on the subdivision plat of Nutters Crossing will become members of the Nutters Crossing Home Owners Association and agree to pay such dues and annual assessments as shall be voted by a majority of the members of said Association. All action taken by the Association shall be done by a majority vote with each lot having one vote. The dues for the first year shall be Fifty Dollars (\$50.00) payable upon purchase of the lot and the dues for all subsequent years shall be as agreed upon by the members of the Association as hereinbefore provided. However, the developer may waive the first year's dues if they so desire. The purpose of the Association shall be for promoting the recreation, health, safety and welfare of the lot owners and in particular, for the improvements and maintenance of the drainage easements, walkways, storm water management areas and open space areas, including but not limited to, the payment for the cost of labor, equipment, materials, management, supervision and professional services required in connection with the maintenance of such. Complete control of the Association shall remain with the Developer until all lots are sold and the Developer shall be exempt from paying dues. The dues provided for herein is enforceable at law, but shall not create a lien against the real estate.

11. The Association hereinbefore created shall maintain all drainage easement areas, walkways, storm water management areas, street medians, parcel "F", parcel "G", open space areas, and the pond on lot 9, Block F; and, in the event that the Developer, Owners or Association at any time hereafter shall fail or refuse to maintain the drainage easements or open space areas so that such property shall fall into a state of disrepair or disorder, the County Council of Wicomico County, Maryland, after providing 15 days advance written notice to any owner or owners of the proper in the subdivision, or to the Association, shall have the right to provide any reasonably required maintenance and cleaning of the area, and shall assess any such owner or owners of the property in the subdivision and/or the Association and/or its Members for costs incurred as in the case of annual or special assessments for delinquent taxes, and any such charge shall constitute a lien on such properties, as well as the lot of any individual owner who does not pay such assessment. The said Wicomico County may also institute suit against the Association for any expense incurred in the repair and maintenance of said drainage easements. Furthermore, the said Wicomico County may also institute suit against any individual Lot Owner for such Lot Owner's proportionate share of any expense incurred in the repair and maintenance of the aforementioned drainage easements, storm water management areas or open space areas. "Written notice" hereinbefore referred to shall be deemed to have been given when such notice is placed in the United States Mails, with proper postage, addressed to any such owner, owners, association, or members of the Association at the address shown for them in the tax records of Wicomico County.

12. The Developer covenants and agrees that all conveyances of lots in the subdivision shall be conveyed subject to the same covenants and restrictions as herein contained. However, those areas described on the subdivision plat as Lot 1, Block "H", Lots 1 and 2, Block "G", and parcels A through E shall not be subject to items 1 through 9 of these restrictions.

13. If any of the foregoing covenants, agreements, conditions, or restriction or charges be violated, the Developer or the owner or owners of any lot or lots laid down on said plat, his heirs, its or their heirs, successors, or assigns upon failure of the individual lot owner, their heirs, personal representatives or assigns, to abate such violations within seven (7) days after the receipt of written notice to abate, may abate such violation at the expense of the individual lot owner, their heirs, personal representative or assigns, without liability in any action or suit for entry upon said premises or for such abatement.

14. The covenants, agreements, conditions, restrictions, or charges herein contained shall inure to the benefit of and be enforceable by the Developer or owner or owners of any lot or lots on said plat, their respective successors, heirs, personal representatives or assigns, and failure by the Developer or any land owner to enforce any restrictions, conditions, covenants, or charges herein contained, shall in no event be deemed a waiver of the right to do so thereafter as to the same breach, or to one occurring prior or subsequent thereto.

15. These covenants are to run with the land and shall be binding upon all owners of lots and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive period of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded agreeing to change said covenants in whole or in part. The rights granted herein to Wicomico County, Maryland, shall exist in perpetuity and shall not be subject to the Power of Termination provided for in this paragraph.

16. Thomas H. Ruark, Inc. shall be construed to include its successor or successors as developers who shall likewise be entitled to exercise such rights as are herein reserved to the Thomas H. Ruark, Inc.. And in the event that Thomas H. Ruark, Inc. or the successor developer shall cease to own any lots in the subdivision, or shall elect to terminate its rights under these restrictions, the rights herein reserved to them shall continue in full force and effect and shall be exercised by a committee of lot owners who shall have the right to elect five of said owners by majority vote to serve as the owners committee and exercise the powers set forth herein including the power to approve plans and specifications and all other powers of Developer. Said property owners committee shall be established and give notice of its formation to each property owner in said development by registered mail within one year of the date of its right to exist hereunder. Said property owners committee shall have no power or authority to impose any other or greater restrictions on said property than those herein imposed.

IN WITNESS WHEREOF, the hand and seal of the party hereto.

WITNESS:

THOMAS H. RUARK, INC.

By: _____ (SEAL)
Thomas H. Ruark

STATE OF MARYLAND, COUNTY OF WICOMICO:

I HEREBY CERTIFY, that on this 5th day of September, 1990, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared THOMAS H. RUARK, President of Thomas H. Ruark, Inc., and he acknowledged the foregoing Declaration of Covenants and Restrictions for "Nutters Crossing" to be his act.

AS WITNESS my hand and notarial seal.

My Commission Expires

Notary Public

ARTICLES OF INCORPORATION
OF
NUTTERS CROSSING HOMEOWNERS ASSOCIATION, INC.

THIS IS TO CERTIFY:

FIRST: That I, the subscriber, **THOMAS H. RUARK** whose post office address is 927 Eastern Shore Drive, Salisbury, Maryland 21801, being at least eighteen (18) years of age, do, under and by virtue of the general laws of the State of Maryland, authorizing the formation of corporations, hereby act with the intention of forming a corporation by the execution and filing of these Articles.

SECOND: That the name of the corporation (which is hereinafter called the "Corporation"), is:

NUTTERS CROSSING HOMEOWNERS ASSOCIATION, INC.

THIRD: This Association does not contemplate pecuniary gains or profit to the members thereof, and the specific purposes for which it is formed are as follows:

1. To provide for maintenance, preservation and control of building lots as well as the association property being more particularly described on those subdivision plats entitled: (1) "Nutters Crossing Subdivision, Section One", made by Philip Parker and Associates, Inc., dated June, 1990 and recorded among the Land Records of Wicomico County and State of Maryland, in Plat Cabinet M.S.B. No. 8, Folio 19-73; (2) "Resubdivision and Amended Plat For Lots 40, 41, 42, 43, 44 and 59, Block "D", Nutters Crossing, Section One", dated October 31, 1990 and recorded among the aforesaid Land Records in Plat Cabinet M.S.B. No. 9, Folio 100-397.

The aforesaid property is subject to a Declaration of Covenants, Conditions and Restrictions for Nutters Crossing, dated September 5, 1990, made by Thomas H. Ruark, Inc. and duly recorded among the Land Records of Wicomico County, State of Maryland, in Liber M.S.B. No. 1229, Folio 91.

2. To provide and promote the health, safety and welfare of the residents within the aforescribed subdivision and any additions which may be made thereto as may hereafter be brought within the jurisdiction of this Association.

3. To exercise all of the powers and privileges and to

perform all of the duties and obligations of the Association as set forth in the Declaration of Covenants as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth fully at length herein.

This Corporation shall have those powers to exercise any and all rights and privileges which a Corporation organized under the Non-Profit Corporation Law of the State of Maryland may now or hereafter have or exercise.

FOURTH: The post office address of the principal office of the Corporation in this State is 927 Eastern Shore Drive, Salisbury, Maryland 21801. The resident agent of the Corporation is Thomas H. Ruark, whose post office address is 927 Eastern Shore Drive, Salisbury, Maryland 21801. Said resident agent is a citizen of the State of Maryland and actually resides therein.

FIFTH: The Corporation is not authorized to issue any capital stock. Any person who is a resident or landowner in the subdivision specifically referred to in the aforementioned Declaration shall be eligible for membership in the Corporation; provided, however, that the Board of Directors shall be the sole and final judge of eligibility in the case of each proposed member, in accordance with the By-Laws of the Corporation. The first members of the Corporation shall be the Board of Directors named in Article Sixth hereof. The number of members of the Corporation shall be unlimited; each member shall be entitled to one vote for each lot owned at all membership meetings held in accordance with the By-Laws of the Corporation; and the annual membership dues for each member shall be as prescribed by the By-Laws and the aforementioned Declaration.

SIXTH: The Corporation shall be governed and directed by a Board of Directors consisting of three (3) members who shall be elected by the members, in accordance with the By-Laws of the Corporation. Until the first annual meeting of the members, Thomas H. Ruark shall act as the Board of Directors for the Corporation.

SEVENTH: The Corporation may be dissolved as provided by statute; and, upon such a dissolution, other than incident to merger or consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for the 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/or assigned to any non-profit corporation, association, trust or other organization which would be devoted to such similar purposes.

EIGHTH: The amendment of these Articles shall require the assent and approval of at least two-thirds (2/3) of the votes entitled to be cast by lot owners.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation on _____, 1992.

TEST:

Thomas H. Ruark (SEAL)

STATE OF _____, COUNTY OF _____ :

THIS IS TO CERTIFY, that on this _____ day of _____, 1992, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared **THOMAS H. RUARK** and he acknowledged the forgoing Articles of Incorporation to be his act.

WITNESS my hand and Notarial Seal, the day and year last above written.

My commission expires: _____ Notary Public

NUTTERS CROSSING HOMEOWNERS ASSOCIATION BASIC GUIDELINES

- 1- Sheds will be allowed only if plans are submitted to architectural committee for approval. Sheds on the golf course lots must be attached to the main dwelling of the house keeping in style with the main residence.
- 2- Outside clotheslines must be concealed.
- 3- Dog pens are approved as long as they are in good taste and are landscaped so to conceal it from the road and neighbors. Leash laws are being enforced!
- 4- Fences are allowed with restrictions. Approval of the architectural committee is required.
- 5- Above ground pools are not allowed. Inground pools must be fenced and have a latched gate.
- 6- No private yard sales. Community yard sales were passed.
- 7- The community association fees will be raised to \$50 as of Jan., 1993.
- 8- Boats and campers must be parked as close to house as possible.
- 9- Business vehicles will be restricted to full size vans or smaller and should be parked as close to garage as possible.
- 10- All vehicles should be parked in the owners driveway. Inoperatable vehicles should be in a garage.

These guidelines were approved at the 3rd general meeting, November 2, 1992, by the Nutters Crossing Home Owners Association.

BY-LAWS
OF
NUTTERS CROSSING HOMEOWNERS ASSOCIATION, INC.

ARTICLE I. MEMBERS

Section 1. Annual meetings.

The annual meeting of the members of the Corporation shall be held at the principal office of the Corporation in Salisbury, Maryland, on the _____ day of _____ in each year commencing with the year ____ for the election of members of the Board of Directors and for the transaction of general business. If the _____ of _____ shall be a legal holiday, the annual meeting of the members shall be held on the first day following which is not a legal holiday at the same hour. Such annual meetings shall be general meetings, that is to say, open for the transaction of any business within the powers of the Corporation without special notice of such business, except in any case in which special notice is required by statute.

Section 2. Special meetings.

Special meetings of the members of the Corporation may be called at any time by a majority of the Board of Directors, either by vote or in writing. Upon request in writing, delivered to the Secretary, of a majority of all the members entitled to vote, it shall be the duty of the said Secretary to call forthwith a meeting of the members, at the expense of the Corporation. Such request shall state the purpose of the meeting and notice thereof shall be given as provided in Section 3 of this Article I. No business other than that stated in the notice of the meeting shall be transacted at any special meeting of the members, however called. Special meetings of the members shall be held at the principal office of the Corporation as named in Section I of this Article I. Special meetings may also be called in accordance with applicable provisions of law.

Section 3. Notice of Meetings.

Not less than 10 days' and not more than 90 days' written or printed notice of every annual meeting and of every special meeting of the members (except of any meeting called by the members as provided in Section 2 of this Article I) shall be given to each member in good standing of the Corporation on the date fixed by the Board of Directors as the record date for such meeting or if the Board fixes no record date, then to each member in good standing on the date of the notice. Such notices of

annual or special meetings shall state the place, day and hour of such meetings, and in the case of special meetings, shall also state the business proposed to be transacted thereat. Such notice shall be given to each member by leaving the same with him at his residence or usual place of business, or by mailing it postage prepaid and addressed to him at his address as it appears upon the books of the Corporation. No notice of the time, place or purpose of any meeting of members, whether prescribed by law, by the Charter or by the By-Laws, need be given to any member who attends in person, or who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice.

Section 4. Quorum.

At any meeting of members the presence, in person, of a majority of all members in good standing shall be necessary and sufficient to constitute a quorum for the election of Directors or for the transaction of other business; but, in the absence of a quorum, the members entitled to vote who shall be present in person at any meeting (or adjournment thereof) may, by vote of a majority of members so present and entitled to vote, adjourn the meeting from time to time, but not for a period of over thirty (30) days at any one time, by announcement at the meeting, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted at the meeting as originally notified.

Section 5. Proxies.

Members may vote in person, however proxies shall be allowed.

Section 6. Voting.

At every meeting of the members, every member in good standing of the Corporation shall be entitled to one (1) vote for each lot owned. Upon demand of ten per cent (10%) of the members entitled to vote, the votes for Directors, or upon any question before a meeting, shall be by ballot; and except in cases in which it is by statute, by the Charter, or by these By-Laws otherwise provided, a majority of the votes cast shall be sufficient to elect and pass any measure.

Section 7. Admission to Membership.

The first members shall be the Director named in the Corporation's Charter, Section Six; additional members shall be those persons who are residents or landowners of the subdivision known as "Nutters Crossing" as referred to in the "Declaration of Covenants and Restrictions for "Nutters Crossing", referred to in the Articles of Incorporation for this

Corporation and who are admitted to membership by the Board of Directors; provided, however, that the Board of Directors shall be the sole and final judge of eligibility in the case of each proposed member and may grant or deny membership for any reason consistent with the Declaration hereinafter referred to. A member, once admitted, likewise may be removed and his membership terminated by the Board of Directors once he no longer meets the membership requirements mentioned above.

Section 8. Order of Business.

At all meetings of members, the order of business shall be as far as applicable and practicable, as follows:

1. Organization.

2. Proof of notice of meetings or of waivers thereof. The Certificate of the Secretary of the Corporation or the affidavit of any other person who mailed the notice or caused the same to be mailed, shall be accepted as proof of service of notice by mail, and the affidavit of the publisher of the notice shall be accepted as proof in all instances in which the notice of a meeting is given by advertisement.

3. Submission of an alphabetical list of members entitled to vote thereat.

4. At an annual meeting, or at a meeting called for that purpose, reading of unapproved minutes of preceding meetings and action thereon.

5. Reports.

6. At an annual meeting, the election of Directors.

7. Unfinished business.

8. New business.

9. Adjournment.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Election and Powers.

The business and property of the Corporation, except as otherwise provided by statute or by the Charter, or by these By-Laws, shall be conducted and managed by its Board of Directors, which shall consist of three (3) members (subject to increase and decrease as hereinafter provided). The members of the Board of

W OFFICES

ING. HUGHES & BADGER

124 EAST MAIN STREET

SALISBURY, MARYLAND

21803-0289

301-749-2356

Directors shall be elected at the annual meeting of members, beginning with the annual meeting to be held _____ 19__ ; prior to such time Thomas H. Ruark shall serve as Director. Beginning with such _____ 19__ annual meeting of members, all vacancies on the Board of Directors shall be filled by election at such annual meeting of members, each for a term of one year, except that each Director elected at any annual meeting shall hold office until his successor shall have been elected and qualified or until he shall die or resign, or shall have been removed. The number of Directors fixed by the Charter or by the By-Laws may, by the vote of a majority of the entire Board of Directors, be increased to not exceeding nine (9) or decreased to not less than three (3), provided that the tenure of office of no Director shall be affected thereby. The Board of Directors shall keep minutes of its meetings and a full account of its transactions.

Section 2. First Regular Meeting.

After each meeting of members at which a Board of Directors shall have been elected, the Board of Directors so elected shall meet for the purpose of organization and the transaction of other business, at such time and place as may be designated by the members at such meeting; or, in the absence of such designation, shall meet as soon as practicable at the principal business office of the Corporation, provided that the first organizational meeting of the Board of Directors named in the Charter shall be held at Nutters Crossing Club House, Salisbury, Maryland, on _____.

Section 3. Additional Regular Meetings.

Regular meetings of the Board of Directors shall be held at the principal business office of the Corporation, at such times as may be fixed by general resolution of the Board, or at such other times and places as shall be specified by the Board.

Section 4. Special Meetings.

Special meetings of the Board of Directors shall be held whenever called by the Chairman or by a majority of the Directors, either in writing or by vote.

Section 5. Place of Meetings.

Subject to the provisions of Section 2 of this Article II, the Board of Directors may hold its regular and special meetings at such place or places within or without the State of Maryland as it may from time to time determine. In the absence of any such determination, regular and special meetings of the Board of Directors shall be held at the principal business office of the Corporation.

W OFFICES

NG. HUGHES & BADGER

124 EAST MAIN STREET

SALISBURY, MARYLAND

21809-0289

301-749-2356

Section 6. Notice of Meetings.

Notice of the place, day and hour of every regular and special meeting shall be given to each Director, either - -

1. By notice in writing mailed to him, postage prepaid, not later than the second day before the day set for the meeting and addressed to him at his last known post office address according to the records of the Corporation;

2. By notice in writing delivered to him personally or left at his residence or usual place of business not later than the second day before the day fixed for the meeting;

3. By telephone not later than the day before the day set for the meeting.

PROVIDED, HOWEVER: That if, at any meeting of members at which a Board of Directors shall be elected, the members shall designate the time and place of the first regular meeting of the Board, then no notice thereof need be given to any Director. No notice of the time, place or purpose of any meeting need be given to any Director, who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. No notice of any adjourned meeting of the Board of Directors need be given.

Section 7. Quorum.

A majority of the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at every meeting of the Board of Directors; but if at any meeting there be less than a quorum present, a majority of those present may adjourn the meeting from time to time, but not for a period of over ten (10) days at any one time, without notice other than by announcement at the meeting until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 8. Removal.

At any meeting of the members called for the purpose, any Director may, by the vote of a majority of all members entitled to vote, be removed from office, with or without cause, and another may be appointed in the place of the person so removed, to serve for the remainder of his term.

Section 9. Vacancies.

If any Director shall die or resign, or if the members shall

remove any Director without appointing another in his place, a majority of the remaining Directors (although such majority is less than a quorum) may elect a successor to hold office for the unexpired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified. Vacancies in the Board of Directors created by an increase in the number of Directors may be filled by the vote of a majority of the entire Board as constituted prior to such increase, and the Directors so elected by the Board to fill such vacancies shall hold office until the next succeeding annual meeting of members and thereafter until their successors shall be elected and qualified.

Section 10. Compensation.

Directors, as such, shall not receive any stated compensation for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at any regular or special meeting thereof. Nothing in this Section shall be construed to preclude a Director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE III. OFFICERS

Section 1. Officers.

The officers of the Corporation shall be a President, a Vice-President, a Secretary and a Treasurer, and such other officers as the Board, from time to time, considers necessary for the proper conduct of the business of the Corporation. The officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of members. Each such officer shall hold office for a term of one year, and thereafter until his successor is elected and qualified or until his death, resignation or removal.

Section 2. President.

The President shall be the chief executive officer of the Corporation. He shall, when present, preside at all meetings of the members and Directors; he shall have general management and direction of the business of the Corporation and all powers ordinarily exercised by the President of a corporation; he shall have authority to sign and execute, in the name of the Corporation, all authorized deeds, mortgages, bonds, contracts or other instruments.

Section 3. Vice-President.

In the absence of the President, the Vice-President shall perform all the duties of the President, and when so acting shall have the powers of the President. The Vice-President shall (if provided by resolution of the Board of Directors) have authority to sign and execute, in the name of the Corporation, all authorized deeds, mortgages, bonds, contracts and other instruments, and shall also have such additional powers and duties as may be assigned to him by the Board of Directors.

Section 4. Secretary.

The Secretary shall keep the minutes of the meetings of the members of the Board of Directors in books provided for the purpose; he shall see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law; he shall be the custodian of the records and of the corporate seal or seals of the Corporation; he shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized, and when so affixed may attest the same; and in general, he shall perform all duties ordinarily incident to the office of a Secretary of a corporation, and such other duties as, from time to time, may be assigned to him by the Board of Directors, or by the President.

Section 5. Treasurer.

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation and shall deposit, or cause to be deposited, in the name of the Corporation all moneys or other valuable effects in such banks, trust companies, or other depositories as shall, from time to time, be selected by the Board of Directors; he shall render to the President and to the Board of Directors, whenever requested, an account of the financial condition of the Corporation; and, in general, shall perform all the duties ordinarily incident to the office of a Treasurer of a corporation, and such other duties as may be assigned to him by the Board of Directors or by the President.

Section 6. Assistant Officers.

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Compensation.

The Board of Directors shall have the power to fix the compensation of all officers of the Corporation. It may authorize any officer upon whom the power of appointing subordinate officers may have been conferred to fix the compensation of such subordinate officers.

Section 8. Officers Holding More Than One Office.

Two or more offices (except that of President and Vice-President) may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

Section 9. Removal.

The Board of Directors shall have power at any regular or special meeting to remove any officer with or without cause, and such action, shall be conclusive on the officer so removed. The Board may authorize any officer to remove subordinate officers.

Section 10. Vacancies.

The Board of Directors at any regular or special meeting shall have the power to fill a vacancy occurring in any office for the unexpired portion of the term.

ARTICLE IV. SUNDRY PROVISIONS

Section 1. Negotiable Instruments and Other Evidence of Indebtedness.

All checks, drafts or orders for the payment of money, notes and other evidences of indebtedness, issued in the name of the Corporation, shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors. No check shall be signed in blank.

Section 2. Fiscal Year.

The fiscal year of the Corporation shall be the calendar year unless otherwise provided by the Board of Directors.

Section 3. Seal.

The seal of the Corporation shall be circular in form, with the name of the Corporation inscribed around the outer edge, and in the center shall be inscribed the year of incorporation.

Section 4. Amendments.

Except as hereinafter provided, these By-Laws, or any of them, or any additional or amended By-Laws, may be altered or repealed and new By-Laws may be adopted at any regular meeting of the Board of Directors without notice, or at any special meeting the notice of which shall set forth the terms of the proposed amendment, by the vote of a majority of the entire Board. This Section 4 relating to amendments may, however, be amended only at a regular meeting of members with notice, or at a special meeting of members the notice of which shall set forth the terms of the proposed amendment, in either case by the vote of a majority of the votes entitled to be cast in the aggregate by all members present in person or by proxy at such meeting.

W OFFICES

IG, HUGHES & BADGER

24 EAST MAIN STREET

ALISBURY, MARYLAND

21803-0289

301-740-2556