

**AMENDMENT TO THE BYLAWS**  
**OF**  
**VILLAGE OAKS ASSOCIATION, INC.**

THIS AMENDMENT TO THE BYLAWS ("Amendment") is made this 21 day of June, 2006, by Village Oaks Association, Inc. (the "Association").

**WITNESSETH:**

WHEREAS, the Association is a duly created homeowners association by virtue of the recordation of its Declaration and Bylaws among the Land Records of Baltimore County in Liber 6004, Folio 245 et seq.; and

WHEREAS, the Board of Directors has determined that it is necessary to amend the current Bylaws in order to establish a comprehensive procedure for dispute resolution, enhance the existing enforcement procedures and impose a late fee for delinquent assessments; and

WHEREAS, pursuant to Article XIII of the Bylaws, the Bylaws may be amended, at a duly constituted regular or special meeting of the Members, by a vote of a majority of a quorum of those Members present in person or by proxy, except that the Federal Housing Administration or the Veteran's Administration shall have the right to veto amendments while there is a Class B membership; and

WHEREAS, Members representing a quorum of those Members present in person or by proxy at a duly constituted meeting have approved this Amendment to the Bylaws.

NOW THEREFORE, the Association hereby amends the Bylaws of Village Oaks Association, Inc. as follows:

1. By deleting Article VII, Section 1(a) in its entirety and substituting the following:

Powers

1(a) The business and affairs of the Association shall be managed by its Board of Directors. The Board of Directors may exercise all the powers of the Association, except such as are by statute or the Articles of Incorporation of the Association, or the Bylaws conferred or reserved to the Members. This shall include, but not be limited to, the power to adopt and publish Rules and Regulations governing the use of the Common Areas and the Lots and the personal conduct of the Members and their family members and guests thereon, and to establish reasonable penalties for the infraction of said Rules and Regulations and the Declaration and these Bylaws, including the imposition of monetary fines which shall become a continuing lien upon the Lot and shall be collectible in the same manner as an assessment. The Board of Directors shall keep full and fair accounts of its transactions.

2. Article XI shall be deleted in its entirety and replaced with the following provision:

ARTICLE XI  
Assessments

As is more fully provided in the Restatement of Declaration of Covenants, Conditions and Restrictions (the "Declaration"), each member is obligated to pay to the Association Annual and Special Assessments which are secured by a continuing lien upon their Lot. Any assessment which is not paid when due shall be delinquent. Any assessment levied pursuant to the Declaration, or any installment thereof, which is not paid within thirty (30) days after it is due shall bear interest, from the due date until paid, at the rate of eight percent (8%) per annum, (or such greater amount as may be provided for by Maryland law). Any delinquency which has continued for at least fifteen (15) days shall also be charged a late fee of fifteen dollars (\$15.00) or one tenth (1/10) of the total amount of any delinquent assessment or installment, whichever is greater (or such greater amounts as may be provided for by Maryland law) and the Board shall have the right to declare the entire balance of the annual assessment, immediately, due and payable. A late fee shall only be imposed once for the same delinquent payment. The Association may bring an action at law against the Owner personally obligated to pay assessments and/or foreclose the lien against his Lot, and all interest, all costs, and all attorney's fees incurred in any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for any assessment by nonuse of the Association Property or abandonment of their Lot.

2. By adding a new Article XV as follows:

Article XV

Dispute Resolution, Sanctions, Legal Proceedings, Costs and Attorney's Fees

Section 1. Dispute Resolution Procedure. The Board or its designated committee shall not impose a fine, suspend voting rights (unless the suspension is related to the Owner's failure to provide a current address or unless a statement of lien has been filed against the Lot and the lien has not been satisfied), or infringe upon any other rights of an Owner or other occupant for violation of the Declaration, the Bylaws, or Rules and Regulations unless and until the following provisions are followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: (1) the alleged violation; (2) the action required to abate the violation; and (3) a time period, not less than ten (10) days, during which the violation may be abated without further sanction if the violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing if the violation is not a continuing one.

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board shall serve the alleged violator with written notice of a hearing to be held by the Board. The notice shall contain: (1) the nature of the alleged violation; (2) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; (3) an invitation to attend the hearing and produce any statement, evidence, and witnesses on his or her behalf; and (4) the proposed sanction to be imposed.

(c) Hearing. At the hearing, the alleged violator has the right to present evidence and present and cross-examine witnesses. The hearing shall be held in executive session and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the hearing. This proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the person who delivered such notice. The notice requirements shall be deemed satisfied if the alleged violator appears at the hearing. The minutes of the hearing shall contain a written statement of the results of the hearing and the sanction, if any, imposed. A decision pursuant to these procedures shall be appealable to the Courts of Maryland.

(d) Owner's Failure to Comply. If any Owner fails to comply with the Maryland Homeowners Association Act, these Bylaws, or the Declaration or a decision rendered pursuant to this Section, the Owner may be sued for damages caused by the failure or for injunctive relief, or both, by the Association or by any other Owner. The substantially prevailing party in any such proceeding is entitled to an award of all legal fees and costs as determined by the court.

(e) Effect of Failure to Enforce Provision. The failure of the Association to enforce a provision of the Maryland Homeowners Association Act, these Bylaws, the Declaration, or the Rules and Regulations on any occasion is not a waiver of the right to enforce any provision on any other occasion.

Section 2. Sanctions. If, after notice and hearing as stated herein, the Board or its designated committee shall determine that there has been a violation of the Declaration, these Bylaws, or the Rules and Regulations, it shall have the power to impose sanctions against the Owner, including reasonable monetary fines as shall be determined by the Board or its designated committee. In the event the fines are not paid, such fines will be considered a lien against the Lot belonging to such Owner, and shall be collectible in like manner as the lien against such Lot for annual and special assessments provided for in the Declaration and these Bylaws. The Association shall be entitled to an award of all costs and all attorney's fees actually incurred to collect any amount due hereunder.

Section 3. Legal Proceedings. Failure to comply with the terms of the Declaration, these Bylaws and the duly enacted Rules and Regulations shall be grounds for relief, including without limitation, an action to recover sums for money damages, injunctive relief, foreclosure of the lien for non-payment of assessments and any other relief afforded by a Court of competent jurisdiction, all of which relief may be sought by the Association, or by any other

Owner. Failure or forbearance by the Association or by an Owner to enforce a provision of these Bylaws, the Declaration or the duly enacted Rules and Regulations shall in no event be deemed a waiver of the right to enforce any provision on any other occasion. There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted breach of any of the within covenants or restrictions or any provision of these Bylaws or the Declaration or the Rules and Regulations cannot be adequately remedied by an action at law or exclusively by recovery of damages.

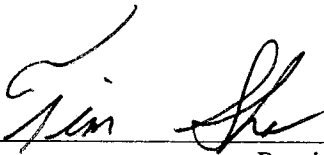
Section 4. Costs and Attorney's Fees. In any legal proceeding instituted by an Owner or arising out of any alleged default by an Owner, the substantially prevailing party shall be entitled to recover the costs of such proceeding and all attorney's fees actually incurred. In the event that a legal proceeding was not filed against an Owner, but attorney's fees were nonetheless incurred in enforcing these Bylaws, the Declaration or the duly enacted Rules and Regulations against an Owner, the Board may assess all such attorney's fees against the Owner and thereafter said fees shall constitute a lien against that Owner's Lot and be collectible in the same manner as an assessment.

IN WITNESS WHEREOF, the Association has executed this Amendment, the day and year first above written.

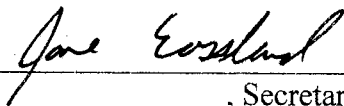
AMENDMENT APPROVED BY:

BOARD OF DIRECTORS OF  
VILLAGE OAKS ASSOCIATION, INC.

10-12-00  
10/12/06

By:   
, President

10-12-00  
10/12/06

By:   
, Secretary

CERTIFICATE OF THE SECRETARY OF  
VILLAGE OAKS ASSOCIATION, INC.

I hereby certify that on the 12 day of October, 2006 that I was acting as the Secretary of Village Oaks Association, Inc. at the meeting of the Association at which the aforesaid Amendment was approved. I further certify that said approval was by Members having the required percentage of votes required by the Association's Bylaws, and that, accordingly, the aforesaid Amendment shall be effective.

VILLAGE OAKS ASSOCIATION, INC.

By: [Signature]  
\_\_\_\_\_, Secretary

ATTEST:

[Signature]  
\_\_\_\_\_, President

STATE OF MARYLAND

COUNTY OF Howard, TO WIT:

I HEREBY CERTIFY that on this 12th day of October, 2006 before me, the subscriber, a Notary Public in and for the State of Maryland, personally appeared Jane Crossland, who acknowledged himself/herself to be the Secretary of Village Oaks Association, Inc. named in the foregoing instrument, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and who acknowledged that he/she executed the same for the purpose therein contained

AS WITNESS my hand and seal.

[Signature]  
\_\_\_\_\_  
Notary Public

My Commission expires: 9/10/2009

Please Return to:  
COLONY TITLE GROUP, LTD.  
10320 Little Oxent Pkwy  
Suite 410  
Columbia, MD 21044  
[Signature]