

**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS
OF THE
QUEENS LANDING COMMUNITY MARINA, LLC**

(August 2013, Revised)

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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

This DECLARATION made this 18th day of December, 2009, by Queen's Landing Community Marina LLC, a Maryland Limited Liability Company.

WITNESSETH:

WHEREAS, Queen's Landing Community Marina, LLC is the owner of the Boat Slip Unit located at 501 Queen's Landing Drive in Chester, Queen Anne's County, State of Maryland, more particularly described in Scheduled A attached hereto and made a part hereof (hereinafter the "Property").

WHEREAS, Queen's Landing Community Marina, LLC desires to place Covenants on the Property for the purpose of protecting the value and desirability of the Property and the Improvements thereon, and to distribute among the Owners of the Property the cost of maintaining and operating the Property.

WHEREAS, Queen's Landing Community Marina, LLC intends to subdivide the Property into Sixty-Three (63) units pursuant to Section 11-107(d) of the Real Property of the Annotated Code of Maryland of which Sixty-Two (62) units will be sold exclusively to owners within Queen's Landing Condominium in Chester Maryland and one (1) unit will be forever owned by Queen's Landing Community Marina, LLC, its heirs and successors of interest.

WHEREAS, The Property, including the Sixty-Three (63) units and any of the Improvements, individually or collectively therein or thereon, shall be held, sold and conveyed subject to this Declaration of Covenants, Conditions and Restrictions as set forth below and as amended from time to time as provided herein.

NOW, THEREFORE, the Queen's Landing Community Marina, LLC hereby declares that all of the Property described in Schedule "A" shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of the Property, and which shall run with, the real property and be binding on all parties having any right, title or interest therein, and shall inure to the benefit of each owner thereof.

INTRODUCTION

The Property and the newly created Sixty-Three (63) units shall at all times be part of the Community Marina of Queen's Landing Council of Unit Owners, Inc. The Community Marina is established for the benefit of Queen's Landing residents and shall provide for the enhanced enjoyment, recreation, and general welfare of the waterfront community. The Community Marina shall be governed by a Board of Directors which is responsible for the overall operation and maintenance activities of the Property. Special attention shall be devoted to improving the Property's appearance, facilities, and value to the Queen's Landing Condominium Community while ensuring Queen's Landing residents receive the highest priority of utilization. Moreover, the Board of Directors shall provide a positive administration of rules and regulations governing the Sixty-Three (63) units, the Sixty-Two (62) boat slips and activities of its owners and users.

ARTICLE I

Property Rights

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Community Marina which shall be appurtenant to and shall pass with the title to every unit, subject to the following provisions:

a. the right of the Board of Directors to suspend the voting rights and the right to use the boat slip by an owner for any period during which any assessment against his unit remains unpaid, and for any infraction of its published rules and regulations for a reasonable time as determined by the Board of Directors;

b. the right of Queen's Landing Community Marina, LLC, its successors and assigns to dedicate or transfer all or any part of the Property, other than the mailbox units to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors;

c. the right of the Board of Directors to grant licenses, easements, rights-of-way, licenses, leases or similar interest affecting the Property for such consideration and on such terms and conditions as the Board of Directors may from time to time consider appropriate or in the best interest of Queen's Landing Community Marina, LLC or the Property;

d. the right of the Board of Directors to limit the number of guests of Owners utilizing the Property;

e. the right of the Board of Directors to establish uniform rules and regulations pertaining to the use of the Property;

f. the right of the Board of Directors to borrow money for the purpose of improving the Property in a manner designed to promote the enjoyment and welfare of the unit owners and in aid thereof to mortgage any portion of the Property;

g. the right of the Board of Directors and/or Queen's Landing Community Marina, LLC to increase the number of boat slips beyond the current sixty-two (62) boat slips; provided, however, that increase has been approved, as necessary, by the applicable local governmental authorities or agencies, or is otherwise in conformance with applicable law, local zoning ordinances, governmental guidelines, or restrictions.

h. the right of Queen's Landing Community Marina, LLC, without obtaining the approval of the mailbox unit owners, to further subdivide its unit in order to increase the number of mailbox units and/or boat slips within the Property which each owner of a mailbox unit hereby consents to without the need to vote on the matter;

i. the right of the Board of Directors to do such other action with respect to the Property that the Board of Directors believes is in the best interest of the Property;

j. the mailbox units shall only be sold, conveyed and otherwise held by residential owners of Queen's Landing Council of Unit Owners, Inc.; and

k. the right to own a mailbox unit shall cease immediately upon the owner of a mailbox unit no longer owning a residential unit in the Queen's Landing Council of Unit Owners, Inc, and upon such event, the owner of the mailbox unit shall comply with Article IV, Section 15 herein.

ARTICLE II

Board of Directors

Section 1. Number and Qualification. The Board of Directors shall have certain powers and duties with respect to the Property, the Units and the Boat Slips therein. The Board of Directors shall consist of three (3) members to be designated by Queen's Landing Community Marina, LLC. At least two (2) directors of the Board of Directors shall at all times be members of the Marina Executive Committee of Queen's Landing Community Marina, LLC and at least

one director shall be an owner of one of the mailbox units. A director may be a member of Marina Executive Committee of Queen's Landing Community Marina LLC as well as a owner of a mailbox unit.

Section 2. Powers and Duties. The Board of Directors shall without limitation, have the following powers:

(a) Determine the amount of Marina Expenses required for the operation, maintenance, repair and replacement of the Property, including the units, boat slips, bulkhead, piers, pilings, and decking boards therein or thereon.

(b) Hire the personnel necessary for the maintenance and operation of the Property.

(c) Approving and disapproving applications or submissions for architectural changes or modifications within the Property.

(d) Overseeing the insurance proceeds with respect to any damage caused to the Property.

(e) Controlling the use of the Property, including the units, bulkhead, piers, slips, and pilings.

(f) Enacting reasonable, uniform rules and regulations from time to time which govern the use and operation of the Property, as well as the conduct of the slip owners, their guests, tenants, contractors and invitees; provided, however, that no such rules and regulations so adopted shall be in conflict with the Maryland Condominium Act, Queen's Landing Council of Units Owner's, Inc.'s governing documents and, provided further, that no such rules and regulations shall be so construed so as to impair in any manner the lien of any mortgage or deed of trust with respect to any unit if such rules and regulations are promulgated after the recordation of said mortgage or deed of trust. The Board of Directors may only promulgate rules and regulations in accordance with the procedures set forth herein.

(g) Enforcing obligations of the owners and tenants of the units. In connection thereto, the Board of Directors shall have the power to enforce the provisions of the Condominium Act, the Declaration, Bylaws and Rules and Regulations of Queen's Landing Council of Unit Owners, Inc. and subject to the provisions herein, to levy reasonable fines against the owners and their tenants for violations of the same after notice and an opportunity to be heard is given in accordance herein. Such fines may be collected in the same manner as any other Marina Expense and shall constitute a lien against the unit. If a mailbox owner persists in violating the rules and regulations, the Board of Directors may require him to post a bond, satisfactory to it, to secure future compliance with the Rules.

Section 3. Appointment and Term of Office. The members of the Board of Directors shall hold office at the pleasure of the Queen's Landing Community Marina Executive Committee. The term of office of the members of the Board of Directors shall be fixed by the Marina Executive Committee of Queen's Landing Community Marina, LLC. At the expiration of the term of office of each respective member of the Board of Directors, his successor shall be appointed by the Marina Executive Committee of Queen's Landing Community Marina, LLC. A member of the Board of Directors shall be deemed to have resigned whenever such member, his spouse, or firm, corporation or other entity he is associated with, sells his residential unit or mailbox unit which qualifies such individual to be a member of the Board of Directors.

Section 4. Removal of Members of the Board of Directors. The Marina Executive Committee of Queen's Landing Community Marina, LLC may remove a Board of Directors member with or without cause, by a majority of the Marina Executive Committee of Queen's Landing Community Marina, LLC and a successor shall then and there be appointed for the remainder of the term of the predecessor member to fill the vacancy thus created. The term of office of any member of the Board of Directors who becomes more than forty-five (45) days delinquent in the payment of assessments for Marina Expenses against the mailbox unit of which he is the owner shall automatically terminate on the forty-sixth (46th) day, and his successor shall thereupon be appointed by the Marina Executive Committee of Queen's Landing Community Marina, LLC. The Marina Executive Committee of Queen's Landing Community Marina, LLC shall provide written notification to the Board of Directors specifying the date of the removal and the name of the individual designated to succeed the member so removed.

Section 5. Vacancies. Vacancies on the Board of Directors shall be filled by vote of a majority of Marina Executive Committee of Queen's Landing Community Marina, LLC promptly after the occurrence of any such vacancy, and each person so appointed shall be a member of the Board of Directors for the remainder of the term of the predecessor member.

Section 6. Regular and Special Meetings.

(a) All regular meetings of the Board of Directors shall be held only upon regularly scheduled and established dates or periods at such time and place as shall have been made known to all unit owners in accordance with the procedures set forth below. All regular or special meetings shall be open to all owners or occupants of the Property, as well as their mortgages, except that such meetings may be held in closed session for the following purposes:

- (i) Discussion of matters pertaining to employees and personnel (if any);
- (ii) Protection of the privacy or reputation of individuals in matters not related to Property business;

- (iii) Consultation with legal counsel on legal matters;
- (iv) Consultation with staff personnel, consultants, attorneys, board members or other persons in connection with pending or potential litigation or other legal matters;
- (v) Investigative proceedings concerning possible or actual criminal misconduct;
- (vi) Complying with a specific constitutional, statutory or judicially imposed requirement protecting particular proceedings or matter from public disclosure;
- (vii) Discussion of individual owner assessment accounts.

(b) If a meeting is held in closed session pursuant to the procedures established above,

- (i) No action may be taken and no matter may be discussed other than those permitted above; and
- (ii) A statement of the time, place and purpose of any closed meeting, the record of the vote of each member by which any meeting was closed, and the authority under this section for closing any meeting shall be included in the minutes of the next meeting of the Board of Directors.

(c) If practical, notice of special meetings of the Board of Directors shall be given to each unit owner, by facsimile, posting, email, or regular mail, except upon the declaration of an emergency by the President, in which event such notice may be waived.

Section 7. Waiver of Notice. Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors, in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose thereof. If all the members of the Board of Directors are present at any meeting of Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 8. Quorum of the Board of Directors. At all meetings of the Board of Directors, a majority of the directors thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the directors of the Board of Directors present at a

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

Section 9. Compensation. No member of the Board of Directors shall receive any compensation for acting as such, but a member of the Board of Directors may be reimbursed for actual out-of-pocket expenses incurred by him in the proper performance of his duties. Such reimbursement shall be paid from the Marina Expenses.

Section 10. Liability of the Board of Directors; Indemnification.

(a) The members of the Board of Directors shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith.

(b) Each unit owner shall indemnify every member of the Board of Directors against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any member of the Board of Directors in connection with any action, suit or other proceeding (including the settlement of any such suit or other proceedings if approved by the then Board of Directors) to which he may be made a party by reason of being or having been a member of the Board of Directors, whether or not such person is a member of the Board of Directors at the time such expenses are incurred. The members of the Board of Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Board of Directors (except in their capacity as a unit owner) and the then unit owners shall indemnify, defend and forever hold each such member of the Board of Directors free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided to herein shall not be exclusive of any other rights to which any member of the Board of Directors or former member of the Board of Directors may be entitled.

Section 11. Liability of Queen's Landing Community Marina LLC and the Queen's Landing Council of Unit Owners, Inc - Indemnification.

a) Each unit owner shall indemnify, defend and hold harmless Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc. (the "Association"), against any and all expenses, including counsel fees, reasonably incurred by or imposed upon Queen's Landing Community Marina, LLC or the Association in connection with any action, suit or other proceedings (including the settlement of any such suit or other proceedings if approved by the Board of Directors to which Queen's Landing Community Marina, LLC or the Association may be made a party to.

- b) The unit owners of the Property shall name Queen’s Landing Community Marina, LLC and Queen’s Landing Council of Unit Owners, Inc. as an additional insured against any and all expenses, including counsel fees, reasonably incurred by or imposed upon Queen’s Landing Community Marina, LLC or the Association in connection with any action, suit or other proceedings.

Section 12. Committees. The Board of Directors may appoint committees as deemed appropriate in carrying out its purpose.

ARTICLE III

Voting Rights

Pertaining to matters that exclusively pertain to the Property, each mailbox owner shall be entitled to one (1) vote for each mailbox unit owned and Queen’s Landing Community Marina, LLC as owner of the One (1) non-mailbox unit shall have three (3) votes to each mailbox unit’s one (1) vote. For matters related to Queen’s Landing Council of Unit Owners, Inc., by acceptance of their deed to the mailbox unit, the mailbox owner assigns his individual voting rights as set forth in the 45 Amendment to the Declaration to Queen’s Landing Council of Unit Owners, Inc. to Queen’s Landing Community Marina who shall cast the votes on all matters as it deems appropriate.

ARTICLE IV

OPERATION OF THE MARINA

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each mailbox unit owner, by acceptance of a deed therefore, whether or not it shall be expressed in such deed, is deemed to covenant and agree to pay to: (I) annual assessments or charges, (II) special assessments as determined by the Board of Directors, such assessments to be established and collected as hereinafter provided and (III) such other charges, fines, and costs assessed against their unit (hereinafter collectively “Assessments”). All assessments, together with interest, costs of collection and actual attorney’s fees incurred, shall be a charge on the land and shall be a continuing lien upon the unit against which each such assessment is made. Each such assessment, together with interest, costs of collection and actual attorney’s fees, shall also be the personal obligation of the person who was the owner of such unit at the time when the

assessment fell due. The person obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Determination of Marina Expenses and Common Charges.

Unless otherwise expressly provided herein, Marina Expenses of the Property, including the unit owned by Queen's Landing Community Marina, LLC shall include maintenance, operation, repair, or replacement of the entire Property, including but not limited to the piers, pilings, decking, and bulkhead. From and after the recordation of the Amendment to the Queen's Landing Council of Unit Owners, Inc. Declaration, pursuant to the Maryland Condominium Act, Section 11-107(d), each unit owner (intentionally excluding the mailbox unit owned by the Kent Island Fire Department and the non-mailbox unit owned by Queen's Landing Community Marina, LLC) shall pay in advance to the Board of Directors a monthly sum (hereinafter called "Assessments") equal to one-twelfth (1/12) of the unit owner's share of the total sum required by the Board of Directors to meet its annual budget of Marina Expenses as determined by this Article, including, but not limited to:

- (a) Charges for maintenance, operation, taxes, insurance, repair and replacement of the Property;
- (b) Charges pertaining to the Dredging Agreement by and between Sterling Properties Associates III, Inc. and Queen's Landing Marina, LLC, its successors and assigns dated May 19, 2004 and recorded in the Land Records of Queen Anne's County;
- (c) Reserves for repairs, replacements or other expenses of a non-recurring nature with respect to the Property;
- (d) Payment of utility bills and like expenses (except to the extent that such bills or expenses are individually metered for any slip unit, in which event such bills or expenses shall be the responsibility of the slip unit owner receiving the benefit of such individual metered service; provided, however, the cost of any master metered utilities may be assessed against the slip units based upon usage as determined by the Board of Directors);
- (e) Payment for a management company to manage the affairs of the Property, accountant, attorney; and
- (f) Such other expenses as shall be necessary or desirable in the judgment of the Board of Directors for the administration and operation of the Property, or which may be declared to be Marina Expenses by resolution of the Board of Directors.

Section 3. Special Assessments. In addition to the regular Marina Expenses of the Property authorized by this Article, the Board of Directors may levy in any assessment year a special assessment or assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Property or for such other purpose as the Board of Directors may consider appropriate.

Section 4. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all mailbox units and may be collected on a monthly basis or as otherwise determined by the Board of Directors.

Section 5. Surplus Receipts. Any surplus of receipts over expenses of the Property for any fiscal year shall be either applied to reduce the assessments necessary to meet the budget adopted by the Board of Directors for the next fiscal year.

Section 6. Date of Commencement of Annual Assessments: Due Date; Certificate of Payment of Assessments. The Board of Directors shall fix the amount of the annual assessment against each mailbox unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Board of Directors shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Board of Directors setting forth whether the assessments on a specified lot have been paid. The proposed annual budget shall contain, at a minimum, an estimate of the total amount of income the Board of Directors expects to receive from assessments for Marina Expenses, as well as an estimate of expenses for administration, insurance, taxes, maintenance, utilities, general expenses, reserves and capital items that are expected for the next fiscal year with the respect to the Property. The budget shall be adopted at an open meeting of the Board of Directors by the Board of Directors. The said budget shall constitute the basis for the Board of Directors to determine the unit owner's contribution for the Marina Expenses of the Property. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of the unit owner's obligations to pay his allocable share of the Marina Expenses, as herein provided, whenever the same shall be determined, and in the absence of any annual budget, each slip unit owner shall continue to pay his allocable share of the Marina Expenses at the then existing rate established for the previous fiscal period until the new payment is established.

Section 7. Reserves. As part of the above annual budget, the Board of Directors shall include an adequate reserve for working capital and contingencies, and an adequate reserve for repair and replacement of all aspects of the Property.

Section 8. Exempt Property. The mailbox unit owned by the Kent Island Fire Department and the non-mailbox unit owned by Queen's Landing Community Marina, LLC shall be exempt from any and all assessments created herein.

Section 9. Non-Payment of Assessments.

- a) An owner shall be liable for all assessments, or installments thereof, fines or other charges coming due while he is the Owner of a unit. In a voluntary grant the purchaser of the mailbox unit shall be jointly and severally liable for all unpaid assessments, fines or other charges against the unit regardless of whether Statement of Lien is recorded, without prejudice to the rights of the purchaser to recover from the delinquent slip owner the amounts paid by the purchaser to clear title on the mailbox unit.
- b) All assessments, fines, or other charges, actual costs of collection, reasonable attorneys' fees and late charges of 10% or at the maximum rate permitted under the Condominium Act, together with interest at the rate of 18% or the maximum rate permitted under the Condominium Act whichever is greater on the total amount owed, until paid, constitute a lien on the unit on which they are assessed, which may be established and enforced as provided by law. On full payment of the assessment and/or fine for which the lien is claimed, the mailbox owner shall be entitled to a recordable satisfaction of the lien.
- c) Any assessment, fine, or other charge, including costs of collection and reasonable attorney fees, not paid when due shall bear interest, from the date when due until paid.
- d) The Board of Directors shall, upon written demand, notify the holder of any mortgage on any unit for which any assessment levied pursuant to these Article becomes delinquent for a period in excess of thirty (30) days, and in any other case, where the unit owner is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days.
- e) The Board of Directors shall, upon demand, furnish to any owner liable for any assessment, fine, or other charge levied pursuant to this Article (or to any other party legitimately interested in the same), a certificate in writing setting forth the status of said assessment, i.e., whether the same is paid or unpaid. A charge not to exceed twenty-five dollars (\$25.00) or the actual cost of preparing such certificate, whichever is higher, may be levied in advance by the Board of Directors for each certificate so delivered.

Section 10. Effect of Non-payment of Assessments; Remedies of the Board of Directors. Any Assessment not paid within fifteen (15) days after the due date shall be assessed a late fee of ten percent (10%) of the past due Assessment. The Board of Directors may also charge interest of eighteen percent (18%) per annum until paid on all past due Assessments, fines, late fees, costs of collection and attorneys' fees. Additionally, the entire balance of the unpaid Assessments for the remainder of the fiscal year may be accelerated at the option of the Board of Directors and be declared due, payable and collectible in the same manner as the delinquent portion of such Assessment. The Board of Directors may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot (and all improvements thereon), provided the provisions of the Maryland Contract Lien Act are substantially fulfilled. Upon the filing of a foreclosure petition, Owners shall pay a trustee fee of \$1,000.00 or 5% of the gross sale price for the Lot (including the amount of any superior lien, if any) whichever is greater. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the unit or boat slip or abandonment of such Owner's unit. The Owner shall also be obligated to pay all attorneys' fees, court costs and administrative costs incurred in connection with the collection of Assessments and fines if not paid when due. This Section shall not be deemed to limit or waive, and shall be without prejudice to, any and all rights, remedies, or recourses as may be available to the Association for non-payment of Assessments.

Section 11. Collection of Assessments. The Board of Directors, or the managing agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any member which remain unpaid for more than sixty (60) days from the due date for payment thereof. The Board of Directors, or the managing agent shall promptly provide any member, contract purchaser, or Mortgagee who requests in writing a written statement of all unpaid assessments for common expenses, special assessments and/or fines and charges due from such member. A reasonable charge may be imposed for the preparation of such statement to cover the cost of preparation. Except as may be otherwise required by applicable law, amounts collected for past due Assessments and related costs shall be applied in the following order:

- (a) To payment of reasonable attorneys' fees and other legal and collection costs;
- (b) To payment of late fees;
- (c) To payment of any interest accrued on the delinquent Assessments;
- (d) To payment of fines and other assessed costs;
- (e) To payment of delinquent assessments and special assessments.

A suit to recover a money judgment for unpaid assessments may be maintained without filing a lien, instituting foreclosure proceedings, or waiving of a lien, if filed, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. Upon a default in any payment due by a unit owner, the defaulting unit owner is liable for all costs and fees incurred by the Association in collecting the outstanding monies, including but not limited to, attorney's fees, court costs, insufficient fund fees, returned check fees, private processor fees, etc.

Section 12. Non-Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall not be subordinate to the lien of any first purchase money mortgage, deeds of trust or other liens, and shall relate back to the date of execution and recordation of this Declaration which hereby secures payment from this date of all Assessments and costs and expenses of collection.

Section 13. Separate Accounts. The operating funds and reserve funds of the Property shall be maintained by the Board of Directors and shall not be co-mingled with the General Common Expense or reserve funds of the Queen's Landing Council of Unit Owners, Inc.

Section 14. Leasing In compliance with Title 14 and Title 18 of the Queen Anne's County Code and the Administrative Decision of Christopher F. Drummond dated March 9, 2011, a unit owner desiring to lease his/her slip shall only lease same to an owner, tenant or a family member of an owner or tenant of Queen's Landing Council of Unit Owners, Inc. Family member as used herein is "one or more persons related by blood, marriage, adoption, or guardianship" to an owner or tenant of Queen's Landing Council of Unit Owners, Inc. A qualifying person leasing a slip from a unit owner must sign a standard slip lease agreement and any required addendum thereto. The standard slip lease agreement shall be approved by the Board of Directors. A slip may not be leased for a period of less than 90 days.

Section 15. Sale of Slip Units A unit owner is not required to sell his slip unit to the purchaser of his residential unit but is required to list the slip unit for sale immediately upon listing his residential unit for sale. If the residential unit sells prior to the slip unit selling, the slip owner shall be required to continue to sell his slip unit until it is sold and may not rent the slip unit without the express written permission of the Board of Directors.

ARTICLE V

RULES AND REGULATIONS

In the context of these policies, rules and regulations the word member refers to both owners and renters.

Section 1 General Rules

- a) All vessels must have a minimum of \$300,000 liability insurance coverage naming Queen's Landing Council of Unit Owners, Inc., and Queens Landing Community Marina, LLC to include spillage coverage, as an additional insureds and must provide the Board of Directors with a copy of said insurance upon demand.
- b) All boats of the mailbox unit owners shall be used only for recreational, marina-related purposes. No slip accompanying a mailbox unit may be used for commercial purposes. Only a single recreational or pleasure boat and its tender may be kept or moored in any slip. A "pleasure boat" is defined as a registered pleasure boat under the laws of the State of Maryland, not licensed for carrying passengers or cargo for hire, and operated by its owners on a nonprofit, noncommercial basis.
- c) No clothing, laundry, rugs or wash shall be hung from or spread upon or from any boat or within the Property.
- d) An owner may not utilize a boat slip of another owner without prior written consent of the Board of Directors and the other owner.
- e) Advertising or soliciting shall not be permitted on any part of the Property, or boat or dock within the Property without the express written consent of Board of Directors.
- f) Queen's Landing Council of Unit Owners, Inc. and Queens Landing Community Marina, LLC at no time accept any responsibility for the care or custody of any vessel.
- g) Children must be under the supervision of an adult at all times.
- h) Only foot traffic is allowed on piers.

- i) No food preparation or cooking is permitted on the Property except as permitted by the Board of Directors, except within cabin areas of boats. No cooking or barbecuing is permitted at any time on the deck of any boat within a slip.
- j) In no event shall a unit owner allow any vessel to extend beyond the end of the boundaries of the slip, including all bowsprits, boom, pulpits and other projections and overhangs so as to block or impede the ingress or egress of other vessels or ever extend beyond five (5) feet of the designated slip; provided, however, the keel or draft of a boat is not required to be within the boundary of a slip.
- k) All boats of the unit owners shall be (i) fully equipped and operable for operation on the sea (except during and period of temporary repairs not to exceed ten (10) consecutive days); (ii) equipped with all safety of life at sea equipment required by Coast Guard regulations and federal, state and local laws; and (iii) shall comply with all licensing and registration requirements.
- l) No boat may be used as a permanent, year round residence, provided, however, occasional overnight stays by unit owners and their bona fide guests are permitted. Barges without means of self-propulsion are prohibited except with the express written permission of the Board of Directors. Boats equipped with sanitary holding tanks may not discharge household sewage, trash, petroleum products, or other waste overboard into the Property.
- m) All boats occupying a slip must be safe, seaworthy, and able to safely operate under their own power. The Board of Directors or its designated agent may periodically inspect boats for seaworthiness and order removal of any non-seaworthy boat.
- n) Any boat sunk in any part of the Property, including the slip, shall be removed by the owner of the boat within seventy-two (72) hours of sinking, or the Board of Directors may cause the removal of the sunken boat at the expense of the unit owner or the owner of the boat.
- o) The Board of Directors may prohibit certain contractors from providing services to boats in the slips or Property for cause relating to protecting the safety of the slips or the Property. Any owner or tenant hiring a contractor to perform any work to his slip must provide the Board of Directors with proof of adequate insurance coverage maintained by such contractor of a type and amount as determined by the Board of Directors from time to time prior to the commencement of any work by such contractor.

- p) From time to time, piers and boats may be required to be removed for maintenance, repairs and dredging, at which time the slip may be entered for such period as may be necessary by the Board of Directors, its agents, contractors, employees and/or servants. To the extent fill is removed from the Riparian Areas, subject to the rights of the federal, state or local government, it will be treated as the property of the Board of Directors.
- q) Nothing shall be done in any slip or any portion of the Property which is a nuisance or disturbs or annoys the other mailbox owners, renters or unit owners within the Queen's Landing Condominium such as creating excessive noise, unpleasant odors or other activities which disrupt slip owners or unit owners within Queen's Landing Condominium's quiet enjoyment of his unit or slip.
- r) At all times, all mailbox owners, their guest, invitees, contractors shall adhere to all rules and regulations of Queen's Landing Council of Unit Owners, Inc., Queen's Landing Community Marina, LLC, and contained in this Declaration as well as all local, state and federal laws, codes ordinances and regulations.

Section 2. Boat Repairs and Maintenance

Boat repairs and maintenance may be done within a slip upon adhering to the following conditions:

- a) Fellow slip owners and community residents are not disturbed by the work.
- b) The work does not endanger, damage, obstruct or deface the slip, other boats and surrounding areas.
- c) Outside contractors must have proof of liability insurance in an amount that equals or exceeds \$1,000,000.
- d) The Board of Directors has the right to refuse access to the Property by any contractor or subcontractor who fails to adhere to the rules and regulations established by the Board of Directors, the governing documents of the Queen's Landing Council of Unit Owners, Inc. and all federal, state, and local laws, ordinances, codes, statutes, etc.

Section 3. Piers

- a) The piers are to be used for ingress and egress only for those owners and their guests who own a slip unit within the Property. Piers are not to be used for boat repair projects, storage, playing, sunbathing, and cooking and nothing shall be done which may block access for boat slip owners and their guests, or the Board of Directors.

- b) Any portion of the Property that are found to be defaced or damaged in any way other than normal wear and tear by an slip unit owner, their guest, invitee, employee, contractor or servant will be replaced at the slip unit owner's expense.
- c) Open fires, charcoal or gas grills are not allowed on docks or on boats while docked in the Property.
- d) Swimming and diving is not permitted from the docks or piers or in the Property.
- e) Bike riding, skate boarding, rollerblading and transportation of people in carts is prohibited on all piers.
- f) Crab pots are permitted in slips, provided, however, that permission shall be granted prior to placing crab pots in other than one's own slip. Crab pots are prohibited on pylons, bulkhead, along the channel, or any dock areas.
- g) Hoses must be clean and serviceable at all times.
- h) Hose coils/reels are recommended and should be mounted on the main or finger pier.
- i) Line caddies may be installed on pilings or piers, but must be within the slip.
- j) Electrical power cables may be wrapped around pilings.

Section 4. Slip Modifications

- a) No slip modifications may be made unless allowed by any federal, state or local law, rule or regulation which may apply and approved in writing by the Board of Directors. Any such modification and any and all expenses which may be associated in any way with such work shall be the sole responsibility of the mailbox unit owner. The mailbox unit owner shall provide a description of such work to the Board of Directors detailing the nature and scope prior to the commencement of the proposed work. Prior to beginning any such modification, the mailbox unit owner shall provide the Board of Directors with documentation as may be reasonably required to demonstrate compliance with all licensing requirements and any federal, state or local law, rule or regulation which may apply. All work shall be performed by a qualified and licensed/qualified Contractor. The Board of Directors shall require proof of liability insurance prior to commencement of the work.

b) All necessary permits and expenses for modifications within a slip (pilings, dredging, replacements, etc.) are the sole responsibility of the mailbox unit owner and subject to the submittal requirements as set forth herein. Forms are available in the Clubhouse and shall be submitted to the Board of Directors before any work begins. All work shall be performed by an approved Marine Contractor.

c) Dock Box Specifications, Guidelines and Installation

(i) Only white fiberglass or stainless steel painted white boxes, of commercially available style, not to exceed 6' in length, will be approved for installation by the Board of Directors.

(ii) Only one (1) box per slip is permitted.

(iii) No dock boxes will be permitted on finger piers.

(iv) Dock boxes shall be installed by thru bolting them to the extended pier planking.

(v) Safety ladders are permitted and can be installed at owner/renter's expense; however they must have the approval of the Board of Directors. Contact the Board of Directors for specifications.

(vi) Adding, moving or removing cleats requires Board of Directors prior written approval.

d) Carpeting is prohibited on any piers.

Section 5 Noise

No stereo or TV, etc. shall be audible outside of one's own boat after 10:00 PM. All Unit owners and their guests shall refrain from playing stereo, TV, or musical instruments loudly at any time. Quiet, orderly behavior is expected of all Unit owners and their guests and everyone shall respect the rights of other persons lawfully on the premises.

Section 6. Pets

Pets must be on a hand held leash when on the piers of the Property. Owners are responsible for cleaning up after their pets.

Section 7. Marina Parking

- a) Designated no parking zones will be strictly observed. Vehicles remaining in these areas after being notified to be removed will be removed at the Board of Directors discretion and at the owner's sole risk and expense.
- b) Parking is prohibited on grassy areas and pedestrian crossings.

Section 8 Restroom/Showers

The restrooms shall be kept clean after each use. Please do not flush sanitary articles or paper towels down the toilet. If you discover a problem regarding the restroom facility, please report it to the Queen's Landing Condominium's General Manager.

Section 9 Transient Vessels

- a) Transient vessels of bona fide guests of slip unit owners may use slips as available. Arrangements for their use shall be made by the slip unit owner.
- b) Slip unit owners must provide dates, boat name, and registration and state that the vessel meets the Property's liability insurance limits of at least \$300,000.
- c) Owners are responsible for their guests conduct and compliance with this Declaration and Queen's Landing Council of Unit Owners Inc.'s governing documents.

Section 10 Trash Disposal & Clean-up

- a) Dumpsters are located at the far end of the QL clubhouse. The dumpsters are furnished only for items that can be properly and legally disposed of in the dumpsters. Any other items are the responsibility of individual members and outside contractors.
- b) Antifreeze, oil, and other pollutants must be disposed of properly, not dumped on the ground.
- c) No disposal of waste or trash (including treated or untreated sewage from heads or holding tanks) is permitted in the harbor or docking areas.

Section 11 Storm Precautions

- a) To prevent damage from weather, especially storms, dock lines and fore/aft spring lines with chafing gear should be properly secured and doubled up.
- b) In the event of any emergency, a Board of Directors member or an assigned individual, may enter, relocate, or haul out a boat in order to prevent loss of said vessel, damage to other vessels, or damage to the Property. All costs will be assessed to the owner of said vessel and or the owner of the slip unit which caused such emergency.

Section 12. Winterizing

- a) Any boats remaining in the water for the winter must be winterized.
- b) Boats remaining in slips during the winter must be kept in good condition.
- c) All non-fixed items within a slip must be removed by November 1 except boats that are remaining for the winter, bumpers, fenders and/or padding.
- d) Water will be shut off on or about November 15 to March 15.
- e) No heaters may be left operating on unattended vessels.
- f) Any boats remaining in the water from December 1 through April 1 must be double lined. Boats on lifts shall be properly secured. In the event lines have to be added by the Board of Directors, the owner or renter will be charged the actual cost of installing the lines.
- g) Ice eaters are placed at the discretion of the Board of Directors for protection of the Property. They are Queen's Landing Community Marina, LLC's property and are not to be tampered with or moved.
- h) If a slip holder wishes for his/her boat to be protected during the winter months, it is up to the owner/renter to provide his/her own ice eater.

ARTICLE VI

Managing Agent/Enforcement/Miscellaneous

Section 1. Management Agent. The Board of Directors may employ 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, including, but not limited to, the following:

- (a) to establish (with the approval of the Board of Directors) and provide for the collection of the Assessments provided for in this Declaration and to provide for the enforcement of liens therefore in a manner consistent with the law and the provisions of this Declaration; and
- (b) to provide for the care, upkeep, maintenance and surveillance of the Property; and
- (c) to designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the Property; and
- (d) to promulgate (with the approval of the Board of Directors of the Association) and enforce such rules and regulations and such restrictions of requirements, “house rules” or the like as may be deemed proper respecting the use of the Property; and
- (e) to provide such other services (including legal and accounting services) for the Association as may be consistent with law and the provisions of this Declaration.

Section 2. Duration of Management Agreement. Any management agreement entered into by the Board of Directors shall provide, among other things, that such agreement may be terminated for cause by either party upon thirty (30) days written notice thereof to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one (1)-year periods.

Section 3. Limitation of Liability. The Board of Directors, Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc shall not be liable for any failure of any services to be obtained by each or paid for out of the Common Expense funds, or for injury or damage to persons or property caused by the elements or resulting from water which may leak or flow from any portion of the Property or other property with the control or supervision of the Board of Directors, Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc, or from any wire, pipe, drain, conduit or the like. The Board of Directors, Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc shall not be liable to any unit owner, guest or invitee for loss or damage, by theft or otherwise, of articles which may be stored upon the Property, or within the units or boat slips or other property within the control or supervision of the Board of Directors, Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc, 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 Property or other property within the control or supervision of the Board of Directors, Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc, or from any action taken by the Board of Directors, Queen's Landing Community Marina, LLC and Queen's Landing Council of Unit Owners, Inc to comply with any of the provisions of this Declaration or with any law or ordinance or with the order or directive of any municipal or other governmental authority.

Section 4. Enforcement. The Board of Directors shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, easements, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, or any rule or regulation promulgated by the Board of Directors pursuant to its authority as provided in this Declaration. Failure by the Board of Directors to enforce any covenants or restrictions herein contained or any provision of the rules and regulations of the Board of Directors 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 or any provision of the rules and regulations cannot be adequately remedied by action at law or exclusively by recovery of damages. If the Board of Directors successfully brings an action to extinguish a violation or otherwise enforce the provisions of this Declaration or the rules and regulations, the costs of such action, including legal fees, shall become a binding, personal obligation of the Owner committing or responsible for such violation, and such costs shall also be a lien upon the unit of such Owner, provided that the requirements of the Maryland Contract Lien Act are substantially fulfilled.

Section 5. Fines. In addition to the means for enforcement provided elsewhere herein, the Board of Directors shall have the right to levy fines against an Owner or such Owner's guests, relatives, lessees or invitees, in the manner set forth herein, and such fines shall be collectible in the same manner as any other Assessment such that the Board of Directors shall have a lien against the mailbox unit of such Owner as provided in this Declaration, and such fine(s) shall also become the binding personal obligation of such Owner.

ARTICLE VII
General Provisions

Section 1. Waiver. The Board of directors, Queen's Landing Community Marina, LLC, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservation, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Board of directors, Queen's Landing Community Marina or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise effect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land and may be amended by the majority vote of the Board of Directors. Any amendment must be recorded.

IN WITNESS WHEREOF, our hands and seals this 18th day of December, 2009.

QUEEN'S LANDING COMMUNITY
MARINA, LLC

By: _____
Tom Biang, Marina Executive Committee
Member

By: _____
Robert Lissitz, Marina Executive Committee
Member

By: _____
Mike Kardian, Marina Executive Committee
Member

THIS IS TO CERTIFY that the Declaration of Covenants, Conditions and Restrictions was prepared by, or under the supervision of the undersigned, an attorney duly authorized to practice before the Court of Appeals of Maryland.

John M. Oliveri, Esquire

AFTER RECORDING, PLEASE
RETURN TO:

John M. Oliveri, Esquire
700 Melvin Avenue, Suite 8
Annapolis, Maryland 21401
(410) 295-3000

Schedule "A"

BEING KNOWN AND DESIGNATED as the Non-Residential Boat Slip Unit, in the horizontal property regime known as "QUEENS LANDING, A CONDOMINIUM", and being part of all that property more particularly described in a certain Declaration entitled "Condominium Instruments for Queens Landing, a Condominium, dated November 15, 1983, and recorded among the Land Records for Queen Anne's County, Maryland in Liber 205, folio 202, and any amendments or supplements thereafter, and as shown on the plat entitled, "Plat 2 of 2, Phase 2, QUEENS LANDING, A CONDOMINIUM", which plat is recorded among the Land Records for Queen Anne's County, Maryland in Condominium Plat Book 6, Page 44.

TOGETHER with the Boat Slip Limited Common Element as shown on the plat entitled, Plat 2 of 2, Phase 2, QUEENS LANDING, A CONDOMINIUM", which plat is recorded among the Land Records for Queen Anne's County, Maryland in Condominium Plat Book 6, folio 44; and

TOGETHER with a prorated undivided percentage interest in the common elements thereof, in common with the other unit owners, as established for this unit pursuant to the aforesaid Declaration, specifically as described in Exhibit C to the Declaration and the By-Laws attached thereto, and any amendments or supplements thereof.

TOGETHER with the buildings and improvements thereon situate and the and all the rights, beds of streets, ways, privileges, and appurtenances belonging on in any way appertaining thereto, including all the right, title and interest of Grantor in and to the muds, flats, bulkheads, pilings, piers, accretions, filled lands and lands under the water of the Chester River and its creeks bounding on the lands of Grantor as far into said River and creeks as such right, title and interest extends or should extend by law or custom and further, including all riparian rights in and to the waters of the Chester River and its creeks appurtenant thereto.

BEING THE SAME PREMISES which by Deed dated December ____ 2009 and recorded among the Land Records for Queen Anne's County in Liber ____, folio ____, was granted and conveyed by Queen's Landing Marina, LLC., a Maryland Limited Liability Company, to Queen's Landing Community Marina, LLC, a Maryland Limited Liability Company.

BEING THE SAME PREMISES which by Deed dated June 30, 1994 and recorded among the Land Records for Queen Anne's County in Liber 470, folio 631, was granted and conveyed by Ronald Harris Parker & Associates, Inc., a Maryland corporation, to Queen's Landing Marina, LLC, a Maryland Limited Liability Company.