

CERTIFICATE OF
AMENDMENT OF BYLAWS
OF
BAY WATCH III CONDOMINIUM

This is to certify that, by affirmative vote of unit owners representing at least 66 2/3% of the voting interest of the Bay Watch III Condominium Council of Unit Owners, at a meeting of the council on May 29th, 2004, duly called for such purpose, the Bylaws of Bay Watch III Condominium, which said Bylaws are recorded among the Land Records of Worcester County, Maryland in Liber 2266, page 562, *et seq.*, were amended as follows:

1. Article IX, Section 3 is hereby amended by deleting the section in its entirety and replacing it with the following:

"In General. In addition to the annual assessments, the Board may levy in any fiscal 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 a capital improvement at the Condominium or for such other unusual or extraordinary cause as the Board may find makes such a special assessment necessary or appropriate. Any special assessment shall be authorized by a majority of Unit Owners present in person or by proxy (provided that a quorum shall be present at such meeting) at a special meeting of the Council of Unit Owners, advance written notice of which shall be sent in accordance with these By-Laws. If the special assessment is approved at such meeting, notice thereof shall be sent to all of the Unit Owners in the Condominium."

IMP FD SURE \$ 20.00
RECORDING FEE 20.00
TOTAL 40.00
Res# W001 Rct# 26624
SVH 5347 BK# 2653
Oct 26, 2004 01:42 PM

2. Article XII, Section 1 is hereby amended by deleting subsection (a) and replacing it with the following:

"(a) Property insurance as described in Title 11 of the Real Property Article of the Annotated Code of Maryland, in an amount reasonably available as determined by the Board of Directors with an 'Agreed Amount' endorsement, a 'Condominium Replacement Cost' endorsement and a 'Contingent Liability from Operation of Building Laws' endorsement, without deduction or allowance for depreciation (as determined annually by the Board of Directors with the assistance of the insurance company

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STEPHEN V. HALES
CLK. CL. Ct. Wor. Co.

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5200-B Coastal Highway, Ocean City, MD 21842

affording such coverage), such coverage to afford protection against at least the following:"

3. Article XIII is hereby amended by adding a new Section 5 as follows:

"Section 5. Insurance Deductible. If the cause of any damage to or destruction of any portion of the condominium originates from a unit, the owner of the unit where the cause of the damage or destruction originates shall be responsible for the council of unit owners' property insurance deductible up to but not exceeding \$1,000.00. The council of unit owners may make an assessment against the unit owner responsible under this section in the same manner as provided in Section 11-110 of the Maryland Condominium Act."

The President and Secretary of the Bay Watch III Condominium hereby certify, under the penalties of perjury, that the foregoing Amendment is the act and deed of the Council, that said Amendment was approved by the required number of votes at a meeting duly called for said purpose, that they were present and counted the votes at said meeting, and that they signed the Amendment on behalf of the Council.

BAY WATCH III CONDOMINIUM
COUNCIL OF UNIT OWNERS

By:

Secretary *[Signature]*
Date: 8/22/04

President *Valerie A Miller*

OCT 26 2004 The foregoing instrument
filed for record and is accordingly recorded
among the land records of Worcester County,
Maryland

[Signature] Clerk