Hillsmere Shores Improvement Association
P.O. Box 3485
Annapolis, MD 21403

Realtor's Package

Updated January 28, 2006

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Membership in HSIA is voluntary and costs $10 per year. Hillsmere Shores is a Special Community Benefit District (commonly referred to as a Special Tax District). The special tax is added to the real estate tax bill for each property. In 2006 the annual special tax is $124.

Please note that the bylaws are currently undergoing major revisions. The new bylaws will be presented to the membership for approval in the summer of 2006.

For more information visit our web site at www.hillsmereshores.net, call our 24 hour voice mail line at 410-263-4456, or email admin@hillsmereshores.net.

You may also request a current copy of the Sea Breeze our community newsletter that is published 10 times per year. The current and back issues are also available on our web site.

If you need additional information or have specific questions you can call HSIA President, Bill Shuman, at 410-263-4102.

BYLAWS OF
HILLSMERE SHORES IMPROVEMENT ASSOCIATION

ARTICLE I - PREAMBLE

Section 1. NAME

The name of the corporation is "Hillsmere Shores Improvement Association, Incorporated," also known as "HSIA" or "HSIA, Inc."

Section 2. PURPOSE

The corporation is a civic, non-profit corporation, whose members reside in or own property in the Hillsmere Subdivision and the Hillsmere Shores Subdivision also know as Hillsmere Estates, Anne Arundel County, Maryland.

These bylaws shall facilitate the following objectives:

a. To represent the members of this association in all matters of mutual interest which affect the community collectively. These matters shall include, but are not limited to, property tax assessments, schools, roads, police and fire protection, sanitation, zoning, lighting and environmental protection.

b. To seek and stimulate an active interest in civic affairs on the part of all Hillsmere residents.

c. To encourage such other civic activity as may promote the welfare and safety of the community.

d. To promote inter-community activities and good community relations.

e. To secure a compliance with and to prevent a violation of any of the restrictions applicable to said Hillsmere Subdivision.

f. To ensure maintenance to community areas including the beach, marina, ramps and open areas.

g. To provide any easements on common areas required by the County and/or State for utilities, storm water management, street repair or maintenance purposes.

ARTICLE II - MEMBERSHIP

Section 1. Authority

The Board of Directors of HSIA shall be the governing authority of the corporation. Subject to the laws of the State of Maryland, a decision of the Board of Directors in conformity with these By-laws shall be controlling on the Corporation and its Members.

Section 2. Eligibility

Any person over eighteen (18) actually residing in or owning property or a legal interest therein within the confines of the Hillsmere subdivision known as "Hillsmere" or "Hillsmere Shores" shall be eligible for membership in this association.

Section 3. Member in Good Standing

Upon payment of dues as specified in Section 7 of this Article, all eligible persons shall become members in good standing of HSIA.

Section 4. Membership

Subject only to the voting qualifications set forth in Section 6 of this Article, all eligible persons who have ownership interest or reside in an eligible Household shall, upon payment of dues become members in good standing of HSIA.

Section 5. Privileges of Membership

Subject only to the voting rights set forth in Section 6 of this Article, all members in good standing shall be entitled to all rights and privileges of the Corporation. Members in good standing, and they alone, shall be entitled to be elected or to remain in office as a Director or Officer of the Corporation.

Section 6. Voting Rights

Each Lot Owner or Resident who has become a member of the Association shall be entitled to one (1) vote on all Corporation issues coming before the membership at any annual, general, or special meeting.

Section 7. Proxies

All eligible voters may cast their vote by proxy. A proxy is only valid if in writing and delivered to the Corporation Secretary. A proxy must designate a particular subject and the single meeting for which it will be effective.

Section 8. Dues

Membership dues shall be assessed annually by the Board of Directors. All members in good standing from an immediate preceding year shall have ninety (90) days from the commencement of the calendar year in which to pay the next year's annual dues.

ARTICLE III - BOARD OF DIRECTORS

Section 1. Governing Body

Subject to the Corporate Charter, these By-Laws and the laws of the State of Maryland, the Board of Directors shall be the governing authority of the Corporation.

Section 2. Membership

The Board of Directors shall consist of members in good standing of the Corporation. The Board shall have eleven (11) members, as directed by the Corporate Charter.

Section 3. Authority

The Board shall be empowered, to the extent such actions do not conflict with the Articles of Incorporation to:

(i) Authorize the designation and appointment of committees of the Board, each of which shall include one (1) or more directors;

(ii) Manage the affairs of the Corporation, including the exercise of general supervision over receipts and expenditures with the aid of the Budget Committee;

(iii) Designate and appoint other committees not having and exercising authority of the Board in the Corporation's management by adoption of a resolution approved by the majority of the Board present at the meeting at which a quorum has been established pursuant to Article III, Section 7;

(iv) Do all other things and acts consistent with the Articles of incorporation and By-Laws.

Section 4. Term

Subsequent to the date of adoption of these by-laws, any person elected to the Board of Directors shall have a two (2) year term. The "at large" members of the Board of Directors shall be elected in odd numbered years. The Officers shall be elected in even numbered years.

Section 5. Voting

A. Rights - Each Director shall be entitled to one (1) vote on all matters coming before the Board.

B. Passage - Upon establishment of a quorum, a simple majority of those present shall be required for passage of any motion or resolution before the Board. In the case of a tie, the presiding officer shall cast a deciding vote; otherwise, such motions or resolutions shall be deemed tabled until the next Board meeting.

C. Proxies - Directors may, if necessary, vote by proxy. A proxy is only valid if in writing and delivered to the Corporation Secretary. A proxy must designate a particular subject and the single meeting for which it will be effective.

Section 6. Meetings of the Board

All meetings of the Board shall be open to all members of the Association, except for issues on personnel, legal matters and matters that would materially affect their outcome if addressed in an open meeting.

A. Regular Meetings: The Board of Directors shall hold at least eight (8) meetings a year. These meetings shall normally be held on the last Thursday of the months designated by the Board, and notice shall be given to the members of the Corporation.

B. Special Meetings: The Board of Directors shall hold a special meeting upon the direction of the President or any three members of the Board.

Section 7. Quorum

At all meetings of the Board of Directors, a simple majority shall constitute a quorum. Proxies may not be used to constitute a quorum. If a meeting commences with a quorum present, it may continue its activities even though the withdrawal of members leaves fewer than a quorum present.

Section 8. Removal

A. Basis - A member of the Board of Directors may be removed from office with or without cause by a vote of two thirds (2/3) of the general membership at a meeting called for that purpose. The Board of Directors may remove any of its members for good cause upon a vote of two-thirds of the entire Board. Failure of any Board member to be a "member in good standing" of the Corporation is cause for removal.

B. Notice - Written Notice of the Board's intention to remove an Office or Director shall be provided to the person(s) to be removed and all Directors at least fifteen (15) days prior to the meeting at which the removal vote shall be taken.

Section 9. Vacancies

A. Resignation - A member of the Board of Directors may resign at any time by delivering written notice to the President, Secretary or other member of the Board of Directors. A resignation shall be effective upon receipt.

B. Substitution - In the event a vacancy shall occur on the Board due to death, resignation, or removal of a member, the vacancy shall be filled by an appointment made by the President, subject to approval by the remaining members of the Board. A person who fills a vacancy on the Board shall serve the remaining unexpired term of the position they are filling.

Section 10. Annual Audit

The Treasurer shall cause the records and ledger account of the Corporation to be reviewed every year and shall report said review to the General Membership at its March meeting.

The annual review shall be made by a committee, one member of which must be familiar with standard auditing procedures as promulgated by the American Institute of Certified Public Accountants; or a Certified Public Accountant. No member of the Review Committee may be or have been a member of the Board of Directors during the period under review.

Section 11. Conduct of Meetings

All Board meetings shall be conducted in the manner specified for Corporation Meetings in Article VIII, Section 5.

Section 12. Limits of Authority

A. Real Property - The Board of Directors or Officers may not purchase, sell, or encumber real property on behalf of the Corporation without submitting the same to the general membership for ratification, except to continue existing financing or refinancing programs in place for the Association.

B. Contracts

1. Board Vote Requirements - The advice and consent of the Board of Directors shall be required on expenditures of the Corporation

where the amount involved exceeds the value of One Thousand Dollars ($1,000.00).

2. **Bid Requirements** - All new contracts involving more than Two Thousand Five Hundred Dollars ($2,500.00) shall be submitted for competitive bids. If no bids are received or bids received are deemed unreliable by the Board, the Board may award the contract without competitive bids. The Board shall consult with the appropriate committee chairman before awarding any contract, accepting the work performed or making final payment.

3. **Budgetary Limitations** - Subject to budget modification pursuant to procedures set forth in Article III, Section 12, no expenditure or group of expenditures within a given budget category may exceed the amount budgeted in the category in the applicable Annual Budget.

4. **Signature Requirements** - Pursuant to Article V, Section 2, only the President may sign contracts binding upon the Corporation.

ARTICLE IV - COMMITTEES

Section 1. Standing and Temporary Committees

As hereinafter established, the Corporation may have any or all of the Committees listed below to aid the Officers and Directors of the Corporation in the performance of their duties. In addition to the named committees, the Board may designate such committees as it deems necessary to protect and further the interests, purposes, and objectives of the Corporation.

Section 2. Committee Chairmen

The Chairman or Co-Chairmen (where necessary) of each committee shall be appointed by the President. Subject to any other Board approval required by these By-laws, all Committee Chairmen shall be responsible for supervision of Committee activities, budgets, and expenditures, and shall attend the monthly Board of Directors meetings.

Section 3. Committee Membership

Each committee shall be composed of members in good standing of the Corporation selected by the committee chairman.

Section 4. Standing Committees

The Corporation shall have the following standing committees:

Beach Committee

Beautification Committee

Budget Committee

Entertainment Committee

Legislative Committee

Membership Committee

Nominating Committee

Permits Committee

Piers and Harbors Committee

Publications Committee

Review Committee

Security Committee

Section 5. Individuals

The President or Board of Directors may designate individual members to supervise or perform special functions, such as community liaisons, representatives, special planning or events, etc.

Section 6. Committee Budget

The Chairman of each committee shall provide a budget to the Board of Directors at least sixty (60) days before the end of the calendar year. The Board will review each budget so submitted and, with the assistance of the Budget Committee, provide formal recommendations to the membership.

Section 7. Committee Spending Authority

The advice and consent of the Board of Directors shall be required on expenditures of the Corporation where the amount involved exceeds the value of Two Hundred Fifty Dollars ($250.00) as approved in the Committee's Annual Budget.

ARTICLE V - OFFICERS

Section 1. Qualification

To stand for election to office, all candidates must be members in good standing of the Corporation at the time of election.

Section 2. President

The President shall be the chief executive officer of the Corporation, shall sign all documents binding upon the Corporation and conduct all meetings of the membership or the Board of Directors. The President may approve expenditures involving One Thousand Dollars ($1,000.00) or less.

The President shall designate the chairmen of all standing Committees and may designate functions of each standing Committee. The President shall have such other and further functions as may be designated by the Board of Directors.

Section 3. Vice President

The Vice President shall fulfill the duties of the President whenever the President is incapable of performing his functions due to absence, illness, or disability.

The Vice President shall perform such other duties as may be designated by the President and the Board of Directors. The Vice President shall serve as Sergeant-at-Arms at all meetings of the membership.

Section 4. Treasurer

The Treasurer shall receive all funds of the Corporation and special tax district funds and deposit the same in such banks or institutions as may be designated by the Board of Directors or as required by law. The Treasurer shall establish such checking accounts, savings accounts, certificates of deposit or other investments as directed by the Board of Directors or law.

The Treasurer, with one other Officer or other individual designated by the Board, shall sign all checks and make all disbursements for Corporate or special tax debts. The treasurer shall require receipts for any items not paid under a contract.

The Treasurer shall serve as chairman of the Budget Committee. The Budget Committee shall review the affairs of the Corporation and make recommendations to the Board of Directors in sufficient time to permit the Board to prepare and submit a budget to the membership.

Section 5. Secretary

The Secretary shall:

(a) Keep a true record of all proceedings of all meetings of the Corporation and the Board;

(b) Ensure that all notices are duly given in accordance with the provisions of these By-laws;

(c) Shall be the custodian of the records and of the seal of the Corporation;

(d) May attest to any instrument executed by the President on behalf of the Corporation as necessary;

(e) Shall certify to any resolutions duly adopted by the Board of Directors or the Membership;

(f) Shall cause to be published the Annual Financial Report and any other documents required by a majority of the membership of the Corporation or the Board of Directors;

(g) Shall make or cause to be made and receive all correspondence to or from the Corporation;

(h) Shall maintain a list of members in good standing to be made available at all meetings of the membership; and shall

(i) Be responsible for any other duties incident to the Corporation or as designated by the Board of Directors.

Section 6. Fidelity Bond

The Board of Directors may require a fidelity bond of any or all officers. Should a bond be required, it shall be paid from the funds of the Corporation. Bonds required by law shall be paid from funds designated by such law.

Section 7. Compensation

No Officer or Director shall receive compensation for their services in said office. This provision shall not prevent any person from contracting to provide materials or services to the Corporation and be compensated therefor.

Section 8. Vacancies

In the case of the temporary absence or disability of any Officer or Director, the position may be filled pro tempore by an appointment by the President. In the event of a vacancy resulting from death, retirement, resignation, or disability of an Officer, the position may be filled for the remainder of the term by appointment by the President, subject to approval of the Board.

Section 9. Term

As provided in Article III, Section 4, Officers shall serve a two (2) year term, standing for election in even numbered years.

ARTICLE VI - LIABILITY AND INDEMNIFICATION

Section 1. General

The Corporation shall indemnify every Officer and Director against any and all expenses, including attorney's fees reasonably incurred in connection with any action, suit, or other proceeding, at law or in equity, against them in their official capacity. Indemnification shall not be available where an Officer or Director is proven to have acted in bad faith, or with gross negligence or fraudulent or criminal intent.

Section 2. President

The President shall have no personal liability with respect to any contract or other commitment made, in good faith, without gross negligence or fraudulent or criminal intent, on behalf of the Corporation pursuant to Article III, Section 12, Paragraph 9 and Article V, Section 2. The Corporation shall indemnify and forever hold the President free and harmless against any and all liability to other on account of any such contract or commitment.

ARTICLE VII - NOMINATION, ELECTIONS, AND APPOINTMENTS

Section 1. Directors

Nominations for a Director position shall be forwarded to the Chairman of the Nominating Committee at least sixty days prior to the annual meeting. The Committee shall then determine the qualification and eligibility of the nominee as prescribed in the By-laws, following which it shall instruct the Chairman to prepare a slate of nominees which the Committee has approved for publication at least thirty (30) days prior to the annual meeting.

Election of Directors shall be by a majority vote of the Corporation membership voting in the election.

Section 2. Officers

Officers shall be elected at the annual meeting of the Corporation. Accordingly, following the statement of those nominated prior to that time, the Nomination Committee Chairman shall open the floor to nominations to the offices of the

President, Vice President, Treasurer, and Secretary, each of which shall meet the qualifications of office.

Following the closing of nominations, the chairman of the Nomination Committee shall formally present the slate of Officers to the Membership. Election shall be by a majority vote of the members voting. If no candidate secures a majority on the first ballot, then the members shall vote for one (1) of the two (2) highest candidates on a second ballot. Officers and Directors shall be installed in office on the first day of January of the year following their election.

Section 3. Floor Nominations

At any meeting at which elections are conducted, nominations from the floor will be accepted if such nominations are formally presented as a motion and seconded.

Section 4. Change of Position - Officers and Directors

A. Notice Requirement - Any Officer or "at large" Director seeking election, respectively, to an "at large" Directorship or Officer's position in a year in which his/her own seat is not to be open for election, must notify the Board in writing at least thirty (30) days prior to the Annual Meeting of his/her intention to run for such position and to vacate his/her existing position.

B. Vacancies - To fill any vacancies created by a change of position sought by any Officer or Director, the Board shall provide for election to the seat so vacated for a one (1) year term.

ARTICLE VIII - CORPORATION MEETINGS

Section 1. Annual Meeting

The Corporation shall hold an Annual Meeting in the month of November. The specific time and place shall be designated by the Board of Directors.

In addition to any regular business to come before the Corporation, the Annual Meeting shall be devoted to:

(i) election of Officers and Directors pursuant to Article VII

(ii) the annual report by the Board of Directors to the Membership, either verbally or in writing, detailing the current status of the Corporation.

Section 2. General Meetings

The Corporation shall, in addition to the Annual Meeting, hold five (5) general meetings each year, in March, May, July, September, and November on the second Thursday of the month. The January meeting shall, in addition to other business, consider the Corporate and any tax district budgets.

Section 3. Special Meetings

The Corporation shall hold a special meeting whenever the same is requested by the President, Board of Directors or five percent (5%) of the total number of members in good standing.

Section 4. Quorum

The presence of five percent (5%) of the Corporation's members qualified to vote shall constitute a quorum. Once a meeting has commenced with a quorum present, it may validly continue with its business even if the withdrawal of members reduces the number present below that necessary for a quorum. Proxies may not be used to establish a quorum.

If a meeting is scheduled and a quorum is not present, it may be adjourned to a later date. If notice of the later date is posted in a conspicuous place in the community at least ten (10) days prior to the second meeting, no quorum shall be required for the second meeting.

Section 5. Conduct of Meetings

The order of business subject to a majority vote to waive at all meetings shall be:

1. Roll call of Officers
2. Quorum call and receipt of voting list
3. Reading of minutes and Treasurer's report
4. Communications and notices
5. President's report
6. Committee reports
7. Unfinished business
8. New business
9. Adjournment

Robert's Rules of Order Revised shall govern the meetings of the Corporation in all procedures where the rules of the Corporation and these By-laws do not apply.

Section 6. Notice of Meetings

Notice of all Corporation meetings shall be given in accordance with Article X of these By-laws.

ARTICLE IX - AMENDMENT OF THE BY-LAWS

These By-laws may be amended by a two-thirds (2/3) vote of the Members present at any general or special meeting of the Membership. Prior to any meeting where amendments of these By-laws shall be considered, notice shall be given in accordance with Article X.

ARTICLE X - NOTICES

Section 1. General

Notice of the time and place of the Annual Meeting and all general meetings of the Corporation, as well as regularly scheduled meetings of the Board of Directors shall be posted in a conspicuous place or places within Hillsmere Shores subdivision and/or published in the Community Newsletter at least ten (10) days prior to such meeting.

Section 2. Special

Notice of any special meeting of the Corporation or of any meeting where amendments to the By-laws will be decided shall be posted in a conspicuous place or places, and at least once published in the Community Newsletter (i.e., Seabreeze) circulated to the membership at least ten (10) days prior to the date of the meeting.

ARTICLE XI - FISCAL YEAR

The Fiscal Year of the Corporation shall commence on February 1 of the year and conclude on January 31 of the following year or such other times as may be determined by the Board of Directors upon the advice and consultation of the Treasurer.

ARTICLE XII - INSURANCE

All buildings owned by HSIA shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation

costs, and all personal property owned by HSIA shall be insured for its value, as determined by the Board of Directors. Such coverage shall afford protection against:

(a) Loss or damage by fire and other hazards covered by a standard coverage endorsement; and

(b) such other risks as from time to time shall be customarily covered.

The Board of Directors shall also secure insurance for:

(a) Public Liability in such amounts and with such coverage as shall be required by the Board of Directors, and State Law, including but not limited to hired automobile, non-owned automobile, host liquor, etc.

(b) Workman's Compensation coverage to meet the requirements of Law if necessary; and

(c) Such other insurance as the Board of Directors shall determine from time to time to be desirable and in the best interests of the Corporation.

HILLSMERE SHORES IMPROVEMENT ASSOCIATION CHARTER

Hillsmere Estates Special Community Benefit District

(1) The limits of the Hillsmere Estates Special Community Benefit District are the subdivision known as Hillsmere Estates as shown on the plats of Hillsmere Estates recorded among the plat records of the County as:

(i) “Section 1” in Plat Book No. 23, Folio No. 14;

(ii) “Plat 1, Section 2” in Plat Book No. 23, Folio No. 26;

(iii) “Plat 2, Section 2” in Plat Book No. 23, Folio No. 47;

(iv) “Plat 1, Section 3” in Plat Book No. 25, Folio No. 7;

(v) “Plat 2, Section 3” in Plat Book No. 25, Folio No. 8; and

(vi) “Plat 1, Section 4” in Plat Book No. 31, Folio No. 23.

(2) This district is established for the purpose of:

(i) construction, maintenance, and repair of, and snow removal from, non-County-owned roads, streets, alleys, sidewalks, curbs, street or road signs, street or road lights, bulkheads, drainage ditches, and culverts;

(ii) providing insect and pest control;

(iii) maintenance of community areas;

(iv) acquisition, development, improvement, and maintenance of community real and personal property;

(v) establishment and operation of a community security program; and

(vi) covering the administrative expenses incidental to carrying out these purposes, including postage and mailing, auditing, insurance, and legal costs.

COVENANTS AND DEED RESTRICTIONS IN HILLSMERE SHORES

Note: A PDF of the original Deed of Covenants, Restrictions and Conditions is available on our web site.

The following covenants and deed restrictions control and limit the use of all residential lots in Hillsmere. Recorded among the Land Record of Anne Arundel County, Maryland in Liber 900, Folio 334, they are binding as a matter of law and are for the benefit of all other lot owners in Hillsmere.

1. Hillsmere Shores Improvement Association, Inc., has the right to use an easement over a strip of land five (5) feet in width along the rear line of each of the lots as shown on the plats of Hillsmere for the purpose of laying, erecting, maintaining, repairing pipes, poles, wires, conduits, and other material and equipment for gas, water, electric light, power, telephone, telegraph, sewerage, and other public or community service and utility.

2. No building or other structure may be erected, converted, permitted, maintained or operated for any other purpose than residential, and no business of any kind shall be permitted except by special permission of HSIA, and then must be in a specially designated area.

3. The Building Committee of HSIA must approve the exterior plan and construction or any alterations of any building and the position of the building on the lot. No construction shall commence without first having a permit issued by the HSIA Building Committee. No building shall be more than 2½ stories in height. No fence, sign, billboard or advertising matter of any kind may be placed upon any lot without the approval of HSIA.

4. No building, or part thereof, except as hereinafter provided, shall be erected or maintained on any part of any lot, as shown on the plats of Hillsmere, closer than thirty (30) feet to any road, street, or highway thirty (30) feet or more in width on which the plot upon which the building is erected fronts. No building or any part thereof erected shall be closer than fifteen (15) feet from the division line of any lot, and only one building for private residential purposes shall be erected on each lot. HSIA has the right to approve deviation from these distances if the contour or shape of a lot will not permit compliance with these restrictions.

5. No privy, cesspool, vault or any other form of privy, except sewage systems as approved by HSIA, and no toilets or bath houses shall be erected on the property except in such as shall be built in or attached to either the main dwelling or garage and shall be constructed in compliance with the Health Department Regulations and may not drain into the tide waters of the South River or any pond, creek, or lake.

6. No lake, pond, park, playground, wharf, pier or community beach shall be construed by these covenants, restrictions and conditions as dedicated to the public.

7. No tent or other structure or trailer intended for temporary or permanent living quarters shall be permitted.

8. No animals shall be kept or housed on any lot or in any building situated on any lot in numbers, that in the opinion of HSIA, may be considered obnoxious to the health, peace and quiet of any purchaser in Hillsmere or HSIA.

9. No waterfront property owner may erect any fence, piers, wharfs, or any other obstructions to water rights without obtaining written permission of HSIA.

10. All covenants, restrictions and conditions are to run with the land and are to be expressly recited by reference in all future conveyances. A majority of owners of the lots may amend, cancel, annul or obligate any and all of the covenants, restrictions or conditions by a written, duly executed instrument properly recorded among the Land Records of Anne Arundel County.

11. Any violation of any of the foregoing conditions, covenants and restrictions shall be a breach, and HSIA or any purchaser may exercise their rights in any Court of Record against said violation.

**** End of Covenants & Deed Restrictions****

GENERAL RULES AND REGULATIONS

1. No picnicking or building fires on the beach.

2. No dogs allowed on the beach or in the bathing area.

3. No beverages in glass containers in the beach.

4. No tents at the beach.

5. No swimming or bathing on Community property after sunset.

6. Community beach closes at sunset.

7. No littering of beach or community property. All trash and debris must be disposed of in the proper manner.

8. No signs can be erected or placed on community property without the approval of the Hillsmere Shores Improvement Association's Board of Directors, and can only be erected on places designated by the Board of Directors.

9. Lids must be provided, and must be kept tight on all trash cans at all times.

10. Trash cans must be removed from road within 24 hours after collection.

11. Builders must provide cans at building site for trash created by workers at the building site.

12. Weeds on any lot in Hillsmere Shores must be cut at least once during the growing season, preferably before going to seed.

13. No animals shall be kept on any lot or in any building situated on any lot in numbers that in the opinion of the Hillsmere Shores Improvement Association may be considered obnoxious to the health, peace and quiet of residents. No ponies, goats, sheep, cows or other farm animals shall be kept or housed on any lot in Hillsmere Shores.

14. Boat parks and moorings are for the boats of the property owners and residents of Hillsmere Shores only.

15. No fire arms are to be discharged in Hillsmere Shores.

16. No commercial vehicle shall park overnight on Hillsmere Shores roads. Parking of commercial vehicles is permitted on private property.

17. No overnight parking of vehicles on Hillsmere Drive.

18. Approval must be obtained from the Board of Directors of Hillsmere Shores Improvement Association for group activity at picnic and beach areas.

19. The speed limit on all roads in Hillsmere Shores is 25 miles per hour.

20. It is unlawful to remove stakes marking road curbs or storm water drains for snow removal purposes.

21. No snow shall be shoveled onto roads, causing a traffic hazard.

22. All bicycles must have proper lights after sundown on roads in Hillsmere Shores.

23. Political signs supporting or opposing candidates for public office or ballot questions may be placed on privately owned lots by the property owner or resident for up to 30 days before or 7 days after a public election. The signs must be no greater than 2 by 3 feet or equivalent area. Political signs may not be placed on HSIA property.

BEACH RULES

The beach is open to all residents (and property owners) of Hillsmere between 8:00 a.m. and sunset. All cars must display a Hillsmere sticker. Vehicles without stickers are subject to be towed at the owner's risk and expense.

All residents are permitted to bring guests; however, the number of guests per resident is limited to eight (8) people. Extra guest privileges can be granted by the Administrative Officer. Any resident who wishes to bring more than eight (8) guests to the beach should apply for guest permits by calling the Administrative Officer or writing to the HSIA.

The maximum number for any single party at the beach is 40 guests. Temporary parking permits can be made available for a specific date. Maximum number of temporary parking permits is 20.

To reserve the large pavilion for a specific date, please call the Administrative Officer at 410-263-4456, mailbox #2. A deposit of $200 is required, which will be refunded when all trash is removed by the host (this includes the trash can at the large pavilion and the trash can directly behind the large pavilion at the parking lot). Usually the refund will be made within three (3) days after an inspection by an HSIA designated person.

Alcoholic beverages and their consumption are banned from the beach, playground and parking lot, except with the prior written approval of the HSIA Board of Directors or its representative. If approval is granted, a Anne Arundel County One Day Liquor License is required ($25).

No dogs are allowed on the beach or in the bathing area.

No loud noise will be tolerated and can cause immediate termination of guest permits. No amplified music.

The beach can be closed anytime by any officer of HSIA or any other designated person.

Guests are not permitted to bring any sailboards, surfboards, jet skis, boats or other types of water craft to the beach premises.

Interfering with the nettle nets or cable is strictly prohibited. Only persons authorized by HSIA may lower or raise nettle nets. Do not hang on nettle nets or cable.

BOAT PARK RULES

POLICY:

The Boat Park located at 614 Beach Drive is available to all members of H.S.I.A. for storage of small boats and trailers. Use of the Park shall be limited to storage of boats on trailers and empty boat trailers only. An annual fee shall be charged for the use of the park.

The Piers and Harbor Chairman shall appoint a Park Administrator to supervise the operation of the Boat Park and to enforce the regulations as required. The Administrator will issue a space [control number] and key to the facility to be used upon payment of the established fee. The Administrator shall maintain a current "wait list". The Administrator has the authority to request the removal of any item that does not conform to the regulations.

Because of the proximity to residential dwellings, the Park and its contents shall be maintained in a neat and clean manor. A locked gate shall control access to the Park.

H.S.I.A. shall not be responsible for theft, lost or damaged items.

REGULATIONS:

1. The Park is accessible by key; this is a **separate** key from the boat ramp key. The gate shall be locked at all times.

2. The fee charged shall be $65 per trailer annually, in addition to H.S.I.A. membership.

3. Maximum length of boat shall not exceed 30 feet.

4. Boats **must** be stored on trailers.

5. Sanding or scraping of bottom paint is prohibited.

6. All boats and trailers must be in working condition and display a current registration with the State Of Maryland [if applicable]. Upon notice that the boat or trailer is considered to be in a non-working condition or in an advanced state of disrepair, the owner shall have 30 days to correct the condition or the boat / trailer may be removed at owners risk and expense.

7. All trailers must display a H.S.I.A. control number in order to identify the owner for contact. The number will be assigned when the item is registered

with the Park Administrator or by calling the H.S.I.A. Administrative Officer at 410-263-4456.

8. All boats MUST be covered or positioned to drain in order to prevent the accumulation of water and debris which promotes the breeding of mosquitoes.

9. If ownership of a boat and or trailer located within the park can not be established, the Park Administrator will advertise the item in THE SEA BREEZE and THE CAPITAL. If, after 30 days ownership can not be determined, the trailer and or boat will be auctioned or removed to the ANNE ARUNDEL COUNTY LANDFILL. If owner is located they shall be responsible for all expenses incurred.

10. Violation of the above policy and regulations may result in removal of the boat or trailer from the Park.

11. The above regulations will take effect April 1,2002.

MARINA RULES AND REGULATIONS

Approved by the HSIA Board on January 26, 2006

1. Applicants and slip holders must be property owners in Hillsmere. Renters may assume the rights of property owners provided: (1) written permission from the property owner is submitted for each 12 month period and said notice contains a waiver of the property owner's right to apply for a slip in the property owner's name for the duration of said period; and (2) the property owner is not a current holder of any slip. The user of a dinghy rack is not considered to be a slip holder under the definition of these rules and regulations.

2. Applicants and slip holders must be current members of HSIA. Any lapse in membership will cause an applicant's name to be removed from the waiting list and/or will cause the immediate termination of a slip lease.

3. All members of the slip wait list must renew their wait list membership annually. Wait list membership renewal must be completed on or before Come And Get It Day using procedures specified by the Piers & Harbors Chairperson. Failure to renew HSIA membership and slip wait list membership by the Come And Get It Day deadline will result in removal from the wait list and loss of current position on the wait list. Removals will take place without notice from HSIA.

4. Owners of property in Hillsmere may only be assigned one slip, regardless of the number of properties owned. Multiple owners of record shall be considered one person for the purpose of this regulation.

5. New slip holders must own a boat properly registered in their name and insured in accordance with the requirements of the H.S.I.A. slip contract. All boat insurance policies must include a minimum of $100,000 liability coverage. A grace period, not to exceed 60 days, may be granted by the Chairperson of Piers and Harbors, to accommodate individuals buying a new boat or trading boats, provided adequate documents show that a change in boats is in progress. Photocopies of boat title, current registration and/or documentation, Vessel Ownership Affidavit provided by HSIA (if multiple owners), and insurance policy, all bearing the name of the slip holder will be required with the slip rent payment. Slip rent payments will not be accepted without the required documents. Payment for newly assigned slips is due in full within thirty (30) days of slip acceptance. Failure to meet payment deadline will result in loss of slip.

6. Any boat in the marina must be at least 50% owned by one or more Hillsmere residents. All the names must be officially shown on the documentation,

if USCG documented, or on the MD registration. In addition, all owners must sign a notarized statement, provided by HSIA, attesting to the percentage of ownership. Any current slip holders (boats assigned slips as of March 1, 2005) that do not meet the ownership requirement will have until April 1, 2006 to either come into compliance or give up their slip.

7. A person may have full or part ownership in no more than two boats in the marina but may own more that 50% of only one of them.

8. Current slip holders must own a boat properly registered in their name and insured in accordance with the requirements of the H.S.I.A. slip contract. All boat insurance policies must include a minimum of $100,000 liability coverage. Canceling boat insurance or allowing a boat insurance policy to lapse without replacement will result in loss of slip. Current slip holders who will be acquiring a new boat must notify the Chairperson of Piers and Harbors. Slip maybe subject to temporary reassignment. A current slip holder who will be acquiring a new boat must own said boat by the deadline for slip renewal or forfeit his/her slip. This deadline may be extended for 60 days by the Chairman of Piers and Harbors. Any slip holder who forfeits his/her slip and, if wishes, will be placed at the bottom of the waiting list.

9. Slip assignments or reassignments will be offered in the following priority: (a) slip holders who are over- or under-slipped; (b) slip holders desiring relocation; (c) persons on the slip waiting list. Any change in slip assignments made by the Chairperson of Piers and Harbors shall take effect immediately and shall be final. The Chairperson of Piers and Harbors has the right to reassign slips as necessary, such as when a small boat is in a large slip and smaller slips are available, or when the slip in question is too small for a large boat. Chairperson of Piers and Harbors has the absolute right to change a slip holder's slip whenever it is in the best interest of the total assignment of all slips.

10. The Chairperson of Piers and Harbors will use diligence to notify eligible applicants by telephone and/or certified mail that a slip is available for assignment. However, if after 15 days these attempts are still unsuccessful, the next applicant on the waiting list will be offered the available slip; this will not result in a loss of any relative position on the waiting list, and does not constitute a slip rejection.

11. An offer of a slip assignment must be accepted within 15 days following notification or the next applicant will be offered the slip. Failure to accept an adequate slip will be considered a slip rejection.

12. Applicants may reject an adequate slip offer once. Upon a second rejection, the applicant will be placed at the bottom of the waiting list.

13. Positions on the waiting list are not transferable.

14. After accepting a slip, an applicant may request a slip relocation. Any rejection of a relocation offer will not cause a loss of position on the relocation list.

15. Payment for newly assigned slips is due in full within thirty (30) days of slip acceptance. Subsequent annual payments and renewal contracts must be received by HSIA by February 28th. Photocopies of boat title, current registration and/or documentation, Vessel Ownership Affidavit provided by HSIA (if multiple owners), and insurance policy declarations page, all bearing the name of the slip holder will be required with the slip rent payment. Slip rent payments will not be accepted without the required documents. Failure to have payment accepted by the payment deadline will result in loss of slip.

16. Slip assignment contracts must be signed by all registered owners of the boat.

17. Slip assignments are made to ensure the fairest and greatest use of the marina slips by the residents of Hillsmere. Slip holders who fail to use their slips on a regular basis shall have their slip assignments terminated, unless they can show good cause for said lack of use.

18. There will be no subletting of a slip.

19. The marina may not be used as a base for the chartering of boats or carrying of paying passengers.

20. Liveaboards are not permitted. No one is permitted to live on a boat occupying an assigned dockage for a period of more than 7 days per month and not to exceed more than 28 days per year, without written permission from the HSIA board.

21. Refunds for slip fees will only be granted if the vacated slip is reassigned. Refunds will be prorated from the date of reassignment and will not be made until payment, in full, is received from the new slip holder/reassigned party.

22. Slip holders may allow guests to occupy their slips or, if available, the transient slip, but only with the prior approval of the Chairperson of Piers and Harbors. Guest privileges are limited to a maximum of 14 days per year. A daily "rental" rate of $25 per day shall be charged and shall be payable to HSIA.

23. All boats are to be kept in a safe, operable, and seaworthy condition as determined by the Chairperson of Piers and Harbors. Upon notice that the boat is

not safe, operable, or seaworthy, the slip holder shall have 30 days to correct same, or the boat may be removed from the slip by HSIA at the slip holder's risk and expense. Slip holders who have their boats removed by HSIA shall have their slip assignment terminated immediately. The Chairperson's decision to remove a boat from a slip will be automatically reviewed by the Grievance Committee.

24. All boats in slips must display, no later than April 1st each year, a current Maryland registration or documentation sticker, except for boats not required to be registered. All boats must display a current HSIA sticker. A boat in any slip that does not display a current Maryland registration or documentation sticker (if required) and a current HSIA boat sticker shall, at the discretion of the Board of Directors of HSIA, be subject to an immediate termination of the slip assignment.

25. A slip holder shall be responsible for any damage caused by his boat, regardless of who is operating it. Slip holders shall ensure that caution and boat handling safety is exercised on their boats at all times. There shall be no speeding in the harbor. This is defined as "showing no wake." Watch for swimmers, small boats, dinghies, and any other obstructions in the waterway.

26. No improvements, repairs, or modifications to slips or docks are permitted without the express written consent of the Board of Directors of HSIA.

27. Boat operators shall obey all regulations of the United States Coast Guard and the Natural Resources Article of the Annotated Code of Maryland. No overboard discharging of heads is permitted at any time.

28. The gate at the "Sandspit" is to be locked at sunset. Slip holders using the marina after sunset should lock the gate when entering or leaving the marina. The gates at all ramps are to be kept locked at all times, when not in actual use.

29. The cost of one ramp or "Sandspit" key is included in the slip fee. Replacement keys are at the expense of the slip holder. Locks to the ramps are changed annually. Keys to the boat launching ramps are available, upon payment of the key charge, to non-slip holder residents of Hillsmere who are members of HSIA from the HSIA Administrative Officer. All keys are issued either through the mail or at a special key pick up day as determined by the HSIA Board of Directors.

30. There shall be no storage of equipment, trailers, small boats, or dinghies on HSIA property, except in designated dinghy racks or the HSIA Boat Park on Beach Drive. All trailers and boats stored on HSIA property shall display a current registration and/or license tag and/or an HSIA identifying number and shall be kept in working/operable condition.

31. Slip areas are posted for no trespassing and only property owners and their guests, in the property owner's presence, are permitted to use the premises. Any property owner may notify the police to have unauthorized users removed. The police will act on the authority of the posted signs.

32. All ramp and "Sandspit" users are required to help keep the area clean. (If you see trash, please pick it up.) Camp fires and overnight camping are not permitted on the boat ramps or the parking area or the beach area of the "Sandspit."

33. Operating boat engines in gear, while secured in a slip, is prohibited. Any "blowing out" of slips without the written approval of the HSIA Board of Directors will result in immediate termination of the slip assignment and the operator shall be liable for any damages caused by such action.

34. In order to be considerate of our neighbors, no slip holder/guest should cause a disturbance at any time. All noise should be kept to a minimum after 10:00 P.M.

35. The use of grills or any other open flames is totally prohibited on any boat berthed at the marina. The use of a portable heating device is prohibited on an unattended boat. The use of a permanently installed galley stove is permitted on an attended boat.

36. The use of contractors is permitted as long as the contractor is properly insured. Any damage that is caused by contractor to either marina facilities, other boats, or the environment, and is not covered by the contractor's insurance, is the responsibility of the slip holder/boat owner.

37. Pets are permitted in the marina areas; however, County law requires that pets be on leashes. Pet droppings must be removed by the pet owner.

38. The Chairperson of Piers and Harbors, or their assistant, when necessary has the right to board a boat in a HSIA slip.

39. Violations of any of the foregoing regulations may subject the violator to loss of his/her assigned slip or removal of his/her name from the slip waiting list.

40. Any disputes arising from the enforcement of any of these rules can be brought to the Grievance Committee to attempt a resolution. The Grievance Committee will meet within fifteen (15) days of notification by slip holder's grievance. A slip holder can appeal decision of Grievance Committee to the Board at the next Board meeting.

41. Any action taken by the Board of Directors of HSIA to remove a boat from a slip when that slip assignment has been terminated or changed in accordance with these rules and regulations shall be at the risk and expense of the slip holder whose boat has been determined to be in violation of these regulations.

42. The slip holder by accepting and using a slip acknowledges that there are risks inherent in docking a boat at a slip or pier open to the public, including but not limited to trespassers, vandalism, destruction of property, unsafe boat handling by others, high tides, storm damage and other causes beyond the control of H.S.I.A., its officers, Directors and agents. H.S.I.A., its officers, directors and agents shall not be responsible for any loss or injury that befalls a slip holder, their family or guests or the property of same which is not caused directly by the negligence of H.S.I.A., its officer, Directors or agents. H.S.I.A. shall not be an insurer or guarantor of the safety and security of any boat, person or equipment in or around any slip. H.S.I.A., its officers, Directors and agents have no duty to check or re-tie any boat or to patrol and guard any property or equipment on an boat in any slip. Each slip holder for themselves, their heirs, assigns and representatives assume full and sole risk of harm to themselves, their guests, their boat and their equipment.

END

BUILDING PERMITS

An HSIA Building Permit is required every time an Anne Arundel County Building Permit is required.

The following items are needed to obtain an HSIA Building Permit:

1. A copy of the Anne Arundel County Building Permit.
2. A copy of the construction location on the property when required by the County.
3. Cash or check in the amount of $5.00 made payable to HSIA.
4. Mail to HSIA, P.O. Box 3485, Annapolis, MD 21403

Permits are required for construction of new houses, new sheds, additions to houses or sheds, retaining walls, piers, bulkheads, and some fences. When in doubt, or if you have any questions, please call the HSIA Building Permit Chairperson, Bill Anderson, at 410-279-1666.