

Sec. i (p. 5): Voting rights suspension clause lacks Maryland statutory notice, hearing due process, or delinquency safeguards (Md. Code, Real Prop. §§ 11-113, 11B-111.10 (Dispute Settlement Notice & Hearing)).

Statutory / Legal Reference: Md. Code, Real Prop. §§ 11-113, 11B-111.10 (Dispute Settlement Notice & Hearing); Md. Code, Real Prop. Title 11B (Maryland Homeowners Association Act); Md. Code, Corps. & Ass'ns Title 5, Subt. 2

Statutory Comparison: Under Maryland community association and nonprofit corporation statutes (Md. Code, Real Prop. §§ 11-113, 11B-111.10 (Dispute Settlement Notice & Hearing); Md. Code, Corps. & Ass'ns Title 5, Subt. 2), member voting rights are a fundamental corporate governance right and may not be summarily suspended without strict compliance with statutory delinquency thresholds, prior written notice, and an opportunity to be heard.

CURRENT WORDING IN DOCUMENT:

n the Declaration, the Articles or these By-Laws; and
(e) suspend the voting rights, and the right of use of any recreational facilities located on any Common Areas during any period in which the Member is in default in the payment of any

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Provided that any suspension of voting or membership privileges (to the extent permitted by Maryland law) shall require prior written notice to the Owner, a reasonable opportunity to be heard, and strict compliance with Md. Code, Real Prop. §§ 11-113, 11B-111.10 (Dispute Settlement Notice & Hearing) and Md. Code, Corps. & Ass'ns Title 5, Subt. 2.

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Association shall be payable in equal monthly or quarterly installments, each such installment to be due and payable in advance on the first day of each installment period); and

(c) collect the assessments against the Owners, depositing the proceeds thereof in a depository which it shall approve, and use the proceeds to carry out the administration of the Association and its powers and duties hereunder; and

(d) adopt, publish and enforce Rules and Regulations governing (i) use of the Common Areas, including any improvement and amenities located thereon; (ii) additions, alterations, and improvements on or to the Lots; (iii) reasonable interpretation and construction of the provisions of the Declaration, the Articles, and these By-Laws; and (iv) such other matters as are specified as the subjects for such Rules and Regulations in the Declaration, the Articles or these By-Laws; and

(e) suspend the voting rights, and the right of use of any recreational facilities located on any Common Areas during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for any infraction of published Rules and Regulations; and

(f) designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Areas, and providing services for the Association, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be the property of the Association; and

(g) open depository accounts on behalf of the Association and designate signatories required therefor; and

(h) make contracts and guarantees, incur liabilities and borrow money and sell, mortgage, lease, pledge, exchange, convey, transfer, grant easements, rights-of-way, licenses, and other rights of use in, and otherwise dispose of, all or any part of the Common Areas and community facilities; and

(i) repair, restore or reconstruct all or any part of the Common Areas and community facilities after any casualty loss in a manner consistent with law and the provisions of these By-Laws, the Articles, and the Declaration; and

(j) make any addition, alterations or improvements to the Common Areas; provided, however, that if any such addition, alteration or improvements shall require an expense of Association funds in excess of Fifty Thousand Dollars (\$50,000.00), such addition, alteration or