

Harbor East Tower Condominium Council of Unit Owners
Board of Directors Resolution Appointing a Transition Committee

WHEREAS, Article 2, Section 2.3 of the Bylaws for Harbor East Tower Condominium ("**Condominium**") provides that the Condominium is managed by the Council of Unit Owners ("**Association**"); and

WHEREAS, Article 2, Section 2.3 of the Bylaws further provides that the Association delegates the responsibilities of managing the affairs of the Association to its Board of Directors ("**Board**"), and pursuant to Article 3, Section 3.2 of the Bylaws, the Board shall have the powers and duties necessary for the administration of the Condominium; and

WHEREAS, the Board is currently composed of appointees of the Developer pursuant to Article 3, Section 3.1 of the Bylaws; and

WHEREAS, it is contemplated that the threshold of sales to Unit purchasers provided for in Article 2, Section 2.5 of the Bylaws will be achieved in the near future; and

WHEREAS, the Board has determined that it is in the best interests of the Association to appoint a committee comprised of non-Developer Owners of Units in the Condominium as an initial stage of the transition of the management of the affairs of the Association to the Unit Owners, which committee ("**Transition Committee**") shall have certain authorities to engage engineering consultants to investigate the conditions and perform a transition study regarding the common elements of the Condominium and to review and update the reserve study for the Condominium common elements and to engage an auditor and legal counsel in connection with the upcoming transition of the Board and the Association to Unit Owner control.

NOW, THEREFORE, BE IT RESOLVED THAT a Transition Committee is established in accordance with the following provisions to perform the duties set forth in this Resolution.

1. A Transition Committee is hereby established, which shall consist of three (3) Unit Owners of the Condominium, to perform the duties set forth below. No members, employees, or agents of the Developer shall serve as members of the Transition Committee. The members of the Transition Committee shall be appointed by the Board. A member of the Transition Committee may resign from the Transition Committee by written notice to the Board and the Board may remove and replace members of the Transition Committee at any time, with or without cause.

2. The Transition Committee shall have the following authorities and responsibilities:

(a) Subject to reasonable budgetary limitations as contemplated in the current budget of the Association, to solicit proposals from potential engineering consultant candidates to perform inspections and prepare a transition study regarding the condition of the common elements of the Condominium and to interview and recommend engagement of an engineering consultant for this purpose;

(b) Subject to reasonable budgetary limitations as contemplated in the current budget of the Association, to solicit proposals from potential consultants to review the current reserve study and to perform inspections, as needed to update and/or revise such reserve study and to interview and recommend engagement of such reserve consultant for this purpose;

(c) Subject to reasonable budgetary limitations as contemplated in the current budget of the Association, to solicit proposals from potential Association legal counsel to serve as counsel for the Association for general and transition representation and to interview and recommend engagement of counsel for such purposes; and

(d) Subject to reasonable budgetary limitations as contemplated in the current budget of the Association, to solicit proposals from potential accounting and auditing firms to serve as the auditor for the Association and to interview and recommend engagement of such auditor; and

(e) Upon engagement by the Association, to work with such engineering consultant, reserve consultant, legal counsel and auditor to implement an appropriate transition of the Condominium from Developer to Unit Owner control, including, without limitation, communicating with the Developer regarding transition or warranty issues, reserve updates and new audits upon transition and negotiating with the Developer regarding transition and warranty issues, as may be deemed appropriate; and

(f) To perform such other responsibilities as may be established from time to time by the Board. It is understood that, subject to reasonable budgetary limitations, the Board shall defer to the decisions of the Transition Committee in matters for which the Transition Committee has been delegated responsibility, subject to the Board's fiduciary duties and judgment to act in the best interests of the Association and in accordance with the governing documents of the Condominium and the Maryland Condominium Act.

3. A majority of the members of the Transition Committee shall constitute a quorum at any meeting of the Transition Committee and any decision by the Transition Committee shall require the vote of a majority of the members of the Transition Committee. The Transition Committee shall appoint a Chairperson from among the members of the Transition Committee who shall preside at all meetings of the Transition Committee and perform such other duties as may be authorized from time to time by the Board. The Transition Committee shall appoint a records secretary, who need not be a member of the Transition Committee, to keep minutes of all meetings of the Transition Committee. The Transition Committee shall submit its recommendations to the Board and decisions on expenditures and engagement of consultants and counsel shall require Board approval.

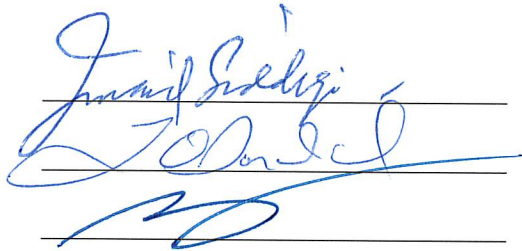
4. The Association shall indemnify each member of the Transition Committee to the same extent required for directors and officers pursuant to Article 3, Section 3.14 of the Bylaws of the Condominium and as may be otherwise set forth in the governing documents of the Condominium.

5. The Condominium Board hereby appoints the following Unit Owners and/or residents to serve as the members of the Transition Committee: Mr. Dan Rizzo, Ms. Lashuan Bethea, and Mr. Eugene Choung. Each person so appointed shall serve on the Transition Committee until he or she resigns or is removed as set forth in this Resolution, or the Transition Committee is otherwise dissolved by the Condominium Board.

6. It is understood and agreed that the authorities and responsibilities set forth herein for the Transition Committee may be taken over by the Board of Directors upon the transition of Board of Directors control from the Developer to the Unit Owners and the purpose of this Resolution to allow the Unit Owners to commence transition steps before the transition of control occurs.

7. Capitalized words used herein but not defined in this Resolution shall have the meanings set forth in the Condominium Declaration.

Approved this 20th day of February, 2024 by the Board of Directors.

Three handwritten signatures in blue ink are written over three horizontal lines. The first signature is 'Jamil Sadiki', the second is 'Dan Rizzo', and the third is 'Lashuan Bethea'.