

GOVERNORS RUN HOMEOWNERS' ASSOCIATION, INC. DEPARTMENT OF ASSESSMENTS
AND TAXATION

ARTICLES OF INCORPORATION

APPROVED FOR RECORD

10/7/94 at 2:11

In compliance with the requirements of Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland, the undersigned, a resident of Maryland, who is at least eighteen years of age, has this day, formed a non-stock corporation, not for profit, and subject to the terms and conditions hereinafter set forth:

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ARTICLE I

The name of the Corporation (hereafter referred to as the "Association") is and shall be:

42848091

GOVERNORS RUN HOMEOWNERS' ASSOCIATION, INC. 42848090

ARTICLE II

The principal office of the Association is located at 1829 Reisterstown Road, Suite 410, Baltimore, Maryland 21208.

ARTICLE III

Michael I. Greenebaum, whose address is 1829 Reisterstown Road, Suite 410, Baltimore, Maryland 21208, is hereby appointed the resident agent of the Association.

ARTICLE IV

The terms "Declarant", "Lots", "Open Space Lot", "Owner", "Sign Easement Area" and "Property" as used in these Articles of Incorporation shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions Relating to

Governors Run and intended to be recorded among the Land Records of Howard County, Maryland (the "Declaration").

ARTICLE V

PURPOSES AND POWERS OF THE ASSOCIATION

The Association is organized exclusively for the non-profit purposes associated with the Association's Members (as this term is defined herein) and ownership of certain real property located in Howard County, Maryland. The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any member or individual (except that reasonable compensation may be paid for services rendered). The purposes and powers shall be as follows:

(a) The use, improvement, maintenance, operation and repair of the Open Space Lots and Sign Easement Area located in the Property including any improvements located thereon.

(b) The establishment of rules and regulations for the use of the Open Space Lots and Sign Easement Area including any improvements located thereon.

(c) The allocation among the Owners of the Property of the costs of the improvement, maintenance and repair of the Open Space Lots and Sign Easement Area including any improvements located thereon.

(d) The promotion of the health, safety, pleasure, recreation and welfare of the residents of the Lots within the Property.

(e) To exercise and perform, without limitation, all of the powers, functions and duties of a homeowners' association, including, but not limited to, advocacy, promotion, and sponsorship of all civic advancements, both public and private, particularly within Howard County, as may be in the mutual interest of the Members.

(f) To promote social exchange among the Members.

In furtherance of these purposes, the Association, (by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declaration) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided, the Declaration being incorporated herein by reference as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association described in the Declaration;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the

Association, subject, however, to the requirements of the Declaration;

(d) borrow money and, with the assent of at least two-thirds (2/3rds) of the votes of each outstanding class of members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Open Space Lots, if any, to any public agency, authority, utility or other person subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the Directors of the Association;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that, except as otherwise provided in the Declaration, any such merger, consolidation or annexation shall have the assent of two-thirds (2/3rds) of the votes of each outstanding class of the members;

(g) to enter into any kind of activity and to perform and carry out contracts of any kind necessary to, or in conjunction with, or incidental to the accomplishment of the non-profit purposes of the Association;

(h) insofar as permitted by law, to do any other thing that in the judgment of the Board of Directors will promote the business of the Association for the common benefit of its Members and to do every other act not inconsistent with law, which may be

appropriate to promote and attain the purposes set forth in the By-Laws and these Articles of Incorporation;

(i) to foster all possible means of keeping the Members informed about the community, the development thereof, and the furtherance of social and other activities beneficial to the Members;

(j) to promote, encourage, and participate in any type of activity deemed to be for the welfare and best interest of the community and the Members;

(k) to employ such officers, as set out in the By-Laws, to assist and further the corporate purposes and powers; and

(l) have and to exercise any and all powers, rights and privileges which a non-stock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner the general powers of this Association and the enjoyment of the exercise thereof conferred by the general laws of the State of Maryland, the By-Laws, or these Articles of Incorporation.

ARTICLE VI

Every Owner of a Lot shall be a member ("Member") of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE VII

MEMBERSHIP AND VOTING RIGHTS

(a) The Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members; however, for purposes of a quorum they shall be treated as a single member. The votes for such Lot shall be exercised as such Owners may determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B: The Class B Member(s) shall be the Declarant and shall be entitled to five votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(i) when the total votes outstanding in the Class A Membership exceeds the total votes outstanding in the Class B Membership; or

(ii) on the seventh (7th) anniversary of the date of the Declaration.

(b) Suspension of Membership Rights. The membership rights of any Member whose Lot is subject to assessments shall be suspended by action of the Board of Directors during the period when the assessments remain unpaid, provided however, that upon

payment of such delinquent assessments, such membership rights shall be automatically restored.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Mr. Stewart J. Greenebaum
Mr. Michael I. Greenebaum
Mr. Mark A. Bennett
c/o Greenebaum and Rose Associates, Inc.
1829 Reisterstown Road
Suite 410
Baltimore, Maryland 21208

These Directors (herein called "Charter Directors") shall serve until the first annual meeting of the members at which time they are re-elected or their successors are elected. In the event of death or resignation of a Charter Director during his term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

The liability of the directors and officers to the Association for money damages shall be limited to the maximum extent that the liability of directors and officers of Maryland corporations is permitted to be limited by Maryland law. This limitation on liability shall apply to events occurring at the

time a person serves as a director or officer of the Association whether or not such person is a director or officer at the time of any proceeding in which liability is asserted.

To the maximum extent permitted by Maryland law, the Association shall indemnify its currently acting and its former directors against any and all liabilities and expenses incurred in connection with their services in such capacities, shall indemnify its currently acting and its former officers to the full extent that indemnification shall be provided to directors, and shall indemnify, to the same extent, its employees and agents and persons who serve and have served, at its request as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture or other enterprises. The Association shall advance expenses to its directors, officers and the other persons referred to above to the extent permitted by Maryland law. The Board of Directors may by Bylaw, resolution or agreement make further provisions for indemnification of directors, officers, employees and agents to the extent permitted by Maryland law.

References to Maryland law shall include the Maryland General Corporation Law as from time to time amended. Neither the repeal or amendment of this Article VIII, nor any other amendment to these Articles of Incorporation, shall eliminate or reduce the protection afforded to any person by the foregoing provisions of this article with respect to any act or omission which shall have occurred prior to such repeal or amendment.

ARTICLE IX

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the holders of not less than two-thirds (2/3rds) of the votes of each outstanding class of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that acceptance of such a dedication is refused, the assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE X

The Association shall exist perpetually.

ARTICLE XI

Amendment of these Articles shall require the assent of the holders of two-thirds (2/3rds) of the votes of each outstanding class of members present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XI to the contrary notwithstanding, the Declarant shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these Articles of Incorporation all as from time to time amended or supplemented. However, this unilateral right, power and authority of the Declarant may be exercised if and only if the

conditions described in Section 3 of Article X of the Declaration are met, and any such revisions, amendments or changes made by the Declarant shall be subject to the terms of said Section 3 of Article X of the Declaration.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned, Gerald M. Katz, whose post office address is 901 Dulaney Valley Road, Suite 400, Towson, Maryland 21204, being at least eighteen years of age, has executed these Articles of Incorporation this 6TH day of ~~September~~ ^{October}, 1994, for the purpose of incorporating this Association.

WITNESS:

Susan Wooden

Gerald M. Katz
Gerald M. Katz, Incorporator

STATE OF MARYLAND }
COUNTY OF BALTIMORE } To Wit:

I HEREBY CERTIFY that on this 6TH day of ~~September~~ ^{October}, 1994 before the subscriber, a Notary Public of the State of Maryland, personally appeared Gerald M. Katz, known to me to be the person whose name is subscribed to the within Articles of Incorporation and acknowledged that he, being authorized so to do, executed the foregoing Articles of Incorporation for the purposes therein contained, and in my presence signed and sealed the same.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Susan Wooden
Notary Public
My Commission Expires: 7-1-95

