

CORPORATE CHARTER APPROVAL SHEET

****EXPEDITED SERVICE****

**** KEEP WITH DOCUMENT ****

DOCUMENT CODE 02

BUSINESS CODE 04



1000361992953939

Close _____

Stock _____

Nonstock ☒

P.A. _____

Religious _____

Merging (Transferor) _____

ID # D11271863 ACK # 1000361992953939
LIBER: 000954 FOLIO: 0190 PAGES: 0007
COBBLESTONE PROPERTY OWNERS ASSOCIATION
INC.

Surviving (Transferee) _____

05/02/2006 AT 03:18 P WO # 0001223867

New Name _____

FEES REMITTED

Base Fee: 100

Org. & Cap. Fee: 25

Expedite Fee: 50

Penalty: _____

State Recordation Tax: _____

State Transfer Tax: _____

_____ Certified Copies

Copy Fee: _____

_____ Certificates

Certificate of Status Fee: _____

Personal Property Filings: _____

Mail Processing Fee: _____

Other: _____

TOTAL FEES: 170

Change of Name _____

Change of Principal Office _____

Change of Resident Agent _____

Change of Resident Agent Address: _____

Resignation of Resident Agent _____

Designation of Resident Agent _____

and Resident Agent's Address _____

Change of Business Code _____

Adoption of Assumed Name _____

Other Change(s) _____

Credit Card ☒

Check _____

Cash _____

Code _____

_____ Documents on _____ Checks

Attention: _____

Approved By: 14

Keyed By: RIA

COMMENT(S): FAX

Mail, Name and Address

LESSANS PRALEY & MCCORMICK PA

ATTN BRYAN M HYRE

7419 BALTIMORE-ANNAPOLIS BLVD

GLEN BURNIE

MD 21061

Stamp Work Order and Customer Number HERE

CUST ID: 0001780829

WORK ORDER: 0001223867

DATE: 05-05-2006 02:35 PM

AMT. PAID: \$170.00

ARTICLES OF INCORPORATION**COBBLESTONE PROPERTY OWNERS ASSOCIATION, INC.****THIS IS TO CERTIFY:**

FIRST: The undersigned, James C. Praley, whose post office address is 7419 Baltimore-Annapolis Blvd., Glen Burnie, Maryland 21061, being at least eighteen years of age, is hereby forming a non-stock not-for-profit corporation under and by virtue of the general laws of the State of Maryland.

SECOND: The name of the corporation (which is hereinafter called the "Corporation") is:

COBBLESTONE PROPERTY OWNERS ASSOCIATION, INC.

THIRD: The purposes for which the Corporation is formed are as follows.

To organize and operate a real estate management association exclusively to provide for the acquisition, construction, management, maintenance, care and preservation of the open spaces, common area and facilities within those certain tracts of property described in paragraph (a) of this Article Third, and to promote the recreation, health, safety and welfare of the residents within the said described property, and any addition thereto as may hereafter be brought within the jurisdiction of this Corporation, no part of the net earnings of which is to inure to the benefit of, or be distributable to, any director, officer, or member of the Corporation, or any other individual, so that no pecuniary gain or profit to the members thereof is contemplated, and for such general purposes, and limited to those purposes, the Corporation shall have the following powers:

(a) To acquire, own, hold, preserve, develop, improve, build upon, manage, operate and maintain open space tracts or areas and common or recreational areas, property, facilities and real estate, whether fee simple or leasehold, and whether improved or unimproved, all designed for the common use, benefit, enjoyment, recreation, health, safety and welfare of the record owner or owners of each lot now or hereafter laid out or established within that parcel of land located in the Third Assessment District of Anne Arundel County, Maryland, shown on the plats entitled "COBBLESTONE", recorded among the Land Records of Anne Arundel County (the "County") in Plat Book 271, pages 48 through 50, inclusive (Plats Nos. 1, through 3, inclusive) (the "Plats").

As of the date hereof, the aforesaid parcel includes those residential lots, open spaces and common areas as is more particularly described in the Declaration of Covenants, Conditions Restrictions and Easement, hereinafter called the "Declaration", made by Cobblestone Properties, Inc., a Maryland corporation, and recorded or intended to be recorded among the Land Records of the County, as the same may hereafter from time to time be amended, or extended to any additional properties, said Declaration, made a part hereof, by reference thereto, as fully, and to

the same extent as though incorporated herein, being applicable to the Community (as hereinafter defined) and such additions thereto as may hereafter be brought within the jurisdiction of the Corporation. The aforesaid lots, open spaces and common areas are hereinabove and hereinafter referred to as the "Community".

(b) To exercise all the powers, rights and privileges and to perform all the duties and obligations of the Corporation, as the same are set forth in the Declaration.

(c) To establish, fix, make, impose, levy, collect and enforce payment of, by any lawful means 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 business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation.

(d) To purchase, lease, option, or otherwise acquire, own, hold, preserve, develop, improve, build upon, manage, operate, maintain, convey, sell, exchange, rent, lease, dedicate for public use, or in any manner transfer or dispose of any real or personal property in connection with the affairs of the Corporation.

(e) To borrow or to raise money for any of the purposes of the Corporation, and to issue bonds, debentures, notes, or other obligations of any nature, and in any manner permitted by law, for money so borrowed or in payment for property purchased, or for any other lawful consideration, and, upon authorization of two-thirds (2/3) of the Class A members in the Corporation (except the Declarant if the Declarant is a Class A member) to secure the payment of the money borrowed and of the interest thereon, by mortgage upon, or pledge or conveyance or assignment in trust of, the whole or any part of the property of the Corporation.

(f) To dedicate, sell or otherwise transfer all or any part of the common areas, property and facilities of the Corporation to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon by the members, provided, however, that no such dedication, sale or transfer shall be effective unless approved in writing by two-thirds (2/3) of the Class A members in the Corporation (except the Declarant if the Declarant is a Class A member) agreeing to such dedication, sale or transfer.

(g) To participate in mergers and consolidations with other nonprofit organizations, organized for the same purpose, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the members of each class of the membership in the Corporation, voting separately thereon.

(h) To annex to the Community, at any time, and from time to time, other and additional residential property, open space and common area, provided that so long as there any any Class B Members, the annexation of such other additional residential property, open space and common area shall require the consent of the Declarant.

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

The Corporation is formed under the articles, conditions and provisions expressed herein and in the general laws of this State. In no event, however, shall the Corporation: (i) carry on any propaganda or otherwise attempt to influence any legislation or any public administrative action; (ii) participate or intervene in any political campaign on behalf of any candidate for public office, any means, including the publication or distribution of any statement for or against any candidate; (iii) carry on any activity not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c) or 528 of the Internal Revenue Code of 1986, as amended to date, or corresponding provision of any future United States Internal Revenue law; or (iv) invest in or use any property in such a manner as to jeopardize the exemption of the Corporation from taxation under the aforesaid Section 501(c) or 528 of the Internal Revenue Code of 1986, as now in force or hereafter amended.

FOURTH: The post office address of the principal office of the Corporation in this State is c/o Cobblestone Properties, Inc., 2661 Riva Road, Suite 220, Annapolis, Maryland 21401. The name and post office address of the resident agent of the Corporation in this State are James C. Praley, c/o Lessans, Praley & McCormick, P.A., 7419 Baltimore-Annapolis Blvd., Glen Burnie, Maryland 21061. Said resident agent is a citizen of the State of Maryland and actually resides therein.

FIFTH: The Corporation is not authorized to issue any capital stock. Each record owner, as hereinafter defined, of a lot now or hereafter laid out or established in the Community, or in any part of such additional property that may be brought within the jurisdiction of the Corporation shall be a member of the Corporation. Each member shall be designated either a Class A member or a Class B member. A description of each class of membership, with the voting rights and powers of each class, is as follows:

(a) Class A Members: Except for the Declarant and Builder (as such terms are defined in the Declaration), who shall initially be Class B members, a Class A member shall be a record owner holding title to one or more lots laid out in the Community, or in any part of such additional property that may be brought within the jurisdiction of the Corporation. Each Class A member shall be entitled to one (1) vote per lot, for each such lot owned by such member, in all proceedings in which action shall be taken by members of the Corporation.

(b) Class B Members: Class B members shall be the Declarant and any Builder. Each Class B member shall be entitled to three (3) votes per lot, for each such lot owned by such member, in all proceedings in which the action shall be taken by members of the Corporation.

(c) Conversion: The Class B membership shall be converted to a Class A membership upon the earlier to occur of (i) December 31, 2009; or (ii) at such time as the total number of votes entitled to be cast by Class A members of the Corporation equals or exceeds the total number of votes entitled to be cast by the Class B members of the Corporation. After such

conversion, if additional property is made subject to the Declaration then the Class B membership of the Class B members shall be reinstated until December 31, 2014, or such earlier time as the total number of votes entitled to be cast by Class A members again equals or exceeds the total number of votes entitled to be cast by the Class B members.

The term "record owner," as used in these Articles, means and includes the person, firm, corporation, trustee, or legal entity, or the combination thereof, including contract sellers, holding the record title to a lot in the Community or located on any part of such additional property that may be brought within the jurisdiction of the Corporation and subjected by covenants of record to a lien for charges and assessments levied by the Corporation, as said lot is now or may from time to time hereafter be created or established, either in his, her, or its own name, or as joint tenants, tenants in common, tenants by the entireties, or tenancy in co-partnership, if the lot is held in such real property tenancy or partnership relationship.

If more than one (1) person, firm, corporation, trustee, or other legal entity, or any combination thereof, hold the record title to any one lot, whether in a real property tenancy, partnership relationship, or otherwise, all of same, as a unit, and not otherwise, shall be deemed a single record owner and shall be or become a single member of the Corporation by virtue of ownership of such lot. The term "record owner," however, shall not include any contract purchaser, nor the owner of any redeemable ground rent issuing out of any lot, nor shall it include any mortgagee, trustee or other grantee named in any mortgage, deed of trust or other security instrument covering any lot, designed solely for the purpose of securing performance of an obligation or payment of a debt. Membership in the Corporation shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Corporation. Conversely, every owner of a lot which is subject to assessment by the Corporation shall become and be a member of the Corporation.

If any single membership in the Corporation is comprised of two (2) or more persons, firms, corporations, trustees or other legal entities, or any combination thereof, then each constituent may cast such portion of the vote of the member as shall equal his, her or its proportionate interest in the lot or lots held by said member, provided, however, that if only one (1) votes, he, she or it may cast the entire vote of the member and such act shall bind all.

SIXTH: The affairs of the Association shall be managed initially by a Board of three (3) directors, which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than three (3) nor more than five (5); and the names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualified are Gary W. Koch, W. Kevin Lusby, and Richard E. Pezzullo. No Director need be a member of the Corporation.

At the first annual meeting, the members shall elect at least three (3) and no more than five (5) directors for a term of one year and at each annual meeting thereafter the members shall elect directors for a like term.

SEVENTH: The duration of the Corporation shall be perpetual. The Corporation, however, may be dissolved under and in accordance with the laws of the State of Maryland, provided such dissolution first be authorized, in writing, signed by not less than two-thirds (2/3) of the members of the Corporation, or, if there be more than one class of members, then by not less than two thirds (2/3) of each class of members of the Corporation, computed separately. Upon any dissolution of the Corporation, after discharge of all corporate liabilities, the Board of Directors shall dispose of all assets of the Corporation, by dedication thereof to any appropriate public agency to be used for purposes similar to those for which the Corporation was formed. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned, if practicable, to any nonprofit corporation, association, trust or other organization as shall at the time qualify as an organization or organizations exempt from taxation under Sections 501(c) or 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue laws, as the Board of Directors may determine, preferably to a semi-public agency, to be used in furthering, facilitating or effectuating purposes similar to those for which the Corporation was formed.

EIGHTH: Amendment of these Articles shall require the assent of two-thirds (2/3) of the entire membership, provided, however, that the Federal Housing Administration, the Veterans Administration or the Department of Housing and Urban Development (collectively the "Federal Agencies"), or any successor agencies thereto, shall have the right to veto amendments while there is a Class B membership if any such agency or any successor agencies thereto have approved the Community, or any part thereof, or any Lot, for federal financing by one of the Federal Agencies.

NINTH: As long as there is a Class B member, if any of the Federal Agencies or any successor agencies thereto, whether public or private, approve the Community or any part thereof or any lot therein for federally approved mortgage financing, the following actions will require the prior approval of the Federal Agencies: annexation of additional properties; mergers and consolidations; mortgaging of or dedication of any of the Common Area; dissolution; and amendment of these Articles.

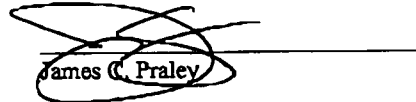
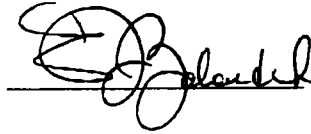
TENTH: No director or officer of the Corporation shall be liable to the Corporation or to its members for money damages except (a) to the extent that it is proved that such director or officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (b) to the extent that a judgment or other final adjudication adverse to such director or officer is entered in a proceeding based on a finding in the proceeding that such director's or officer's action, or failure to act, was (i) the result of active and deliberate dishonesty or (ii) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ELEVENTH: Each officer and director of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having

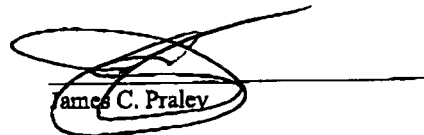
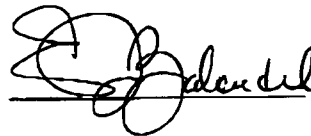
been a director or officer of the Association. The foregoing right to indemnification shall be exclusive of any other rights to which the director or officer or person may be entitled by law or agreement or vote of the members or otherwise.

IN WITNESS WHEREOF I have signed these Articles of Incorporation and acknowledged the same to be my act on this 2ND day of MAY, 2006.

WITNESS:


James C. Praley

I HEREBY consent to act as resident agent in Maryland for the entity named in the attached instrument.


James C. Praley

After recording, please return to:

James C. Praley
Lessans, Praley & McCormick, P.A.
7419 Baltimore-Annapolis Blvd.
P.O. Box 1330
Glen Burnie, Maryland 21060

CUST ID:0001780829
WORK ORDER:0001223867
DATE:05-05-2006 02:35 PM
AMT. PAID:\$170.00