

ARTICLES OF INCORPORATION  
OF  
ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

APPROVED AND RECEIVED FOR RECORD BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION  
OF MARYLAND JULY 22, 1989 AT 9:48 O'CLOCK A. M. AS IN CONFORMITY  
WITH LAW AND ORDERED RECORDED.

ORGANIZATION AND  
CAPITALIZATION FEE PAID:

RECORDING  
FEE PAID:

SPECIAL  
FEE PAID:

02836944

TO THE CLERK OF THE COURT OF

MONTGOMERY COUNTY

IT IS HEREBY CERTIFIED, THAT THE WITHIN INSTRUMENT, TOGETHER WITH ALL INDORSEMENTS THEREON, HAS  
BEEN RECEIVED, APPROVED AND RECORDED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND.

RETURN TO:  
GLORIA STURCH  
CONROY, FITZGERALD, GALLMAN  
& MONTGOMERY VILLAGE AVE.  
ETC. 412  
GAITHERSBURG MD 20879

STATE OF MARYLAND

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I hereby certify that this is a true and complete copy of the \_\_\_\_\_  
page document as filed in this office. DATED: \_\_\_\_\_



BY: \_\_\_\_\_  
This stamp replaces our previous certification system. Effective: 10/84

3758 2009

STATE DEPARTMENT OF ASSOCIATIONS  
AND INSTITUTIONS

ARTICLES OF INCORPORATION

APPROVED FOR RECORD

OF 07-28-87 at 9:48

ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of the Corporations and Associations Article, Title 2, Annotated Code of Maryland (1985 Replacement Volume), the undersigned, Donna M. McMillan, whose post office address is Six Montgomery Village Avenue, Suite 402, Gaithersburg, Maryland 20879, being at least eighteen (18) years of age, has this day, by execution of these Articles, voluntarily declared herself to be an incorporator for the purpose of forming a non-stock, non-profit corporation pursuant to the general laws of Maryland, and does hereby certify:

ARTICLE I

NAME OF CORPORATION

The name of the Corporation is the ORCHARD KNOLLS HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

PRINCIPAL OFFICE

The post office address of the principal office of the Association is: c/o Donna M. McMillan, Six Montgomery Village Avenue, Suite 402, Gaithersburg, Maryland 20879. ✓

ARTICLE III

RESIDENT AGENT

The name of its resident agent is Thomas E. Marshall, whose post office address is: c/o Donna M. McMillan, Six Montgomery Village Avenue, Suite 402, Gaithersburg, Maryland 20879. Said resident agent is a citizen of the State of Maryland and actually resides therein.

ARTICLE IV

POWERS AND PURPOSES

This Association does not contemplate pecuniary gain or profit, direct or indirect to the members thereof, and the specific purposes for which it is formed are to provide for or assure the maintenance, preservation and architectural control of the Property subject to the Declaration of Covenants, Conditions and Restrictions, of Orchard Knolls Homeowners Association, including

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such additions thereto as may be hereafter brought within the jurisdiction of the Association, and to promote the health, safety and welfare of the Owners of the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. For this purpose, the Association shall have the power and authority to:

(a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the Property and recorded or to be recorded among the Land Records of Montgomery County, Maryland, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth in full and made a part hereof;

(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, including all office expenses, licenses, taxes or governmental charges levied or imposed against the property of the Association and all other expenses incident to the conduct of the business of the Association;

(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;

(d) Borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of the real or personal property owned by the Association as security for money borrowed or debts incurred;

(e) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless two-thirds (2/3) of each class of members have consented to such dedication, sale or transfer, and unless The Maryland-National Capital Park and Planning Commission ("M-NCPPC"), or its successor or assigns, has given its prior written approval thereof, which approval shall not be unreasonably withheld or delayed;

(f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members, unless the Declaration or By-Laws provides otherwise;

(g) Have and exercise any and all powers, rights and privileges which a non-stock, non-profit corporation organized under the laws of the State of Maryland by law may now or hereafter have or exercise.

#### ARTICLE V

##### NO CAPITAL STOCK

This Association is not authorized to issue any capital stock and shall not be operated for profit. The Association does not anticipate distributing dividends, gains or profits to its members. No member shall have any personal liability for the debts or obligations of the Association.

#### ARTICLE VI

##### MEMBERSHIP

This Association shall have two (2) classes of voting membership:

**Class A:** Class A members shall be all Owners with the exception of the Declarant (with respect to any Lot for which the Declarant holds a Class B membership), and Class A members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast by a Class A member with respect to any Lot.

**Class B:** The Class B member(s) shall be the Declarant (as that term is defined in the Declaration). Class B members shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to a Class A membership upon the happening of any of the following events, whichever occurs earliest:

(i) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, except when the provisions of Article II of the Declaration of Covenants permit additional land to be annexed, and such annexation may cause the total Class B votes to again exceed the total Class A votes, the Class B membership shall not be terminated under this paragraph; or

(ii) seven (7) years from the date of recordation of the Declaration; provided, however, that if the Declarant is delayed in the improvement and development of the Property on account of a sewer, water or building permit moratorium or any other cause or event beyond the Declarant's control, then the aforesaid seven (7) year period shall be extended by a period of time equal to the length of the delays or two (2) years, whichever is less.

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in these Articles of Incorporation or the By-Laws of the Association.

#### ARTICLE VII

##### VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot, including contract sellers, shall be a member of the Association; provided that any such person or entity who or which holds such interest merely as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment by the Association.

#### ARTICLE VIII

##### RIGHT OF ENJOYMENT

Every Owner shall have a right and easement of enjoyment in and to the Common Area, including the private streets and parking lots and walkways included therein, which shall be appurtenant to and shall pass with the title to every Lot, for the purposes of ingress and egress to and from his Lot.

#### ARTICLE IX

##### BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board consisting of three (3) directors whose names and addresses are hereinafter listed. Commencing with the first annual meeting of the Association, the Board shall consist of not fewer than five (5) nor more than nine (9) directors. The number of directors shall be determined by a vote of the members at the first annual meeting of the members and the number of directors may be changed by a vote of the members at any subsequent annual or special meeting of the members; provided, however, that (a) the limitations of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent director. The directors 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 initially act in the capacity of directors until the selection of their successors are:

1. James L. Perry

c/o Donna M. McMillan, Esq.  
Six Montgomery Village Avenue  
Suite 402  
Gaithersburg, Maryland 20879

2. David D. Flanagan

c/o Donna M. McMillan, Esq.  
Six Montgomery Village Avenue  
Suite 402  
Gaithersburg, Maryland 20879

3. Thomas E. Marshall

c/o Donna M. McMillan, Esq.  
Six Montgomery Village Avenue  
Suite 402  
Gaithersburg, Maryland 20879

At the first annual meeting, the members shall elect three (3) directors for a term of one (1) year. At the second annual meeting, the members shall elect one (1) director for a term of one (1) year, two (2) directors for a term of two (2) years and at least two (2) directors for a term of three (3) years. At each annual meeting thereafter, the members shall elect a director to each vacancy for a term of three (3) years.

#### ARTICLE X

##### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members and with the written approval of M-NCPPC, or its successors or assigns, which approval shall not be unreasonably withheld or delayed. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consonant with this ARTICLE X) shall be mailed to every member not less than ten (10) days nor more than fifty (50) days in advance of any action to be taken. Upon dissolution of the Association, other than that 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 the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

#### ARTICLE XI

##### DURATION

This Association shall exist perpetually.

ARTICLE XII

AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XIII

VA AND FHA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Veterans' Administration and the Federal Housing Administration: annexation of additional properties not in conformance with the Development Plan (as such term is defined in the Declaration) as approved by the Veterans' Administration and the Federal Housing Administration, mergers and consolidations, mortgaging of the Common Area, dedication of the Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, Donna M. McMillan has signed, sealed and delivered these Articles of Incorporation as her own free act and deed on this 25th day of July, 1989.

WITNESS:

Karl F. Woodley

Donna M. McMillan  
Donna M. McMillan

STATE OF MARYLAND

COUNTY OF Montgomery

On July 25, 1989, before me, a Notary Public in and for the above County and State, personally appeared Donna M. McMillan, and acknowledged that she signed the foregoing Articles of Incorporation for the purposes therein stated.

WITNESS my hand and notarial seal.

Karl F. Woodley  
Notary Public

My Commission Expires: 7-1-90

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