

WILLOWOOD NEIGHBORHOOD ASSOCIATION, INCORPORATED

ARTICLES OF INCORPORATION

THESE ARTICLES OF INCORPORATION, made this 5th day of March, 1993, by Stewart D. Young, a resident of Maryland having an address at SDC Group, Inc., 8480 Baltimore National Pike, P.O. Box 417, Ellicott City, Maryland 21041.

WITNESSETH, THAT WHEREAS, by an instrument entitled "Declaration of Covenants, Easements, Charges and Liens" and intended to be recorded among the Land Records of Howard County, Maryland (hereinafter referred to as "the Declaration"), Security Development Corporation, a corporation organized and existing under the law of Maryland, and Howard County, Maryland has subjected or intends to subject to the operation and effect of the Declaration all of their respective land, situate and lying in the said County, which is described in Exhibit A thereto, together with the improvements thereon and the appurtenances thereto, thereby creating a community with respect to the same known as "WILLOWOOD" (hereinafter referred to as "the Community"), all as is more particularly set forth in the Declaration; and

WHEREAS, under the provisions of the Declaration, the affairs of the Community are to be governed by a non-stock corporation organized and existing under the law of Maryland; and

WHEREAS the undersigned, by these Articles of Incorporation, intends to incorporate such entity,

NOW, THEREFORE, THE UNDERSIGNED, being at least eighteen (18) years of age, hereby forms a nonstock corporation under the general laws of the State of Maryland, upon the terms and subject to the conditions which are hereinafter set forth:

Article 1. Name. The name of the corporation (hereinafter referred to as "the Association") is and shall be

WILLOWOOD NEIGHBORHOOD ASSOCIATION, INCORPORATED

Article 2. Purposes and powers.

2.1 The Association shall have the following purposes and powers.

2.1.1. to promote the recreation, health, safety and welfare of the Community and the Association's membership;

2.1.2. to provide for the acquisition, construction, management, maintenance and care of the Association's property (including, by way of example rather than of limitation, the property referred to as "the Commons" in the provisions of the Declaration);

2.1.3. to do and perform any and all acts and things which a nonstock corporation organized and existing under the general laws of the State of Maryland is empowered to do, without limitation or restriction of any kind (including, by way of example rather than of limitation, any and all acts and things which such a corporation is empowered to do by the provisions of title 2, section 2-103, and title 5, section 5-202 of the Corporations and Associations Article of the Annotated Code of Maryland (1985 edition, as from time to time amended); and

2.1.4. to do and perform any and all acts and things which the Association is authorized or empowered to do by the provisions of the Declaration, as from time to time amended.

2.2. Anything contained in the foregoing provisions of this Article to the contrary notwithstanding, nothing in such provisions shall be deemed to empower the Association to take any action, or to permit the Association not to take any action, if and to the extent that its taking of or failure to take such action is not permitted by the provisions of the Declaration.

Article 3. Principal office and resident agent.

3.1. The post office address of the Association's principal office in Maryland is 8480 Baltimore National Pike, Suite 415, P.O. Box 417, Ellicott City, Maryland 21041. ✓

3.2. The name and post office address of the Association's resident agent in Maryland is James R. Moxley, Jr., 8480 Baltimore National Pike, Suite 415, P.O. Box 417, Ellicott City, Maryland 21041. Such resident agent is a citizen of the State of Maryland who actually resides therein.

Article 4. Lack of authority to issue stock.

4.1. The Association is not authorized or empowered to issue capital stock of any type or class.

4.2. Nothing in the foregoing provisions of this Article shall be deemed in any manner to alter or impair any right or power which the Association may have from time to time to issue such bonds, notes and other evidence of secured or unsecured debt, in such amounts, for such consideration, upon such terms and subject to such conditions as the Association may determine.

Article 5. Membership.

5.1. The Association's membership shall consist of and be limited to all of the Owners, as that term is defined by the provisions of the Declaration.

5.2. The Association's membership shall be divided into such classes of membership as are prescribed by the provisions of the Declaration, each of which classes shall exist during such times, and the respective members of which shall have such rights, as are set forth therein.

5.3. An Owner's membership in the Association shall be appurtenant to his Lot, and may not be separated from his ownership thereof.

Article 6. Directors.

6.1. The number of directors which the Association shall have shall be three (3), which number may be increased or decreased by an amendment of the Association's by-laws, but shall never be less than three (3).

6.2. The names of the directors who shall act until the first annual meeting of the Association's membership and until their successors are elected and qualified are:

James R. Moxley, Jr.
James R. Schulte
Stewart D. Young

6.3. The Association's board of directors shall exercise all of the Association's powers, except for those, if any, conferred upon or reserved to the Association's members by law, or by the provisions of these Articles of Incorporation, the Association's by-laws or the Declaration, as from time to time amended.

Article 7. Perpetual existence. The Association's existence shall be perpetual.

Article 8. Voting rights.

8.1. The voting rights of each member of the Association are as set forth in the provisions of the Declaration, as from time to time amended (which provisions are hereby incorporated herein by reference).

8.2. Except in those circumstances, if any, in which the giving of a proxy by a member of the Association is expressly permitted by the provisions of the Declaration (in which circumstances such member shall be entitled to vote by such proxy), no member of the Association may vote by proxy.

Article 9. Amendment of Articles of Incorporation.

9.1. These Articles of Incorporation may be amended in and only in the same manner as that set forth in the provisions of section 2-604 of the Corporations and Associations Article of the Annotated Code of Maryland (1985 edition, as amended) for stock corporations, with each member of the Association having the rights thereunder held by a stockholder of a stock corporation.

9.2. Without limiting the generality of the foregoing provisions of this Article, no amendment of these Articles of Incorporation shall be effective unless approved by the Association's membership by the affirmative vote of three-fourths (3/4) of all of the votes entitled to be cast thereon.

Article 10. Dissolution of the Association.

10.1. The Association may be voluntarily dissolved only in accordance with the provisions of section 5-208 of the Corporations and Associations Article of the Annotated Code of Maryland (1985 edition, as amended), except that such dissolution must have been approved by the Association's membership by the affirmative vote of two-thirds (2/3) of all of the votes of each class of membership entitled to be cast thereon.

10.2. Upon any dissolution of the Association other than incident to its merger or consolidation with another entity, and except as is otherwise required by applicable law, the Association's assets shall be granted to an appropriate public agency to be used by such agency for purposes which are the same as or similar to those for which the Association has been organized; provided, that if such agency does not accept such grant, such assets shall be granted to any nonprofit corporation, association, trust or other entity, to be used by such entity for such purposes.

Article 11. Obtaining approval by Federal Housing Administration and Veterans Administration.

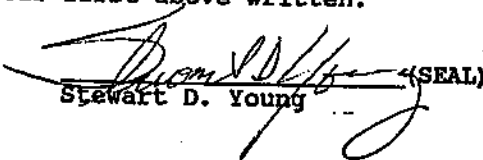
Before the Class B Membership (as that term is defined by the provisions of the Declaration) terminates pursuant to the provisions of the Declaration, the consent or approval of the Federal Housing Administration and/or the Veterans Administration shall be obtained to any of the following

actions taken while a Mortgagee (as that term is defined by the provisions of the Declaration) is in effect which is insured by such entity:

- 11.1. a dissolution of the Association;
- 11.2. a merger or consolidation of the Association with another entity;
- 11.3. the Association's grant of a Mortgage covering any or all of the Commons;
- 11.4. the Association's dedication of any or all of the Commons to public use, and
- 11.5. an amendment of these Articles of Incorporation.

Article 12. Breach of Duty. To the full extent permitted under the Maryland General Corporation Law as in effect on the date hereof, or as hereafter from time to time amended, no director or officer shall be liable to the Association or to its members for money damages for any breach of any duty owed by such director or officer to the Association or any of its members. Neither the amendment or repeal of this Article, nor the adoption of any provision of these Articles of Incorporation inconsistent with this Article, shall eliminate or reduce the protection afforded by this Article to a director or officer or former director or officer of the Association with respect to any matter which occurred, or any cause of action, suit or claim which but for this Article would have accrued or arisen, prior to such amendment, repeal or adoption.

IN WITNESS WHEREOF, the undersigned hereby executes and enseals these Articles of Incorporation and acknowledges them to be his act, the day and year first above written.

 (SEAL)
Stewart D. Young

After filing please return to:
Stewart D. Young
SDC Group, Inc.
P.O. Box 417
8480 Baltimore National Pike
Ellicott City, MD 21041

WILLOWWD.art