

ARTICLES OF INCORPORATION
OF
BEN OAKS HOMEOWNERS ASSOCIATION, INC.

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 does hereby certify:

ARTICLE I

The name of the Corporation is **BEN OAKS HOMEOWNERS ASSOCIATION, INC.**, hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at 3150 West Ward Road, Suite 401, Dunkirk, Maryland 20754.

ARTICLE III

C. R. BAILEY, JR., whose address is 3150 West Ward Road, Suite 401, Dunkirk, Maryland 20754, is hereby appointed the Resident Agent of the Association. Said Resident Agent is an individual actually residing in this State.

ARTICLE IV

The terms "Association", "Common Area", "Common Areas", "Declarant", "Lot", "Owner", and "Property" as used in these Articles of Incorporation shall have the meanings set forth and/or used in the Declaration of Covenants, Conditions, and Restrictions relating to the subdivision known as BEN OAKS dated July 12, 2006, and recorded among the Land Records of St. Mary's County, Maryland in Liber EWA No. 2818, folio 118 (the "Declaration").

ARTICLE V

PURPOSES AND POWERS OF THE ASSOCIATION

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) and the specific purposes for which it is formed are to provide for: **(i)** the use, improvement, maintenance, operation and repair of the Common Areas, including any improvements and amenities located thereon; **(ii)** the establishment of rules and regulations for the use of the Common Areas including any improvements and amenities located thereon; **(iii)** the distribution among the Owners of the Lots of the costs of the use, improvement, maintenance and repair of the Common Areas including any improvements and amenities located thereon; and **(iv)** the promotion of the health, safety, pleasure, recreation and welfare of the Owners of the Lots within the Property. 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;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build on, 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 two-thirds (2/3rds) of the votes of each 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 Common Areas to any public agency, authority or utility subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the members;

(f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and open space, 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 class of the members; and

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

ARTICLE VI

Every Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of any Lot. The members of the Association shall not be personally liable for the debts, liabilities or obligations of the Association.

ARTICLE VII

The Association shall have two classes of voting membership:

Class A: Except for the Declarant (which shall initially be a Class B member), the Class A members shall be all of the Owners of the Lots. Each Class A member shall be entitled to one vote per Lot, for each Lot owned by it, in all proceedings in which action shall be taken by members of the Association. The Declarant shall not be a Class A member so long as it is a Class B member.

Class B: The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned by it at any given time in all proceedings in which action shall be taken by members of the Association

The vote of any Class A member comprised of two or more persons, or other legal entities, or any other combination thereof, shall be cast in the manner provided for in the Articles of Incorporation of the Association, or as the several constituents may determine, but in no event shall all such constituents cast more than one vote per Lot for each Lot owned by them.

The Class B membership in the Association shall cease and convert to Class A membership in the Association on the fifteenth anniversary of the date of the Declaration or at such earlier time as the total number of votes entitled to be cast by Class A members

of the Association equals or exceeds the total number of votes entitled to be cast by the Class B member of the Association.

ARTICLE VIII

BOARD OF DIRECTORS

A Board of three (3) Directors, who need not be members of the Association, shall manage the affairs of this 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:

MARVIN E. OURSLER
3150 West Ward Road, Suite 401
Dunkirk, Maryland 20754

C. R. BAILEY, JR.
3150 West Ward Road, Suite 401
Dunkirk, Maryland 20754

JAY WEBSTER
3150 West Ward Road, Suite 401
Dunkirk, Maryland 20754

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

ARTICLE IX

The Association shall indemnify every officer and Director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including settlement of any such suit or proceeding if approved by the Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or Director of the Association, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors of the Association shall not be liable to the members of the Association for any mistake of judgment or otherwise, except for their own individual negligence or misconduct. The officers and Directors of the Association shall have no personal liability with respect to any contract or other

commitment made by them in good faith, on behalf of the Association; and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Association, or former officer or Director of the Association may be entitled.

The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association and BEN OAKS Subdivision. No contract or other transaction between the Association and any corporation, firm or association (including the Declarant) in which one or more of the Directors of this Association are Directors or officers or are pecuniarily otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following paragraphs exist:

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the Minutes, and the Board authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) The fact of the common directorate or interest is disclosed or known to the members or a majority thereof and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, approves or ratified any contract or transaction, and may vote thereafter to authorize any contract or transaction with like force and effect as if he were not such Director or officer of such other corporation, or not so interested.

ARTICLE X **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 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 non-profit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE XI

The Association shall exist perpetually.

ARTICLE XII

Amendment of these Articles shall require the assent of the holders of two-thirds (2/3rds) of the votes of each class of members present in person or by proxy at the meeting at which the vote is taken.

Notwithstanding anything set forth above in this Article to the contrary, 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 either the Veterans Administration or the Federal Housing Administration or any successor agencies thereto shall require such action as a condition precedent to the approval by such agency of the United States of the Property or any part thereof or any Lots thereon for federally-approved mortgage financing purposes under applicable Veterans Administration, Federal Housing Administration or similar programs. If the Veterans Administration or the Federal Housing Administration or any successor agencies thereto approve the Property or any part thereof or any Lot therein for federally approved mortgage financing purposes, any amendments to these Articles of Incorporation shall also require the prior consent of the agency giving such approval.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned, C. R. BAILEY, JR., whose address is 3150 West Ward Road, Suite 401, Dunkirk, Maryland 20754, being at least eighteen (18) years of age, has executed these Articles of Incorporation this 12th day of July, 2006, for the purpose of incorporating this Association.

WITNESS:



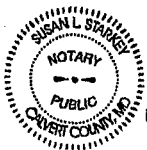
(SEAL)

C. R. BAILEY, JR.

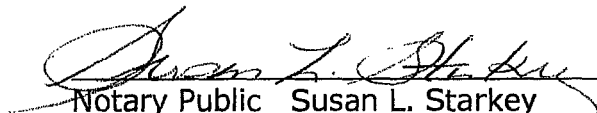
STATE OF MARYLAND, COUNTY OF CALVERT, to-wit:

I HEREBY CERTIFY, that on this 12th day of July, 2006, before me, a Notary Public of the State and County aforesaid, personally appeared **C. R. BAILEY, JR.**, who acknowledged the foregoing Articles of Incorporation to be his act and deed and in my presence signed the same.

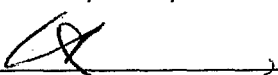
WITNESS, my hand and Notarial Seal.



SUSAN L. STARKEY
NOTARY PUBLIC
CALVERT COUNTY
MARYLAND
My Commission Expires Jan. 1, 2007


Notary Public Susan L. Starkey
My Commission Expires: January 1, 2007

I, the undersigned, hereby consent to being designated as the Resident Agent of BEN OAKS HOMEOWNERS ASSOCIATION, INC., and do agree to serve as such.



C. R. BAILEY, JR.

C. John Sullivan, Jr.
Director

Paul B. Anderson
Administrator

Charter Division



Date: 08/01/2006

BEN OAKS HOMEOWNERS ASSOCIATION, INC.
30 INDUSTRY LN
PRINCE FREDERICK MD 20678-3207

THIS LETTER IS TO CONFIRM ACCEPTANCE OF THE FOLLOWING FILING:

ENTITY NAME : BEN OAKS HOMEOWNERS ASSOCIATION, INC.
DEPARTMENT ID : D11428224
TYPE OF REQUEST : ARTICLES OF INCORPORATION
DATE FILED : 07-25-2006
TIME FILED : 09:43 AM
RECORDING FEE : \$100.00
ORG. & CAP FEE : \$20.00
EXPEDITED FEE : \$50.00
POSTAGE FEE : \$5.00
FILING NUMBER : 1000361993469372
CUSTOMER ID : 0001826700
WORK ORDER NUMBER : 0001269738

PLEASE VERIFY THE INFORMATION CONTAINED IN THIS LETTER. NOTIFY THIS DEPARTMENT IN WRITING IF ANY INFORMATION IS INCORRECT. INCLUDE THE CUSTOMER ID AND THE WORK ORDER NUMBER ON ANY INQUIRIES. EVERY YEAR THIS ENTITY MUST FILE A PERSONAL PROPERTY RETURN IN ORDER TO MAINTAIN ITS EXISTENCE EVEN IF IT DOES NOT OWN PERSONAL PROPERTY. A BLANK RETURN WILL BE MAILED BY FEBRUARY OF THE YEAR FOR WHICH THE RETURN IS DUE.

Charter Division
Baltimore Metro Area (410) 767-1350
Outside Metro Area (888) 246-5941

301 West Preston Street-Room 801-Baltimore, Maryland 21201-2395
Telephone (410)767-4950 / Toll free in Maryland (888)246-5941
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Website: www.dat.state.md.us

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CACCPPT