

*June 22, 1994*

ARTICLES OF INCORPORATION

OF

CEDAR DAY COMMUNITY ASSOCIATION, INC.

FIRST: I, the undersigned, Haron Dahan, whose post office address is 2231 Conowingo Road, Bel Air, Maryland 21014, being at least twenty-one (21) years of age, acting as incorporator, do hereby form a corporation pursuant to the General Laws of the State of Maryland.

SECOND: The name of the corporation (hereinafter called "the Association") is CEDAR DAY COMMUNITY ASSOCIATION, INC.

THIRD: The Association is not formed for profit or pecuniary gain of any sort inuring to the benefit of the members thereof or to any individuals or corporations. The purposes for which the Association is formed are as follows:

(1) Its general purpose is to provide for the maintenance, preservation, and architectural control of the real property (hereinafter called the "Property" or the "Cedar Day Subdivision") described in a Declaration of Covenants and Restrictions or any Supplemental Declarations of Covenants and Restrictions (hereinafter collectively called the "Declaration") made by Caddie Homes #13, Inc. (hereinafter, the "Developer"), dated June 22, 1994, recorded among the Land Records of Harford County, Maryland in Liber CGH No. 2149, folio 0529, and to promote the health, safety and welfare of the residents and to enforce the covenants and restrictions described above within the Cedar Day Subdivision.

(2) For the general purpose aforesaid, the Association shall have the following specific purposes:

(a) To acquire by assignment or deed as the result of gift, purchase, or otherwise, and to own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise deal with or dispose of any common area within the Cedar Day Subdivision, subject to all restrictions set forth in the aforesaid Declaration, other real property, and such

EXHIBIT B



personal property as may be necessary or proper for the conduct of the affairs of the Association;

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

(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 Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(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 Association;

(e) To borrow or to raise money for any of the purposes of the Association, 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 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 Association;

(f) To dedicate or transfer all or any part of the common areas, property and facilities of the Association to any public agency, authority or utility for such purpose and subject to such conditions as may be established by the Board of Directors;

(g) To participate in mergers and consolidations with other non-profit organizations, organized for the same purpose, as provided for in the Declaration, the By-Laws, or the Laws of the State of Maryland; and

(h) To have and to exercise any and all powers, rights and privileges which a corporation organized under the non-stock, Non-Profit Corporation law of the State of Maryland by law may now or hereafter have or exercise, without limitation by the foregoing description of specific powers.

The Association is formed under the articles, conditions and provisions expressed herein and in the General Laws of this State. In no event, however, shall the Association: (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, by any means, including the publication or distribution or any statement for or against any such candidate; (iii) carry on any activity not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c)(4) of the Internal Revenue Code of 1954, or corresponding provisions of any future United States Internal Revenue law; or (iv) invest in or use any property in such a manner as to jeopardize its exemption from taxation under the aforesaid Section 501(c)(4) of the Internal Revenue Code of 1954, as now in force or hereafter amended.

FOURTH: The post office address of the principal office of the Association in this State is 2231 Conowingo Road, Bel Air, Maryland 21014. The name and post office address of the resident agent of the Association in this State is Gregory A. Szoka, 30 Office Street, Bel Air, Maryland 21014. Said resident agent is a citizen of the State of Maryland and actually resides therein.

FIFTH: The Association shall have three (3) directors, which number may be increased or decreased pursuant to the By-Laws of the Association, but shall never be less than three nor more than seven (7); and the names of the directors who shall act until their successors are duly chosen and qualify are: HARON DAHAN, NISSIM DAHAN and SARA MILLION. No director need be a member of the Association.

SIXTH: The Association is not authorized or empowered to issue capital stock of any type or class. The Association is and shall be a membership corporation, and every person or entity who is an Owner, as hereinafter defined, of a Lot now or hereafter laid out or established in the Cedar Day Subdivision for single-family residential use shall be a member. Each member shall be designated either a Class A member or Class B member. A description of the



voting rights and powers of each class is as follows:

(1) Class A. Class A members shall be all Owners (except the Developer). On and after the date on which the Class B membership is terminated, Class B members shall be entitled to vote at any meeting of the members, and shall be entitled to one vote for each Lot owned. When more than one person owns an interest in any Lot, the vote for such Lot shall be exercised as the members among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot.

(2) Class B. The Class B member shall be the Developer, or its successors or assigns which are expressly granted rights of the Developer in conjunction with a conveyance of the Property. The Class B member shall have the exclusive right to vote at any meeting of the members of the Corporation until the date on which the Developer, or its successors or assigns, ceases to own any Lots in the Cedar Day Subdivision, or on July 1, 2019, whichever event is first to occur, at which time the Class B membership shall terminate.

The term "Owner", as used in these Articles, shall mean and include the person, firm, corporation, trustee, or legal entity, or the combination thereof, including contract sellers, holding record title to a lot in the Cedar Day Subdivision. If more than one 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 shall be deemed an Owner subject to the limitation of



voting rights set forth above.

The term "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 Association shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

SEVENTH: The duration of the Association shall be perpetual.

EIGHTH: The Association may be dissolved only 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 Association entitled to vote. Upon any dissolution of the Association, after discharge of all corporate liabilities, the Board of Directors shall dispose of the assets of the Association, by dedication thereof to an appropriate public agency or nonprofit organization to be used for purposes similar to those for which the Association was formed. In the event that such dedication is refused, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust or other organization as shall at the time qualify as an organization or organizations exempt from taxation under Section 501(c) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States 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 Association was formed.

NINTH: Amendment of these Articles shall require the assent of two-thirds (2/3) of the membership of the Association entitled to vote.

TENTH: No director or officer of the Corporation shall be liable to the Corporation or to its stockholders for money damages except (1) 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 (2) 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 the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceedings.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation and acknowledge the same to be my act on this 22 day of JUNE, 1994.

  
\_\_\_\_\_  
HARON DAHAN