

**THE EAST GATE II HOMES ASSOCIATION, INC.  
ARTICLES OF INCORPORATION**

[As Amended]

THIS IS TO CERTIFY:

That I, Barry M. Fitzpatrick, whose post office address is 342 Hungerford Court, Rockville, Maryland 20850, being at least twenty-one (21) years of age, do hereby declare myself as incorporator with the intention of forming a corporation under and by virtue of the General Laws of the State of Maryland, and for such purposes do hereby make, execute and adopt the following Articles of Incorporation:

ARTICLE I. The name of this Corporation shall be:

THE EAST GATE II HOMES ASSOCIATION, INC.

ARTICLE II. The period of existence and duration of the life of this corporation shall be perpetual.

ARTICLE III. The principal office for the transaction of business of this corporation shall be located in the County of Montgomery, State of Maryland, at 10275 Gainsborough Road, Potomac, Maryland 20854. Ronald L. Early, of 10275 Gainsborough Road, Potomac, Maryland 20854, shall be designated as the statutory resident agent of this corporation. Said resident agent is a citizen and actual resident of the State of Maryland.

ARTICLE IV. The general purpose for which this corporation is formed, and business or objects to be carried on and promoted by it, are as follows:

(a) To organize and operate a corporation, no part of the net earnings of which is to inure to the benefit of any member or other individual;

(b) To acquire and to own and to provide for the maintenance and management of certain community facilities located within the community known as East Gate of Potomac, in Montgomery County, Maryland, and to provide architectural control for the residential properties located therein.

For the general purposes aforesaid, and limited to those purposes, this corporation shall have the following powers:

(a) To construct, improve and maintain, operate and to buy, own, sell, convey, assign, mortgage or lease any real estate and any personal property necessary or incident to the furtherance of

the business of this corporation:

- (b) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, to secure the same by mortgage, deed of trust, pledge, or other lien;
- (c) To enter into any kind of activity, and to perform and carry out contracts of any kind necessary to, or in conjunction with, or incidental to the accomplishment of the non-profit purposes of the corporation;
- (d) To make patronage refunds to members as provided for in the By-Laws of the corporation;
- (e) Insofar as permitted by law, to do any other thing that, in the judgment of the Board of Directors, will promote the business of the corporation or the common benefit of its members.

The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner the general powers of this corporation, and the enjoyment of the exercise thereof, as conferred by the General Laws of the State of Maryland.

ARTICLE V. This corporation shall be without capital stock and will not be operated for profit. This corporation does not contemplate the distribution of gains, profits or dividends to any of its members. The members of this corporation shall not be personally liable for the debts, liabilities or obligations of this corporation.

ARTICLE VI. The authorized number of memberships of this corporation is 292 and shall consist of the following classes with the following number of memberships:

(a) There shall be 92 "Class A" memberships. Every person, group of persons or entity who is a record owner of a fee interest in any lot which is or becomes subject by covenants of record to assessment by this corporation shall be a Class A member of this corporation, provided, however, that any such person, group of persons or entity who holds such interest merely as security for the performance of an obligation shall not be a member. Class A members shall be entitled to one vote for each lot in which they hold the interest required for membership.

(b) LAPSED There shall be 200 "Class B" memberships, all of which shall be issued to Croyder, Irvin of Maryland, Inc. Each Class B member shall be entitled to one vote for each membership so held, provided, however, that each Class B membership shall lapse and become a nullity on the first to happen of the following events:

- (i) when the total authorized, issued and outstanding Class A memberships equal 92; or

(ii) on January 1, 1976; or

(iii) upon surrender of said Class B memberships by the then holders thereof for cancellation on the books of the corporation.

ARTICLE VII. The corporation shall have a lien on the out- standing Class A memberships in order to secure payment of any sums which shall be due or become due from the holders thereof for any reason whatsoever.

ARTICLE VIII. In the event any Class A member sells, assigns, or otherwise transfers of record the fee interest in any lot in which he holds the interest required for membership, such member shall, at the same time, assign the membership appurtenant to said lot to the transferee of the lot and deliver it to him for transfer on the books of the corporation. The foregoing requirement shall not obtain in the event a lot is transferred as aforesaid merely as security for the performance of an obligation.

Except as provided in this Article, Class A membership shall not be transferable and, in any event, no transfer of any Class A membership shall be made upon the books of the corporation within ten (10) days next preceding the annual meeting of the members.

ARTICLE IX. The number of directors of this corporation shall not be less than three (3), and the names and post office addresses of the directors who shall act as such until the first annual meeting, or until such time as their successors are duly chosen and qualified are:

Name	Address
Milton C. Irving	10122 River Road, Potomac, Maryland 20854
Richard L. DeHaven	10122 River Road, Potomac, Maryland 20854
David S. Croyder	10122 River Road, Potomac, Maryland 20854
Robert L. Mitchell	10122 River Road, Potomac, Maryland 20854
Barry M. Fitzpatrick	342 Hungerford Court, Rockville, Maryland 20850

The qualifications, powers, duties and tenure of the office of director and the manner by which directors are to be chosen shall be as prescribed and set forth in the By-Laws of the corporation. Officers of this corporation shall be elected and shall serve as provided for in said By-Laws.

ARTICLE X. The directors shall exercise their powers and duties in good faith and with a view to the interests of the corporation. No contract or other transaction between the corporation and one or more of its directors, or between the corporation and any corporation, firm or association in which one or more of the directors of this corporation are directors or officers or are pecuniarily or 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 the condition specified in any of the following subparagraphs exists:

(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 reasonable to the corporation at the time it is authorized, ratified or approved.

Common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat 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 XI. This corporation reserves the right to amend, alter or repeal any provision contained in these Articles in the manner now or hereafter prescribed by statute for the amendment of Articles of Incorporation.

ARTICLE XII. In the event of dissolution of the corporation, the assets of the corporation, both real and personal, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. 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 purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by this corporation.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation this 25th day of January, A. D., 1971.

WITNESS:

/s/ \_\_\_\_\_  
[SEAL]

/s/ \_\_\_\_\_

Irene C. Pollitt

Barry M. Fitzpatrick

STATE OF MARYLAND )  
 ) ss.  
COUNTY OF MONTGOMERY )

BE IT REMEMBERED, that on this 25th day of January, 1971, personally appeared before me, a Notary Public in and for the State and County aforesaid, Barry M. Fitzpatrick, party to the foregoing Articles of Incorporation, known personally to me as such, and I having first made known to him, the contents of said Articles of Incorporation, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed, and he acknowledged the facts stated to be true as set forth.

GIVEN under my hand the year and day first above written.

/s/ \_\_\_\_\_  
Irene C. Pollit, Notary Public

My Commission expires: July 1, 1974

## Notes

[Not part of official Articles]

1. Original Articles of Incorporation dated January 25, 1971, and recorded January 28, 1971 in Liber F-862, folio 11.

2. Change of Resident Agent and Address of Principal Office dated November 4, 1987, and recorded November 9, 1987, at Liber 0730, folio 183 amended Article III to change principal office and resident agent.