

Lake Linganore Articles of Incorporation

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Recorded February 13, 1969 at 11:05 o'clock am

FIRST: This is to certify that we the subscribers, J. William Brosius, whose post office address is 431 Carrollton Drive, Frederick, Maryland, Louie J. Brosius whose post office address is 431 Carrollton Drive, Frederick, Maryland and James McSherry, whose post office address is 100 West Church Street, Frederick, Maryland, all being at least twenty-one years of age, do under and by virtue of the General Laws of the State of Maryland authorizing the formation of corporations, association ourselves with the intention of forming a Corporation by the execution and filing of these Articles.

SECOND: That the name of the Corporation is: LAKE LINGANORE ASSOCIATION, INC.

THIRD: The Corporation is organized, and shall be operated, as a non-profit membership corporation, no part of the net earnings of which shall inure the benefit of any member or individual. The purposes for which the Corporation is formed are to promote the health, safety, and welfare of the residents within that area of land shown and laid out on the plat entitled "Eaglehead, Pinehurst Section No. 1" recorded on November 4, 1968 in Plat Book No. 5, folio, 150, one of the Land Records of Frederick County, Maryland, and such additions thereto as may hereinafter be brought within the jurisdiction of this Corporation by annexation as provided in Article VII herein, which lands and additions thereto are hereinafter referred to as "the Development" and for this purpose to:

a. Own, acquire, build, operate and maintain recreation parks, dams and lakes, playgrounds, swimming pools, golf courses, commons, roads and streets, footways, including buildings, structures, personal properties incidents thereto, hereinafter referred to as "the common properties and facilities". b. Acquire, own, construct buildings or other structures upon and otherwise improve, mortgage, lease or sell any real estate within the Development for the purpose of adding to or reducing the common properties or otherwise carrying out the objectives of the Association. c. Provide exterior maintenance for the lots and homes within the Development. d. Provide garbage and trash collection. e. Provide fire and police protection. f. Clean unkempt lands or trees. g. Supplement municipal services. h. Fix assessments or charges to be levied against the Development. i. Enforce any and all covenants, restrictions and agreements applicable to the Development. j. Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of the Development.

The enumeration of the powers of the Corporation set forth in the preceding subparagraphs is made in furtherance, and not in limitation, of the powers conferred upon the Corporation by law.

FOURTH: The post office address of the principal office of the Corporation in this State is 431 Carrollton Drive, Frederick, Maryland 21701. The resident agent of the Corporation is James McSherry, whose post office address is 100 West Church Street, Frederick, Maryland. Said resident agent is a citizen of the State of Maryland and actually resides herein.

FIFTH: The Corporation is not authorized to issue any capital stock. It shall have two classes of voting membership as follows:

Class A. Every person or entity who is a record owner of a fee, condominium unit or leasehold subject to a standard Maryland ground rent in any Lot or Living Unit which is subject by covenants of record to assessment by this Corporation, provided that any such person or entity who holds such interest merely as security in performance of an obligation shall not be a member. Class A members shall be entitled to one vote for each Lot or Living Unit in which they hold the interest required for membership in this Corporation. When more than one person holds

such interest or interests in any Lot or Living Unit all such person shall be members, and the vote for such Lot or Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot or Living Unit.

Class B. The Class B member shall be Liganore Corporation, a Maryland Corporation or successor. The Class B member shall be entitled to five votes for each Lot or Living Unit in the Development in which it holds a fee, or undivided fee, interest. The Class B membership shall cease and be converted to Class A membership on January 1, 1979, or earlier upon the written election of the Class B member to make such conversion.

SIXTH: The number of directors of the corporation shall be five (5) which number may be increased or decreased pursuant to the bylaws of the corporation, but shall never be less than three (3); and the names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualify are J. William Brosius, L.J. Brosius, Joseph Urie, Lois Routzahn and James McSherry. At the first election the two directors receiving the highest number of votes shall be elected for two years and the remaining three shall be elected for one year. Thereafter all directors shall serve for terms of two years. Any ballot for election of Directors having fewer votes cast than the number of Directors posts being voted upon shall be invalid and shall not be counted.

SEVENTH: Additions to the properties described in Article III may be made only in accordance with the provisions of the recorded covenants and restrictions applicable to said properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this Corporation to such properties. Where the applicable covenants require that certain additions be approved by this Corporation, such approval must have the assent of two-thirds of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

EIGHTH: Subject to the provisions of the recorded covenants and restrictions applicable to the properties described in Article Third hereof and to the extent permitted by law, the Corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purpose, provided that any such merger or consolidation shall have the assent of two-thirds of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

NINTH: The Corporation shall exist perpetually.

TENTH: The Corporation may be dissolved only with the assent given in writing and signed by the members, entitled to cast two-thirds of each class of its membership. Written notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets (which shall be consonant with Article ELEVENTH hereof) shall be mailed to every member at least ninety (90) days in advance of any action taken, and simultaneously to the County Commissioners and Planning and Zoning Commission of Frederick County.

ELEVENTH: Upon dissolution of the Corporation, the assets, both real and personal of the Corporation, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those 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 required to be devoted by the Corporation. No such disposition of this Corporation's properties shall be effective to divest or diminish any right or title of any member vested in him under the recorded covenants and deeds applicable to the Development unless made in accordance with the provisions of such covenants and deeds.

TWELFTH: The Corporation shall not engage in any of the prohibited transactions described in Section 503 (c) (3) of the Internal Revenue Code as now in force or afterwards amended.

THIRTEENTH: The Corporation shall not unreasonably accumulate income within the meaning of Section 504 of the Internal Revenue Code as now in force or afterwards amended.

FOURTEENTH: The Corporation is organized to serve public interests. Accordingly, it shall not be operated for the profit of private interests or persons controlled directly or indirectly by such private interests.

FIFTEENTH: The Corporation shall not be operated for the primary purpose of carrying on an unrelated trade or business as defined in Section 513 of the Internal Revenue Code as now in force or afterwards amended.

SIXTEENTH: No compensation shall be paid to any officer, employee, trustee, creator or organizer of the Corporation or substantial contributor to it except as a reasonable allowance for services actually rendered to or for the Corporation.

This document was signed in witness of a Notary Public on July 15, 1968 and approved and received for record by the State Department of Assessments and Taxation of Maryland on November 29, 1968. It is recorded in Liber 2697 folio 454, one of the Charter Records of the State.

Photocopies of the original document are available at the LLA Office.