

**ARTICLES OF INCORPORATION**  
**OF**  
**CREEKWOOD COURT PROPERTY OWNERS' ASSOCIATION, INC.**  
**AN ALABAMA NON-PROFIT CORPORATION**  
**TO THE HONORABLE JUDGE OF PROBATE**  
**IN AND FOR MARSHALL COUNTY, ALABAMA:**

I, the undersigned, Rodney N. Hyatt, being over the age of twenty-one years, desiring to organize a non-profit corporation under the Alabama Non-Profit Corporation Act, do hereby make, sign and file these Articles of Incorporation certifying:

**Article 1. Name.** The name of the corporation is Creekwood Court Property Owners' Association, Inc. (hereinafter "Association").

**Article 2. Duration.** The period for the duration of the Association shall be perpetual- provided, however, that the Association shall be terminated by the termination of the Condominium in accordance with the terms of the Declaration.

**Article 3. Purposes.** The purposes for which the Association is organized are to promote the health, safety and welfare of the residents within the Creekwood Court Subdivision, as shown on that certain map or plat thereof to be recorded in the Office of the Judge of Probate of Marshall County, Alabama, and such additions thereto as may thereafter be brought within the jurisdiction of the Association, and to provide for the maintenance, preservation and architectural control of the units and common areas within said property and for said purposes 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 of Condominiums of Creekwood Court, a Condominium, hereinafter the "Declaration", applicable to the property to be recorded in the Office of the Judge of Probate of Marshall County, Alabama, and as the same may be amended or supplemented from time to time as therein provided, said Declaration being incorporated herein by reference as if set forth at length;

(b) fix, levy, collect and enforce payment 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;

(c) acquire by gift, purchase or otherwise, own, hold, improve, build upon, 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;

(d) borrow money, and with the assent of Members representing two-thirds (2/3) of the votes, mortgage, pledge, deed in 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 area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by Members representing three-fourths (3/4) of the votes, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of Members representing two-thirds (2/3) of the votes;

(g) enter into, make and perform contracts of every kind for any lawful purpose without limit as to amount, with any person, firm, association, partnership, limited partnership, corporation, municipality, county, state, territory, government, governmental subdivision, or body politic;

(h) draw, make, accept, endorse, discount, execute and issue promissory notes, drafts, bills of exchange, warrants, debentures, and other negotiable or transferable instruments;

(i) have and -to exercise any and all powers, rights and privileges which a corporation organized under the Alabama Non-Profit Corporation Act by law may now or hereafter have or exercise.

**Article 4. Non-Profit Corporation.** The Association does not contemplate pecuniary gain or profit to the members thereof and shall not issue shares of stock. No dividends shall be paid and no part of the income of the Association shall be distributed to its members, directors or officers, but the Association may make such distributions upon dissolution or final liquidation as are permitted by the Alabama Non-Profit Corporation Act, and no such payment, benefit or distribution shall be deemed to be a dividend or a distribution of income.

**Article 5. Membership.** Every person or entity who is a record Unit Owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association shall be a Member of the Association. The Declarant, Cherokee Ridge Corporation, an Alabama corporation, their successors and assigns, shall also be deemed as members of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an

obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association.

**Article 6. Membership Voting.** Members shall be entitled to one (1) vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be Members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Unit.

**Article 7. Meetings.** The by-laws shall provide for an annual meeting of Members and may provide for regular and special meetings other than the annual meetings. For those actions which, by the provisions of preceding Articles, require a vote of the Members, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting, shall be given to all Members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. The presence of Members or of proxies entitled to cast sixty percent (60%) of the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. As many subsequent meetings may be called as necessary until such time as a quorum is present. In the event that two-thirds (2/3) of the voting membership are not present in person or by proxy, Members not present may give their written assent to the action taken thereat.

**Article 8. Board of Directors.** The affairs of the Association shall be managed by a board of three (3) directors, who need not be Members of the Association. The number of directors may be changed by amendment of the by-laws of the Association. The names and addresses of the three (03) initial members of the board of directors, who shall hold office until the election or appointment of their successors, are as follows:

Holly Glasgow  
15 Ridgewood Drive  
Union Grove, AL 35175

Scotty Hawk  
113 South Main Street  
Arab, AL 35016

Rodney Hyatt  
113 South Main Street  
Arab, AL 35016

The corporate powers shall be exercised by the board of directors, except as otherwise provided by statute or by these articles of incorporation. Any action required or permitted to be taken at any meeting of the board of directors or any committee thereof may be taken without a meeting, if prior to such action a written consent thereto is signed by all members of the board or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the board or committee. The Association may, in its by-laws confer powers upon its board of directors in addition to

the foregoing, and in addition to the powers and authorities expressly conferred upon directors by statute.

**Article 9. By-Laws.** The by-laws of the Association shall contain provisions for the regulation and management of the affairs of the Association not inconsistent with any provisions of the articles of incorporation, and not inconsistent with the laws of the State of Alabama. The initial by-laws of the Association shall be adopted by the board of directors.

**Article 10. Indebtedness.** Any indebtedness or liability, direct or contingent, must be authorized by an affirmative vote of a majority of the votes cast by the members of the board of directors at a lawfully held meeting. The highest amount of indebtedness or liability, direct or contingent, to which this Association may be subject at any one time shall not exceed one hundred fifty percent (150%) of its income for the previous fiscal year, except that additional amounts may be authorized by an affirmative vote of Members representing two-thirds (2/3) of the eligible votes.

**Article 11. Indemnification.**

(a) Subject to the provisions of subsection (e) hereof, the Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed claim, action, suit, or proceeding, whether civil, criminal, administrative or investigative, including appeals by reason of the fact that he is or was a director, officer, employee or agent of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association.

(b) To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsection (a) of this section, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him in connection therewith, notwithstanding that he has not been successful on any other claim, issue or matter in any such action, suit or proceeding.

(c) Any indemnification under subsection (a) shall (unless ordered by a court) be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsection (a). Such determination shall be made (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to, or who have been wholly successful on the merits or otherwise with respect to, such claim, action, suit or proceeding, or (2) by the Members.

(d) Expenses (including attorneys' fees) incurred in defending a civil or criminal claim, action, suit or proceeding may be paid by the Association in advance of the final disposition of such claim, action, suit or proceeding as authorized in the manner provided in the preceding subsection (c) upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount if and to the extent it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this section.

(e) The indemnification provided by this section shall not be deemed exclusive of, and shall be in addition to, any other rights to which those indemnified may be entitled under any statute, rule of law, provision in the Association's articles or incorporation, by-law, agreement, vote of Members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, shall continue as to a person who has ceased to be a director, officer, employee or, agent and shall inure to the benefit of the heirs, executors and administrator of such a person.

(f) The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this section.

(g) The invalidity or unenforceability of any provision hereof shall not in any way affect the remaining provisions hereof, which shall continue in full force and effect.

**Article 12. Conflicts of Interest.** No contract or other transaction between this Association and any person, firm, association or corporation and no other act of this Association shall, in the absence of fraud, be invalidated or in any way affected by the fact that any of the directors of the Association are, directly or indirectly, pecuniary or otherwise interested in such contract, transaction or other act, or related to or interested in (either as director, officer, employee, member or otherwise) such person, firm, association or corporation. Any director of the Association individually, or any firm or association of which any director may be a member, may be a party to, or may be pecuniary or otherwise interested in, any contract or transaction of -the Association, provided that the fact that he, individually, or such firm or association is so interested, shall be disclosed or known to the board of directors or a majority of the members thereof as shall be present at any meeting of the board of directors, or of any committee of directors having the powers of the full board, at which action upon any such contract, transaction or other act is taken; and if such fact shall be so disclosed or known, any director of this Association so related or otherwise interested may !be counted in determining the presence of a quorum at any meeting of the board of directors, or of such committee, at which action upon any such contract, transaction or act shall be taken, and may vote thereat with respect to such action with like force and effect as if he were not so related or interested.

**Article 13. Dissolution.** The Association may be dissolved with the assent given in writing and signed by Members representing not less than three-fourths (3/4) of the votes.

Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be distributed as may be specified in a plan of distribution adopted as provided in the Alabama Non-Profit Corporation Act.

**Article 14. Amendments.** The Association reserves the right to amend, alter, change or repeal any provision contained in these articles of incorporation in the manner now or hereafter provided by law; provided, however, that any such amendment shall require the assent of three-fourths (3/4) of the voting membership, and all rights conferred upon officers, directors and members herein are granted subject to this reservation.

**Article 15. Registered Office and Agent.** The initial registered office of the Association is located at 113 South Main Street, Arab, Alabama 35016, and the name of the initial registered agent of the Association is Rodney N. Hyatt.

**Article 16. Incorporator.** (a) The name and address of the incorporator are as follows:

Rodney N. Hyatt  
113 South Main Street  
Arab, Alabama 35016

**IN WITNESS WHEREOF**, the undersigned incorporator has hereunto subscribed his signature to these articles of incorporation this 2nd day of August, 1995.

Rodney N. Hyatt

THIS INSTRUMENT PREPARED BY:

Rodney N. Hyatt Attorney at Law  
113 South Main Street  
Arab, Alabama 35016