

ARTICLES OF ORGANIZATION

OF

CHELSEA GRADING, L.L.C.

We, the undersigned, pursuant to the Alabama Limited Liability Company Act, hereby adopt the following Articles of Organization for a limited liability company;

ARTICLE I

NAME

The name of the limited liability company is Chelsea Grading, L.L.C. (the "Company").

ARTICLE II

DURATION

Unless it is dissolved and its affairs wound up prior to that date (a) upon the written consent of all of the members; (b) as provided in the Operating Agreement; or (c) as may be required by the Alabama Limited Liability Company Act, the Company shall have a perpetual duration and succession in its name beginning on the date these Articles of Organization are filed with the Judge of Probate.

ARTICLE III

PURPOSE

The Company is organized for the following purposes:

- (a) To provide residential, commercial and industrial excavating, grading, dirt-moving and other services as the members shall determine;
- (b) To borrow money and issue notes and other evidence of indebtedness, and to secure the payment or performance of its obligations by mortgage, deeds of trust, pledge, otherwise;
- (c) To lend money with or without security, including but limited to the security of mortgages, deeds of trust, pledges or hypothecations of real and personal property;
- (d) To draw, make, accept, endorse, discount, execute or issue promissory notes, drafts, bills of exchange, warrants, and other negotiable or transferable instruments;
- (e) To enter into and make, perform and carry out contracts of every kind and description made for lawful purposes, without limit as to amount, with any person, firm, association, limited

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liability company, or corporation, either public or private;

(f) To have one or more offices and to carry on all or any of the objects and purposes herein enumerated, and to conduct the business of the Company in any of the states of the United States of America, the District of Columbia, the territories of the United States, and foreign countries;

(g) To do business under fictitious or assumed names; to act as agent or principal; to become a member of a limited liability company, joint venture, association, general or limited partnership, trust, or any other form of business organization, or a stockholder in a corporation, by purchase, investment, affiliation, or otherwise; and

(h) To carry on any other lawful business permitted by Alabama law and to perform all acts in furtherance thereof.

ARTICLE IV

REGISTERED OFFICE AND REGISTERED AGENT

The location and street address of the initial registered office of the Company shall be 199 Osborn Drive, Chelsea, Alabama 35043 and the initial registered agent at such address shall be Barry Osborn.

ARTICLE V

INITIAL MEMBERS

The names and addresses of the initial members of the Company are as follows:

<u>Name</u>	<u>Address</u>
Barry Osborn	199 Osborn Drive Chelsea, AL 35043
Robert Blackerby	151 Lakeside Lane Chelsea, AL 35043

ARTICLE VI

ADDITIONAL MEMBERS

Additional members may be admitted by the members as provided in the Operating Agreement.

ARTICLE VII

MANAGEMENT

The Company shall be managed by its members as provided in the Operating Agreement.

ARTICLE VII

ADOPTION OF OPERATING AGREEMENT

The initial Operating Agreement of the Company shall be adopted by its members. The Operating Agreement may contain any provision for the regulation and management of the affairs of the Company consistent with Alabama law or these Articles of Organization.

ARTICLE IX

INDEMNITY

(a) Right to Indemnity. Every person who was or is a party, or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or a person to whom he is the legal representative is or was a manager or member of the Company, or is or was serving at the request of the Company as a manager of another limited liability company, or as a director, officer or representative in a corporation, partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the laws of the State of Alabama from time to time against all expenses, liability, and loss (including attorney's fees, judgments, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by him in connection therewith. Such right of indemnification shall be a contract right which may be enforced in any manner desired by such person. Such right of indemnification shall not be exclusive of any other right which such managers, members or representatives may have or hereafter acquire, and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any operating agreement or other agreement, vote of members, provision of law, or otherwise, as well as their rights under this Article.

(b) Expenses Advanced. Expenses of managers and members incurred in defending a civil or criminal action, suit or proceeding by reason of any act or omission of such managers or members acting as a manager or member shall be paid by the Company as they are incurred and in advance of the final disposition of the action, suit or proceeding, upon receipt of any undertaking by or on behalf of the manager or member to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the Company.

(c) Operating Agreement; Insurance. Without limiting the application of the foregoing, the members may adopt a provision in the Operating Agreement from time to time with respect to indemnification, to provide at all times the fullest indemnification permitted by the laws of the State of Alabama, and may cause the Company to purchase and maintain insurance or make other financial arrangements on behalf of any person who is or was a manager or member of the

Company, or who is or was serving at the request of the Company as a manager or member of another limited liability company, or as its representative in a corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred in any such capacity or arising out of such status to the fullest extent permitted by the laws of the State of Alabama, whether or not the Company would have the power to indemnify such person.

The indemnification and advancement of expense provided in this Article shall continue for a person who has ceased to be a member, manager, employee or agent, and inures to the benefit of the heirs, executors and administrators of such a person.

ARTICLE X

RETURN OF CONTRIBUTIONS

A member may only demand cash in return for his or its contribution to capital, but the Company may require a member to accept cash, property, promissory notes or any combination thereof in return for the member's contribution of capital.

IN WITNESS WHEREOF, the undersigned members have executed these Articles of Organization on this, the 7 day of February, 2002.

Barry Osborn
Barry Osborn, Member

Robert Blackerby
Robert Blackerby, Member

This Instrument Prepared By:

Stephen D. Keith, Esq.
✓ 230 Bearden Road
Pelham, Alabama 35124

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