

**ARTICLES OF INCORPORATION FOR**  
**LACEY'S GROVE PROPERTY OWNERS ASSOCIATION, INC.**

**AN ALABAMA NOT FOR PROFIT CORPORATION**

**ARTICLE I. NAME AND PRINCIPAL PLACE OF BUSINESS**

The name of this corporation is LACEY'S GROVE PROPERTY OWNERS ASSOCIATION, INC., hereinafter called "Association", and its principal place of business initially will be 213 Lacey Avenue, Maylene, AL 35114.

**ARTICLE II. PURPOSE**

This corporation is organized for the purpose of providing an entity for the operation of Lacey's Grove Property Owner's Association, located in Shelby County, Alabama. The Corporation shall operate as a corporation not for profit. Further, the Association shall operate and maintain any storm water management system and any storm water discharge facility exempted or permitted by the City of Alabaster, or any governmental agency on the property of the Association, and shall have all powers necessary to establish rules and regulations, assess members, and contract for services for the maintenance and operation thereof.

**ARTICLE III. TERM**

The term of the Association shall be perpetual.

**ARTICLE IV. INCORPORATOR**

The name and address of the incorporator/subscriber to these Articles of Incorporation is as follows:

P.K. Smartt, Esq.  
213 Lacey Avenue  
Maylene, AL 35114

**ARTICLE V. DIRECTORS**

1. The affairs of the Association will be managed by a board consisting of the number of directors as shall be determined by the Bylaws, but not less than three directors and in the absence of such determination shall consist of three directors.

2. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies of the Board of Directors shall be filled in the manner provided in the Bylaws.

3. The Developer shall have the right to appoint all the members of the Board of Directors until Unit Owners other than the Developer own thirty five (35%) percent or more of the Units that will be operated ultimately by the Association. When Unit Owners other than the Developer own thirty five (35%) percent or more of the Units that will be



operated ultimately by the Association, the owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors upon the earlier of: (a) Three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (b) three (3) months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (c) when all the Units that will be operated ultimately by the Association have been completed, some of them having been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or (d) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, or (e) seven years after recordation of this document. The Developer is entitled to elect at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the Units operated by the Association. The Developer may, in its sole discretion, turn over control of the Association to Unit Owners other than the Developer prior to such dates by causing all of its appointed directors to resign, whereupon it shall be the affirmative obligation of Unit Owners other than the Developer to elect directors and assume control of the Association. Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, the Association shall call, and give not less than sixty (60) days notice of an election for the members of the Board of Directors. The election shall proceed as provided in the by-laws. The notice may be given by any Unit owner if the association fails to do so. Directors appointed by the Developer need not be Unit Owners.

4. The names of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

NAME

P.K. Smartt  
Ken Underwood  
Doug Palmer  
John Mayhall

ARTICLE VI. OFFICERS

The affairs of the Association shall be administered by the officers elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, which officers shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

NAME

TITLE

P.K. Smartt  
Ken Underwood  
Doug Palmer  
John Mayhall

President  
V ice-President  
Secretary  
Treasurer



## ARTICLE VII    INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful misfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all of the rights to which such director or officer may be entitled. The directors shall be authorized to purchase director's and officer's liability insurance providing coverage to the officers and directors of the Association at the expense of the Association.

## ARTICLE VIII.    BYLAWS

The first Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the Bylaws.

## ARTICLE IX.    AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

(A) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

(B) A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by the members of the Association. Directors not present in person or by proxy at the meeting considering the amendment may express their agreement or disagreement in writing provided such agreement or disagreement is delivered to the secretary or assistant secretary at or prior to the meeting, said agreement or disagreement may not be used as a vote for or against the action taken and may not be used for purposes of creating a quorum. A member of the Association may only vote in person or by proxy on any adoption of a proposed amendment at a meeting of the unit owners. Except as elsewhere provided, such adoption of a proposed amendment must be by not less than two-thirds (2/3) of the vote of the entire membership of the Association;

(C) Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members without approval in writing by all members and the joinder of all record owners mortgagees upon the property operated by the Association.

(D) Provided, further, that no amendment shall abridge, limit or alter the rights reserved by or granted to Lacey's Grove, LLC, an Alabama LLC, its successors or assigns, or any successor developer, by these Articles or By-Laws without the prior written consent of Lacey's Grove, LLC, its successors or assigns, or a successor developer.


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Shelby Cnty Judge of Probate, AL  
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(E) A copy of each amendment shall be certified by the Secretary of State and recorded in the public records of Shelby County, Alabama.

ARTICLE X. RESIDENT AGENT

The Association has named P.K. Smartt, whose address is 213 Lacey Avenue, Maylene, AL 35114, as its resident agent to accept service of process within this State.

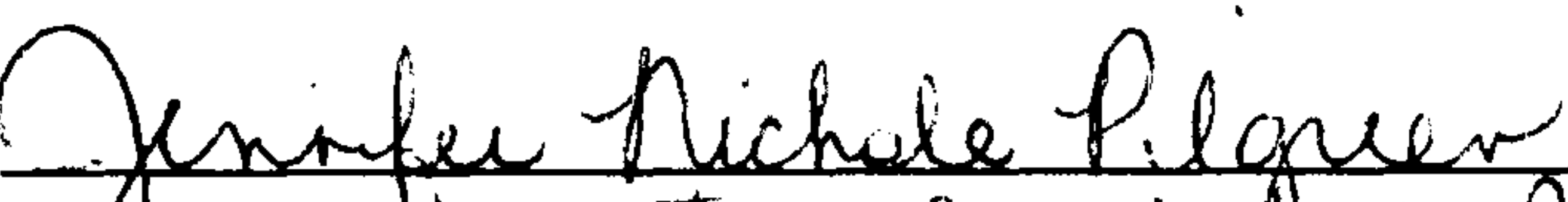
IN WITNESS WHEREOF, the incorporator has affixed his signature this 1<sup>st</sup> day of January, 2006.

  
\_\_\_\_\_  
P.K. Smartt, Incorporator

STATE OF ALABAMA  
COUNTY OF SHELBY

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of January, 2006, by P.K. SMARTT who is personally known to me, and who did not take an oath.

(Affix Seal)

  
\_\_\_\_\_  
Notary Public Jennifer Nichole Pilgreen  
My Commission Expires: 4/01/09



# State of Alabama Shelby County

## Certificate of Incorporation

Of

### **LACEY'S GROVE PROPERTY OWNERS ASSOCIATION, INC.**

The undersigned, as Judge of Probate of Shelby County, State of Alabama, hereby certifies that duplicate originals of Articles of Incorporation of **LACEY'S GROVE PROPERTY OWNERS ASSOCIATION, INC.** duly signed and verified pursuant to the provisions of Section Non Profit of the Alabama Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Judge of Probate, and by virtue of the authority vested in her by law, hereby issues this Certificate to **LACEY'S GROVE PROPERTY OWNERS ASSOCIATION, INC.** and attaches hereto a duplicate original of the Articles of Incorporation.

Given under my hand and Official Seal on  
this the 22<sup>ND</sup> day of FEBRUARY, 2006

*Patricia Yeager Fuhrmeister*

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Patricia Yeager Fuhrmeister  
Judge of Probate

