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Shelby Cnty Judge of Probate, AL
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**ARTICLES OF INCORPORATION
OF
MT LAUREL MERCHANTS' ASSOCIATION, INC.**

This instrument prepared by:
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**ARTICLES OF INCORPORATION
OF
MT LAUREL MERCHANTS' ASSOCIATION, INC.**

The undersigned, for the purpose of forming a corporation pursuant to the provisions of the Alabama Nonprofit Corporation Act (*Ala. Code* (1975), Sections 10-3A-1, *et seq.*) hereby adopts the following Articles of Incorporation (these "Articles of Incorporation") and certify as follows:

1. **NAME.** The name of the corporation is "Mt Laurel Merchants' Association, Inc." (the "Merchants' Association").

2. **DURATION.** The period of duration of the Merchants' Association shall be perpetual.

3. **PURPOSES AND POWERS.** The purposes for which the Merchants' Association is organized and the powers of the Merchants' Association are as follows:

(a) To provide for the efficient preservation of the appearance, value and amenities of the Town Center Property which is subject to The Mt Laurel Town Center Covenants dated as of the date hereof (the "Town Center Covenants") recorded or to be recorded in the Office of the Judge of Probate of Shelby County, Alabama. *Capitalized terms not otherwise specifically defined herein shall have the same meanings given to them in the Town Center Covenants and capitalized terms used herein which are not specifically defined in the Town Center Covenants shall have the same meanings given to them in the Master Declaration, as defined in the Town Center Covenants.*

(b) To own, operate, maintain, manage, repair and replace the Common Areas.

(c) To perform and carry out the acts, duties, responsibilities and conditions delegated to the Merchants' Association in the Town Center Covenants, these Articles of Incorporation, the Bylaws of the Merchants' Association (the "Bylaws") and all amendments thereto, including, specifically, taking any action authorized or allowed to be taken by the Merchants' Association in the Town Center Covenants, the Articles of Incorporation and the Bylaws.

(d) To own, lease, license, operate, purchase, acquire, hold, improve, develop, manage, sell, convey, transfer, exchange, release and dispose of, either alone or in conjunction with others, real and personal Town Center Property, tangible and intangible, of every kind, character and description.

(e) To enforce all of the terms and provisions of the Town Center Covenants and to make, establish and enforce rules and regulations governing the administration, operation and management of the Town Center Property.

(f) To make, levy, collect and enforce Town Center Assessments, as defined in the Town Center Covenants, and to use and expend such Town Center Assessments in the manner set forth in the Town Center Covenants.

(g) To employ personnel and contract for services, material and labor, including contracting for the management of the Common Areas of the Town Center Property.

(h) To purchase and maintain insurance for such coverages, with such insurance carriers, in such amounts, at such rates and with such deductibles as may be necessary for the protection of the Merchants' Association, its officers, directors and Members, as hereinafter defined, or as may be otherwise required in the Town Center Covenants.

(i) To enforce any of the provisions of the Town Center Covenants by legal and equitable actions as may from time to time be necessary.

(j) To enter into, make and perform contracts of every kind for any lawful purpose without limit as to amount, with any Person, municipality, county, state, territory, government, governmental subdivision, or body politic.

(k) To operate without profit for the sole and exclusive benefit of its Members; provided, however, that the Merchants' Association may, at any time and from time to time, authorize and grant to Persons who are not Members rights to use and enjoy the Common Areas on such terms and conditions as the Merchants' Association Board may, in its sole and absolute discretion, determine.

(l) To carry on any other business in connection with the foregoing, to transact any or all lawful business for which corporations may be incorporated under the Alabama Nonprofit Corporation Act, as amended, and to have and exercise all powers necessary or convenient to effect the purposes of the Merchants' Association in accordance with and subject to the terms and provisions of the Town Center Covenants.

THIS MERCHANTS' ASSOCIATION DOES NOT CONTEMPLATE PECUNIARY GAIN OR PROFIT FOR THE MEMBERS THEREOF AND THE FUNDS OF THE MERCHANTS' ASSOCIATION, WHETHER RECEIVED BY GIFT OR OTHERWISE, REGARDLESS OF THE SOURCE THEREOF, SHALL BE EXCLUSIVELY USED IN THE PROMOTION OF THE BUSINESS OF THE MERCHANTS' ASSOCIATION, AS THE MERCHANTS' ASSOCIATION BOARD MAY FROM TIME TO TIME DETERMINE.

4. **INITIAL REGISTERED OFFICE AND AGENT.** The location and mailing address of the initial registered office of the Merchants' Association, and the name of its initial registered agent at such address, are as follows:

Elton B. Stephens, Jr.
One Mt Laurel Avenue, Suite 205
Birmingham, Alabama 35242

5. **NONSTOCK AND NONPROFIT STATUS.** The Merchants' Association shall have no capital stock, is not organized for profit, and does not contemplate pecuniary gain or profit to the Members thereof. No part of the earnings of the Merchants' Association shall inure to the benefit of any Member, officer, or director. The Merchants' Association does not contemplate the distribution of gains, profits or dividends to the members thereof and is organized solely for nonprofit purposes.

6. **MEMBERS AND VOTING RIGHTS.**

(a) **Members.** The Members of the Merchants' Association shall consist of all Owners. Membership in the Merchants' Association shall be appurtenant to, and may not be separated from, ownership of a Lot within the Town Center Property; provided, however, a Member's voting rights in the Merchants' Association may be assigned to one or more Tenants as provided in the Bylaws. Developer shall be entitled to all voting rights attributable to any Lots owned by Developer. As used in these Articles of Incorporation, the term

“Member” shall mean any Owner, as defined in the Town Center Covenants. Notwithstanding anything provided herein or in the Bylaws to the contrary, until the Town Center Turnover Date, (i) Developer shall have the sole and exclusive right to appoint and remove the members of the Merchants’ Association Board and (ii) Developer shall have the exclusive right to exercise all voting rights in the Merchants’ Association otherwise reserved to the Members of the Merchants’ Association for the time period and on the terms and conditions provided in Paragraph 6(b) below.

(b) **Reservation of All Voting Rights By Developer Until Town Center Turnover Date.**

Until the occurrence of the Town Center Turnover Date, Developer shall have the sole and exclusive right to exercise all voting rights in the Merchants’ Association other than with respect to any Special Assessments to be made pursuant to Section 7.04 of the Town Center Covenants (which, pursuant to said Section 7.04 of the Town Center Covenants, must be approved by the Members in accordance with the voting requirements set forth in the Bylaws). From and after the Town Center Turnover Date, the Members shall thereafter have the exclusive right to exercise all voting rights in the Merchants’ Association previously held and exercised by Developer pursuant to this Paragraph 6(b).

(c) **Voting Rights of Members.** The voting rights of the Members are set forth in the Bylaws. However, as provided in Paragraphs 6(a) and 6(b) above, Developer has retained all voting rights in the Merchants’ Association until the Town Center Turnover Date (except for the approval of Special Assessments as set forth in Section 7.04 of the Town Center Covenants). Except for the exclusive voting rights reserved in favor of Developer until the occurrence of the Town Center Turnover Date as provided in Paragraph 6(b) above and in the Bylaws of the Merchants’ Association and in the Town Center Covenants, no Member (other than Developer) shall have any voting rights in the Merchants’ Association or under the Town Center Covenants until a final certificate of occupancy is issued for a Building on the Lot within the Town Center Property owned by such Member. The voting rights of any Member who has violated the Town Center Covenants or who is in default in the payment of Town Center Assessments (as defined in the Town Center Covenants) may be limited and suspended in accordance with the provisions of the Town Center Covenants, the Bylaws or any rules and regulations adopted by the Merchants’ Association Board.

7. **DIRECTORS.**

(a) **Number of Directors.** The affairs of the Merchants’ Association shall be managed by a board of directors (each member of which is hereinafter sometimes referred to individually as a “Director” and collectively as the “Directors” or the “Merchants’ Association Board”). The number of Directors constituting the Merchants’ Association Board shall be three (3). Developer shall have the right to appoint and remove all of the members of the Merchants’ Association Board for the period of time and in the manner described in Paragraph 7(b) below. Directors need not be Members of the Merchants’ Association or residents of the State of Alabama. The names and addresses of each person who is to serve as an initial Director of the Merchants’ Association until their successors are elected and qualified or until such Directors are removed as provided in Paragraph 7(b) of these Articles are as follows:

Elton B. Stephens, Jr.
One Mt Laurel Avenue, Suite 205
Birmingham, AL 35242

Rip Weaver
One Mt Laurel Avenue, Suite 205
Birmingham, AL 35242

Jessica L. Lockwood
One Mt Laurel Avenue, Suite 205
Birmingham, AL 35242

(b) **Election and Removal of Directors.** The members of the Merchants' Association Board shall be elected and may be removed as follows:

(i) Until the expiration of the Town Center turnover Date, Developer shall have the sole and exclusive right to appoint and remove all members of the Merchants' Association Board; and

(ii) From and after the Town Center Turnover Date, the Members of the Merchants' Association shall be entitled to elect or remove all of the members of the Merchants' Association Board in accordance with the terms and provisions of the Bylaws.

(c) **Powers.** Except as may be otherwise provided to the contrary in the Town Center Covenants, these Articles of Incorporation or the Bylaws, all powers of the Merchants' Association shall be exercised by or under authority of, and the business and affairs of the Merchants' Association shall be managed under the direction of, the Merchants' Association Board.

(d) **Conflicts of Interest.** No contract or other transaction between the Merchants' Association and one or more of its Directors or any other corporation, firm, association or entity in which one or more of its Directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest. Any Director of the Merchants' Association or any corporation, firm, association or entity of which any Director of the Merchants' Association is a director or officer or is financially interested may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Merchants' Association, provided that such relationship or interest in such contract or transaction shall be disclosed or known to the Merchants' Association Board at the meeting of the Merchants' Association Board or a committee thereof which authorizes, approves or ratifies such contract or transaction and, if such fact shall be disclosed or known, any Director so related or interested may be counted in determining a quorum at such meeting and may vote on such matter or action with the same force and effect as if he or she were not so related or interested. Any Director of the Merchants' Association may vote on any contract or other transaction between the Merchants' Association and any affiliated corporation without regard to the fact that he or she is also a director of such affiliated corporation.

8. **INCORPORATOR.** The name and address of the sole incorporator is as follows:

Elton B. Stephens, Jr.
One Mt Laurel Avenue, Suite 205
Birmingham, AL 35242

9. **DISTRIBUTION OF ASSETS UPON DISSOLUTION.**

(a) Upon dissolution of the Merchants' Association, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

(i) Real property contributed to the Merchants' Association without the receipt of other than nominal consideration by Developer shall be returned to Developer, unless it refuses to accept the conveyance (in whole or in part); and

(ii) Unless otherwise agreed to the contrary in the plan of distribution, all remaining assets shall be distributed among the Members of the Merchants' Association, as tenants in common, with each Member's share of the assets to be determined in accordance with their respective voting rights, as set forth in the Bylaws.

(b) Dissolution of the Merchants' Association shall be accomplished as set forth in the Alabama Nonprofit Corporation Act.

10. **POWER OF PRESIDENT AND VICE PRESIDENTS TO EXECUTE DOCUMENTS.** The President and each Vice President of the Merchants' Association shall each have authority to execute all instruments, documents and contracts on behalf of the Merchants' Association.

11. **INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS.**

(a) The Merchants' Association shall indemnify, defend and hold harmless 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 (other than an action by or in the right of the Merchants' Association), by reason of the fact that such Person is or was a director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) or is or was serving at the request of the Merchants' Association as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such Person in connection with such claim, action, suit or proceeding if such Person acted in good faith and in a manner such Person reasonably believed to be in or not opposed to the best interests of the Merchants' Association; and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any claim, action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Merchants' Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) The Merchants' Association shall indemnify, defend and hold harmless any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action or suit by or in the right of the Merchants' Association to procure a judgment in its favor by reason of the fact that such Person is or was a director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) or is or was serving at the request of the Merchants' Association as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such Person in connection with the defense or settlement of such action or suit if such Person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Merchants' Association; provided, however, 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 willful, deliberate or wanton misconduct in the performance of his or her duty to the Merchants' Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

(c) To the extent that a Director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) has been successful on the merits or otherwise in defense of any action, suit

or proceeding referred to in Paragraphs 11(a) and (b) above, or in defense of any claim, issue or matter therein, such Person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such Person in connection therewith, notwithstanding that such Person has not been successful on any other claim, issue or matter in any such action, suit or proceeding.

(d) Any indemnification under Paragraphs 11(a) and (b) above (unless ordered by a court) shall be made by the Merchants' Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) is proper in the circumstances because such Person has met the applicable standard of conduct set forth in Paragraphs 11(a) or (b) above. Such determination shall be made (1) first, by the Merchants' Association Board 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) second, if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) if (1) and (2) above are not applicable (or are not utilized), then by a majority vote of the Members of the Merchants' Association voting on such matter at an annual or special meeting of the Members or a ballot vote of the Members held, in either case, in accordance with the terms, provisions and requirements of the Bylaws.

(e) Expenses (including attorneys' fees) incurred in defending a civil or criminal claim, action, suit or proceeding may be paid by the Merchants' Association in advance of the final disposition of such claim, action, suit or proceeding as authorized in the manner provided in Paragraph 11(d) above upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) to repay such amount if and to the extent that it shall be ultimately determined that such Person is not entitled to be indemnified by the Merchants' Association as authorized in this Paragraph 11.

(f) The indemnification authorized by this Paragraph 11 shall not be deemed exclusive of and shall be in addition to any other right to which those indemnified may be entitled under any statute, rule of law, provisions of these Articles of Incorporation, the Bylaws or any other agreement, vote of Members or disinterested Directors, or otherwise, both as to action in such Person's official capacity and as to action in another capacity while holding such office, and shall continue as to a Person who has ceased to be a Director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) and shall inure to the benefit of the heirs, executors and administrators of such a Person.

(g) The Merchants' Association may purchase and maintain insurance on behalf of any Person who is or was a Director, officer, employee or agent of the Merchants' Association (including any Person designated by the Merchants' Association Board to serve on any committee established by the Merchants' Association Board) or is or was serving at the request of the Merchants' Association as a Director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such Person and incurred by such Person in any such capacity or arising out of his or her status as such, whether or not the Merchants' Association would have the power to indemnify such Person against such liability under the provisions of this Paragraph 11.

12. **AMENDMENT.** Prior to the Town Center Turnover Date, these Articles of Incorporation may be amended at any time and from time to time only by Developer, without the consent and approval of any of the Members of the Merchants' Association. From and after the Town Center Turnover Date, these Articles of Incorporation may be amended at any time and from time to time by the affirmative vote of both (a) a majority

of the members of the Merchants' Association Board and (b) a majority in interest of the Members of the Merchants' Association voting, either in person or by proxy, either (i) at a duly convened meeting of the Members held pursuant to the terms and provisions of the Bylaws or (ii) in a ballot vote held pursuant to the provisions of Section 2.09 of the Bylaws. Notwithstanding anything provided in this Paragraph 12 to the contrary, any amendments to Paragraphs 6, 7, 11 and 12 of the Articles of Incorporation must also be approved by Developer for so long as Developer has any voting rights in the Merchants' Association.

13. **INCORPORATION BY REFERENCE.** All of the terms, provisions, definitions, covenants and conditions set forth in the Town Center Covenants are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth in these Articles of Incorporation and the Town Center Covenants, then the provisions of the Town Center Covenants shall at all times control.

IN WITNESS WHEREOF, the undersigned Incorporator has hereunto subscribed his name to these Articles of Incorporation as of the 11 day of February, 2003.



Elton B. Stephens, Jr.

STATE OF ALABAMA)
 :
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that Elton B. Stephens, Jr., whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 11 day of February, 2003.



Notary Public

[NOTARIAL SEAL]

My commission expires September 21, 2006

State of Alabama Shelby County

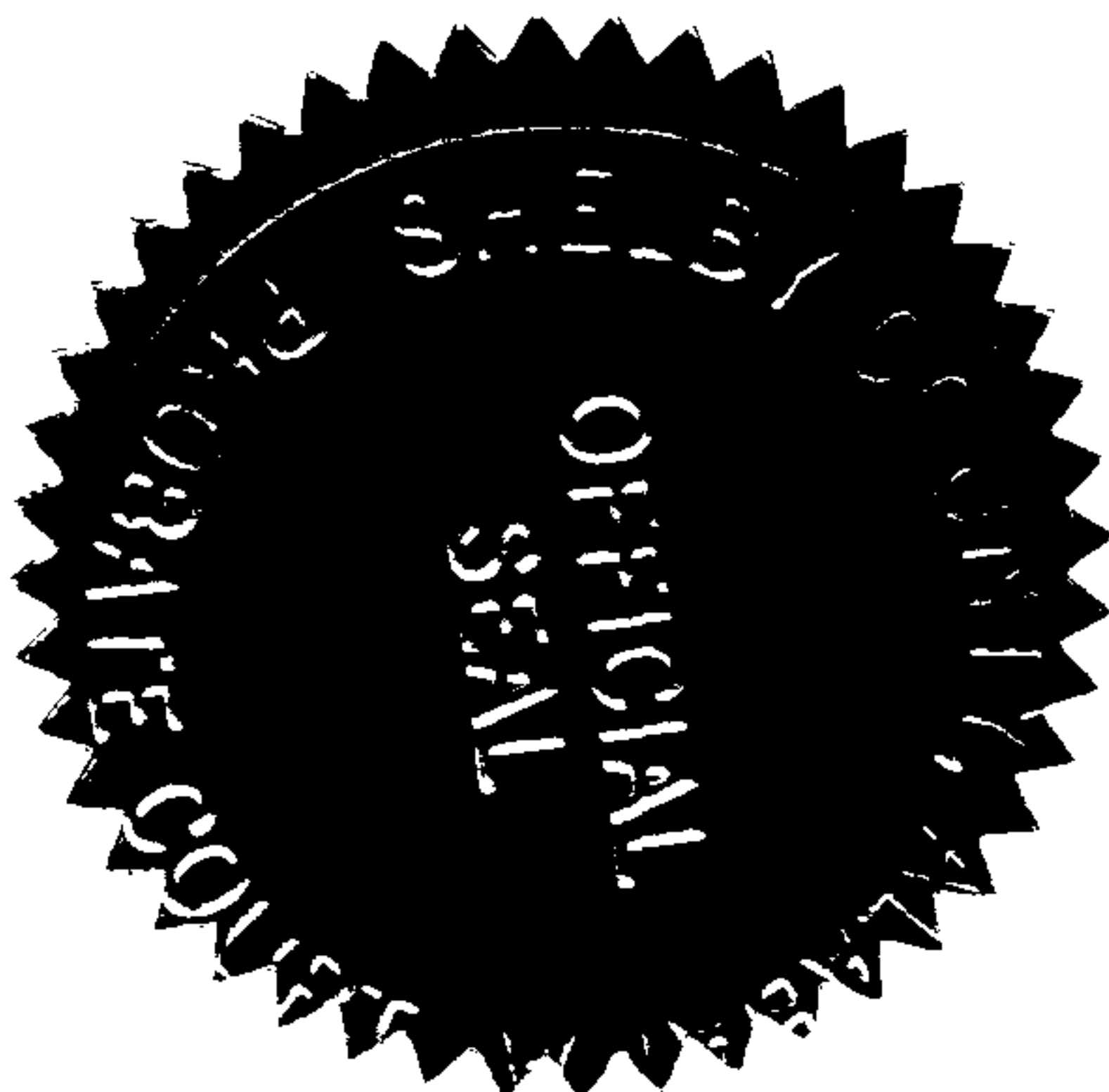
Certificate of Incorporation

Of MT LAUREL MERCHANTS' ASSOCIATION, INC.

The undersigned, as Judge of Probate of Shelby County, State of Alabama, hereby certifies that duplicate originals of Articles of Incorporation of MT LAUREL MERCHANTS' 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 of Incorporation of MT LAUREL MERCHANTS' ASSOCIATION, INC., and attaches hereto a duplicate original of the Articles of Incorporation.

Given under my hand and Official Seal on
this the 13TH Day of FEBRUARY, 2003



Patricia Yeager Fuhrmeister

Patricia Yeager Fuhrmeister
Judge of Probate