

ARTICLES OF INCORPORATION
OF
POLO CROSSINGS OWNER'S ASSOCIATION, INC.

The undersigned, acting as incorporators of a nonprofit corporation under the Alabama Nonprofit Corporation Act, adopts the following Articles of Incorporation for such nonprofit corporation:

First: The name of the nonprofit corporation shall be **Polo Crossings Owner's Association, Inc.**, hereinafter referred to as the "Association."

Second: The period duration for the Association is perpetual.

Third: This association is not organized for profit and is incorporated under the provisions of Section 501-C of the Internal Revenue Code and the purpose for which the Association is organized is to provide an entity for the operation, management, maintenance, control and administration of Polo Crossing Owner's Association, Inc., a planned residential community, located in the City of Chelsea, Shelby County, Alabama, (the "Subdivision").

Fourth: Powers. The powers of the Association shall include and be governed by the following provisions:

A. The association shall have all the common law and statutory powers of a nonprofit corporation (but it is not a corporation) and the powers designated under the Code of Alabama which are not in conflict with the terms of these Articles or the Declaration of Covenants, Conditions and Restrictions of Polo Crossing Owner's Association, Inc., (the "Declaration"), as they may be amended from time to time, the following, including but not limited to the following (capitalized terms shall have the meaning as set forth in the Declaration):

1. To acquire, hold, lease, manage, mortgage, operate, purchase acquire, improve, sell, transfer or convey real, personal or mixed property wherever situated, including without limitation, common areas within the development.

2. To make and collect assessments against the members as provided in the Declaration to defray the costs, expenses and losses of the Subdivision or any other business enterprise, venture or property interest of the Association, and to use the proceeds of the assessments in the exercise of the powers and duties herein provided.

3. To borrow funds to pay for such expenditures as may be authorized by the provisions of the Declaration.

4. To maintain, repair, replace, clean, sanitize and operate the property of the Association including detention ponds, storm drains, lights, sewer lift stations, water or sewer lines, common areas or any other property of the Association.

5. To purchase insurance for the protection of the common areas or property of the Association, the Association, its members, officers and directors including but not limited to selection of carriers, at such rates and with such deductibles as it may deem necessary.

6. To make and amend reasonable Rules and Regulations respecting the use of the common areas.

7. To lease or grant easements or licenses for use of the Common Elements of the subdivision in a manner not inconsistent with the rights of Owners of Lots in the Development.

8. To enforce by legal or equitable means the provisions of the Declaration and the Articles and By-Laws of the Association, and the Rules and Regulations of the Association.

9. To contract for the management of the Homeowners Association and to delegate to such contractor all powers and duties of the Association except such as are specifically required to be performed by the Association.

10. The objects and purposes set forth in Article Third of these Articles shall be construed as powers as well as objects and purposes, and the Association shall have and may exercise such powers as if such powers were set forth in full herein.

11. The Association shall have and may exercise all powers as shall enable it to do each and every thing necessary, suitable, convenient, expedient or proper for the accomplishment for any or all purposes and the attainment of any or all objects set forth in Article Third.

12. The Association shall have and may exercise all powers set forth in any other Article of these Articles of Incorporation.

13. To carry on any other business in connection with the foregoing, to transact any and 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 reflect the purpose of the Association in accordance with and subject to the terms and provisions of the Declarations.

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

FIFTH: Members. The members of the Association shall consist of all of the record Owners of Lots in Polo Crossings and their heirs, successors and assigns. Membership in the Association shall be evidenced by a deed or other instrument establishing a record title to a Lot in the Development recorded in the Probate Office of Shelby County, Alabama. Upon such recordation, the Owner of the Lot designated by such instrument shall become a member of the Association and the membership of the prior Owner shall be terminated. The share of a member in the funds or assets of the Association cannot be assigned, hypothecated, transferred in any manner except as in appurtenance to the Lot. The exact number of votes to be cast by Owner(s) of a Lot and the manner of exercising voting rights shall be determined by the Declaration and the By-Laws of the Association.

SIXTH: Nonstock and nonprofit status. The association shall have no capital stock, is not organized for profit, does not contemplate pecuniary gain or profit to the members thereof. Not part of the earnings of the Association shall inure to the benefit of any member, individual officer or director. The Association does not contemplate the distribution of gains, profits or dividends to the members thereof and is organized solely for nonprofit purposes.

SEVENTH: Directors The affairs of the Association shall be managed by the Board of Directors , consisting of the number of directors as shall be determined by the By-Laws. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Vacancies on the Board of Directors consisting of the number of directors as shall be determined by the By-Laws. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws. **The developer shall control the Association by appointment of the directors until the time specified in the restrictive covenants and conditions for the Polo Crossing at Chelsea Subdivision.**

The initial Board of Directors shall have three (3) Directors, The names and addresses of the members of the Board of Directors who shall hold office until their successors are elected and have qualified, or until such Directors are removed, are as follows:

NAME	ADDRESS
<u>Courtney H. Mason, Jr.</u>	<u>1904 Indian Lake Drive</u> <u>Birmingham, AL 35244</u>
<u>Roger Wilkins</u>	<u>P.O. Box 612</u> <u>Helena, AL 35080</u>
<u>Billy Gossett</u>	<u>P.O. Box 612</u> <u>Helena, AL 35080</u>

A director (other than a director appointed by Developer) may be removed, either with or without cause, at any time, by a two-thirds vote of all persons present in person and entitled to vote at a meeting of the Lot Owners at which a quorum is present, other than a director appointed by Developer, the vacancy in the Board caused by any such removal may be filled by the members at such meeting or at any subsequent meeting in the manner prescribed in the By-Laws for the filling of vacancies on the Board. Until the Developer relinquishes control of The Association, Developer shall have the sole and exclusive right to appoint and remove any members of the Board as stated within the Covenants and/or By Laws.

EIGHTH: Initial Registered Office and Agent. The address of the association's initial registered office is 1904 Indian Lake Drive, Birmingham, Alabama 35244 and the name of its initial registered agent is Roger Wilkins, with the same address.

NINTH: Indemnification of Officers, Directors, Employees and Agents.

- (a) The 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 Association), by reason of the fact that such person is or was a director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association on the ARC or as a committee member on any committee established by the Board of Directors) or is or was serving at the request of the 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 Association; and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was lawful. 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 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 reasonable cause to believe that his conduct was unlawful.
- (b) The 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 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 Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association on the ARC or as a committee member or any committee established by the Board of Directors) or is or was serving at the request of the

Association as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorney's 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 in a manner he reasonably believed to be in or not opposed to the best interests of the 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 duty to the 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 Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or the ARC as a committee member on any committee established by the Board of Directors) 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 9(a) and (b) above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association on the ARC or as a committee member on any committee established by the Board of Directors) 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 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) 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 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 Association in advance of the final disposition of such claim, action, suit or proceeding as authorized in the manner provided in Paragraph 9(d) above upon receipt of an undertaking by or on behalf of

the Director, officer, employee or agent of the Association (including any person designated by the Board of directors to serve as an agent and representative of the Association on the ARC or as a committee member on any committee established by the Board of Directors) 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 Association as authorized in this Paragraph 9.

- (f) The indemnification authorized by this Paragraph 9 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 By Laws 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 Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association on the ARC or as a committee member on any committee established by the Board of Directors) and shall inure to the benefit of the heirs, executors and administrators of such a person.
- (g) The Association shall purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association on the Arc or as a committee member on any committee established by the Board of Directors) or is or was serving at the request of the 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 status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of the Paragraph 9.

TENTH: Conflicts of Interest. No contract or other transaction between the Association and any person, firm, association or associations and no other act of the 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, pecuniarily or otherwise interested in such contract, transaction or other act, or related to or interested in (either as director, stockholder, officer, employee, member or otherwise) such person, firm, association or associations. Any director of the Association individually, or any firm or association of which any director may be a member of, may be a party to, or may be pecuniarily 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 the Association so related or otherwise interested may be counted in determining the presence of a quorum 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 with respect to such action with like force and effect as if he were not so related or interested. Any director of the Association may vote upon any contract or other transaction between the Association and any affiliated association without regard to the fact that he is also a director of such affiliated association.

ELEVENTH: Incorporation. The name of the Incorporators are Courtney H. Mason, Jr., Roger Wilkins and Billy Gossett, at 1904 Indian Lake Drive, Birmingham, Alabama 35244.

TWELFTH: Distribution of Assets Upon Dissolution. Upon the dissolution of the Association, the assets of the Association, the assets of the Association shall be distributed to the Lot Owners in the manner as provided in the Declaration for the distribution of the property subject thereto upon termination of the Association. Further, the dissolution of this Association shall be accomplished as set out in the Alabama Nonprofit Corporation Act.

THIRTEENTH: Amendment. The Association reserves the right to amend, alter, change or repeal by a two thirds (2/3) affirmative vote in the Association any provision contained in these Articles in the manner now or hereafter provided by law, and all rights conferred upon officers and directors herein are granted subject to this reservation.

FOURTEENTH: Power of President and Vice President To Execute Documents. The President and Vice President shall each have the authority to execute all instruments, documents and contracts on behalf of the Association.

IN WITNESS WHEREOF, the undersigned Courtney H. Mason, Jr., Roger Wilkins and Billy Gossett have hereunto subscribed their signatures to these Articles of Incorporation this 4th day of October, 2007.



Courtney H. Mason, Jr.



Roger Wilkins



Billy Gossett

State of Alabama
Shelby County

20071008000469190 8/8 \$50.00
Shelby Cnty Judge of Probate, AL
10/08/2007 12:54:22PM FILED/CERT

Certificate of Corporation

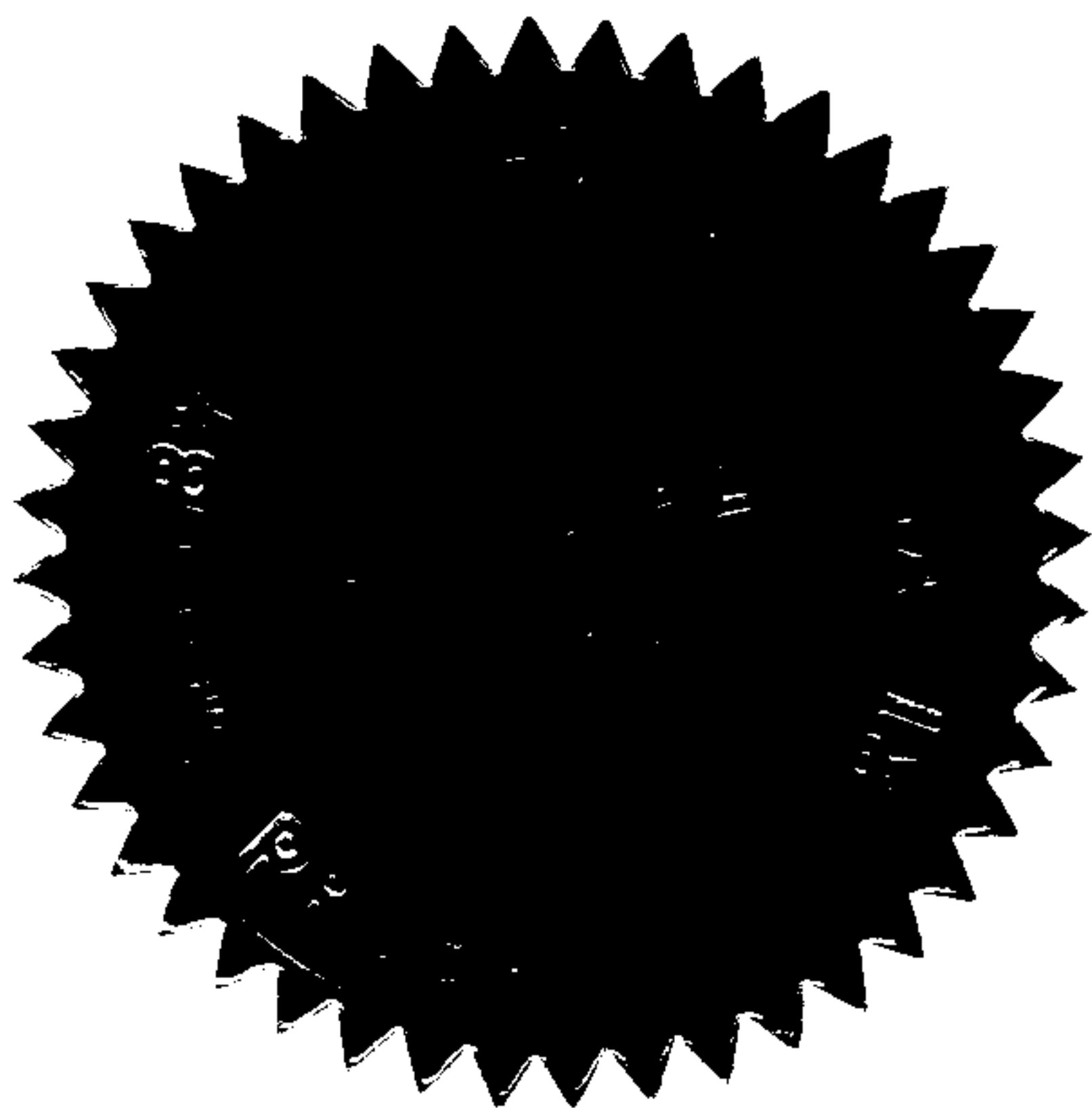
Of

POLO CROSSINGS OWNER'S ASSOCIATION, INC.

The undersigned, as Judge of Probate of Shelby County, State of Alabama, hereby certifies that duplicate originals of Articles of Incorporation of **POLO CROSSINGS OWNER'S 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 **POLO CROSSINGS OWNER'S ASSOCIATION, INC.** and attaches hereto a duplicate original of the Articles of Incorporation.

Given under my hand and Official
Seal on this the 8th day of October,
2007



Patricia Yeager Fuhrmeister
Patricia Yeager Fuhrmeister
Judge of Probate