

**ARTICLES OF ORGANIZATION
Of
SOUTHSIDE COURTYARD, LLC**

A Manager-Managed Limited Liability Company

PURSUANT TO THE ALABAMA LIMITED LIABILITY COMPANY ACT,
The undersigned hereby adopt the following Articles of Organization this 1st day of July, 2007:

Christopher Smith, 1317 Wildwood Crossing
Birmingham, Alabama 35211

Michael Catanese, 4673 Highway 280, Suite #9
Birmingham, Alabama 35242

And each individual or business entity later subsequently admitted to the Southside Courtyard, Limited Liability Company. These individuals and/or business entities shall be known as and referred to as "Members" and individually as a "Member."

As of this date the Members, through their agent, Michael A. Catanese, have formed the Southside Courtyard, LLC, a Limited Liability Company named above under the laws of the State of Alabama. Accordingly, in consideration of the conditions contained herein, they agree as follows:

ARTICLE I

Company Formation and Registration Agent

- 1.1 **FORMATION.** The Members hereby form a Limited Liability Company ("Company") subject to the provisions of the Limited Liability Company Act as currently in effect as of this date. A Certificate of Formation shall be filed with the Secretary of State.
- 1.2 **NAME.** The name of the Company shall be: Southside Courtyard, LLC.
- 1.3 **REGISTRED OFFICE AND AGENT.** The location of the registered office of the Company shall be: 4673 Highway 280, Suite #9, Birmingham, Alabama 35242.
- 1.4 **TERM.** The Company shall continue in perpetuity or unless dissolved by the members in accordance with the following:
 - a Members whose capital interest as defined in Article 2.2 exceeds 50 percent vote for dissolution; or
 - b Any event which makes it unlawful for the business of the Company to be carried on by the

Members; or

- c The death, resignation, expulsion, bankruptcy, retirement of a Member or the occurrence of any other event that terminates the continued membership of a Member of the Company; or
- d Any other event causing a dissolution of a Limited Liability Company under the laws of the State of Alabama.

- 1.5 **CONTINUATION OF COMPANY.** Notwithstanding the provisions of ARTICLE 1.4, in the event of an occurrence described in ARTICLE 1.4(c), if there are at least two remaining Members, said remaining Members shall have the right to continue the business of the Company. Such right can be exercised only by the 60% vote of the remaining Members within ninety (90) days after the occurrence of an event described in ARTICLE 1.3(c). If not so exercised, the right of the Members to continue the business of the Company shall expire and the assets of the Company shall be distributed to the members or their heirs at law.
- 1.6 **BUSINESS PURPOSE.** The purpose of the Company is to engage in any lawful act or activity for which a Limited Liability company may be formed under the Limited Liability statutes of the State of Alabama.
- 1.7 **PRINCIPAL PLACE OF BUSINESS.** The location of the principal place of business of the Company shall be 4673 Highway 280, Suite #9, Birmingham, Alabama 35242, or at such other place as the Mangers from time to time select.
- 1.8 **THE MEMBERS.** The name and place of residence of each member are contained in Exhibit 2 attached to these Articles of Organization.
- 1.9 **ADMISSION OF ADDITIONAL MEMBERS.** Except as otherwise expressly provided herein, no additional members may be admitted to the Company through issuance by the company of a new interest in the Company without the prior written consent of holders of sixty percent of any existing the membership units.

ARTICLE 2

CAPTIAL CONTRIBUTIONS

- 2.1 **INITIAL CONTRIBUTIONS.** The Members initially shall contribute to the Company capital as described in Exhibit 3 attached to these Articles of Organization. The agreed value of such property and cash is two thousand Dollars \$2000.00. In the event one or more Members shall fail to pay his or her pro rata share of the capital as described above, the remaining members may contribute the same for such Member, which payment shall be recouped out of any distribution of the profits at the first available opportunity.

- 2.2 **ADDITIONAL CONTRIBUTIONS.** Except as provided in ARTICLE 6.2, no Member shall be obligated to make any additional contribution to the Company's capital, except as may be required for taxes or other necessary expenses of the Company.

ARTICLE 3

Profits, Losses and Distributions

- 3.1 **PROFITS/LOSSES.** For financial accounting and tax purposes the Company's net profits or net losses shall be determined on an annual basis and shall be allocated to the Members in proportion to each Member's relative capital interest in the Company as set forth in Exhibit 2 as amended from time to time in accordance with Treasury Regulation 1.704-1.
- 3.2 **DISTRIBUTIONS.** The Managers shall determine and distribute available funds annually or at more frequent intervals as they see fit. Available funds, as referred to herein, shall mean the net cash of the company available after appropriate provision for expenses and liabilities, as determined by the Managers. Distributions in liquidation of the Company or in liquidation of a Member's interest shall be made in accordance with the positive capital account balances pursuant to Treasury Regulation 1.704-1(b)(2)(ii)(b)(2). To the extent a Member shall have a negative capital account balance, there shall be a qualified income offset, as set forth in Treasury Regulation 1.704-1(b)(2)(ii)(d).

ARTICLE 4

MANAGEMENT

- 4.1 **MANAGEMENT OF THE BUSINESS.** The name and place of residence of each Manager is attached as Exhibit 1 of these Articles of Organization. A vote of the Members holding a majority of the capital interests in the Company, as set forth in Exhibit 2 as amended from time to time, shall elect by a vote of a majority of the outstanding membership units so many Managers as the Members determine, but no fewer than one, with one Manager elected by the Members as Chief Executive Manager. Notice of the first meeting of the Members shall be provided by the said Michael Catanese, and, thereafter, notices shall be effected by regular United States mails. Any time the holders of a majority of the outstanding membership units of the Company shall determine to conduct any meeting, they shall provide notice to the Chief Executive Manager and he or she shall cause notice of such meeting to issue as provided for herein and such meeting shall be conducted no less than 60 days from the date of such notice under such circumstances as may be reasonable.
- 4.2 **MEMBERS.** The liability of the Members shall be limited as provided under the law as

of the Alabama Limited Liability statutes. Members that are not Managers shall take no part whatever in the control, management, direction, or operation of the Company's affairs and shall have no power to bind the Company. The Managers may from time to time seek advice from the Members, but they need not accept such advice, and at all times the Managers shall have the exclusive right to control and manage the Company. No Member shall be an agent of any other Member of the company solely by reason of being a Member.

- 4.3 **POWERS OF MANAGERS.** The Managers are authorized on the Company's behalf to make all decision as to (a) the sale, development lease or other disposition of the Company's assets; (b) the purchase or other acquisition of other assets of all kinds; (c) the management of all or any part of the Company's assets; (d) the borrowing of money and the granting of security interests in the Company's assets; (e) the pre-payment, refinancing or extension of any loan affecting the company's assets; (f) the compromise or release of any of the Company's claims or debts; and (g) the employment of persons, firms or corporations for the operation and management of the company's business. In the exercise of their management owners, the Managers are authorized to execute and deliver (a) all contracts, conveyances, assignments leases, subleases, franchise agreements, licensing agreements, management contracts and maintenance contracts covering or affecting the Company's assets; (b) all checks, drafts and other orders for the payment of the Company's funds; (c) all promissory notes, loans, security agreements and other similar documents; and, (d) all other instruments of any other kind relating to the Company's affairs, whether like or unlike the foregoing.
- 4.4 **CHIEF EXECUTIVE MANAGER.** The Chief Executive Manager shall have primary responsibility for managing the operations of the company and for effectuating the decisions of the Managers and shall be nominated and elected by a majority of the then outstanding membership units within two (2) years from the date of the organization of the Company. Until such election shall have been conducted, the Chief Executive Manager shall continue to serve in such capacity, though such election takes place more than (2) years as prescribed herein.
- 4.5 **NOMINEE.** Title to the Company's assets shall be held in the Company's name or in the name of any nominee that the Managers may designate. The Managers shall have power to enter into a nominee agreement with any such person, and such agreement may contain provision indemnifying the nominee, except for his or her willful misconduct.
- 4.6 **COMPANY INFORMATION.** Upon request, the Managers shall supply to any member such information regarding the company or its activities as may be reasonable. Each Member or his authorized representative shall have access to and may inspect and copy all books, records and materials in the Manager's possession regarding the Company or its activities. The exercise of the rights contained in this ARTICLE 4.6 shall be at the requesting Member's expense.

- 4.7 EXCULPATION.** Any act or omission of the Managers, the effect of which may cause or result in loss or damage to the Company or the Members if done in good faith to promote the best interest of the Company, shall not subject the Managers to any liability to the Members.
- 4.8 INDEMNIFICATION.** The Company shall indemnify any person who was or is a party defendant or is threatened to be made a party defendant, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the company, Manager, employee or agent of the company, or is or was serving at the request of the company, for instant expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding of the Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and with respect to any criminal action proceeding, has no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of "knoll contender" or its equivalent, shall not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was lawful.
- 4.9 RECORDS.** The Managers shall cause the Company to keep at its principal place of business the following:
- a a current list in alphabetical order of the full name and the last known street address of each member;
 - b a copy of Certificate of Formation and the Company Operating Agreement and all amendments;
 - c copies of the Company's federal, state and local income tax returns and reports, if any, for the three most recent years;
 - d copies of any financial statements of the limited liability company for the three most recent years.

ARTICLE 5

Compensation

- 5.1 MANAGEMENT FEE.** Any member rendering services to the Company shall be entitled to compensation commensurate with the value of such services, provided that a

sixty percent vote of the outstanding membership units shall be required to affix any such compensation.

- 5.2 **REIMBURSEMENT.** The Company shall reimburse the Managers or Members for all direct out-of-pocket expenses incurred by them in managing the Company.

ARTICLE 6

BOOKKEEPING

- 6.1 **BOOKS.** The Managers shall maintain complete and accurate books of account of the Company's affairs at the Company's principal place of business. Such books shall be kept on such method of accounting as the Managers shall select. The company's accounting period shall be the calendar year.
- 6.2 **MEMBER'S ACCOUNTS.** The Manager shall maintain separate capital and distribution accounts for each member. Each member's capital account shall be determined and maintained in the manner set forth in Treasury Regulation 1.704-1(b)(2)(iv) and shall consist of his/her initial capital contributions increased by:
- a any additional capital contribution mad by him/her;
 - b credit balances transferred from his distribution account to his/her capital account;
- and decreased by:
- a distributions to him/her in reduction of Company capital;
 - b the Member's share of Company losses if charged to his/her capital account.
 - c any statements to go out every year in advance of payment of taxes and other liabilities.
- 6.3 **REPORTS.** The Managers shall close the books of account after the close of each calendar year, and shall prepare and send to each member a statement of such Member's distributive share of income and expense for income tax reporting purposes.

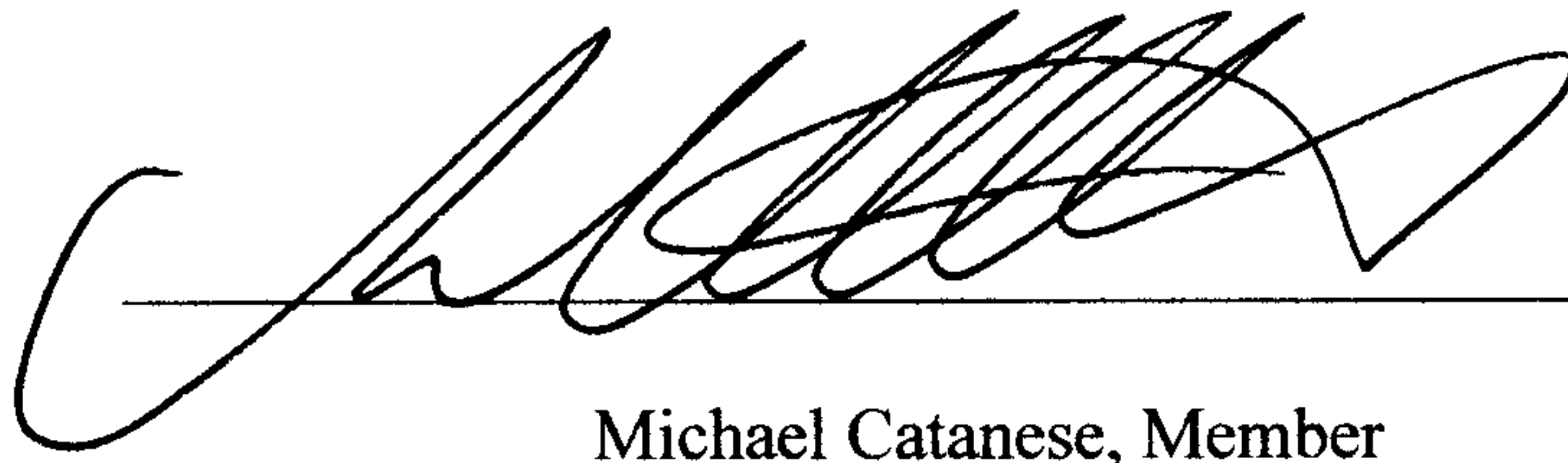
ARTICLE 7

20090724000284950 7/10 \$80.00
Shelby Cnty Judge of Probate, AL
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Transfers

- 7.1 **ASSIGNMENTS.** If at any time a Member proposes to sell, assign, or otherwise dispose of all or any part of his interest in the Company, such Member shall first make a written offer to sell such interest to the other Members at a price determined by mutual agreement. If such other Members decline or fail to elect such interest within sixty (60) days, and if the sale or assignment is made and the Members fail to repudiate or disapprove this sale or assignment by majority vote after notice thereof as required herein to be tendered, then, pursuant to the Alabama Limited Liability statutes, the purchaser or assignee shall have no right to participate in the management of the business and affairs of the Company unless elected to serve as a Manager by a vote of sixty percent of the then outstanding membership units. The purchaser or assignee shall only be entitled to receive the share of the profits or other compensation by way of income and the return of contributions to which that Member would otherwise be entitled.

Signed and Agreed this 1st day of July, 2009.

 72409
Michael Catanese, Member

 7/24/09
Christopher Smith, Member

Al
Shelby
Dr. L. L. K.
Exp: 7-24-10

The **LIMITED LIABILITY COMPANY ARTICLES OF ORGANIZATION Listing of Managers** follows beginning at page 9 hereof.

**LIMITED LIABILITY COMPANY ARTICLES OF ORGANIZATION
FOR SOUTHSIDE COURTYARD, L.L.C.
LISTING OF MANAGERS**

By a majority vote of Members the following Managers were elected to operate the Company pursuant to ARTICLE 4 of the Agreement:

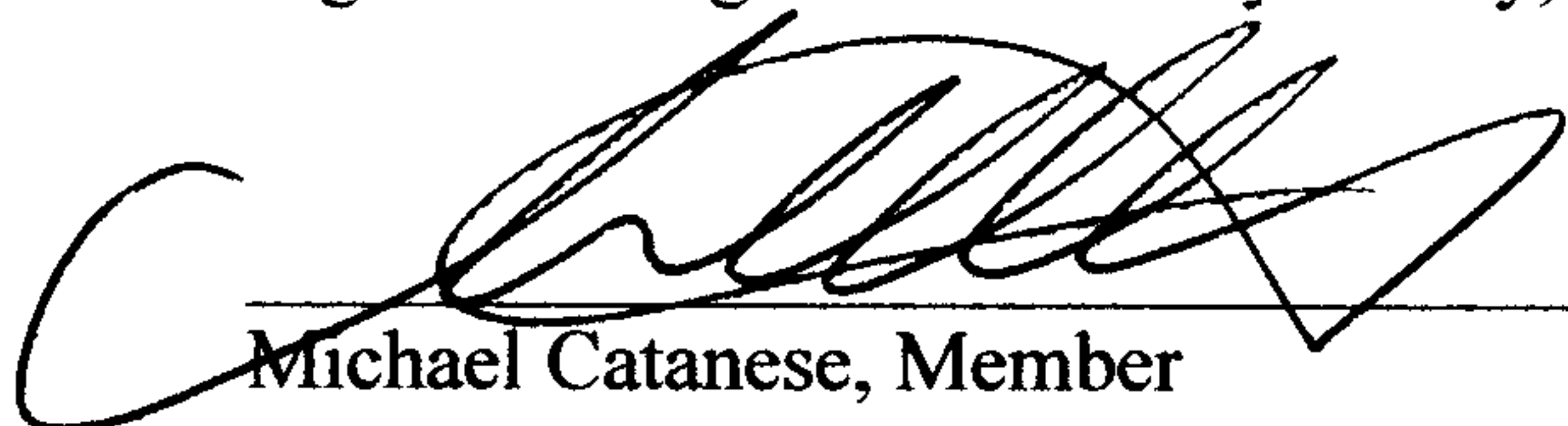


Chief Executive Manager

Michael Catanese
4749 Highway 280, Suite #9
Birmingham, AL 35242

The above listed Manager(s) will serve in their capacities until they are removed for any reason by a majority vote of the Members as defined by ARTICLE 4 or upon their voluntary resignation.

Signed and Agreed this 1st day of July, 2009.

 7/24/09

Michael Catanese, Member

 7/24/09

Christopher Smith, Member

AI
Shelly
Be L.L.C.
Ex 7-24-09

LIMITED LIABILITY COMPANY ARTICLES OF ORGANIZATION

FOR SOUTHSIDE COURTYARD, L.L.C.

LISTING OF MEMBERS

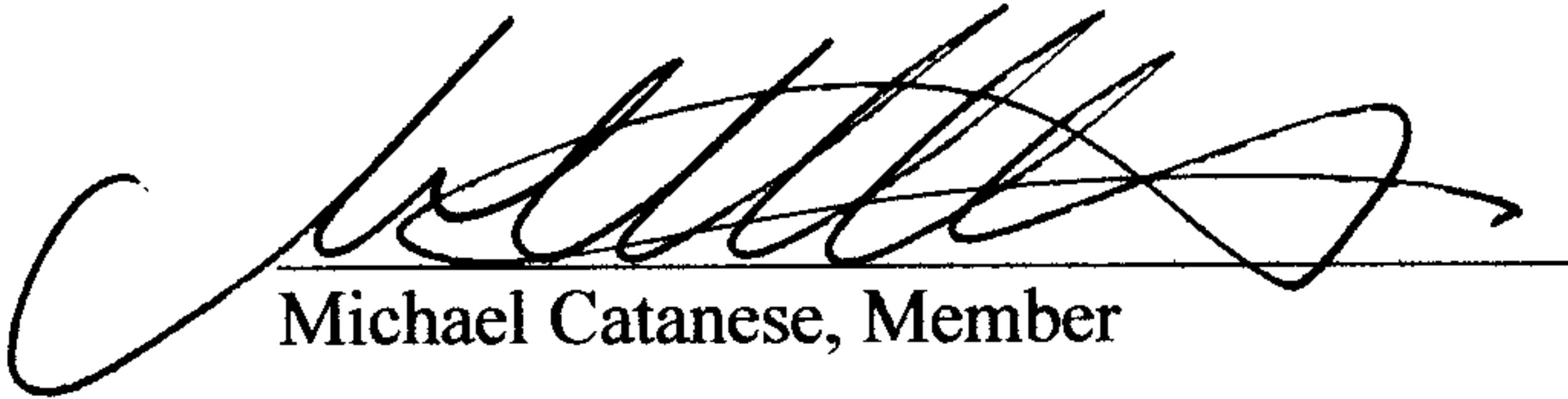
As of the 1st day of July, 2009, the following is a list of Members of the Company:

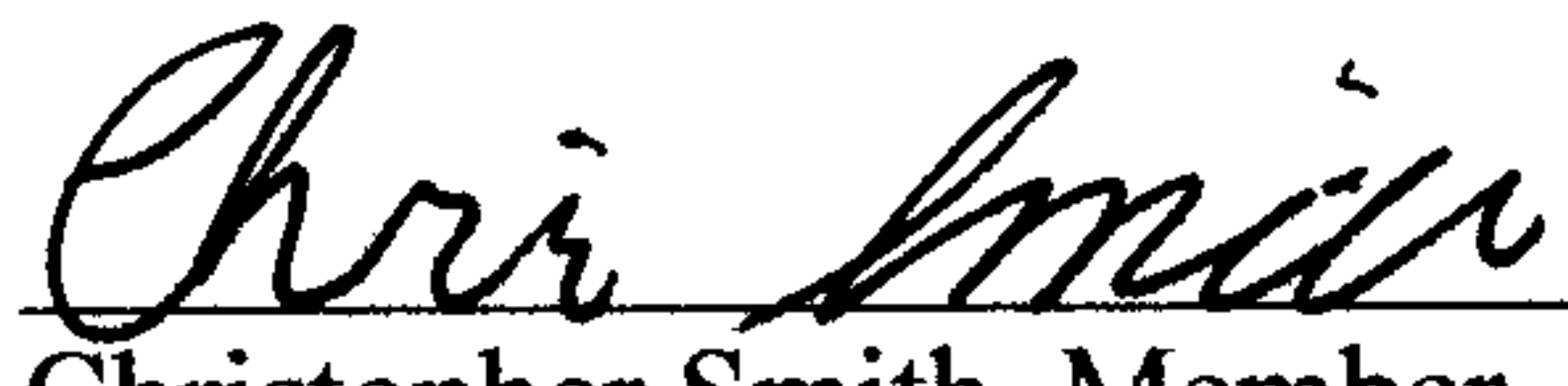
Name and Address:

Michael Catanese, 4749 Highway 280, Suite #9, Birmingham, AL 35242

Christopher Smith, 1317 Wildwood Crossing, Birmingham, Al. 35211

Authorized by Member(s) to provide Member Listing as of this 1st day of July, 2009.

 7/24/09
Michael Catanese, Member

 7/24/09
Christopher Smith, Member

Al
Shelby
OK
Ben W. Hester
Exp: 7-24-10

LIMITED LIABILITY COMPANY ARTICLES OF ORGANIZATION

FOR SOUTHSIDE COURTYARD, L.L.C.

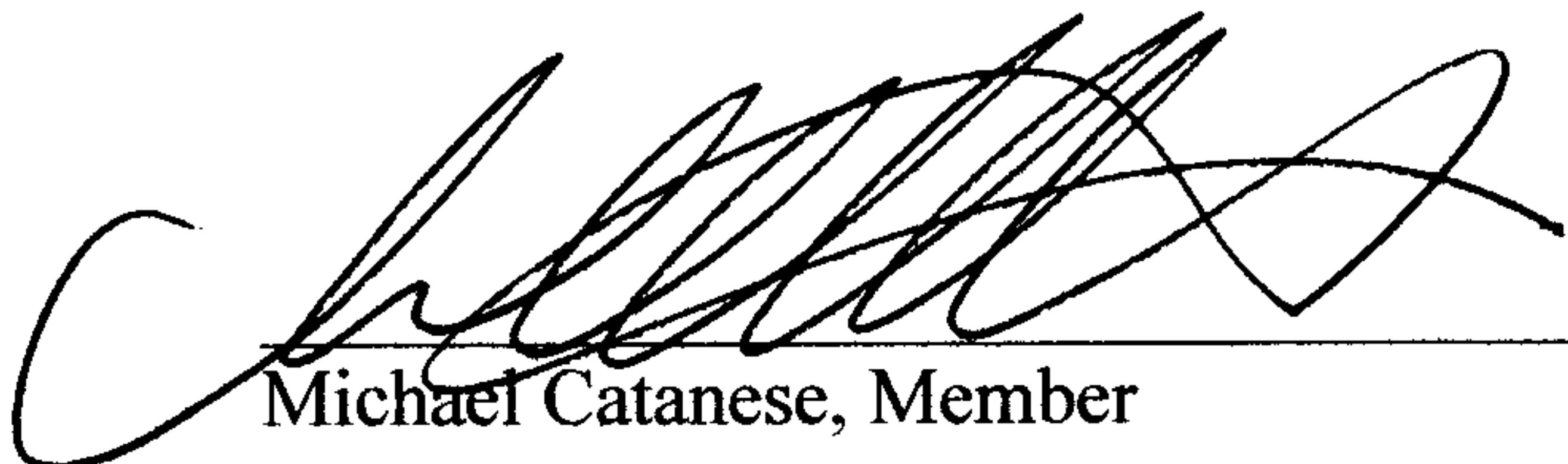
CAPITAL DISTRIBUTIONS

Pursuant to ARTICLE 2, the Members' initial contribution to the Company capital is stated to be \$ 10,000.00. The description and each individual portion of this initial contribution is as follows:

Michael Catanese \$ 7000.00

Christopher Smith \$ 3000.00

SIGNED AND AGREED THIS 1st day of July, 2009.

 7/24/09
Michael Catanese, Member

 7/24/09
Christopher Smith, Member

AI
SlabV
J. L. L. L.
Ben W. L. L.
Ex! 7-24-10