

ARTICLES OF INCORPORATION  
OF  
THE COLONY AT FORT MORGAN OWNER'S ASSOCIATION, INC.  
A NON-PROFIT CORPORATION



The undersigned, acting as Incorporator, does hereby form a corporation under the Alabama Non-Profit Corporation Act, Ala. Code 1975, §10A-3-1.01, et seq. ("ACT") and adopts the following **ARTICLES OF INCORPORATION**;

**ARTICLE ONE  
NAME**

The name of this Corporation shall be **THE COLONY AT FORT MORGAN OWNER'S ASSOCIATION, INC.** ("ASSOCIATION").

**ARTICLE TWO  
DEFINITIONS**

All terms used herein shall have the meaning given for each of them stated in the **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COLONY AT FORT MORGAN, A SUBDIVISION** ("**DECLARATION**"), unless the context otherwise requires, and are hereby incorporated by reference and made a part hereof. In the event of a conflict between the provisions of the **DECLARATION, ARTICLES OF INCORPORATION** or **BY-LAWS**, the **DECLARATION** prevails, except to the extent the **DECLARATION** is inconsistent with the **ACT**.

**ARTICLE THREE  
PERIOD OF DURATION**

The period of duration for the **ASSOCIATION** is perpetual unless and until hereafter legally dissolved.

**ARTICLE FOUR  
NOT FOR PROFIT**

The **ASSOCIATION** is not organized for pecuniary profit, and it shall pay no dividend, and shall distribute no part of its income to its **MEMBERS, DIRECTORS** or officers. Nevertheless, the **ASSOCIATION** may pay compensation in a reasonable amount to its **MEMBERS, DIRECTORS** and officers for services rendered, and it may confer benefits on its **MEMBERS** in conformity with the **DECLARATION** and for the purposes of the **ASSOCIATION**. On termination, the **ASSOCIATION** may make distributions to its **MEMBERS** as permitted by law, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income. All funds and properties acquired by the **ASSOCIATION** and the proceeds therefrom shall be held in trust for the **MEMBERS** of the **ASSOCIATION** in accordance with the provisions of the **ACT**, the **DECLARATION** and the **BY-LAWS** of the **ASSOCIATION**. The **MEMBERS** of the **ASSOCIATION** shall not be personally liable for the debts, liabilities or obligations of this **ASSOCIATION**.

**ARTICLE FIVE  
PURPOSES**

The **ASSOCIATION** is organized for the purpose of administering, maintaining, operating and managing the **SUBDIVISION** known as **THE COLONY AT FORT MORGAN, A SUBDIVISION ("SUBDIVISION")**, located in Baldwin County, Alabama, according to the **DECLARATION** and to do all things incident, necessary, convenient, expedient, ancillary or in aid of the accomplishment of the foregoing. The **ASSOCIATION** shall only have jurisdiction over the **PROPERTY** and such **ADDITIONAL PROPERTY** as may be made subject to the terms of the **DECLARATION** by the **DECLARANT** as provided in the **DECLARATION**.

**ARTICLE SIX  
POWERS**

The **ASSOCIATION** shall have all the common law and statutory powers of a non-profit corporation and shall have all the powers, duties and authority vested in the **ASSOCIATION** by the **ACT**, the **DECLARATION** or these **ARTICLES**, including but not limited to the following:

1. Exercise all of the powers and privileges and to perform all of the duties and obligations of the **ASSOCIATION** as set forth in the **DECLARATION** applicable to the **PROPERTY** and recorded or to be recorded in the **OFFICE OF THE JUDGE OF PROBATE OF BALDWIN COUNTY, ALABAMA** and as the same may be amended from time to time as therein provided, the **DECLARATION** being incorporated herein as if Set forth at length;
2. Fix, levy, collect and enforce payment by any lawful means, all charges or **ASSESSMENTS** pursuant to the terms of the **DECLARATION**; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the **ASSOCIATION**, including all licenses, taxes or governmental charges levied or imposed against the property of the **ASSOCIATION**;
3. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the **ASSOCIATION**;
4. Borrow money, and with the assent of the vote of two-thirds (2/3) of the total votes entitled to be cast by **MEMBERS** of the **ASSOCIATION**, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
5. Dedicate, sell or transfer all or any part of the **COMMON AREA** or **COMMON PROPERTY** to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the **MEMBERS** according to the terms of the **DECLARATION**.
6. Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex **ADDITIONAL PROPERTY** and **COMMON AREA**, according to the terms of the **DECLARATION**;

7. Have and to exercise any and all powers, rights and privileges which a corporation organized under the **ACT** may now or hereafter have or exercise.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers that may now or hereafter be allowed or permitted by Alabama Law or by the **DECLARATION**.

#### **ARTICLE SEVEN MEMBERSHIP AND VOTING RIGHTS**

This **ASSOCIATION** shall issue no shares of stock of any kind or nature whatsoever. Every **PERSON** or entity who is a record **OWNER** of a fee interest or undivided fee interest in any **LOT** in the **PROPERTY** shall be a **MEMBER** of the **ASSOCIATION**. The foregoing is not intended to include **PERSONS** or entities who hold an interest merely as security for the performance of an obligation, unless and until such security holder or **MORTGAGEE** has acquired title to the **LOT** pursuant to foreclosure or any proceeding in lieu thereof and the deed thereby evidencing title has been duly and properly recorded at which time such security holder or **MORTGAGEE** shall become a **MEMBER** and the debtors membership shall thereupon cease, regardless of whether or not there is an outstanding right of redemption to the **LOT**. Membership shall be appurtenant to and may not be separated from the ownership of any **LOT**. The share of a **MEMBER** in the funds or assets of the **ASSOCIATION** cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the **LOT**. The **MEMBERS** shall enjoy such qualifications, rights and voting rights as may be fixed in the **DECLARATION** and in the **BY-LAWS** of the **ASSOCIATION**.

#### **ARTICLE EIGHT BOARD OF DIRECTORS**

The property, business and affairs of the **ASSOCIATION** shall be managed by a **BOARD OF DIRECTORS** consisting of a number which is not less than two (2) but not more than five (5), which number shall be determined from time to time, and shall be determined and fixed by a vote of a majority of the voting rights present at any annual meeting of the **MEMBERS**. Except as may otherwise be provided in the **DECLARATION** and in the **BY-LAWS**, each **DIRECTOR** may be either a **PERSON** designated by the **DECLARANT** or a **PERSON** entitled to cast a vote in the **ASSOCIATION**. **DIRECTORS** may be designated or elected and removed, and vacancies on the **BOARD OF DIRECTORS** shall be filled as provided in the **DECLARATION** and in the **BY-LAWS**. All the duties and powers of the **ASSOCIATION** existing under the **DECLARATION**, these **ARTICLES** and the **BY-LAWS** shall be exercised exclusively by the **BOARD OF DIRECTORS**, its agents, contractors or employees, subject only to approval by **LOT OWNERS** when such approval is specifically required by the **DECLARATION**, these **ARTICLES** or the **BY-LAWS**.

The initial **BOARD OF DIRECTORS** shall be composed of two (2) **DIRECTORS**. The names and addresses of the two (2) **DIRECTORS** of the initial **BOARD OF DIRECTORS**, who shall hold office until election or appointment of their successors, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Isaac Williams	5187 Mill House Drive Gulf Shores, AL 36542
Christopher Steele	4786 East Street Orange Beach, AL 36561

**ARTICLE NINE  
BY-LAWS**

The **BY-LAWS** of the **ASSOCIATION** shall be adopted by the **BOARD OF DIRECTORS** and may be altered, amended or rescinded in the manner provided by the **BY-LAWS**.

**ARTICLE TEN  
OFFICERS**

The affairs of the **ASSOCIATION** shall be administered by the officers designated in accordance with the **BY-LAWS**. The names and the addresses of the officers who shall serve until the election or appointment of their successors in accordance with the **BY-LAWS** are as follows:

<u>NAME</u>	<u>OFFICE</u>	<u>ADDRESS</u>
Isaac Williams	President	5187 Mill House Drive Gulf Shores, AL 36542
Christopher Steele	Secretary	4786 East Street Orange Beach, AL 36561

**ARTICLE ELEVEN  
INDEMNIFICATION AND LIMITATION OF LIABILITY**

Every **DIRECTOR** and every officer of the **ASSOCIATION** shall be indemnified by the **ASSOCIATION** against all expenses and liabilities, or any settlement thereof, including counsel fees, reasonably incurred by or imposed upon each **DIRECTOR** in connection with any proceeding to which each **DIRECTOR** may be a party, or in which each **DIRECTOR** may become involved, by reason of his or her being or having been a **DIRECTOR** or officer of the **ASSOCIATION**, whether or not he or she is a **DIRECTOR** or officer at the time such expenses are incurred, except in such cases wherein the **DIRECTOR** or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement, the indemnification herein shall apply only when the **BOARD OF DIRECTORS** approves such settlement and reimbursement as being in the best interest of the **ASSOCIATION**. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such **DIRECTOR** or officer may be entitled.

A **DIRECTOR** of the **ASSOCIATION** shall not be liable to the **ASSOCIATION** or its **MEMBERS** for money damages for any action taken, or any failure to take action, as a **DIRECTOR**, except for (i) the amount of a financial benefit received by such **DIRECTOR** to which such **DIRECTOR** is not entitled; (ii) an intentional infliction of harm by such **DIRECTOR** on the **ASSOCIATION** or its **MEMBERS**; (iii) a violation of the Ala. Code 1975, §10-28-8.33 or any successor provision to such section; (iv) an intentional violation by such **DIRECTOR** of criminal law; or (v) a breach of duty of loyalty by such **DIRECTOR** to the **ASSOCIATION** or its **MEMBERS**. If the Alabama Business Corporation Act, or successor statute thereto, is hereafter amended to authorize the further elimination or limitation of the liability of a **DIRECTOR** of a corporation, or to provide greater rights of indemnification for any officer, **DIRECTOR**, agent or employee of a corporation, then the liability of a **DIRECTOR** of the **ASSOCIATION**, in addition to the limitations on liability provided herein, shall be limited to the fullest extent permitted by the Alabama Business Corporation Act as amended or any successor statute thereto, and the rights of indemnification of such officer, **DIRECTOR**, employer or agent shall be similarly enhanced to the fullest extent thereby permitted. Any repeal or modification of this **ARTICLE** by the **MEMBERS** of the **ASSOCIATION** shall be prospective only and shall not adversely affect any limitation on the liability or rights of indemnification of a **DIRECTOR** of the **ASSOCIATION** existing at the time of such repeal or modification.

**ARTICLE TWELVE  
INCORPORATOR**

The name and address of the **Incorporator** of the **ASSOCIATION** is:

<u>NAME</u>	<u>ADDRESS</u>
CJI LLC	800 West Beach Blvd Gulf Shores, AL 36542

**ARTICLE THIRTEEN  
DECLARANT CONTROL**

The **DECLARANT** shall retain control of the **ASSOCIATION** in accordance with the terms and conditions of the **DECLARATION**.

**ARTICLE FOURTEEN  
REGISTERED OFFICE AND AGENT**

The location address of the initial registered office of the **ASSOCIATION** is 800 West Beach Blvd., Gulf Shores, Alabama 36542. The mailing address of the initial registered office of the **ASSOCIATION** is 800 West Beach Blvd., Gulf Shores, Alabama 36547. The name of the initial agent as such address, is Isaac Williams.

**ARTICLE FIFTEEN  
AMENDMENT**

These **ARTICLES** may be amended as provided in the **ACT**, provided that no amendment shall be in conflict with the **DECLARATION** and provided further that no amendment shall be effective to impair or dilute any rights of any **MEMBERS** that are governed by the **DECLARATION**.

**ARTICLE SIXTEEN  
RELATED PARTY TRANSACTIONS**

No contract or other transaction between the **ASSOCIATION** or any **PERSON**, firm, association or corporation 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 are related to or interested in (either as director, stockholder, officer, employee, member or otherwise) such **PERSON**, firm, association or corporation. Any **DIRECTOR** of the **ASSOCIATION** individually, or any firm or association of which any **DIRECTOR** may be a member, 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 or she, 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 of 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 or she 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 corporation without regard to the fact that he or she is also a director of such affiliated corporation.

**ARTICLE SEVENTEEN  
DISSOLUTION**

The **ASSOCIATION** shall be dissolved upon the termination of the **SUBDIVISION** in the manner provided by the **DECLARATION**. Upon dissolution of the **ASSOCIATION**, the assets of the **ASSOCIATION**, if any, and all money received by the **ASSOCIATION** from its operations, after the payment in full of all debts and obligations of the **ASSOCIATION** of whatsoever kind and nature, shall be used and distributed solely and exclusively in the manner provided for in the **ACT**.

IN WITNESS WHEREOF, the Incorporator has caused this instrument to be executed this 9<sup>th</sup> day of April, 2014,

CJI LLC, an Alabama  
Limited Liability Company

By: [Signature]  
Its: Member

STATE OF ALABAMA

COUNTY OF BALDWIN

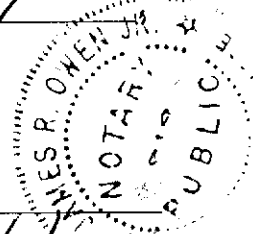
I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that, Isaac Williams, whose name as Member of CJI LLC, an Alabama Limited Liability Company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Member and with full authority executed the same voluntarily for and on behalf of said Company.

Given under my hand and seal this 9<sup>th</sup> day of April, 2014.

[Signature]

NOTARY PUBLIC

My Commission Expires: 3/1/2016



THIS INSTRUMENT PREPARED BY:  
Tom Norton, Jr.  
TOM NORTON, JR., P.C.  
Post Office Box 6246  
Gulf Shores, Alabama 36547

Jim Bennett  
Secretary of State

P.O. Box 5616  
Montgomery, AL 36103-5616

# STATE OF ALABAMA

**I, Jim Bennett, Secretary of State of Alabama, having custody of the Great and Principal Seal of said State, do hereby certify that**

pursuant to the provisions of Title 10A, Chapter 1, Article 5, Code of Alabama 1975, and upon an examination of the entity records on file in this office, the following entity name is reserved as available:

**The Colony at Fort Morgan Owner's Association**

This name reservation is for the exclusive use of Tom Norton, Jr., P.O. Box 6246, Gulf Shores, AL 36547 for a period of one year beginning April 02, 2014 and expiring April 02, 2015



RES653731

**In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State, at the Capitol, in the city of Montgomery, on this day.**

April 02, 2014

Date

Jim Bennett

Secretary of State