

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

1. Name. The name of the corporation is "Camden Ridge Homeowners Association, Inc." (hereinafter referred to as the "Association").
2. Duration. The period of duration of the Association shall be perpetual.
3. Purposes. The purposes for which the Association is organized are to provide for the efficient preservation of the appearance, value, and amenities of the property which is subject to the Camden Ridge Declarations of Covenants, Conditions, and Restrictions (collectively, the "Declaration") recorded or to be recorded in the Probate Office of Lee County, Alabama. Declaration shall include the original Declaration filed of record on July 26, 1995, in Book 1963 at Page 123 in the Office of the Judge of Probate of Lee County, Alabama and all subsequent Declarations for each addition and/or phase of Camden Ridge Subdivision that are filed of record.
4. Powers. The powers of the Association are:
 - a. To own, operate, maintain, manage, repair, and replace common areas of the Property.
 - b. To the extent provided in the Declaration, to control the specifications, architecture, design, appearance, siting, and landscaping of all Improvements to be constructed, placed, or permitted to remain on any Lot in the Property and all alterations, changes, and additions thereto.
 - c. To perform and carry out the acts, duties, responsibilities, and conditions delegated to the Association in the Declaration and in these Articles of Incorporation, in accord with the Bylaws of this Association, and all amendments thereto.
 - 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 property, tangible and intangible, of every kind, character, and description.
 - e. To enforce all of the terms and provisions of the Declaration and to make, establish, and enforce reasonable rules and regulations governing the administration, operation, and management of the Property.
 - f. To make, levy, collect, and enforce Assessments or Dues, as defined in the Declaration, or a duly recorded instrument executed by a Lot owner subjecting said Lot to annual Assessments or Dues, and to use and expend such Assessments or Dues in the manner set forth in the Declaration. Initial yearly dues will not exceed \$300.00 per year, for the first five years after incorporation of the Association.
 - g. To employ personnel and contract for services, material, and labor, including contracting for the management of the common areas and all other portions of the Property.
 - h. To purchase and maintain insurance for such coverage, with such insurance cards, in such amounts, at such rates, and with such deductibles as may be necessary for the protection of the Association, its officers, directors, and members.

i. To enforce any of the provisions of the Declaration 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 the amount, with any person, firm, association, partnership, limited partnership, corporation, municipality, county, state, territory, government, governmental subdivision, or body politic.

k. To operate without profit for the sole and exclusive benefit of its members.

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 Association in accordance with and subject to the terms and provisions of the Declaration.

5. Initial Registered Office and Agent. The location and street address of the initial registered office of the Association, and the name of its initial registered agent at such address, are as follows:

Donald M. Conner, 739 Opelika Road, Auburn, AL 36830

6. Nonstock and Nonprofit Status. The 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 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.

7. Members. The ~~initial~~ Members of the Association shall consist of two classes.

a. Class A members shall consist of all Owners of Lots in Camden Ridge, 11th Addition, and all subsequent additions and phases that may be developed in the future by the Developer and Camden West Phase 1, Camden West Phase 2, and Camden South. Lot Owners in Camden Ridge 1st Addition through the 10th Addition shall be given the opportunity to become members of the Association by paying annual assessments and subjecting their respective property to perpetual membership in the Association by executing a Declaration of Membership in Camden Ridge Homeowners Association, Inc., the form of which is attached hereto as Exhibit "A". Membership in the Association, whether by grant of title for Camden Ridge 11th Addition and all future additions, or by initial voluntary membership for Camden Ridge 1st Addition, shall be appurtenant to, and may not be separated from, ownership of a lot. Developer as that term is defined in the Declaration shall be entitled to all voting rights attributed to any lots owned by Developer. Nothing contained in Paragraph 7 shall be deemed or interpreted to restrict the Association's ability to enforce all covenants of record for the Camden Ridge Subdivision. It is the specific intent of the Developer to form this Association to govern all phases of Camden Ridge Subdivision in order to raise the standards of the Subdivision and maintain its integrity.

b. Class B members shall consist of any non-residents of Camden Ridge, 11th Addition, all subsequent additions and phases that may be developed in the future by the Developer, and Camden West Phase 1, Camden West Phase 2, and Camden South.

8. Directors. The affairs of the Association shall be managed by a Board of Directors.

a. Number of Directors. ~~Number and Composition. The Association's Board of Directors shall be composed by duly elected Class A Members in good standing. The number of directors shall be either five, seven or nine than nine. The number of directors elected at any given annual meeting cannot be altered until a subsequent annual meeting. The number of Directors constituting the initial Board of Directors shall be a minimum of six (6). Thereafter, the number of Directors shall be fixed in the manner provided in the Bylaws and may thereafter be increased or decreased from time to time by amendment to or in the manner provided in the Bylaws; provided, however, that (i) the number of Directors shall in no event consist of less than one (1) Director from North Woods, Inc. and five (5) Property Owners, (ii) no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director, (iii) as provided in the applicable Sections of the Declaration, Developer shall have the right to elect all members of the Board of Directors of the Association as long as Developer owns any Lot (platted) within the Property other than a dwelling used by Developer as a personal residence in the development, and (iv) at such time as Developer no longer owns any Lot other than a dwelling used by Developer for a personal residence in the Development, the members of the Association shall elect a new Board of Directors of the Association as provided in the appropriate Section of the Declarations. Directors other than those representing North Woods, Inc., must be Property Owners in the development and residents of the State of Alabama. The names and mailing addresses of each person who is to serve as initial Directors of the Association until their successors are elected and qualified or until such Directors are removed as provided in Paragraph 8(b) of these Articles are as follows:~~

~~J. Ab Conner and Donald M. Conner, both at: P. O. Box 3070, Auburn, AL 36831-3070~~

b. Removal. ~~Any or all the directors may be removed for cause by majority vote of the Members or by a 2/3 vote of the board. Directors may be removed without cause only by majority vote of the Members. For so long as Developer owns any Lot within the Property, other than a dwelling used by Developer for a personal residence, Developer shall have the right at any time and from time to time to remove any Director, either with or without cause, and may appoint a successor to such removed Director or otherwise fill any vacancies on the Board, in each case without any consent or approval of any of the members. At such time as Developer no longer owns any Lot within the Development, other than a dwelling used by Developer as a personal residence, the members of the Association shall have the right at any time and from time to time to remove any Director, either with or without cause, and may appoint a successor to such removed Director. Vacancies which may thereafter arise on the Board shall be filled as provided in the Bylaws.~~

c. Powers. Except as may be otherwise provided to the contrary in the Declarations, these Articles of Incorporation or the Bylaws of the Association, all powers of the Association shall be exercised by or under authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors.

d. Conflicts of Interest. No contract or other transaction between the Association and one or more of its Directors or any other corporation, firm, association, or entity in which 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 Association or any corporation, firm, association, or entity of which any Director of the 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 Association, provided that such relationship or interest in such contract or transaction shall be disclosed or known to the Board of Directors at the meeting of the Board of Directors 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 were not so related or interested. Any Director of the Association may vote on any contract or other transaction between the Association and any affiliated corporation without regard to the fact that he is also a director of such affiliated corporation.

e. Election. The Board of Directors will be annually elected by the membership of the Association. Nominations will be taken from the membership at large. Electors will cast one vote for each position and the candidate with the highest percentage will win the first seat, the second-highest percentage wins the second seat, and so on, until all seats are filled.

f. Vacancies. Vacancies created by the removal of a director may be filled only by approval of the members. Vacancies created by any other circumstance may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by

i. the unanimous written consent of the directors then in office,

ii. the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waivers of notice, or

iii. a sole remaining director, or

iv. the members may elect a director at any time to fill any vacancy not filled by the directors.

9. Incorporators. The name and mailing address of each incorporator is as follows:

Donald M. Conner, P.O. Box 3070, Auburn, AL 36831-3070.

10. Distribution of Assets Upon Dissolution. Dissolution of the Association shall be accomplished as set forth in the Alabama Nonprofit Corporation Act. Upon dissolution of the 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:

a. Real property contributed to the 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

b. Unless otherwise agreed to the contrary in the plan of distribution, all remaining assets shall be distributed among the members of the Association, as tenants in common, with each member's share of the assets to be determined in accordance with its voting rights.

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

12. Indemnification of Officers, Directors, Employees, and Agents.

a. The Association shall indemnify 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 he is or was a Director, officer, employee, or agent of the Association, 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) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and 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 or such expenses which court shall deem proper.

b. To the extent that a Director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Paragraph 12(a) above, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith, notwithstanding that he has not been successful on any other claim, issue, or matter in any such action, suit, or proceeding.

c. Any indemnification under Paragraph 12(a) 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 is proper in the circumstances because he has met the applicable standard of conduct set forth in Paragraph 12(a) above. Such determination shall be made (1) 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) 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) by a majority vote of the members of the Association.

d. 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 12(c) above upon receipt of an undertaking by or on behalf of the Director, officer, employee, or agent to repay such amount if and to the extent that it shall be ultimately determined that he is not entitled to be indemnified by the Association as authorized in this Paragraph 12.

e. The indemnification authorized by this Paragraph 12 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, Bylaws, agreement, vote of members or disinterested Directors, or otherwise, both as to action in his 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 and shall inure to the benefit of the heirs, executors, and administrators of such a person.

f. The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent of the Association, 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 him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability hereunder.

13. Amendment. The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members entitled to vote thereon, which may be either an annual or a special meeting. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member entitled to vote at the meeting within the time and in the manner provided in this chapter for the giving of notice of meetings of members. The proposed amendment shall be adopted upon receiving at least two-thirds of the votes entitled to be cast by members present or represented by proxy at the meeting.~~For so long as Developer owns any Lot within the Development, other than a dwelling used by Developer as a personal residence, these Articles of Incorporation may be amended at any time and from time to time by Developer or by the vote of the Board of Directors of the Association, without the consent or approval of any of the Members of the Association. At such time as Developer no longer owns any Lot within the Development, other than a dwelling used by Developer as a personal residence, then these Articles of Incorporation may be amended, subject to the terms and provisions of the Declarations, by the affirmative vote of at least two thirds (2/3) of the total votes in the Association (i.e., two thirds (2/3) of all Owners).~~

14. Incorporation by Reference. All of the terms, provisions, definitions, covenants, and conditions set forth in the Declaration 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 herein in these Articles of Incorporation and the Declaration, then the provisions of the Declaration shall at all times control.