

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:

**Stonechase Homeowner's Association, Inc.**

This name reservation is for the exclusive use of Rainer Cotter, PO Box 310910, Enterprise, AL 36331 for a period of one year beginning September 09, 2013 and expiring September 09, 2014

**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.**



RES636150

September 09, 2013

Date

**Jim Bennett**

**Secretary of State**

Recorded In OFFREC BK 654 PG 360, 09/10/2013 04:20:44 PM  
Steven E. Blair, Probate Judge, Coffee County, AL

Recording Fee 73.00, TOTAL 73.00

## CERTIFICATE OF FORMATION

OF

STONECHASE HOMEOWNER'S ASSOCIATION, INC.,

A NONPROFIT CORPORATION

In compliance with the requirements of the Alabama's Non-Profit Corporation Law under §§ 10A-3-1.01 et seq, Code of Alabama, 1975, as amended, the undersigned has this day voluntarily formed a corporation not for profit and does hereby certify:

### ARTICLE I

NAME

The name of the corporation is Stonechase Homeowner's Association, Inc., hereinafter referred to sometimes as the "Association".

### ARTICLE II

PRINCIPAL OFFICE

The principal office of the Association is located at 643 Glover Avenue, Enterprise, Alabama 36330.

### ARTICLE III

REGISTERED AGENT

Norman Riley, whose address is 643 Glover Avenue, Enterprise, Alabama 36330 is hereby appointed the initial registered agent of this Association.

### ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the lots and common areas in the subdivision known as Stonechase Subdivision (which for purposes of the Association shall mean Phase I and any future Phases), a subdivision in Enterprise, Coffee County, Alabama and to promote the welfare of the owners within the properties (as that term is defined in the Declaration) and to:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Stonechase Subdivision and to promote the welfare of the owners within the properties (as that term is defined in the Declaration) and to:

(b) 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 or 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;

(c) To sue or be sued;

(d) To enforce covenants, conditions or restrictions affecting any property to the extent authorized under the Declaration of Covenants, Conditions, Restrictions or Bylaws for/of Stonechase Subdivision and the Association, as the same may be amended, including, but not limited, the power to file liens for enforcement of same in the Office of the Judge of Probate, Enterprise, Coffee County, Alabama;

(e) To acquire by mortgage, pledge, deed, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(f) Borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(g) Dedicate, sell or transfer all or any part of the common areas between 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;

(h) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common areas, according to the terms of the Declaration;

(i) To indemnify any officer or director or former director or officer of the Association, any person who may have served at its request as a director or officer of another corporation, whether for profit or not for profit, against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of being or having been such

director or officer, except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty; but such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under any Bylaws, agreement, vote of Board of Directors or members or otherwise;

(j) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Act of the State of Alabama by law may now or hereafter have or exercise.

#### ARTICLE V

#### MEMBERSHIP

(a) The owner of each Lot subject to the Declaration of Covenants, Conditions and Restrictions for Stonechase Subdivision shall be a member of the Association in accordance said Declaration of Covenants, Conditions and Restrictions and shall be entitled to vote in accordance with the formulas set forth in the Declaration or By-Laws, except there shall be no votes for any properties owned by the Association. The manner of exercising voting rights shall be determined by the Bylaws of the Association or Declaration of Covenants and if any conflict between said By-Laws and Declaration, the By-laws shall govern.

(b) Change of membership of the Association shall be established by recording in the Office of the Judge of Probate of Coffee County, a deed or other instrument establishing record title to a Lot subject to the Declaration. The owner designated by such instrument thereby becomes a member of the Association, and the membership of the prior owner is terminated.

#### ARTICLE VI

#### TERM

The existence of the corporation/Association shall be perpetual.

ARTICLE VII

INCORPORATOR

The name and address of the sole incorporator is:

NAME:

ADDRESS:

Stonechase Land Development, Inc.

643 Glover Avenue, Enterprise, Alabama 36330

ARTICLE VIII

BOARD OF DIRECTORS

A. The affairs of this Association shall be managed by a Board of Directors of not less than three Directors but no more than nine (9). The number of Directors may be changed by amendment of the Bylaws of the Association but shall not exceed nine (9). The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Norman Riley, 643 Glover Avenue, Enterprise, Alabama 36330

Nancy Jones, 8616 County Road 625, New Brockton, Alabama 36351

Brian Thompson, 504 North Watson, Enterprise, Alabama 36330

B. To the fullest extent that the Alabama Nonprofit Corporation Act, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, no director of the Association shall be personally liable to the Association or its Members for monetary damages for breach of duty of care or other duty as a director. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Association for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

C. The method of election and the term of office, removal, and filing of vacancy shall be set forth in the Bylaws or Covenants.

ARTICLE IX

## BYLAWS

The Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided by the Bylaws.

ARTICLE X

## AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted as provided in § 10-3A-4.01, Code of Alabama, 1975, as may be amended from time to time.

ARTICLE XI

## DISSOLUTION

The Corporation/Association may be dissolved in accordance with §10A-3-7.01, Code of Alabama, as may be amended from time to time or as otherwise provided by law.

ARTICLE XII

## INDEMNIFICATION

(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, 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 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), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such claim, action, suit or proceeding 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, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his 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 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 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 and except 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 negligence or 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 such court shall deem proper.

(c) Any indemnification under subsections (a) and (b) [unless ordered by the 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 subsections (a) and (b). 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 quorum is not obtainable, or even if obtainable, 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 subsection (d) 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 ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this Section.

(e) The indemnification authorized by this Section shall not be deemed exclusive of and shall be in addition to any other rights to which those indemnified may be entitled under any statute, rule of law, provision of articles or certificate of incorporation, by-law, 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 director, officer, employee or agent of the Association, or is or was serving at the request of the Corporation 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 under the provisions of this Section.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the Laws of Alabama, the undersigned, constituting the sole incorporator of this Association, has executed these Articles of Incorporation this 10<sup>TH</sup> day of September, 2013.

INCORPORATOR:

STONECHASE LAND DEVELOPMENT, INC.

BY: Norman Riley  
Norman Riley  
Its President