

**ARTICLES OF INCORPORATION
OF**

REFLECTIONS ON THE WATER RESIDENTIAL ASSOCIATION, INC.

TO THE JUDGE OF PROBATE OF BARBOUR COUNTY, ALABAMA:

We, the undersigned, hereby associate ourselves together for the purpose of becoming incorporated under the laws of the State of Alabama as a corporation not for profit, and hereby adopt the following Articles of Incorporation:

ARTICLE I - NAME

The name of the corporation shall be:

REFLECTIONS ON THE WATER RESIDENTIAL ASSOCIATION, INC.

The corporation is hereby referred to as the "Association."

ARTICLE II - PURPOSE AND POWERS

Section 1. **PURPOSE.** The purpose for which the Association is formed is to provide an entity for the management, operation, maintenance, repair and replacement of the common areas and green areas as presently exist or which may be constructed (collectively, the "Association Property") in Reflections on the Water, as the same appear on a plat which will be recorded with the Probate Office of Barbour County, Alabama. In addition to the above, it is the purpose of the Association to promote the social welfare and common good of its members.

Section 2. **POWERS.** As a means of accomplishing the foregoing purposes, the Association shall have the following powers:

- (a) The Association shall have all of the powers now conferred or which may be hereafter conferred on a not-for-profit corporation under the laws of the State of Alabama which are not in conflict with the terms of these Articles.

(b) The Association shall have all of the powers and duties necessary to administer and manage the Association Property in accordance with the Declaration of Protective Covenants, Conditions and Restrictions and the By-Laws of the Association, including but not limited to the following:

- (i) To designate those expenses which shall constitute the Common Expenses of the Association, other than those expenses declared as Common Expenses under the By-Laws of the Association.
- (ii) To estimate the amount of the annual budget and to make and collect Assessments against owners of lots in Reflections on the Water to defray the costs, expenses and losses of the Association.
- (iii) To use the proceeds of Assessments in the exercise of its powers and duties.
- (iv) To maintain, repair, replace and operate the Association Property.
- (v) To purchase insurance upon the Association Property and insurance for the protection of the Association, its Board of Directors, the Architectural Review Committee and its members.
- (vi) To reconstruct the Association Property after casualty and to further improve the Association Property.
- (vii) To make and amend Rules and Regulations respecting the use of the Association Property.
- (viii) To enforce by legal means the provisions of these Articles of Incorporation, the By-Laws of the Association, and the Rules and Regulations for the use of the Association Property.

(ix) To contract for the management of the Association Property and to delegate to such managing agent all powers and duties of the Association except such as are specifically required to have approval of the Board of Directors or the Membership of the Association.

(x) To retain legal counsel.

(xi) To employ personnel to perform the services required for proper operation of the Association.

(xii) To own and to purchase lots in Reflections on the Water.

(xiii) To have access to each lot in Reflections on the Water at reasonable times as may be necessary for the maintenance, repair, or replacement of any of the Association Property, or for making emergency repairs necessary to prevent damage to the Association Property.

(xiv) To enter into contracts or agreements for the maintenance of accounting and bookkeeping records and for the use of data processing facilities or services, so as to carry out the Association's responsibilities and to comply with the requirements of the law of the State of Alabama with regard to maintenance of records.

(xv) To enter into such other contracts or agreements reasonably necessary or convenient for the proper exercise of the rights, powers, duties and functions of the Association.

(xvi) To employ all personnel reasonably necessary to perform the services required for proper exercise of the rights, powers, duties and functions of the Association.

(xvii) To exercise any and all common laws and statutory powers, although not specifically recited above, of a corporation not for profit, reasonably necessary or convenient to carry out and perform the purpose for which the Association is organized and its enumerated powers.

(xviii) To make such distribution of any profit, surplus or reserve funds of the Association to the Members of the Association at such times and in such manner, and to do such other acts, as may be required to comply with the provisions of Section 501(c)(4) of the Federal Internal Revenue Code, and applicable Revenue Rulings, and other Federal and State statutes providing for an exemption from Federal and State income taxes for nonprofit organizations.

(c) All funds and the title of all properties acquired by the Association and the proceeds thereof shall be held in trust for the Members of the Association in accordance with the provisions of these Articles and the By-Laws.

(d) No contract or other transaction between the Association and any of its Directors, or between the Association and any corporation, partnership, firm or association (including the Developer) in which any Directors or Officers of the Association are directors or officers or are otherwise pecuniarily interested, shall be void or voidable, provided that the fact of the common interest is disclosed or known to the Board. Any common or

interested Director may be counted in determining the presence of a quorum at any meeting of the Board and may vote to authorize any contract or transaction.

(e) The powers of the Association shall be subject to and shall be exercised in accordance with the By-Laws.

For the purpose of these Articles of Incorporation, the Developer is Alfred Saliba Corporation, an Alabama corporation, its heirs, successors and assigns.

ARTICLE III - MEMBERS

Section 1. **QUALIFICATION**. The Members of the Association shall consist of all of the record owners of Lots (each a "Lot Owner") in Reflections on the Water.

Section 2. **CHANGE OF MEMBERSHIP**. Change of membership in the Association shall be established by the recording in the public records of Barbour County, Alabama, of a deed or other instrument establishing a record title to a Lot in Reflections on the Water and the delivery to the Association of a certified copy of such instrument having been duly recorded in said county, the owner designated by such instrument thereby becoming a member of the Association. The membership of the prior owner shall be thereby terminated.

Section 3. **VOTING RIGHTS**. Wherein any provision of these Articles of Incorporation or By-Laws of the Association a vote of Lot Owners is required or permitted, each Lot Owner shall be entitled to cast one vote for each Lot owned by him, at all meetings of the Association, regardless of the size of the Lot or the value of the improvements. The manner of exercising rights shall be determined by the By-Laws of the Association.

Section 4. **APPROVAL OR DISAPPROVAL OF LOT OWNERS**. Whenever the approval or disapproval of a Lot Owner is required upon any matter, whether or not the subject

of an Association meeting, such approval or disapproval shall be expressed by the same person who would cast the vote of such Lot Owner at an Association meeting.

Section 5. RESTRAINT UPON ASSIGNMENT OF SHARES OF ASSETS. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such Member's lot.

ARTICLE IV - DIRECTORS

Section 1. NUMBER. The affairs and business of this Association shall be managed and conducted by a Board of Directors. The exact number of Directors may from time to time be specified by the By-Laws.

Section 2. INITIAL MEMBERS. The names and addresses of the initial Board of Directors are as follows:

<u>DIRECTOR</u>	<u>ADDRESS</u>
Fred Saliba	147 Memory Lane Eufaula, Alabama 36027
Tommy Horne	147 Memory Lane Eufaula, Alabama 36027
Roger Speigner	147 Memory Lane Eufaula, Alabama 36027

Section 3. SUCCESSORS. At the expiration of the term of each initial director, his successor shall be elected by the Members of the Association to serve for a term set out in the By-Laws. Each Director shall hold office for the term for which he is elected or appointed and until his successor shall have been elected or appointed and qualified.

Section 4. ELECTION. Directors of the Association shall be elected at the annual meeting of Members of the Association in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws. The first annual meeting of the Members of the Association shall be held as provided in the By-Laws. Any vacancies on the Board of Directors named in these Articles occurring before the first annual meeting of Members of the Association shall be filled by the remaining Directors.

ARTICLE V - PERIOD OF DURATION

The period of duration of the Association shall be perpetual, provided, however, that the Association shall be terminated in accordance with the laws of the State of Alabama in effect at that time.

ARTICLE VI - OFFICERS

The officers of the Corporation shall consist of a president, one or more vice presidents, a secretary, a treasurer and such other officers and assistant officers as may be deemed necessary, each of whom shall be elected or appointed at such time and in such manner and for such terms not exceeding three (3) years as may be prescribed in the By-Laws. The names of the officers who are to serve until the first election are:

<u>OFFICER</u>	<u>TITLE</u>
Fred Saliba	President
Tommy Horne	Vice President
Roger Speigner	Secretary/Treasurer

ARTICLE VII - INDEMNIFICATION

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 him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been 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 misconduct or bad faith in the performance of his duties. 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 under the By-Laws, or otherwise.

ARTICLE VIII - REGISTERED AGENT

The address of the corporation's initial registered agent, and the name of its initial registered agent at such office shall be:

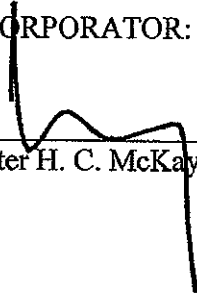
<u>NAME</u>	<u>ADDRESS</u>
Tommy Horne	147 Memory Lane Eufaula, Alabama 36027

ARTICLE IX - AMENDMENTS TO THESE ARTICLES

Amendments to these Articles of Incorporation shall be proposed by a resolution adopted by the Board of Directors. The resolution shall then be presented to the Membership of the Association. Written or printed notice setting forth the proposed amendment or a summary of the proposed changes to be effected thereby shall be given to each Lot Owner entitled to vote at such meeting within the time and in the manner provided in the By-Laws. A vote of seventy percent (70%) of the votes entitled to be cast by Lot Owners, provided that notice of said meeting has been given in accordance with the By-Laws, and that the notice as aforesaid contained a full statement of the amendment, shall be necessary to amend the Articles of Incorporation.

IN WITNESS WHEREOF, the Incorporator has executed these Articles of Incorporation
on this the 18th day of July, 2007.

INCORPORATOR:




Walter H. C. McKay

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, the undersigned, as Notary Public, in and for said County in said State, hereby certify that Walter H. C. McKay, whose name 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 such instrument, he executed the same voluntarily. Given under my hand and official seal on this the 18 day of July, 2007.

NOTARIAL SEAL



Notary Public
My Commission Expires: 7/29/08

Prepared by:
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