

STATE OF ALABAMA
BALDWIN COUNTY

ARTICLES OF ORGANIZATION

OF

ADMIRALS QUARTERS ASSOCIATES, L.L.C.

1998 NOV 16 P 2:14

35.00
RECORDED IN 11.00
AL 50 101/1626-28

The undersigned, for the purpose of forming a limited liability company under Title 10, Chapter 12 of the Code of Alabama (1975), as amended (referred to as the "Alabama Limited Liability Company Act"), hereby file the following Articles of Organization with the Probate Judge of the county in which the initial registered office of the limited liability company will be located and affirm that the facts stated in these Articles of Organization are true and correct:

1. The name of the limited liability company is ADMIRALS QUARTERS ASSOCIATES, L.L.C.

2. The period of its duration is fifty (50) years from the date of filing of these Articles of Organization, with the Judge of Probate, Baldwin County, Alabama, provided that the limited liability company shall cease to exist upon dissolution of the limited liability company in accordance with Section 10-12-37 of the Alabama Limited Liability Act.

3. The purpose for which the limited liability company is organized are to purchase, own, hold, control, use, develop, improve, exchange, mortgage, rent, sell, convey, operate, manage, lease, or otherwise acquire, dispose of and deal generally in with, real property, both improved and unimproved, or personal property, or other interest therein, wherever situate; to erect, or cause to be erected improvements, on any lands owned, held, or occupied by the Company; to manage, operate, lease, rebuild, enlarge, alter or improve any buildings or other structures, now or hereafter erected on lands so owned, held or occupied; to encumber, sell or otherwise dispose of any lands or interest in lands, and any buildings or other structures, at any time owned or held by the Company, and to do everything necessary, proper, advisable or convenient for the accomplishment of the foregoing purposes and to do all other things incidental to them or connected with them. Additionally, the limited liability company shall have all the powers vested in a limited liability company organized and existing by virtue of the laws of the State of Alabama.

4. The location of the initial registered office of the limited liability company is 401 Gulf Shores Parkway, Gulf Shores, Alabama 36542 and its mailing address is 401 Gulf Shores Parkway, Gulf Shores, AL 36542. The name of its initial registered agent, for service of process, is Rick A. Phillips.

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5. The names and addresses of the initial Members of the limited liability company are as follows:

Name	Address
Rick A. Phillips	401 Gulf Shores Parkway Gulf Shores, AL 36542
John P. Case	56 Midtown Park, West Mobile, Alabama 36606

6. The Members of the limited liability company shall have the right to admit additional Members upon unanimous written consent of the Members of the limited liability company.

7. Upon occurrence of an event of dissociation of a Member in the limited liability company, the remaining Members of the limited liability company shall have the right to continue the business of the limited liability company; provided, that (i) there are at least two remaining Members or at least one remaining Member and a new Member is admitted, and (ii) the legal existence of the limited liability company is continued by the unanimous written consent of all remaining Members within 90 days after the occurrence of the event of dissociation.

8. Management of the limited liability company shall be vested in the Members. It will require the signature of ALL of the Members to bind the Company, as it relates to any action taken by the Company or any transaction entered into by the Company, or in the alternative, an affidavit signed by all Members which designates and authorizes a single Member of the Company to bind the Company, as it relates to any action taken by the Company or any transaction entered into by the Company.

9. The individual Members of the limited liability company shall have no liability for any debt, obligation, or liability of the limited liability company, as provided in the Alabama Limited Liability Company Act.

10. The percentage interest of each Member of the limited liability company is as follows:

1. Rick A. Phillips - 50.00%
2. John P. Case - 50.00%

11. The Company's net profit or net losses shall be determined on no less than a quarterly basis, or as determined by the Members, and shall be allocated to the Members in proportion to their Sharing Ratio Interests. "Net profits or net losses" shall be determined in accordance with generally accepted accounting principles. The "Sharing Ratio Interest" of each Member is set forth below opposite the Member's name:

<u>Name</u>	<u>Sharing Ratio Interest</u>
Rick A. Phillips	50.00%
John P. Case	50.00%

The undersigned, acting as the initial Members of the limited liability company named herein in accordance with the Alabama Limited Liability Company Act, execute these Articles of Organization this 30th day of October, 1998.

Rick A. Phillips (SEAL)
RICK A. PHILLIPS

John P. Case (SEAL)
JOHN P. CASE

STATE OF ALABAMA
~~BALDWIN~~ COUNTY
MOBILE

Acknowledgement

I, the undersigned authority, in and for said county, in said State, hereby certify that RICK A. PHILLIPS, whose name is signed to the foregoing agreement and who is known to me, acknowledged before me on this day that, being informed of the contents of the agreement, he, executed the same voluntarily on the day the same bears date. Given under my hand and official seal this the 30th day of Oct, 1998.

NOTARY PUBLIC STATE OF ALABAMA
MY COMMISSION EXPIRES: Mar. 18, 2001.
BONDED THRU NOTARY PUBLIC UNDERWRITERS

My commission expires: _____

STATE OF ALABAMA
MOBILE COUNTY

Acknowledgement

I, the undersigned authority, in and for said county, in said State, hereby certify that JOHN P. CASE, whose name is signed to the foregoing agreement and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, she, executed the same voluntarily on the day the same bears date. Given under my hand and official seal this the 30th day of Oct, 1998.

NOTARY PUBLIC STATE OF ALABAMA
MY COMMISSION EXPIRES: Mar. 18, 2001.
BONDED THRU NOTARY PUBLIC UNDERWRITERS

My commission expires: _____

This instrument prepared by: Thomas W. Klyce, P.C., Attorney at Law, Post Office Box 2301, Gulf Shores, AL 36547