

**ARTICLES OF INCORPORATION**  
**OF**  
**FIREROCK RIDGE**  
**PROPERTY OWNERS ASSOCIATION, INC.**

APR 5 4 34 PM '93

FILED  
APR 20 1993  
MARICOPA COUNTY  
ARIZONA

**250322**

The undersigned, as incorporator, has this date executed these Articles **for** the purpose of **forming** a non-profit corporation in compliance with the requirements of the laws of the State of Arizona, and does hereby adopt the following Articles of Incorporation:

ARTICLE I. Definitions

The words and terms used herein shall be deemed to have the same meanings as are given those words in that certain Declaration of Reservations for **FireRock** Ridge, Fountain Hills, Arizona, and recorded January 29, 1993, as Document No. 93-0057022 Official Records of Maricopa County, Arizona, as amended, (the "**Declaration**"). The Declaration, as amended from time to time as therein provided, is incorporated herein by reference.

ARTICLE II. Name

The name of the corporation shall be the **FIREROCK RIDGE** PROPERTY OWNERS ASSOCIATION, INC. (the "**Association**").

ARTICLE III. Principal Place of Business

The principal and known place of business of the Association shall be 16838 East Palisades Boulevard, P.O. Box 17795, Fountain Hills, Arizona 85269.

ARTICLE IV. Incorporator

The name and address of the sole incorporator is Greg **Bielli**, 16838 East Palisades Boulevard, P. O. Box 17795, Fountain Hills, Arizona 85269.

ARTICLE V. Statutory Agent

The initial statutory agent of the Association shall be The Prentice - Hall Corporation System, Inc., 7037 North 11th Street, Phoenix, Arizona 85020.

ARTICLE VI. FHA/VA Approval

In the event that **FHA** or VA approval is sought for the purpose of having FHA and/or VA insure or guarantee any Mortgage or providing any form of assistance under their loan programs and any such loans are made with respect to any Lot or Parcel, then so long as any Class B membership votes are outstanding, the following actions shall require the prior approval of the FHA or VA, as applicable, unless the need for such approval has been waived by FHA or VA: (i) dedication or transfer of any Common Area, (ii) alteration of any **Common** Area, (iii) mergers or consolidations of the Association, (iv) amendment of the Declaration, Articles or Bylaws, and (v) dissolution of the Association.

Article VII. Interpretation

In the event any provision hereof conflicts with the provisions of the Declaration, the provisions of the Declaration shall be deemed to control.

ARTICLE VIII. Board of Directors

The control and management of the affairs of the Association shall be vested in a Board of Directors of not less than three (3) nor more than seven (7) Directors who need not be Members of the Association. The names and addresses of the persons, elected by the Incorporator on MARCH 1, 1993, who shall serve as initial Directors of the Association until their successors are elected and qualified are:

Greg <b>Bielli</b>	16838 East Palisades Boulevard P.O. Box 17795 Fountain Hills, Arizona 85269
Raymond <b>Baldwin</b>	16838 East Palisades Boulevard P.O. Box 17795 Fountain Hills, Arizona 85269
Timothy <b>Terrill</b>	16838 East Palisades Boulevard P.O. Box 17795 Fountain Hills, Arizona 85269

ARTICLE IX. Amendments

Section 1. Amendments by Vote of Members

The Articles may be amended by the affirmative vote of not less than seventy-five percent (75%) of the votes of Members of the Association cast at a duly called meeting of the Members and, in the case of a material provision hereof, the approval of at least seventy-five percent (75%) of all federally chartered lending institutions holding liens on Lots.

Section 2. Amendment if Requested by Outside Agencies

Notwithstanding the above, the Board shall have the right to amend all or any part of the Articles to comply with the request of the FHA, the VA, or any other federal, state or local **governmental** agency which requests such an amendment as a condition precedent to such agency's approval of the Articles or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lots. In the event of **such** an amendment, articles of amendment shall be executed, filed and published as provided under Arizona law. It is the express desire of Declarant (MCO Properties Inc.), its successors and assigns, to retain control of the Association and its activities through the Board during the anticipated period of planning and development of FireRock Ridge until the Class B Membership ceases pursuant to the Declaration. If any amendment requested pursuant to the provisions of this Section 2 would, if enacted, delete, diminish or alter such control, the Board shall have the right to prepare, provide for and adopt as an amendment hereto, other and different control provisions.

ARTICLE X. Purposes, Powers and Character of Affairs

Section 1. Purposes

The Association does not contemplate pecuniary gain or profit to the Members thereof. The purposes for which the Association is formed are:

(a) To encourage and facilitate social and recreational activities for the Members, tenants and residents of the FireRock Ridge;

(b) To provide for the orderly development, administration, operation, management, maintenance, preservation of FireRock Ridge, as provided in the Declaration; and

(c) To promote the health, safety and welfare of the Members, tenants and residents of **FireRock** Ridge.

## Section 2. Powers

For the purposes set forth in Section 1 above, and subject to any limitations set forth in the Declaration, the Association shall have the power 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 the Declaration, as the same may be amended from time to time as therein provided;

(b) Fix, levy, collect and enforce payment of, 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;

(c) 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;

(d) Borrow money, guarantee payment or performance of obligations, and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed **or debts** incurred;

(e) Dedicate, sell or transfer all or any part of any common areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association;

(f) Establish and adopt Bylaws and other rules and regulations deemed necessary and expedient to carry into effect the objects and purposes of the Association; and

(g) Have and exercise any and all powers, rights and privileges which a nonprofit corporation organized under the laws of the State of Arizona may now or hereafter have or exercise.

## Section 3. Limitation of Purposes

Notwithstanding anything herein contained to the contrary, no part of the activities of the Association shall be devoted to propagandizing or attempting to influence legislation,

and the Association shall make no gift, donation or contribution to any institution or organization engaged in such activities. No part of the net earnings of the Association shall inure to the benefit of any Member or individual (other than by promoting social and recreational activities for Members, tenants, and residents, by acquiring, constructing, or providing management, maintenance, and care of the common areas, or by a rebate of excess membership dues, fees or assessments); provided, however, that the foregoing language shall not be **construed** as prohibiting the payment of reasonable compensation for services rendered.


Section 4. Character of Affairs

The character of affairs which the Association initially intends to conduct in Arizona is to carry out the duties and responsibilities of the Association as set forth in the Declaration, including the providing of an organizational structure for the Members, tenants and residents to engage in social and recreational activities, to provide for the operation and maintenance of the common areas, in FireRock Ridge and to levy and collect assessments for the expense of the Association.

ARTICLE XI. Membership and Voting

Each Owner of a Lot in FireRock Ridge shall be a Member of the Association. The Declarant shall be a Member of the Association for so long as it holds a Class B Membership in the Association or owns any Lot or Parcel in **FireRock** Ridge. Each such member shall be entitled to the **number** of votes as set forth in the Declaration and the Bylaws. Membership in the Association shall be appurtenant to and may not be separated from ownership of the Lot to which the membership is attributable.

IN WITNESS WHEREOF, the Incorporator hereunto has set his hand this MARCH 11, 1993.

  
\_\_\_\_\_  
Greg Bielli

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

CERTIFICATE OF DISCLOSURE

A.R.S. Sections 10-128 6 10-1084

PLEASE SEE REVERSE SIDE

FireRock Ridge Property Owners Association, Inc.  
EXACT CORPORATE NAME

CHECK APPROPRIATE BOX(ES) A OR B  
ANSWER "C"

THE UNDERSIGNED CERTIFY THAT

- A.** No persons serving either by elections or appointment as officers, directors, incorporators and persons controlling, or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:
1. ~~Have been~~ convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
  2. Have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraining the trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
  3. ~~Have been~~ or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate where such injunction, judgment, decree or permanent order:
    - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
    - (b) Involved the violation of the consumer fraud laws of that jurisdiction; or
    - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction.

- B.** For any person or persons who have been or are subject to one or more of the statements in Items A.1 through A.3 above, the following information MUST be attached:
1. Full name and prior name(s) used.
  2. Full birth name.
  3. Present home address.
  4. Prior addresses (for immediate preceding 7-year period).
  5. Date and location of birth.
  6. Social Security number.
  7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

STATEMENT OF BANKRUPTCY, RECEIVERSHIP OR REVOCATION

A.R.S. Sections 10-128.01 and 10-1083

- C.** Has any person serving (a) either by election or appointment as an officer, director, trustee or incorporator of the corporation or, (b) major stockholder possessing or controlling any proprietary, beneficial or membership interest in the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked? YES \_\_\_ NO \_\_\_

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES". YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of Ute corporation.
2. Full name, including alias and address of each person involved.
3. State(s) in which the corporation:
  - (a) Was incorporated.
  - (b) Has transacted business.
4. Date of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency involved and the file or cause number of the case.

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete.

BY Charles F. Clark DATE 3-15-93  
 TITLE President

BY J. Biell DATE 3-15-93  
 TITLE V.P.

BY Carol Aprate DATE 3-18-93  
 TITLE Secretary

BY \_\_\_\_\_ DATE \_\_\_\_\_  
 TITLE \_\_\_\_\_

FISCAL DATE: \_\_\_\_\_

**CONSENT OF STATUTORY AGENT**

The Prentice-Hall Corporation System, Inc., having been designated to act as statutory agent for **Fire Rock Ridge Property Owners Association, Inc.** hereby consents to act in that capacity until a change or resignation is submitted in accordance with the Arizona Revised Statutes.

**THE PRENTICE-HALL CORPORATION SYSTEM, INC.**

By: Howard L. Volz  
Howard L. Volz, Assistant Vice President