

**ARTICLES OF INCORPORATION
OF
CIRCLE G RANCHES 4 HOMEOWNERS ASSOCIATION**

In compliance with the requirements of Arizona Revised Statutes, Section 10-451, the undersigned, all of whom are residents of Maricopa County, Arizona, and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

**ARTICLE I
DEFINITIONS**

The words and terms used herein shall be deemed to have the same meanings as are given those words and terms in the Declaration of Covenants, Conditions and Restrictions Circle G Ranches 4, Unit 1, herein referred to as the "Declaration", which is of record in the Office of the County Recorder of Maricopa County, Arizona in Docket 13290, page 688 as the same has been and may be supplemented or amended from time to time.

**ARTICLE II
NAME**

The name of the corporation is CIRCLE G RANCHES 4 HOMEOWNERS ASSOCIATION, herein referred to as the "Association". *OK wd*

ARTICLE III
PURPOSES

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 the maintenance, preservation and architectural control of the Lots and Common Area within that certain property included within the Declaration, as previously supplemented and as it may be further supplemented or amended from time to time, which property is herein collectively referred to as "CIRCLE G RANCHES 4", and to promote the health, safety and welfare of the residents within the above described property and any supplements or additions thereto as may hereafter be brought within the jurisdiction of this Association, and for these purposes 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 said Declaration and all supplements thereto being incorporated herein as if set forth at length;
- (b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration.
- (c) to pay all expenses in connection with the foregoing 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;
- (d) 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;
- (e) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (f) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be

agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(g) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any merger or consolidation shall have the assent of two-thirds (2/3) of each class of members;

(h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Arizona by law may now or hereafter have or exercise.

ARTICLE IV

INITIAL BUSINESS

The Association initially intends to conduct the business of a non-profit homeowners association. ✓

ARTICLE V

MEMBERSHIP

Every person or entity who is a record Owner of any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VI
VOTING RIGHTS

The Association shall have three classes of voting memberships:

Class A: Class A members shall be all Owners of Lots within Circle G Ranches 4 as may be so designated in the Declaration or any Supplemental Declaration, with the exception of Declarant. Class A members shall be entitled to one vote for each Lot owned.

Class b: The Class B members shall be such Owners of Lots within Circle G Ranches 4 as may be so designated in a Supplemental Declaration, with the exception of Declarant. Class B members shall be entitled to one vote for each Lot owned. The Class B members shall, in addition, be entitled to such other rights and obligated by such other restrictions as may be specifically set out in any Supplemental Declaration.

Class C: The Class C member shall be the Declarant and shall be entitled to three votes for each Lot owned. The Class C membership shall cease and be converted into Class A and Class B memberships as appropriate, on the happening of either of the following events, whichever first occurs:

- a) When the total combined votes outstanding of the Class A and Class B members equal the total votes outstanding in the Class C membership or;
- b) On January 1, 1984

The vote for each such Lot must be cast as a unit, and factional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one

vote is cast for a particular Lot, none of said votes shall be counted as said votes shall be deemed void.

In any election of the members of the Board, every Owner entitled to vote at such an election shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of Lots owned by the Owner multiplied by the number of Directors to be elected. The candidates receiving the highest number of votes, up to the number of the Board members to be elected, shall be deemed elected.

In the event any Owner shall be in arrears in the payment of any amounts due under any of the provisions of any recorded Declaration of Restrictions, or shall be in default in the performance of or in breach of any of the terms of any such recorded Declaration of Restrictions, said Owner's right to vote as a member of the Association and right to use of the recreational facilities shall be suspended and shall remain suspended until all payments are brought current and all defaults and breaches remedied.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of the corporation shall be managed by a board of nine (9) directors who need not be members of the Association. The election of the initial board of directors occurred at 1455 E. University Drive, Mesa, Arizona on March 20, 1979 at 10:00 a.m. and the name and address of each person who was elected to serve until the first annual meeting of members or until his successor is elected and qualifies and the duration of his term are:

Name and Address

Darryl L. Agnew
2201 S. McClintock
Tempe, Arizona 85282

Year of Expiration

1980

Lyle Carnal 2201 South McLintock Tempe, Arizona 85224	1980
John Dekle Nelson 959 E. Carver Tempe, Arizona 85284	1980
Michael W. Larson 712 W. Gail Drive Chandler, Arizona 85284	1981
James M. Hold 610 W. Broadway, Suite 110 Tempe, Arizona 85281	1981
Henry Lee Freeman 4219 E. Indian School Road Phoenix, Arizona 85018	1981
T. Dennis Barney / 1445 E. University Drive Mesa, Arizona 85203	1982
/ William R. Olsen 1550 E. University Drive Mesa, Arizona 85203	1982
/ Gerald J. Ricke / 1550 E. University Drive Mesa, Arizona 85203	1982

The members shall elect three (3) directors each for a term of three (3) years at each annual meeting, which shall be held on the second Tuesday in the month of February, beginning in 1980. The time for holding the annual meeting of the members may be altered as provided in the bylaws.

ARTICLE VIII

STATUTORY AGENT

The name and address of the initial statutory agent of the Association is Richard Roberts, 829 E. University Drive, Mesa, Arizona, 85203.

ARTICLE IX

INCORPORATORS

The name and address of each incorporator is:

T. Dennis Barney
1455 E. University Drive
Mesa, Arizona 85203

William R. Olsen
1550 E. University Drive
Mesa, Arizona 85203

Gerald J. Riche
1550 E. University Drive
Mesa, Arizona 85203

ARTICLE X

INDEMNITY

Subject to the further provisions hereof, the corporation shall indemnify any and all of its directors, officers, former directors and former officers, against all expense incurred by them and each of them, including but not limited to legal fees, judgments and penalties which may be incurred, rendered or levied in any legal action brought against any of them for or on account of any action or omission alleged to have been committed while acting within the scope of employment as director or officer of the corporation. Whenever any director, officer, former director or former officer shall report to the President of the corporation or the Chairman of the Board of Directors that he has incurred or may incur expenses, including but not limited to legal fees, judgments and penalties in a legal action brought or about to be brought against him for or on account of any action or omission alleged to have been committed by him while acting within the

scope of his employment as a director or officer of the corporation, the Board of Directors shall, at its next regular or at a special meeting held within a reasonable time thereafter, determine in good faith whether, in regard to the matter involved in the action or contemplated action, such person acted, failed to act, or refused to act wilfully, with gross negligence or with fraudulent or criminal intent. If the Board of Directors determines in good faith that such person did not act, failed to act, or refused to act wilfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action or contemplated action, indemnification shall be mandatory and shall be automatically extended as specified herein, and as provided for in A.R. S. 10-005, provided, however, that no such indemnification shall be available with respect to liabilities under the Securities Act of 1933, and provided further, that the corporation shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the corporation, at its own expense and through counsel of its own choosing, to defend him in the action.

ARTICLE XI

DISSOLUTION

The Association may be dissolved with assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII
AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five per cent (75%) of the entire membership.

ARTICLE XIII
INTERPRETATION

In the event any provision hereof is inconsistent with or in derogation of the Declaration, the provisions of the Declaration shall be deemed to control.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of Arizona, we the undersigned, constituting the incorporators of this Association have executed these Articles of Incorporation this 10th day of April, 1979.

T. Dennis Barney
T. Dennis Barney

William R. Olsen
William R. Olsen

Gerald J. Riche
Gerald J. Riche

In witness whereof, I hereunto set my hand and official seal this 10th day of April, 1979.

Richard J. Roberts

Notary Public

My commission expires:

Aug 6, 1982

A. C. C. - INCORPORATING DIV.
RECEIVED

MAY 10 1979

DOCUMENTS ARE SUBJECT
TO REVIEW BEFORE FILING.

122883

ARIZONA CORPORATION COMMISSION
INCORPORATING DIVISION

FILED

MAY 21 1979

At 2:40 p.m. at request of
Harold E. Roberts

Address 629 E. University
Phoenix, Arizona 85021

By J. C. Anderson SECRETARY

J. C. Anderson
P. # 9438

J.d.
12-31

ARIZONA CORPORATION COMMISSION
INCORPORATING DIVISION

Phoenix Address: 2222 West Encanto Blvd.
Phoenix, Arizona 85009

Tucson Address: 415 West Congress Street
Tucson, Arizona 85701

CERTIFICATE OF DISCLOSURE
A.R.S. Sections 10-128 & 10-128.01

CIRCLE G RANCHES 4 HOMEOWNERS ASSOCIATION
EXACT CORPORATE NAME

Check Appropriate Box(es) "A", "B", or "C"

THE UNDERSIGNED CERTIFY THAT:

A

No person serving either by election 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, theft by false pretenses, or restraining of trade or monopoly 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, or other deceptive practices, 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 the securities laws of that jurisdiction; or

- (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 laws of trade laws of that jurisdiction.

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

1. Full name and prior names 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, the date and location, the court and public agency involved and the file or cause number of the case.

C

No person (a) serving 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, has 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 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. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, the court or agency involved, and the file or cause number of the case.

Under penalties of law, the undersigned 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 T. Thomas Sperry
TITLE: Incorporator

DATE: 5-2-79

BY Donald Fisher
TITLE: Secretary

DATE: 5-2-79

BY William K. O'Leary
TITLE: INCORPORATOR