

ARTICLES OF INCORPORATION

OF

GOLDFIELD PROPERTY OWNERS ASSOCIATION

Extra copy
SECRETARY COMMISSION
FOR THE STATE OF AZ.
FILED

OCT 20 1 49 PM '84

APPROVED _____
DATE APPROVED 10/18/84
TERMS _____
DATE _____ 169967

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, for purposes of forming a nonprofit, tax exempt corporation under the laws of the State of Arizona and the Internal Revenue Service Code of 1954, as amended, do hereby associate ourselves together and adopt Articles of Incorporation and certify:

ARTICLE I

The name of the corporation is GOLDFIELD PROPERTY OWNERS ASSOCIATION.

ARTICLE II

The purpose for which this corporation is organized is the transaction of any or all lawful business for which nonprofit corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE III

The corporation shall provide for maintenance of the roads and related facilities devoted to access purposes in Goldfield Phases I-V, County of Maricopa, Arizona, and any other roads which may be annexed during the two (2) year period from the recordation of the plat of Phase V.

The corporation shall levy annual assessments to be used for maintenance and special assessments for capital improvements as more fully set forth in the corporation's Bylaws. The corporation may also borrow money for the purpose of improving the roads.

ARTICLE IV

Notwithstanding the corporation's endeavor to conform as nearly as possible to the Articles of Incorporation of corporations in general as provided for under Arizona law for nonprofit corporations, only such powers shall be exercised as are in furtherance of the tax exempt purposes of the corporation and as may be exercised by an organization exempt under the provisions of Section 501(c) of the Internal Revenue Code of 1954, as amended, and its regulations issued pursuant thereto and any Treasury rulings as they now exist or as may hereinafter be

amended, applicable to tax exempt property owners' associations, including, specifically, the provisions of Section 2001, Tax Reform Act of 1976.

No part of the net earnings of the corporation shall inure to the benefit of any member, director, or officer of the corporation, or any private individual, and no member, director or officer of the corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution.

ARTICLE V

This corporation shall issue no capital stock. Every person or entity who is an owner of a fee or undivided fee interest in, or a contract purchaser of any parcel in the Goldfield, Phase I-V subdivisions, as per plats thereof recorded March 9, 1977 in Book 188 of Maps at page 24 (Phase I), August 18, 1977 in Book 192 of Maps at page 18 (Phase II), December 30, 1977 in Book 195 of Maps at page 23 (Phase III) December 30, 1977 in Book 195 of Maps at page 24 (Phase IV) and March 22, 1978 in Book 197 of Maps at page 39 (Phase V), all in the records of Maricopa County, Arizona, shall be a member of this corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Members shall be entitled to one (1) vote for each Goldfield parcel as shown on the recorded plats for Phases I, II, III, IV and V in which they hold the interest required for membership as set forth in this Article. When more than one person holds such interest or interests in any such parcel, all persons shall be members, and the vote for such parcel shall be exercised as they themselves determine, but in no event shall more than one vote be cast with respect to any such Goldfield parcel as shown on the recorded plats for Phase I-V.

ARTICLE VI

The affairs of the corporation shall be conducted by a Board of Directors consisting of three (3) members, and said Board of Directors shall annually elect a Chairman of the Board, President, Vice President, Secretary and Treasurer, and such other officers as the Board of Directors may determine necessary. The Board of Directors shall be elected at the time and in the manner prescribed by the Bylaws of the corporation. Until the first election of directors, and until their successors are elected and have qualified, the following persons shall serve as directors of this corporation, to-wit:

William M. Fisher
16838 E. Palisades Blvd.
Fountain Hills, AZ 85268

Joseph P. Ralston
1609 Palmcroft Way, S.W.
Phoenix, AZ 85007

David Dawkins
11883 Saguaro Blvd.
Fountain Hills, AZ 85268

ARTICLE VII

This corporation shall be a nonprofit corporation, and shall not issue stock, and no dividends or pecuniary profits shall be declared or paid out of the earnings or capital to the members, directors, officers thereof, or to any other individual. The payment of reasonable compensation for services rendered shall not be deemed to be a distribution of income or capital.

ARTICLE VIII

The private property of the members, officers and directors of the corporation shall be forever exempt from the debts and obligations of the corporation.

ARTICLE IX

The highest amount of indebtedness or liability to which the corporation may at any time subject itself shall not exceed the maximum amount authorized by law.

ARTICLE X

This corporation shall indemnify any and all of the directors or former directors of the corporation, their personal representatives and heirs, and the Board of Directors may in its sole discretion determine to indemnify any and all of the officers and employees, or former officers and employees, of the corporation, their personal representatives and heirs, against expenses incurred by them, or judgments or penalties rendered or levied against any such person, in a legal action (whether civil, criminal, administrative or other) brought against any such person for acts or omissions alleged to have been committed by any such person while acting within the scope of his or her employment as a director, officer or employee of this corporation; provided that in all cases the Board of Directors shall determine in good faith that such person did not act, fail to act, or refuse to act wilfully or with gross negligence or with fraudulent or criminal intent with regard to the matter involved in the action. If such person is both a director and an officer, he shall be entitled to indemnity as a matter of right only if the alleged actions or omissions pertain to his position as a director or as both a director and an officer, but if as an officer alone, then he shall be entitled to indemnity only if the Board of Directors shall so determine. The term "expenses" as used herein shall include all obligations incurred by such person for the payment of money, including without limitation, legal fees and amounts paid in settlement of any such action. A

judgment or conviction (whether based on a plea of guilty or nolo cotendere or its equivalent, or after trial) shall not be conclusive as to whether the person against whom judgment is rendered acted, or failed to act, or refused to act, wilfully or with gross negligence or with fraudulent or criminal intent with regard to the matter involved in the action. Any determination with respect to indemnity shall be made by resolution adopted by a majority of a quorum of the Board of Directors, excluding from such majority and quorum any directors who have incurred expenses, judgments or penalties in connection with such action; and if there is no quorum of directors who are not so excluded then by resolution adopted by a majority of a committee of non-excluded directors, and/or members, appointed by the Board of Directors (all directors being eligible to participate in such appointment). The right of indemnification as provided in these Articles shall not be exclusive of any other right which such directors, officers and employees of the corporation, and the other persons above mentioned, may have or hereafter acquire.

ARTICLE XI

Notwithstanding the fact that the corporation will not own fee title to the roads, the corporation's Board of Directors shall have the power and authority, at any time, to dedicate the roads to Maricopa County or similar governmental agency or entity, for maintenance purposes, and upon official acceptance by such governmental body of the maintenance responsibilities for the roads, the corporation shall cease levying assessments and shall dissolve and wind up its affairs.

ARTICLE XII

Upon dissolution of the corporation, or the winding up of its affairs, the assets of the corporation shall be distributed exclusively to charitable, religious, scientific, literary or educational organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954, as amended; and Regulations applicable thereto, as they are now existing or as they may be hereafter amended.

ARTICLE XIII

These Articles of Incorporation may be amended only by the affirmative vote of a majority of the Board of Directors at a meeting called for that purpose.

ARTICLE XIV

The incorporators of this corporation are:

Harriet F. Cooper
10880 Wilshire Blvd.
Suite 1600
Los Angeles, CA 90024

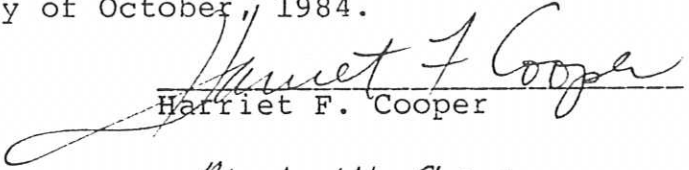
Catherine Culver
10880 Wilshire Blvd.
Suite 1600
Los Angeles, CA 90024

Mark W. Allshouse
10880 Wilshire Blvd.
Suite 1600
Los Angeles, CA 90024

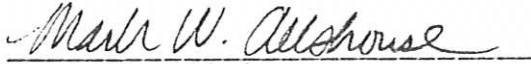
ARTICLE XV

The name and address of the initial statutory agent of the corporation is William M. Fisher, 16838 E. Palisades Blvd., Fountain Hills, AZ 85268.


IN WITNESS WHEREOF, we, the undersigned, have hereunto signed our names this 12th day of October, 1984.



Harriet F. Cooper



Mark W. Allshouse



Catherine Culver

