

ARTICLES OF INCORPORATION

OF

PINEWOOD PROPERTY OWNERS' ASSOCIATION

A nonprofit corporation

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have voluntarily associated ourselves together for the purposes of forming a nonprofit corporation under the laws of the state of Arizona, and for that purpose do hereby adopt articles of incorporation as follows:

ARTICLE I

(1) The names, residences and post office addresses of the incorporators are:

<u>Names</u>	<u>Residences</u>	<u>Post Office Addresses</u>
J. P. Donohue	Phoenix, Arizona	2222 Black Canyon Highway Phoenix, Arizona
L. D. Beck	Phoenix, Arizona	5509 North Central Phoenix, Arizona
E. V. O'Malley, Jr.	Phoenix, Arizona	Box 3558 Phoenix, Arizona
L. L. Oakes	Palm Springs, California	Box Y, Palm Springs California
Norman H. Hanson	Phoenix Arizona	2310 West McDowell Phoenix, Arizona
W. E. Homes, Jr.	Phoenix, Arizona	Box 7295 Phoenix, Arizona
Joseph S. Lentz	Phoenix, Arizona	7040 North Central Phoenix, Arizona
J. E. Dudding	Chandler, Arizona	Box 247 Chandler, Arizona

(2) The name of this corporation shall be PINEWOOD PROPERTY OWNERS' ASSOCIATION.

- (3) The corporation's office and principal place of business shall be in Munds Park, Coconino County, state of Arizona. Branch offices may be established and the business of the corporation may be transacted at any other place or places, either within or without the state of Arizona, that the board of directors may designate.

## ARTICLE II

Said organization is organized exclusively for charitable, religious, purposes, including, or such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

## ARTICLE III

This corporation shall have no capital stock. This corporation is organized for purposes other than profit. Any person owning land in or in the vicinity of the said Munds Park/Pinewood development shall have the right to become a member of this corporation and thereafter complying with the articles and bylaws of the corporation. Members admitted after incorporation shall have equal rights and shall be subject to equal responsibilities as those of all other members. The bylaws of the corporation shall provide for the expulsion and suspension of members for misconduct, and for the restoration to membership; for contracting, securing, paying and limiting the amount of the indebtedness of the corporation, and shall prescribe such other regulations consistent with the objects of this corporation as shall be lawful, and shall not be for the purpose of the pecuniary profit of the members hereof.

### Activities and Earnings

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons except for scholarships and awards for civic accomplishments. The corporation shall be authorized and empowered to pay reasonable compensation for services

rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements,) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the corporation shall not carry on any other purposes not permitted to be carried on: (a) by a corporation exempt from Federal Income Tax under Section 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or: (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code or the corresponding section of any future federal tax code.

ARTICLE IV

(1) The affairs of the corporation shall be conducted by a board of directors consisting of not less than three, nor more than twenty-five, and by such officers as the board of directors may elect or appoint. The following named persons, who were elected as such at a meeting held on May 15, 1962 at the Executive House in the City of Scottsdale, Maricopa County, Arizona, shall constitute the board of directors until their successors are elected and have qualified:

J. P. Donohue	L. D. Beck
E. V. O'Malley, Jr.	L. L. Oakes
Norman H. Hanson	W. E. Homes, Jr.
Joseph S. Lentz	J. E. Dudding

Thereafter, the board of directors shall be elected from among the members of the corporation at the regular board meeting in September. Of the Directors elected at the meeting held for that purpose in 1976, one-third (1/3) shall be elected for a term of three (3) years, one-third (1/3) shall be elected for a term of two (2) years, and one-third (1/3) shall be elected for a term of one (1) year. Thereafter, each Director shall be elected for a three (3) year term, unless elected to fill a vacancy,

in which event he shall be elected to serve for the unexpired term of such vacancy.

(2) The names of the officers to have charge of the corporate affairs until otherwise provided by the board of directors shall be: President, Vice President, Secretary and Treasurer, all of which officers shall be elected by the board of directors. One person may hold the offices of secretary and treasurer.

(3) The board of directors shall adopt bylaws for the corporation, and said bylaws may be amended or repealed as provided therein.

(4) The board of directors shall have the power to sell, convey, mortgage, lease, and otherwise dispose of all of the property of the corporation, either for cash or in exchange for other property, on such terms and conditions as they may deem proper; provided that the board of directors shall not have the power to mortgage, sell, assign, transfer, convey or otherwise dispose of the whole or substantially the whole of the property, assets, effects, franchises and goodwill of the corporation, except with the consent in writing or pursuant to the vote of seventy per cent (70%) of the members in good standing.

(5) Any vacancies in the board of directors, including vacancies created by increase in the number of directors, shall be filled as provided in the bylaws.

#### ARTICLE V

Each director and each officer of the corporation, and each person who shall serve at the request of the corporation as a director or officer of another corporation in which the corporation owns shares of capital stock or of which it is a creditor, including in each instance a former director or officer and the heirs, legatees, devisees and personal representatives of a deceased director or officer, shall be indemnified by the corporation against expenses (including attorney's fees and, to the extent permitted by law, any amount paid in settlement) actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding (including any appeal therein) in which they or any of them were made parties, or a party, by reason of being or having been directors or officers, or a director or officer of the corporation or of any such other

corporation, except in relation to matters as to which any such director or officer or former director or officer shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his duties as such director or officer. The foregoing right of indemnification shall not be deemed to be exclusive of any other rights to which those indemnified may be entitled as a matter of law or under any bylaw, agreement, vote of members, or otherwise, and shall be in addition to such compensation for services rendered and reimbursement for expenses incurred as shall be determined from time to time by the board of directors of the corporation.

#### ARTICLE VI

The members of the corporation and their private property shall be exempt from all liability for corporate debts.

#### ARTICLE VII

The corporation shall commence when these articles are filed for record in the office of the Corporation Commission of the State of Arizona, and a certified copy thereof recorded in the office of the County Recorder of Maricopa County, State of Arizona, and a certificate of incorporation issued to the corporation by said Corporation Commission; and the existence of the corporation shall be perpetual and continuing without the necessity of renewal.

#### ARTICLE VIII

Rouland W. Hill, having been a bona fide resident of Phoenix, Arizona, for the last three years, is hereby appointed and made the lawful agent for and in behalf of this corporation in and for the State of Arizona, to accept and acknowledge service of, and upon whom may be served, all necessary process or processes in any action, suit or proceeding that may be had or brought against the said corporation in any of the courts of said State of Arizona; such service of process or notice of the acceptance thereof by him endorsed thereon to have the same force and effect as if served upon the president and secretary of the

company. This appointment may be revoked at any time by filing the appointment of another agent.

#### ARTICLE IX

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

#### ARTICLE X

No director of the corporation shall be personally liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director; provided, however, that this Article X shall not eliminate or limit the liability of a director for (i) any breach of the director's duty of loyalty to the corporation or its members; (ii) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; (iii) any violation of Arizona Revised Statutes Section 10-2323 to 10-2327 prohibition against issuance of stock and payment of dividends; (iv) any transaction from which the director derived an improper personal benefit; or (v) any violation of Arizona Revised Statutes Section 10-2471 to 10-2488 director conflict of interest. For purposes of this Article X, the term "director" includes a trustee and a person who serves on the board or council of the corporation in an advisory capacity.

(NOTE: This version includes all the amendments made in 1972, 1973, 1976, 1987, 1990, 2008, 2010, 2012, 2015 and 2016.)