AZ. CORP. COMMISSION
FOR THE STATE OF AZ
MAR 27 2 36 PM '86
Paula Lewis
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# ARTICLES OF INCORPORATION
# OF
# VISTOSO HILLS
# HOMEOWNERS' ASSOCIATION, INC.

**KNOW ALL MEN BY THESE PRESENTS:**

That the undersigned incorporators, whose mailing addresses appear beneath their respective names, have this day associated themselves for the purpose of forming a non-profit corporation under the laws of the State of Arizona and do hereby adopt the following Articles of Incorporation.

## ARTICLE I

The name of this corporation is and shall be VISTOSO HILLS HOMEOWNERS' ASSOCIATION, INC.

## ARTICLE II

The initial place of business for this corporation shall be 6700 N. Oracle Rd. #505, Tucson, Arizona, 85704, but it may establish other principal places of business and other offices at such other places as the Board of Directors may from time to time determine.

## ARTICLE III

This corporation is organized and it shall be operated as a non-profit corporation solely and exclusively for the purpose of administering and enforcing the Vistoso Hills Covenants, Conditions, Restrictions and Easements, (hereafter, the "C.C.&R.s) maintaining, for the benefit of the community, all common areas and other areas designated in said C.C.&R.s and performing all duties of the Association as defined in said C.C.&R.s. Consistent with said purpose and subject to all other limitations, restrictions and prohibitions set forth in these Articles, this corporation shall have all powers specified in A.R.S. Section 10-1005A, as amended from time to time, and to do everything necessary, suitable and proper for the accomplishment of the purposes set forth above, either alone or in association with other individuals, corporations or partnerships, including local, state or federal governmental bodies and authorities. Notwithstanding the above, the corporation shall not do any act or transact any business or transaction that will jeopardize the tax exempt status of the corporation under Section 501(c)(3) of the Internal Revenue Code and its regulations as such Section and regulations now exist or may hereafter be amended or under corresponding laws and regulations hereafter adopted.

## ARTICLE IV

The corporation shall be operated in such a manner as to prevent it from being a private foundation as defined in Section 509 of the Internal Revenue Code and its regulations as such Section and regulations now exist or may hereafter be amended or under corresponding laws and regulations hereafter adopted.

## ARTICLE V

The time for commencement of this corporation shall be the date of filing of these Articles of Incorporation as required by law, and the term of its existence shall be perpetual.

## ARTICLE VI

This corporation shall be a non-profit corporation and shall have no stock, and no dividends or pecuniary profits shall be declared or paid to the directors hereof or to any other private individual. All the earnings and property of the corporation shall be used to further the purposes and objects of the corporation as set froth in ARTICLE III, above. Nothing contained herein however shall prohibit payments by the corporation to directors or members as reasonable compensation for services rendered to the corporation.

## ARTICLE VII

The directors, officers and members of the corporation shall not be individually liable for the corporation's debts or other liabilities. The private property of such individuals shall be exempt from any corporate debts or liabilities. A director of the corporation shall not be personally liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director except for liability (i) for any breach of the director's duty of loyalty to the corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 10-1026 or Section 10-1097 of the Arizona Revised Statutes, or (iv) for any transaction from which the director derived any improper personal benefit. If the Arizona Revised Statutes are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Arizona Revised Statutes, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

## ARTICLE VIII

The control and management of the affairs of the corporation shall be vested in a Board of Directors of not less than three (3),

nor more than five (5) persons. The names of those selected to serve as directors, beginning with the incorporation of this corporation and until the first annual meeting of the corporation or until their successors shall be elected and qualified are:

1. Steven J. Solomon
2. Robert T. McClure
3. Valerie Solomon

The above Directors were elected at a meeting held at 6700 N. Oracle Rd. #505, Tucson, Arizona, on March 1, 1996. The By-Laws of the corporation shall prescribe the terms of office and manner of election of directors.

## ARTICLE IX

The Board of Directors shall have the power to provide in the By-Laws of the corporation that the corporation shall or shall not have a membership. If a membership is so provided for, the qualifications of the members, their manner of selection, any classes of membership and the rights, duties and voting privileges of members shall be established in the By-Laws of the corporation.

## ARTICLE X

No person shall possess any property right in or to the property or assets of the corporation. Upon dissolution of the corporation as provided in the By-Laws, all assets remaining after payment of any/all outstanding liabilities shall be used to improve, repair or maintain the common areas of the Vistoso Hills subdivision.

## ARTICLE XI

These Articles of Incorporation may be amended as provided in the By-Laws of the corporation or as allowed by the Arizona Revised Statutes.

## ARTICLE XII

The corporation hereby appoints Steven J. Solomon, 6700 N. Oracle Rd. #505, Tucson, Arizona, 85704 as its initial statutory agent. All notices and processes, including service of summons, may be served upon said statutory agent and, when so served, shall be lawful, personal service upon this corporation. The Board of Directors may, at any time, appoint another agent for such purpose, and the filing of such other appointment shall revoke this or any other previous appointment of such agent.

IN WITNESS WHEREOF, we, the undersigned incorporators, have hereunto signed our names this 27th day of March, 96.

Steven J. Solomon

Robert T. McClure

Valerie Solomon

STATE OF ARIZONA }
}
County of Pima }

On this, the 27th day of March, 1996, before me, a notary public, personally appeared Steven J. Solomon, Robert T. McClure and Valerie Solomon, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation and acknowledged that they executed the same as incorporators for the purposes therein contained.

Notary Public

My Commission Expires:
12/15/96

OFFICIAL SEAL
L. QUIGLEY
NOTARY PUBLIC-ARIZONA
PIMA COUNTY
My Comm. Expires Dec. 15, 1996

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

I, Steven J. Solomon, do hereby accept the appointment as statutory agent for Vistoso Hills Homeowners' Association, Inc., and agree to serve in that capacity until replaced by the corporation or until I resign, in which event I agree to file an appropriate resignation with the Arizona Corporation Commission.

DATED: 3/27/96

Steven J. Solomon