

ARTICLE OF INCORPORATION OF  
SONESTA ESTATES OWNERS ASSOCIATION, INC. 17 12 07 PM '95

APPR  
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TERM

*Patricia M. Heidman*  
11-17-95

The undersigned, as incorporators, for the purpose of forming a nonprofit corporation (the "Corporation") under the laws of the State of Arizona, hereby adopt the following Articles of Incorporation:

076 2322-7

ARTICLE I

Name

The name of the corporation is Sonesta Estates Owners Association, Inc.

ARTICLE II

Definitions

The capitalized terms used in these Articles of Incorporation without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions of Sonesta Estates recorded in the official records of Maricopa County, Arizona, as instrument # 95-687522. As used in these Articles of Incorporation, the term "Additional Declaration" shall mean any declaration of covenants, conditions or restrictions, as amended from time to time, executed by declarant that makes reference to these Articles of Incorporation and makes membership in the Corporation an incident of ownership of any part of the real property described therein.

ARTICLE III

Duration

The Corporation shall exist perpetually.

## ARTICLE IV

### Purposes

The object and purpose for which the Corporation is organized is to provide for the management, maintenance and care of the Common Areas, of other property owned by the Corporation and of property placed under the jurisdiction of the Corporation and to perform all duties and exercise all rights imposed upon, granted to or permitted to the Corporation by these Articles of Incorporation or by the Declaration, any Tract Declaration or any Additional Declaration.

In general, the Corporation shall do and perform such acts and transact such business in connection with the foregoing objects and purposes as may be necessary, required or appropriate, and to transact any and all lawful business for which nonprofit corporations may be incorporated under the laws of the State of Arizona.

## ARTICLE V

### Character of Affairs

The Character of Affairs that the Corporation initially intends actually to conduct in Arizona is the fulfillment of all of the Corporation's duties and responsibilities and the exercise of all of the Corporation's rights, powers and prerogatives under the Declaration.

## ARTICLE VI

### Membership; Voting Rights; Declarant Control

As provided in the Declaration, each owner including Declarant, shall be a member of the Corporation so long as such Owner shall be an Owner. Each Owner shall have one Membership for each Lot owned by the Owner. A Membership in the Corporation shall not be transferred, pledged or alienated in any way, except upon transfer of the Lot to which it appertains to a New Owner. A Membership shall automatically be transferred to the New Owner upon the transfer of the Lot to which the Membership appertains (and then only to such Transferee), whether the Lot is transferred by sale, intestate succession, testamentary disposition, foreclosure of a lien or other legal process.

~~Subject to Declarant's right to ten votes for each Membership held by Declarant from and after the creation of the Corporation, or such other date as Declarant ceases to control the~~

Corporation, and as provided in the Declaration, the Voting Rights of the Owners shall be as follows:

Each Membership shall be entitled to one vote. In the event that more than one person or entity constitutes the Owner of a Lot, all such persons and/or entities shall be deemed to be Members of the Association, but they collectively shall hold only a single Membership. The voting for such Lot shall be as they determine among themselves, but in no event shall the vote be split or more than one vote cast with respect to any such Membership. If such persons and/or entities are unable to agree on how their single vote is to be cast, their vote shall not be counted.

The Corporation is not organized for the purpose of gaining pecuniary profit and shall not have or issue shares of stock. No dividend may be paid and no part of the income or profit of the Corporation may be distributed to its members, directors or officers in violation of Arizona Nonprofit Corporation Law. No part of the net earnings of the Corporation shall inure to the benefit of any member or individual, other than by the Corporation acquiring, constructing or providing management, maintenance and care of Corporation property and other than by any rebate of excess membership dues, fees and assessments.

## ARTICLE VII

### Statutory Agent

FC Service Corporation, an Arizona corporation, whose address is Two North Central, Suite 2200, Phoenix, Arizona 85004-2390, is hereby appointed the initial statutory agent for the Corporation.

## ARTICLE VIII

### Board of Directors and Officers

The business, property and affairs of the Corporation shall be managed, controlled and conducted by the Board. The number of directors, who shall serve without compensation, shall be not less than three (3) nor more than nine (9), as shall be specified in the By-laws. The initial Board shall consist of three directors, all of whom shall be appointed by Declarant. Except for directors nominated by Declarant, each director shall be a member or the spouse of a member. If a director shall cease to meet such qualifications during his term, he will thereupon cease to be a director and his place on the Board shall be deemed vacant. A director shall serve his term until he resigns or is removed and his successor is

elected and qualified. All directors shall serve two-year terms. The following individuals shall serve as directors until their successors are elected and qualified:

Steven S. Robson  
9532 E. Riggs Road  
Sun Lakes, Arizona 85248-7411

Steven M. Soriano  
9532 E. Riggs Road  
Sun Lakes, Arizona 85248-7411

Jesse A. Flores  
9532 E. Riggs Road  
Sun Lakes, Arizona 85248-7411

The Board shall have the power to adopt and amend by-laws. The by-laws shall prescribe, among other things, the date of the annual meeting of the members of the Corporation.

Unless otherwise required by these Articles, the Declaration or by Applicable Law, the acts of a majority of the directors present at a meeting at which a quorum is present shall constitute an act of the Board.

The principal officers of the Corporation shall be a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as the Board may desire. All officers of the Corporation shall be elected by the Board of Directors. The officers of the Corporation shall have those powers, duties and responsibilities provided in the by-laws.

## ARTICLE IX

### Incorporators

The names and addresses of the incorporators are:

Steven S. Robson  
9532 E. Riggs Road  
Sun Lakes, Arizona 85248-7411

Steven M. Soriano  
9532 E. Riggs Road  
Sun Lakes, Arizona 85248-7411

## ARTICLE X

### Private Property

The members, directors and officers of the Corporation shall not be individually or personally liable for the debts or other liabilities of the Corporation, and the Private Property of the members, directors and officers of the Corporation shall be forever exempt from corporate debts and liabilities of every kind whatsoever.

## ARTICLE XI

### Indemnification

To the fullest extent permitted by law, the Corporation shall indemnify each of its committee members, directors and officers, and former committee members, directors and officers, against expenses incurred by them, including legal fees incurred by and judgments and penalties rendered or levied against, each such person in any legal actions brought against each such person for acts or omissions alleged to have been committed by such person while acting within the scope of such person's authority as a committee member, director or officer of this Corporation, or exercising the powers of the Board.

## ARTICLE XII

### Limitation of Director Liability

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 shall not eliminate or limit the liability of a director for (a) any breach of the director's duty of loyalty to the Corporation or its members; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) any violation of Arizona Revised Statutes Section 10-1026; (d) any transaction from which the director derived an improper personal benefit; or (e) any violation of Arizona Revised Statutes Section 10-1097.

ARTICLE XIV

Known Place of Business

The known place of business of the Corporation shall be located at 9352 E. Riggs Road, Sun Lakes, Arizona 85248-7411. The Corporation may establish such other offices, both within and outside the State of Arizona, as the Board may from time to time designate.

ARTICLE XV

Amendments

These Articles of Incorporation may be amended only by the Board, after the Board has first adopted a resolution setting forth the proposed Amendment and directed that it be voted upon at the next ensuing meeting of the Board of Directors. These Articles of Incorporation shall not be amended so as to contain any provision which would be contrary to or inconsistent with the Declaration or any Tract or Additional Declaration, or any provision or purported amendment to these Articles of Incorporation which is contrary to or inconsistent with the Declaration or any Tract or Additional Declaration shall be void to the extent of such inconsistency.


ARTICLE XVI

Conflicts

In the event of any conflict or inconsistency between the Declaration and these Articles the Declaration shall govern and control.

IN WITNESS WHEREOF the undersigned incorporators have executed these Articles of Incorporation this 14 day of NOVEMBER, 1995.

INCORPORATORS

  
\_\_\_\_\_  
Steven S. Robson

  
\_\_\_\_\_  
Steve Soriano

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington  
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress  
Tucson, Arizona 85701-1347

CERTIFICATE OF DISCLOSURE  
A.R.S. Sections 10-128 & 10-1084

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

SONESTA ESTATES OWNERS ASSOCIATION, INC  
EXACT CORPORATE NAME

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 X

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

1. Name and address of the 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, 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 [Signature] DATE 11-13-95  
TITLE Steven S. Robson, Incorporator

BY [Signature] DATE 11/13/95  
TITLE Steven Soriano, Incorporator

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

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

ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four Incorporators, please attach remaining signatures on a separate sheet of paper.)

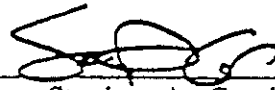
CONSENT TO ACT AS STATUTORY AGENT

FC Service Corporation, an Arizona corporation, hereby consents to act as initial statutory agent for Fonesta Estates Owners Association, Inc.

Dated this 13 day of November, 1995.

FC SERVICE CORPORATION,  
an Arizona corporation

By



Stephen A. Good  
Two N. Central Ave.  
Suite 2200  
Phoenix, AZ 85004



RESOLUTION  
OF  
THE BOARD OF DIRECTORS  
OF  
SONESTA ESTATES HOMEOWNERS ASSOCIATION

WHEREAS, the Board of Directors of Sonesta Estates Homeowners Association at a duly called meeting on May 27, 1999 approved a Resolution to amend Article 8 of the Articles of Incorporation.

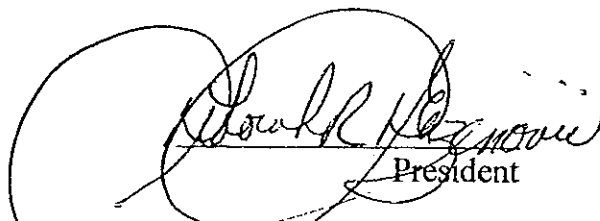
NOW THEREFORE LET IT BE RESOLVED: that the following be adapted by the association as amended.

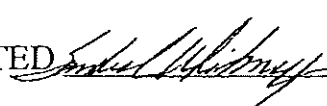
ARTICLE 8 TO INCLUDE:

The terms of the Board members shall be staggered as of April 20, 1999 with three (3) Board members to be a two (2) year Term and the two (2) remaining members to be a one (1) year term, until the next annual meeting at which time each subsequent Terms shall be two (2) years.

FURTHER RESOLVED: that this amendment take effect the date of the annual meeting in the year 1999.

This RESOLUTION is adopted this 10 day of June, 99 by a majority.

  
President  
Date 6-10-99

ATTESTED  Secretary of the Board

Date 6/10/99

