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AZ. DEPT. COMMISSION  
FOR THE STATE OF AZ.  
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131770-5 ARTICLES OF CONSOLIDATION OF APACHE WELLS  
RECREATION CENTER, INC. AND APACHE WELLS  
107564-0 RESIDENTS AND PROPERTY OWNERS, INC.

INTO  
APACHE WELLS HOMEOWNERS ASSOCIATION, INC.

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Pursuant to the provisions of A.R.S. 10-1039 et seq.,  
APACHE WELLS RECREATION CENTER, INC., an Arizona non-profit  
corporation and APACHE WELLS RESIDENTS AND PROPERTY OWNERS, INC.,  
an Arizona non-profit corporation hereby adopt the following  
Articles of Consolidation for the purpose of consolidating them  
into a new corporation, namely: APACHE WELLS HOMEOWNERS  
ASSOCIATION, INC.

A. The Plan of Consolidation was adopted on February 4,  
1987 in the manner set forth in A.R.S. 10-1040.

B. The following is the Plan of Consolidation as  
adopted:

1. APACHE WELLS RECREATION CENTER, INC. and APACHE WELLS  
RESIDENTS AND PROPERTY OWNERS, INC. propose the following plan of  
consolidation, to-wit:

2. The above corporations shall consolidate into a new  
non-profit corporation pursuant to Arizona law to be known as  
APACHE WELLS HOMEOWNERS ASSOCIATION, INC.

3. The proposed consolidation shall be approved by a

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resolution of the Board of Directors of both corporations and submission to the members of both corporations for approval at a special meeting called for such purpose. Notice of such meeting shall be in writing and shall set forth this plan or a summary thereof. Notice shall be given as provided by the Articles and By-Laws of each corporation or in the absence of provisions therein, pursuant to A.R.S. 10-1013.

4. At present, both of the above corporations engage in the same or similar functions and purposes. The general purpose of consolidation is to combine the functions and purposes into a single entity and thereby create a more efficient administration with resulting benefits to all members. The specific purposes and character of affairs of the new corporation are to operate as a non-profit corporation under the laws of the State of Arizona and to improve the social, ecological and property values of the Apache Wells community; to own, buy, sell, lease, rent, manage, repair or otherwise have property, both real and personal, for the use, benefit and mutual enjoyment of the property owners and/or residents of the Apache Wells community; to assess members when necessary to carry out the foregoing purposes, including but not limited to the acquisition of property and improvements to existing property; to enforce the collection of assessments by any legal means including liens on real property and to enforce the terms and conditions of any Declarations, Covenants and Conditions and Restrictions hereby duly recorded in Maricopa County, Arizona

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for the Apache Wells subdivisions or as may hereafter be agreed to by the new corporation and the lot owners thereof. The corporation is not organized for the purpose of gaining pecuniary profit. No part of the income or profit or net earnings of the corporation, if any, shall inure to the benefit of or be distributable to any member, director or officer nor to any other person or entity other than by acquiring, constructing, or providing management, maintenance and care of the property of this corporation and other than by a rebate of excess membership dues, fees or assessments. 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 provisions herein, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal Income Tax under the Internal Revenue Code of 1954 or the corresponding provision of any future Internal Revenue law. In addition to the foregoing, this corporation may conduct any or all lawful affairs for which non-profit corporations may be formed under the laws of the State of Arizona.

5. The principal place of business shall be at APACHE WELLS ADMINISTRATION BUILDING, 2209 North 56th Street, Mesa, Arizona 85205, but other places of businesses and offices may be

282031 0008

established and maintained within or without the State of Arizona at such places as the Board of Directors may designate.

6. The duration of the corporation shall be perpetual.

7. Membership in the corporation shall be defined in the By-Laws of the corporation and may include both regular and associate members.

8. STATUTORY AGENT. The name and address of the initial statutory agent of the corporation is WILLIAM H. BOETTCHER, 217 Luhrs Tower, 45 West Jefferson Street, Phoenix, Arizona 85003.

9. DIRECTORS. The number of directors of this corporation shall be fixed by the By-Laws and may be increased or decreased from time to time in the manner specified therein. The initial board of directors shall consist of 9 directors. The names and addresses of the persons who shall serve as directors until the first meeting of the members and until their successors are elected and qualify unless they resign or are removed are:

Winnie Balsukot  
2256 N. Middlecoff Dr.  
Mesa, AZ 85205

Roy B. Elson  
2371 Nicklaus Dr.  
Mesa, AZ 85205

Burl R. Place  
5764 Marlin  
Mesa, AZ 85205

Quentin A. Love  
2549 N. 56th St.  
Mesa, AZ 85205

Ralph W. Anderson  
2265 N. Lema Dr.  
Mesa, AZ 85205

Dean Erwin  
2409 Lema Drive  
Mesa, AZ 85205

Lyle Lindley  
5908 Leonora Street  
Mesa, AZ 85205

Robert McIntire  
5345 McDowell Road  
Mesa, AZ 85205

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Ross W. Neal  
2249 Lema Drive  
Mesa, AZ 85205

10. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities and debts of the corporation, transfer or convey the remaining assets of the corporation to such non-profit foundations, corporations, associations, societies or institutions selected by the Board of Directors in the manner as the Board of Directors shall direct.

11. The private property of the members, directors and officers is forever exempt from the debts and obligations of this corporation.

12. To the full extent permitted by Arizona law, each member, each director, each member of a corporation or director's committee, each agent, employee, incorporator, officer and the managing agent, if any shall be indemnified by the corporation against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of holding or having held such position, or any settlement thereof, whether or not he or she holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by insurance and except in such cases wherein such person is adjudged guilty of willful misfeasance in the performance of

his or her duties; provided, that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the corporation.

13. The corporation shall not lend money to or use its credit for the benefit of any director, officer or member.

14. The corporation shall comply with A.R.S. Title 10, Chapter 5, and these Articles. The Board of Directors shall adopt and approve by-laws which shall govern and define the activities of the corporation, but which shall not be contrary to State law or these Articles. The corporation shall have all powers set forth in A.R.S. 10-1005.

15. The names and addresses of the incorporators are:

Winnie Balsukot  
2256 N. Middlecoff Dr.  
Mesa, AZ 85205

Ralph W. Anderson  
2265 N. Lema Dr. ✓  
Mesa, AZ 85205

Roy B. Elson ✓  
2371 Nicklaus Dr.  
Mesa, AZ 85205

Dean Erwin ✓  
2409 Lema Drive  
Mesa, AZ 85205

Burl R. Place ✓  
5764 Marlin  
Mesa, AZ 85205

Lyle Lindley ✓  
5908 Leonora Street  
Mesa, AZ 85205

Quentin A. Love ✓  
2549 N. 56th St.  
Mesa, AZ 85205

Robert McIntire ✓  
5345 McDowell Road  
Mesa, AZ 85205

Ross W. Neal ✓  
2249 Lema Drive  
Mesa, AZ 85205

16. The Articles of Incorporation shall conform to the provisions of this plan but may contain additional provisions if

282031 0008

required by law or required to carry out the purposes of the consolidation.

17. On the date of consolidation, the separate existence of each corporation shall cease and they shall be consolidated into a single corporation, the consolidated corporation, in accordance with the provisions of this agreement; and all the rights, privileges, powers, and franchises of each of the constituent corporations, both of a public and private nature, all property, real, personal, and mixed of each of the constituent corporations, all debts due to each of the constituent corporations on any account, as well for stock subscriptions as all other things in action or belonging to each of the constituent corporations, and all and every other interest of the constituent corporations, shall vest in the consolidated corporation, without further act or deed or other transfer, as effectually as they were vested in the respective constituent corporations.

18. This plan may be abandoned prior to the filing of Articles of Consolidation with the Arizona Corporation Commission as follows:

- (a) By action of the board of directors of either constituent corporation at any time prior to its adoption by the members of each of the constituent corporations; or
- (b) By the mutual consent of the constituent

282031 0008

corporations, expressed by action of their respective boards of directors, at any time after the adoption of this agreement and prior to the effective date of the consolidation.

C. The foregoing plan was duly adopted by act of the members of each constituent corporation on February 4, 1987 by vote of the members at a special meeting called for such purpose and upon notice of said meeting pursuant to A.R.S. 10-1013 and the Articles and By-Laws of the constituent corporations. Prior thereto the board of directors of each corporation adopted a resolution approving said plan and directing that it be submitted to a vote of the members.

DATED this 11<sup>th</sup> day of February, 1987.

APACHE WELLS RECREATION  
CENTER, INC.

APACHE WELLS RESIDENTS AND  
PROPERTY OWNERS, INC.

By Jesse E. Neal  
President

By David Ennis  
President

ATTEST:

ATTEST:

Clarence H. Hexte  
Secretary

Barotting Gilman  
Secretary