

AZ CORPORATION COMMISSION  
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AZ Corp. Commission



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FEB 26 2007

When filed, return to:

FILE NO. -B47389-8

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## ARTICLES OF INCORPORATION

OF

## THE ALLISON UNIT OWNERS ASSOCIATION, INC.

In compliance with the requirements of the statutes of the State of Arizona pertaining to nonprofit corporations, A.R.S. § 10-2301, et seq., the undersigned, who is of legal age, has this day voluntarily associated for the purpose of forming a nonprofit corporation and does hereby certify:

## ARTICLE I

NAME: The name of the corporation is THE ALLISON UNIT OWNERS ASSOCIATION, INC., hereafter called the "Association."

## ARTICLE II

DURATION: The time of commencement of this corporation shall be the date upon which these Articles are filed with Arizona Corporation Commission and the duration shall be perpetual unless THE ALLISON UNIT OWNERS ASSOCIATION, INC. is dissolved.

## ARTICLE III

PURPOSE: The Association is organized as a nonprofit corporation under the Arizona Nonprofit Corporation Act. The object and purpose for which the Association is organized is to provide for the management, maintenance and care of the Common Elements including the Limited Common Elements and the preservation, architectural control and enforcement of covenants, conditions and restrictions on the real property described in the Declaration of Covenants, Conditions, Restrictions and Easements for Crystal Cove Condominiums, a condominium, recorded in the Records of the Maricopa County Recorder and to perform such other duties as are imposed upon the Association under the Condominium Documents, and to have and exercise any and all powers, rights and privileges which a corporation organized under the nonprofit corporation statutes of the State of Arizona may now or hereafter have or exercise.

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#### ARTICLE IV

**CHARACTER OF BUSINESS:** The character of the business that the Association intends to conduct in Arizona is to provide for the management maintenance and care of the Common Elements including the Limited Common Elements and the preservation, architectural control and enforcement of covenants, conditions and restrictions on the real property described in the Declaration of Covenants, Conditions, Restrictions and Easements for The Allison, a Luxury Condominium, to be recorded in the Records of the Maricopa County Recorder and under the Arizona Condominium Act A.R.S. § 33-1201 *et seq.*, and other areas and to perform such other duties as are imposed upon the Association under the Condominium Documents.

#### ARTICLE V

**STATUTORY AGENT:** The statutory agent is Michael Morrison, 14145 N. 92<sup>nd</sup> Street, Scottsdale, Arizona 85260, upon which all notices and processes, including service of summons, may be served. The Board may revoke the appointment of such agent at any time, and shall have the power to fill any vacancy.

#### ARTICLE VI

**PLACE OF BUSINESS:** The known place of business of the Association is 14145 N. 92<sup>nd</sup> Street, Scottsdale, AZ 85260.

#### ARTICLE VII

**MEMBERSHIP AND VOTING RIGHTS:** The corporation shall be a non-stock corporation and shall be owned by all of its Members. Membership shall be limited to persons or entities who are record owners of fee or undivided fee interests in any Unit which is subject to the Declaration (including, but not limited to, an Owner who acquires title by means of a sheriff's deed as a result of a mortgage foreclosure, a trustee's deed as a result of a non judicial foreclosure of a deed of trust, or a deed in lieu of foreclosure of any mortgage or deed of trust and including contract purchasers), including Declarant, shall be Members of the Association. A Member shall also be referred to herein as an "Owner." Membership shall be appurtenant to and may not be separated from ownership of any Unit, which is subject to assessment by the Association. An Owner's Membership in the corporation shall cease and terminate immediately upon the Owner's ceasing to be an Owner.

Each Unit Owner shall have such rights, privileges and votes in the Association as are set forth in the Condominium Declaration. The provisions of the Condominium Declaration with respect to membership in the Association and the voting rights of the Members are hereby incorporated by reference.

#### ARTICLE VIII

**INCORPORATORS AND DIRECTORS:** The number of directors constituting the initial Board of Directors shall be one (1). The name and address of the incorporators and initial directors of the Association who shall serve as director until he or she resigns, is removed or his or her successor is elected and qualified are as follows:

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| <u>NAME</u>      | <u>ADDRESS</u>                                |
|------------------|---|
| Michael Morrison | 14145 N. 92nd Street<br>Scottsdale, AZ, 85260 |

The number of directors may be changed from time to time by the Board of Directors, but the number of directors may not be less than one (1) nor more than five (5) and must be an odd number provided, however, that after the expiration of the Period of Declarant Control the number of directors shall not be less than three (3).

The Board of Directors shall conduct the affairs of the corporation. The Board shall adopt the initial Bylaws of the Association. The power to alter, amend or repeal the Bylaws is reserved to the Members, except that during the Period of Declarant Control, the Declarant, without the consent of any Unit Owner, may amend these Articles or the Bylaws in order to (i) comply with the Condominium Act or any other applicable law if the amendment does not adversely affect the rights of any Unit Owner, (ii) correct any error or inconsistency in the Bylaws if the amendment does not adversely affect any Unit Owner, or (iii) as may be requested or required by FHLMC, FNMA, FHA, VA or any other governmental, quasi governmental agency or federal corporation guaranteeing or insuring any mortgage loans governing transactions involving mortgage securities.

#### ARTICLE IX

**OFFICERS:** The Board of Directors may select officers from their membership from time to time, including a President, a Vice President, a Secretary and a Treasurer. The following person shall constitute the initial officers of the corporation:

| <u>NAME</u>      | <u>OFFICE</u> | <u>ADDRESS</u>   |
|------------------|---------------|--|
| Michael Morrison | President     | 14145 N. 92 <sup>nd</sup> Street<br>Scottsdale AZ, 85260 |
| Todd Bryant      | Secretary     | 14145 N. 92 <sup>nd</sup> Street<br>Scottsdale, AZ 85260 |

#### ARTICLE X

**LIMITATION ON DIRECTOR LIABILITY:** A director of this corporation shall not be personally liable to the corporation or its members for monetary damages for any action taken or any failure to take action as a director and such liability is hereby eliminated to the fullest extent permitted by the Arizona Nonprofit Corporation Act, as amended from time to time. Any repeal or modification of this Article shall be prospective only and shall not adversely affect the personal liability of a director or prior director for any act or omission occurring prior to the effective date of such repeal or modification.

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**ARTICLE XI**

**SEVERABILITY:** If any provision of these Articles or the Bylaws should be invalid for any reason, such invalidity shall in no way affect any other provisions, which shall remain in full force and effect.

**ARTICLE XII**

**INDEMNIFICATION OF BOARD OF DIRECTORS AND OFFICERS:** Subject to the limitations of the Arizona Nonprofit Corporation Act, the Association shall indemnify all of the existing and former directors, officers and committee members against all expenses incurred by them and each of them including, but not limited to, legal fees, judgments, penalties, and amounts paid in settlement or compromise, actually and reasonably incurred by him or her in connection with such action, if he or she acted or failed to act, in good faith and reasonably believed (a) in the case of conduct in an official capacity with the Association, that the conduct was in its best interest (b) in all other cases, that the conduct was at least not opposed to its best interests; and (c) in the case of any criminal action or proceeding, that he or she had no reasonable cause to believe the conduct was unlawful. Any indemnification of the members, directors, officers, employees, or agents of the Association shall be governed by and made in accordance with the Arizona Nonprofit Corporation Act. The corporation shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the corporation, at its own expense and through counsel of its choosing, to defend him or her in the action.

**ARTICLE XIII**

**DISSOLUTION:** Subject to and in accordance with the restrictions imposed by the Declaration and by the Federal Home Loan Mortgage Corporation, FNMA, VA or the FHA (to the extent such organizations are involved in making, guaranteeing or insuring loans secured by Units in Crystal Cove Condominiums, a condominium), the Association may be dissolved with the assent given in writing and signed by not less than three fourths (3/4) of each class of Members. Upon dissolution of the Association, other than incidental to a merger or consolidation, the assets of the corporation shall be distributed exclusively to one or more other corporations or organizations having purposes substantially similar to those of the corporation.

**ARTICLE XIV**

**CONFLICT WITH DECLARATION AND OTHER LIMITATIONS:** Capitalized terms used in these Articles without definitions shall have the meanings specified for such terms in the Condominium Declaration, the Arizona Condominium Act (A.R.S. § 33-12012 et seq.). To the extent that any part or provision of these Articles is contrary to or inconsistent with provisions of the Declaration, the terms and provisions of the Declaration shall prevail. As set forth in the Declaration, the corporation is subject to certain limitations. No amendment hereof, nor any action taken by the corporation pursuant hereto, shall be contrary to, or in conflict with, the limitations set forth in the Declaration, and any such amendment or action shall be void to the extend of such inconsistency.

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## ARTICLE XV

AMENDMENT: Subject to the provisions of Article XVI hereof, the Members may, at a duly noticed and convened regular or special meeting called for such purpose, amend, alter or repeal any provision of these Articles by the affirmative vote of two thirds (2/3) of the votes then entitled to be cast. Any such amendment shall be effected by the Association filing with the Arizona Corporation Commission, in accordance with applicable law, a Certificate of Amendment. Notwithstanding anything herein to the contrary, during the Period of Declarant Control, the Declarant shall have the right to amend these Articles in order to: (1) comply with the Arizona Condominium Act or any other applicable law if the amendment does not adversely affect the rights of any Unit Owner, (b) correct any error or inconsistency in the Bylaws or Articles, if the amendment does not adversely affect any Unit Owner, or (c) comply with the requirements or guidelines in effect from time to time of any governmental or, quasi governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments. The Declarant must approve any amendment of these Articles in writing so long as the Declarant owns one or more Units. Notwithstanding anything contained herein to the contrary, the number of directors, the known place of business and the statutory agent may be changed by amendment of the Bylaws of the Association.

## ARTICLE XVI

FHA/VA/FNMA APPROVAL: As long as there is a Class B membership, and provided such agencies are involved in making, insuring or guaranteeing any mortgage loans within the Property, the following actions will require the prior approval of the Federal Housing Administration (FHA), FANNIE MAE, or Freddie Mac or the Veterans Administration (VA): annexation of additional properties, mergers and consolidations, mortgaging of Common Elements, dedication of Common Elements, dissolution and amendment of these Articles.

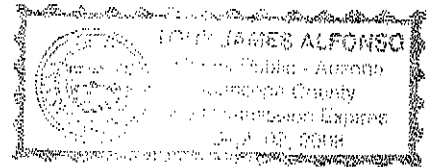
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, the undersigned, constituting the incorporator of this corporation, has executed these Articles of Incorporation on the 18<sup>th</sup> day of January 2007.

Incorporator:

  
MICHAEL MORRISON

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STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

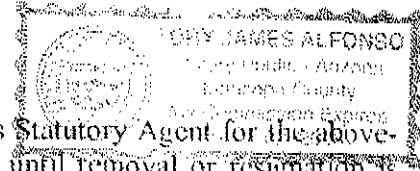


SUBSCRIBED AND SWORN TO before me by Michael Morrison, this 18 day of January 2007.

NOTARY PUBLIC

My Commission Expires:

*Sept 21, 2008*



THE UNDERSIGNED, having been designated to act as Statutory Agent for the above-referenced corporation, hereby consents to act in that capacity until removal or resignation is submitted in accordance with the Arizona Revised Statutes.

*[Signature]*  
Michael Morrison

NONPROFIT  
CERTIFICATE OF DISCLOSURE  
Pursuant to A.R.S. § 10-3202 (D)

THE ALLISON UNIT OWNERS ASSOCIATION, INC.  
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
1. 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. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  3. 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 wherein 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?

Yes \_\_\_\_\_ No X

B. IF YES, the following information MUST be attached:

- |   |  |
|---|--|
| 1. Full name and prior name(s) used.                        | 6. Social Security number.   |
| 2. Full birth name.   | 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. |
| 3. Present home address.                                    |  |
| 4. Prior addresses (for immediate preceding 7-year period). |  |
| 5. Date and location of birth.                              |  |

C. Has any person serving as an officer, director, trustee or incorporator of the corporation, served in any such capacity in any other corporation in any jurisdiction on the bankruptcy, receivership, charter revocation, administrative dissolution or judicial dissolution of the other corporation?

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.   | 4. Dates of corporate operation.  |
| 2. Full name, including alias and address of each person involved.  | 5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or cause number of the case. |
| 3. State(s) in which the corporation: <ol style="list-style-type: none"> <li>(a) Was incorporated,</li> <li>(b) Has transacted business.</li> </ol> |   |

D. The fiscal year end adopted by the corporation is January through 31 December

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, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

[Signature] DATE 2/6/07 BY \_\_\_\_\_ DATE \_\_\_\_\_  
 TITLE Incorporator TITLE \_\_\_\_\_

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

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

If within sixty (60) days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.