

AZ. CORP. COMMISSION *Jr*

FILED

-0764943-5

JUN 11 2002

AMENDED AND
RESTATED ARTICLES OF INCORPORATION
OF

APPR
TERM
DATE

Sarah Raley

SADDLEBROOKE VILLAS ASSOCIATION NO. 20, INC

7-18-2002

Pursuant to the provisions of the Arizona Revised Statutes the undersigned corporation pursuant to a resolution duly adopted by it's Board of Directors, hereby, adopts the following Amended and Restated Articles of Incorporation

ARTICLE I

Name

The name of the Corporation is SaddleBrooke Villas Association No. 20, Inc

ARTICLE II

Definition

Except as otherwise provided in Article VII below, capitalized terms used in these Articles of Incorporation without definition shall have the meanings specified for such terms in the Amended and Restated Declaration of Annexation and of Covenants, Conditions and Restrictions for SaddleBrooke Unit 20, recorded in the Official Records of Pinal County, Arizona, on November 13, 2001, as Document No. 2001-052015 (the "Amended and Restated Villas Declaration")

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 management, maintenance and care of the Villas area, or 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 Amended and Restated Villas Declaration, or any additional Declaration

Without limiting the generality of the foregoing, to the extent authorized by the Villas Board, but subject to any limitations set forth in the Amended and Restated Villas Declaration, the Corporation shall be empowered:

(a) to accept such properties, improvements, rights and interests as may be conveyed, leased, assigned or transferred to the Corporation, to assume such obligations and duties as may be contained in any lease assigned or transferred to the Corporation, to maintain, operate and



PAID

25.00

otherwise manage all buildings, structures, improvements, landscaping, parking areas, walks, driveways, common elements, Villas Area, recreational areas and facilities now or hereafter constructed on the Villas Areas; to pay all taxes and assessments that may be levied against Villas Areas; to repair, rehabilitate and restore all buildings, structures and improvements on the Villas Areas; to insure the Villas Areas, and buildings and structures thereon against such risks as the Board shall determine; to levy assessments for maintenance, operating charges and other matters as the Villas Board shall determine in accordance with the Amended and Restated Villas Declaration, the Master Declaration, any Tract Declaration, any Additional Declaration, these Articles of Incorporation, and the Villas Bylaws, and to enforce the collection of such assessments; to impose liens against Villas Lots to secure the payment of obligations due from the Owners thereof; and to collect, sue, foreclose or otherwise enforce, compromise, release, satisfy and discharge such demands and liens in accordance with the Amended and Restated Villas Declaration and any Additional Declaration; to pay all maintenance, operating and other costs and to perform all acts which in the sole discretion of the Villas Board shall be deemed to be in the best interests of the members of the Corporation or for the peace, comfort, safety or general welfare of the members of the Corporation; to enter into use agreements and/or reciprocal use agreements with respect to all or any portion of the Villas Areas or any facilities thereon; to make and amend rules and regulations respecting the Villas Areas and the Corporation; and to do all things necessary or appropriate to carry out and to enforce the terms and provisions of the Amended and Restated Villas Declaration, and any Additional Declaration;

(h) to purchase, acquire, lease, own, improve, develop, maintain, operate and hold real and personal property of every kind and description, including but not limited to the Villas Areas, and to lease, mortgage, assign, pledge, sell, transfer, encumber, hypothecate or otherwise deal with such property;

(c) to borrow money and to issue notes, bonds and other evidences of indebtedness in furtherance of any or all of the objects and purposes of the Corporation, and to secure the same by mortgage, trust deed, pledge or other lien on or security interest in property of the Corporation;

(d) to enter into, perform and carry out leases and contracts of any kind necessary or incidental to, or in connection with, the accomplishment of any one or more of the objects and purposes of the Corporation;

(e) to lend or invest the Corporation's capital and reserves with or without security;

(f) to act as surety or guarantor, agent, trustee, broker or in any other capacity when appropriate for the fulfillment or the furtherance of the Corporation's objects and purposes as reasonably determined by the Villas Board;

(g) to procure such types and kinds of insurance as shall be required by the Amended and Restated Declaration or deemed by the Villas Board to be in the best interests of the Corporation,

(h) in general, to do and perform such acts and to transact such business in connection with the foregoing objects and purposes as may be necessary, required or appropriate; and

(i) 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 the Corporation's rights, powers and prerogatives under the Amended and Restated Villas Declaration.

ARTICLE VI
Membership; Voting Rights

As provided in the Amended and Restated Villas Declaration, each Owner shall be a member of the Corporation. 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 Villas Lot to which it appertains, to a new Owner. A membership shall automatically be transferred to the new Owner upon the transfer of the Villas Lot to which the membership appertains (and then only to such transferee), whether the Villas Lot is transferred by sale, intestate succession, testamentary disposition, foreclosure of a lien or other legal process.

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 Corporation, but they collectively shall hold only a single membership. The voting for such Villas 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

SaddleBrooke Homeowners' Association #1, Inc., an Arizona corporation, whose address is 64500 E SaddleBrooke Blvd., Tucson, AZ 85739, is hereby appointed the 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 Villas Board. The number of directors, who shall serve without compensation, shall not exceed five (5). The number of directors who shall serve without compensation, shall never be less than three (3) nor more than nine (9). Each director shall be a member or spouse of a member of the Corporation. 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 Villas Board shall have the power to adopt and amend Villas Bylaws. The Villas Bylaws shall prescribe, among other things, the date of the annual meeting of the members of the Corporation.

Unless otherwise required by these Articles, the Amended and Restated Villas 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 Villas 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 Villas Board may desire. All officers of the Corporation shall be elected by the Villas Board. The officers of the Corporation shall have those powers, duties and responsibilities provided in the Villas Bylaws.

ARTICLE IX
Incorporators

The names and addresses of the Incorporators are:

Edward J. Robson
9532 East Riggs Road
Sun Lakes, Arizona 85248-7411

Steven S. Robson
9532 East 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 Villas 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 or successor statutes thereto; (d) any transaction from which the director derived an improper personal benefit; or (e) any violation of Arizona Revised Statutes Section 10-1097, or successor statutes thereto.

ARTICLE XIII
Known Place of Business

The known place of business of the Corporation shall be located at 64500 E SaddleBrooke Blvd., Tucson, AZ 85739. The Corporation may establish such other offices, both within and outside the State of Arizona, as the Villas Board may from time to time designate.

ARTICLE XIV
Amendments

These Articles of Incorporation may be amended at a lawfully held meeting of the members of the Corporation by the affirmative vote of a majority of the votes held by those members present, whether in person or by valid proxy, after the Villas Board has first adopted a resolution setting forth the proposed amendment and directed that it be submitted to vote by the members; provided, however, that these Articles of Incorporation shall not be amended to contain any provision which would be contrary to or inconsistent with the Amended and Restated Villas Declaration, the Master Declaration, or any Tract or Additional Declaration, and any provision or purported amendment to these Articles of Incorporation which is contrary to or inconsistent with the Amended and Restated Villas Declaration, the Master Declaration, or any Tract or Additional Declaration shall be void to the extent of such inconsistency.

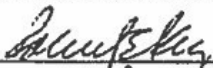
ARTICLE XV
Conflicts

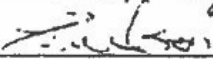
In the event of any inconsistency between The Amended and Restated Villas Declaration and these Restated Articles of Incorporation, the Amended and Restated Villas Declaration shall govern and control

ARTICLE XVI
Certificate of Adoption

The foregoing Articles of Incorporation set forth without change the provisions of the Articles of Incorporation as amended and that these Restated Articles of Incorporation supersede all prior Articles of Incorporation or Restated or Amended Articles of Incorporation heretofore filed.

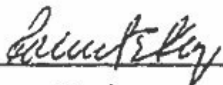
The undersigned President and Secretary do hereby certify that the foregoing Restated Articles of Incorporation were approved by a lawfully held election held in February 2002 by ballot of the members of SaddleBrooke Villas Association No. 20, Inc. with an affirmative vote of the members in excess of two-thirds of the vote cast in said election.

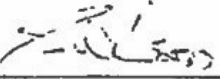
 Robert Key, President

 Sylvia Wilson, Secretary

In witness whereof the undersigned officers of SaddleBrooke Villas Association No. 20, Inc., have executed these Restated Articles of Incorporation this 07 day of March, 2002.

SaddleBrooke Villas Association No. 20, Inc.

 Robert Key, President

 Sylvia Wilson, Secretary

The undersigned hereby accepts the appointment as Statutory Agent
for SaddleBrooke Villas Association No. 20, Inc.

Dated: MAY 29 2002 SaddleBrooke Homeowners Association #1, Inc.,
an Arizona Not-For-Profit corporation.

By: Paul M. Fuchs
Paul Fuchs, President.