

ARTICLES OF INCORPORATION  
OF  
HIGHLAND RANCHES  
PROPERTY OWNERS' ASSOCIATION  
NRS 81.410-81.540

1. The name of this corporation shall be HIGHLAND RANCHES PROPERTY OWNERS' ASSOCIATION.

2. The purposes for which this corporation is formed are:

(a) The specific and primary purposes are: To unite property owners in the Highland Ranches, a subdivision of real property located in Storey County, Nevada; to encourage improvements in said property and vicinity; to promote community activities and interests in said subdivisions; and to improve and maintain common areas and community facilities within said subdivision.

(b) The general purposes and powers are: To acquire by grant, gift, purchase, devise, or bequest, and to hold and dispose of, such property as the purposes of the corporation shall require; to sell, assign, lease, or license real or personal property; to enter into, make or perform contracts of every kind and description with any person, firm, association, corporation, municipality, county, state, body politic, or government conducive to the attainment of any of the objects and purposes of the corporation; to borrow money and issue bonds, debentures, notes, and other evidences of indebtedness; and to secure the payment or performance of its obligations by mortgage, deed of trust, pledge, or otherwise in connection with the foregoing; and to have and exercise all the powers conferred by the State of Nevada upon non-profit corporations formed under the laws of the State of Nevada.

(c) Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of this corporation.

(d) This corporation shall distribute its income for each taxable year at the time and in such manner as not to become subject to the tax on distributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

(e) This corporation shall not engage in any self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

(f) This corporation shall retain any excess building holdings as defined in Section 4943(d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

(g) This corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

(h) This corporation shall not make any taxable expenditures as defined in Section 4945(d) of The Internal Revenue Code of 1954, or any corresponding provisions of any subsequent Federal tax laws.

(i) Notwithstanding any other provisions of these Articles, this corporation shall not conduct or carry on any activities not permitted to be carried on by an organization exempt under Section 501(c) (3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization to which contributions are deductible under Section 170(c) (2) of the Internal Revenue Code of 1954 and its Regulations as they now exist or as they may hereafter be amended.

3. This corporation is organized pursuant to the non-profit corporation law of the State of Nevada.

4. The County in this State where the principal business of the corporation will be transacted is Storey County.

5. The corporation shall exist for a term of fifty (50) years.

6. The number of Directors of this corporation shall be three (3) until changed by amendment to the Articles or by a By-Law adopted by the members. In no event, however, shall the Directors ever be less than three. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

ROBERT P. KUGLER	14338 Victory Blvd. Van Nuys, California 91401
ISAAC SHACHORY	13404 Weddington Street Van Nuys, California 91401
JUDITH A. SHACHORY	13404 Weddington Street Van Nuys, California 91401.

7. The authorized number and qualifications of the corporation, the different classes of membership, if any, the property, voting, and other rights and privileges of members and their liability to dues and assessments and the method of collection thereof, shall be set forth in the By-Laws. Notwithstanding the foregoing, the property rights of each member shall be equal.

8. Upon the winding up and dissolution of this corporation, any and all assets of the corporation, and any and all funds available for distribution upon such winding up and dissolution shall be distributed to any political subdivision of the State of Nevada, or to any non-profit organization formed for purposes similar to that of this corporation, or for charitable purposes which would qualify them under the provisions of Section 501(c) (3) of the Internal Revenue Code of 1954, and its Regulations as they now exist or as they may hereafter be amended, as may be determined by the Board of Directors. In no event shall any funds, property, or assets of the corporation, upon winding up or dissolution, be paid directly or indirectly to any member, director, or officer of the corporation, but shall be disbursed only in accordance with the limitations herein contained.

IN WITNESS WHEREOF, the undersigned, being the persons hereinabove named as the first Directors, have executed these Articles of Incorporation this 6th day of September, 1978.

Robert P. Kugler

Isaac Shachory

Judith A. Shachory

THE ORIGINAL OF THIS DOCUMENT WAS SIGNED BY THE ABOVE, NOTARIZED AND FILED WITH THE SECRETARY OF THE STATE OF NEVADA ON SEPTEMBER 8, 1978

A COPY MAY BE OBTAINED FROM THE STOREY COUNTY BUILDING DEPARTMENT OR FROM THE BOARD OF DIRECTORS.