

ARTICLES OF INCORPORATION
OF
CHENAL VALLEY PROPERTY OWNERS ASSOCIATION, INC.

We, the undersigned, in order to form a nonprofit corporation for the purposes hereinafter stated, under and pursuant to the provisions of the laws of the State of Arkansas, particularly the Arkansas Nonprofit Corporation Act, Subchapter 2 of Chapter 28 of Title 4 of the Arkansas Code Annotated of 1987, do hereby certify as follows:

FIRST: The name of this corporation shall be CHENAL VALLEY PROPERTY OWNERS ASSOCIATION, INC.

SECOND: The period of existence of this corporation shall be perpetual.

THIRD: This corporation is organized exclusively for the purpose of carrying on the exempt functions of a homeowners association as defined in Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law). The specific purposes for which the corporation is organized are:

(a) To provide for the acquisition, construction, management, maintenance, and care of association property consisting of property held by the corporation, property commonly held by the members of the corporation, and property within the Association privately held by members of the corporation, as further defined in Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law).

(b) To receive and to maintain a fund or funds of real or personal property, or both, and, subject to the restrictions hereinafter set forth, to use and apply the whole, or any part, of the income therefrom and the principal thereof exclusively for the purpose of carrying on the exempt functions of a homeowners association as defined in Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United

'States Internal Revenue law).

(c) To have and exercise all powers, privileges and rights conferred upon corporations by the laws of the State of Arkansas and all powers and rights incidental to carrying out the purposes for which this corporation is formed except such as are inconsistent with the express provisions of the Act under which this corporation is incorporated.

(d) The foregoing shall be construed both as objects and powers, and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred upon this corporation by the laws of the State of Arkansas all of which are hereby expressly claimed.

FOURTH: No part of the net earnings of the corporation shall inure to the benefit of any member, director, or officer of the corporation, or any person having a personal or private interest in the management or control thereof, or of any other private persons (other than by acquiring, constructing, or providing management, maintenance, and care of Association property, or by a rebate of excess membership dues, fees or assessments); except that reasonable compensation may be paid for services rendered to, or for, the corporation, effecting one or more of its purposes, and the corporation may make reimbursement to its members, directors, officers or employees for expenses incurred in attending to their authorized duties, said expenses to be evidenced by receipts or other proper documents. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a homeowners association treated as exempt from taxes on certain income under Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law).

FIFTH: The principal office or place of business of this corporation shall be located at 10800 Financial Center Parkway, Suite 300, Little Rock, Arkansas 72211.

SIXTH: The name and address of the registered agent of this corporation is Michael G. Thompson, Friday, Eldredge & Clark, 2000 First Commercial Building, Little Rock, Arkansas 72201.

SEVENTH: The corporation shall not have or issue shares of stock and no dividends shall be paid.

EIGHTH: The corporation shall have two (2) classes of membership: Class A Memberships held by the owners of one or more lots in Chenal Valley, and Class B Memberships held by the Developer of Chenal Valley, as more particularly set forth in the By-Laws.

NINTH: The business of the corporation shall be conducted by the Board of Directors. The initial Board of Directors shall consist of five (5) members, and shall have the direction of the affairs of the corporation, and shall meet within five (5) days after the issuance of the Certificate of Incorporation by the Secretary of State for the purpose of electing officers, adopting By-Laws and taking such other action as may be necessary to perfect the organization of the corporation. Thereafter By-Laws may be amended and officers elected as provided in the By-Laws. The Directors shall be permitted to hold office for more than one term by re-election.

The members of the Board of Directors (who shall also be the Incorporators of the corporation) shall serve an initial term which shall extend until the first annual meeting of the Members, as provided for in the By-Laws. Thereafter the Directors shall serve staggered terms of three (3) years, and shall be elected by the Members at their annual meetings, as more specifically provided in the By-Laws. The initial Board of Directors shall consist of the following persons named below:

Walter K. Compton
200 Peach Street
El Dorado, AR 71730

C. W. Butler, Jr.
200 Peach Street
El Dorado, AR 71730

James E. Baine
200 Peach Street
El Dorado, AR 71730

Emily R. Evers
200 Peach Street
El Dorado, AR 71730

Jack R. McCray
10800 Financial Center Parkway
Suite 330
Little Rock, AR 72211

IN WITNESS WHEREOF, the Incorporators have hereunto affixed
their hands and seals on this 7th day of November,
1989.

Walter K. Compton
WALTER K. COMPTON

C. W. Butler, Jr.
C. W. BUTLER, JR.

James E. Baine
JAMES E. BAINE

Emily R. Evers
EMILY R. EVERS

Jack R. McCray
JACK R. MCCRAY

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss.
COUNTY OF PULASKI)

BE IT REMEMBERED, that on this 7th day of November,
1989, personally appeared before me, the undersigned Notary Public,
within and for the above County and State, duly commissioned and
acting, Jack R. McCray, known to me to be the person who signed
the foregoing Articles of Incorporation and stated that the facts
contained therein are true and correct.

WITNESS my hand and official seal on the date aforesaid.

David Poff
Notary Public

My Commission Expires:
7-4-99

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss.
COUNTY OF UNION)

BE IT REMEMBERED, that on this 7th day of November, 1989, personally appeared before me, the undersigned Notary Public, within and for the above County and State, duly commissioned and acting, Walter K. Compton, C. W. Butler, Jr., James E. Baine and Emily R. Evers, known to me to be the persons who signed the foregoing Articles of Incorporation and stated that the facts contained therein are true and correct.

WITNESS my hand and official seal on the date aforesaid.

James E. Baine
Notary Public

My Commission Expires:

June 1, 1992

IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS

CORPORATION
NOV. 1989

IN THE MATTER OF THE INCORPORATION OF
CHENAL VALLEY PROPERTY OWNERS ASSOCIATION, INC.

SS
NO. 89-6817

ORDER OF INCORPORATION

On this 7th day of November, 1989, there is presented to the Court the Petition of C. W. Butler, Jr., for the incorporation, pursuant to the laws of the State of Arkansas with respect to nonprofit corporations, of a corporation to be entitled CHENAL VALLEY PROPERTY OWNERS ASSOCIATION, INC.

The Court, being well and sufficiently advised, and finding that said corporation is being organized for nonprofit purposes, and it is being created and shall be operated exclusively for the purpose of carrying on the exempt functions of a homeowners association as that term is defined in Section 528 of the Internal Revenue Code of 1986, that no part of the corporate funds are to inure to the benefit of any interested individual, and that the said corporation is a nonprofit corporation and is entitled to be incorporated under the provisions of the laws of the State of Arkansas, particularly the Arkansas Nonprofit Corporation Act, Subchapter 2 of Chapter 28 of Title 4 of the Arkansas Code Annotated of 1987.

It is, therefore, by this Court, CONSIDERED, ORDERED and ADJUDGED that CHENAL VALLEY PROPERTY OWNERS ASSOCIATION, INC., be and the same is hereby declared a body politic and corporate, with all powers, privileges and immunities granted in the law thereunder appertaining.

Original Signed By

CIRCUIT JUDGE

DATE: 11-7-89