

ARTICLES OF INCORPORATION
OF
THE BOULDERS CAREFREE CORPORATION

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day associated ourselves for the purpose of forming a corporation under the laws of the State of Arizona, and do hereby adopt the following Articles of Incorporation.

*FPM
Green*

ARTICLE I

The name of this Corporation shall be THE BOULDERS CAREFREE CORPORATION. *Wm*

ARTICLE II

The incorporators of the Corporation and their addresses are as follows:

Don W. Dickinson
Sundial Circle
Post Office Box 1414
Carefree, Arizona 85331

Nancy Dickinson
Sundial Circle
Post Office Box 1414
Carefree, Arizona 85331

ARTICLE III

The known place of business of the Corporation shall initially be as follows: Sundial Circle, Post Office Box 1414, Carefree, Arizona 85331. Said place of business shall be subject to change hereafter in accordance with applicable law.

The objects and purposes of this corporation and the general nature of the business it initially proposes to transact are set forth below.

(a) The object and purpose of this Corporation are to conduct any or all manner and kind of lawful business for which corporations may be incorporated under the laws of the State of Arizona, and this Corporation shall be deemed for all purposes to have the authority and power to transact all or any such manner and kind of business; the Corporation's powers, objects and purposes as aforesaid shall include, but not be limited to, the several powers, objects and purposes set forth in Arizona Revised Statutes § 10-004, as in effect on the date hereof, which are hereby incorporated herein by this reference.

(b) The character of the business which this Corporation initially intends to conduct within the State of Arizona is as follows: namely, to acquire, develop and/or sell real property. The description as aforesaid of the business initially intended to be conducted by this Corporation shall not in any way limit (i) the character of business hereafter to be conducted by this Corporation, or (ii) the generality of Paragraph (a) of this Article IV.

ARTICLE V

The authorized capital stock of this Corporation shall be 1,000,000 shares, having the par value (if any) hereinafter set forth, all as set forth in this Article V. The shares of capital stock of this Corporation shall be issuable for such consideration as is specified by the Board of Directors in its sole discretion (provided the same is not inconsistent with applicable law or the express provisions

and shall not be subject to any special dividend or other special treatment. These shares shall be deemed to be fully paid and non-assessable for all purposes. Neither the shares so issued nor their holders shall have any preferential or preemptive rights with respect to other shares of this Corporation's capital stock except as hereinafter expressly provided or contemplated. Each share of stock shall have the voting rights (if any) hereinafter provided, and except as hereinafter contemplated or as otherwise expressly required by applicable law at the time, there shall be no class voting as to any matter submitted to this Corporation's shareholders.

A. Class A Common Stock. Of the shares of capital stock hereinbefore authorized, 800,000 shares of no par value per share shall be designated as "Class A Common Stock." Except as may otherwise be provided in or contemplated by Section D of this Article V or as may be expressly required by applicable law at the time, the exclusive voting power of the shareholders of this Corporation shall for all purposes be vested in the holders of its Class A Common Stock, and each share thereof shall entitle its holder to one vote (or, with respect to elections of directors, so many votes as shall be required to comply with cumulative voting procedures for so long as, but no longer than, said procedures are mandatory for corporations organized under Arizona law).

Class D Non-Voting Common Stock. Of the shares of capital stock hereinbefore authorized, 100,000 shares of no par value per share shall be designated as Class D Non-Voting Common Stock. Except as may otherwise be expressly required by applicable law, the holders of Class D Non-Voting Common stock shall not be entitled to vote.

C. Both Classes of Common Stock. Subject to the provisions of applicable law, any dividends paid or distributed on or with respect to the Common Stock of this Corporation shall be paid or distributed ratably to the holders of both classes of Common Stock. In the event of any liquidation, dissolution or winding up of this Corporation, whether voluntary or involuntary, after payment or provision for payment of the debts and other liabilities of this Corporation and any amounts to which the holders of any Preferred Stock shall be entitled, as hereinafter provided, the holders of both classes of Common Stock shall be entitled to share ratably in the remaining assets of this Corporation.

D. Preferred Stock. Of the shares of capital stock hereinbefore authorized, 100,000 shares of no par value per share shall constitute Preferred Stock. The Preferred Stock may be issued, from time to time, in one or more series, each of such series to have such designation and such relative voting, dividend, liquidation, conversion and other rights, preferences and limitations as are fixed by the

...this corporation, from time to time, subject to the provisions of this paragraph, to adopt a resolution or resolutions dividing the shares of Preferred Stock into one or more series and, with respect to each such series, fixing the following:

(a) The number of shares to constitute such series and the distinctive designation thereof;

(b) The annual dividend rate on the shares of such series and the date or dates from which dividends shall be accumulated as herein provided;

(c) The times when and the prices at which shares of such series shall be redeemable, the limitations and restrictions with respect to such redemptions and the amount, if any, in addition to any accumulated dividends thereon which the holders of shares of such series shall be entitled to receive upon the redemption thereof, which amount may vary at different redemption dates and may differ in the case of shares redeemed through the operation of any purchase, retirement or sinking fund from the case of shares otherwise redeemed;

(d) The amount, if any, in addition to any accumulated dividends thereon which the holders of shares of such series shall be entitled to receive upon the liquidation, dissolution or winding-up of this Corporation, which amount may vary depending on whether such liquidation, dissolution or winding-up is voluntary or involuntary and, if voluntary, may vary at different dates;

(e) Whether or not the shares of such series shall be subject to the operation of a purchase, retirement or sinking fund and,

(f) Whether or not the shares of such series shall be convertible into shares of stock of any other class or classes, or of any other series of Preferred Stock or series of other class of shares, and if so convertible, the price or prices, the rate or rates of conversion and the method, if any, of adjusting the same;

(g) The limitations and restrictions, if any, to be effective while any shares of such series are outstanding upon the payment of dividends or making of other distributions on, and upon the purchase, redemption or other acquisition by this Corporation or any subsidiary of, the Common Stock or any other class or series of stock of this Corporation ranking on a parity with or junior to the shares of such series either as to dividends or upon liquidation;

(h) The conditions or restrictions, if any, upon the creation of indebtedness of this Corporation or of any subsidiary, or upon the issue of any additional stock (including additional shares of such series or of any other series or of any other class) ranking on a parity with or prior to the shares of such series either as to dividends or upon liquidation;

(i) The regular and/or special voting powers, if any, of such series; and

(j) Such other preferences and relative, participating, optional or other special rights, or qualifications, limitations or restrictions, as shall not be inconsistent with this Article Fifth or applicable law.

The Board of Directors also shall have authority to change the designation of shares, or the relative rights, pref-

established series of shares of stock, no shareholder shall have any preemptive right to purchase any shares of any series previously determined by the Board of Directors (provided, however, that the number of shares of any series shall not be decreased to a number less than that of the shares of that series then outstanding).

E. No Preemptive Right in Stock Options and Rights.

No stockholder of this Corporation shall have any preemptive or other similar right or option with respect to shares of capital stock proposed to be offered or issued by this Corporation. The Board of Directors shall have the authority to create and issue rights and options entitling the holders thereof to purchase from this Corporation shares of its capital stock. Any such rights or options need not be offered or issued generally to stockholders of this Corporation and may be offered or issued to such persons (including directors, officers and/or employees of this Corporation and/or any affiliate) as the Board of Directors deems appropriate.

F. Distributions from Capital Surplus. The Board of Directors shall have the authority to effect a distribution from capital surplus of this Corporation to the holders of its outstanding capital stock, subject to the requirements of applicable law.

corporation of outstanding shares of its capital stock to the extent of any funds or assets legally available therefor, including unreserved and undistributed earned surplus and/or capital surplus.

ARTICLE VI

The business and affairs of this Corporation shall be conducted by a Board of Directors of not less than one (1) nor more than eleven (11) members, as established from time to time by said Board. The following named persons shall constitute the first Board of Directors:

Don W. Dickinson
Sundjal Circle
Post Office Box 1414
Carefree, Arizona 85331

The Board of Directors may establish committees from time to time in accordance with applicable law, but no such committee shall have the authority to authorize (i) amendments to the Bylaws of this Corporation, (ii) issuances of capital stock, (iii) dividends on capital stock or (iv) any other payment with respect to or alteration of outstanding shares of capital stock.

ARTICLE VII

This Corporation hereby appoints MARTORI, MEYER, HENDRICKS & VICTOR, A Professional Association, Thirty-Fifth Floor, Valley Center, Phoenix, Arizona, as statutory agent

IN WITNESS WHEREOF, the undersigned have caused these articles to be executed as of the 16th day of May, 1977.

Don W. Dickinson
DON W. DICKINSON

Sundial Circle
Post Office Box 1414
Carefree, Arizona 85331

Nancy E. Dickinson
NANCY DICKINSON


Sundial Circle
Post Office Box 1414
Carefree, Arizona 85331

STATE OF ARIZONA)
) ss.
County of Maricopa)

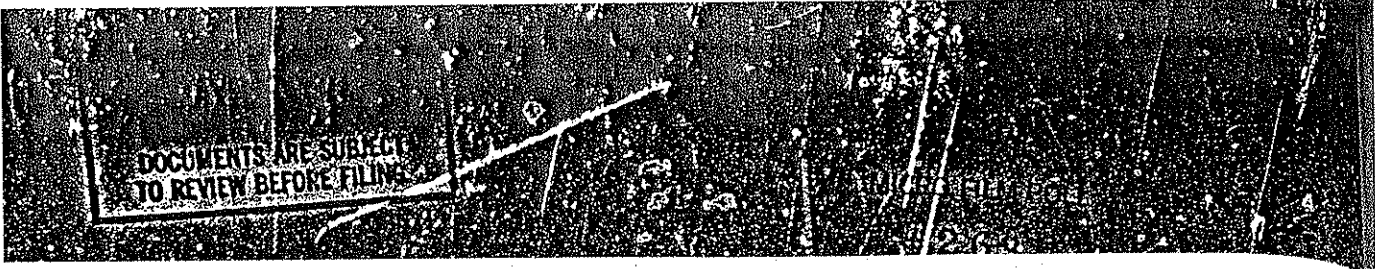
On this, the 16th day of May, 1977, before me, the undersigned Notary Public, personally appeared DON W. DICKINSON and NANCY DICKINSON, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they, being authorized to do so, executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Constance J. Hart
Notary Public



My Commission Expires:
Dec. 14, 1980



110027

ARIZONA CORPORATION COMMISSION
INCORPORATING DIVISION

FILED

MAY 17 1977

N.N.
J.G. 9/30

At *3:45 PM* at request of *Master's Office, Roddy's & Victor*
Address *7 Lake Valley Center*
Box 13 85023
By *Donald Clave* SECRETARY
N# 63905