

ARTICLES OF INCORPORATION OF THE SUN CITY FOUNDATION

Amended November 08, 2006

The Undersigned persons, for the purpose of forming a nonprofit corporation, under the laws of the state of Arizona, hereby adopt the following Articles of Incorporation:

ARTICLE I

Name and Duration

The name of this corporation is The Sun City Foundation (the: "Corporation"), and its duration shall be perpetual.

ARTICLE II

Purposes and Powers

A. General Purposes of the Corporation. This Corporation is organized, and will be operated, exclusively for the benefit of, to perform the functions of, and to carry out the purposes of the Recreation Centers of Sun City, Inc., an Arizona nonprofit corporation, and to carry out exclusively charitable and educational purposes. In pursuing such purposes this Corporation shall:

- (i) Promote and support the activities of the Recreation Centers of Sun City, Inc., which inure to the well being and common good of the members of the Recreation Centers of Sun City, Inc. who are residents of Sun City, Arizona; **(amended 11-09-06)**
- (ii) Promote and encourage the growth of programs which maintain and support the unique "Sun City lifestyle" provided by the Recreation Center facilities:
- (iii) Foster and support such other activities of the Recreation Centers of Sun City, Inc. which further the cultural and educational and other life enrichment projects and purposes of the members of the Recreation Centers of Sun City, Inc. who are residents of Sun City, Arizona: and **(amended 11-09-06)**
- (iv) Do and perform such acts as may be necessary or appropriate in carrying out the foregoing purposes of the Corporation and in connection therewith to exercise any of the powers granted to nonprofit corporations by the laws of the State of Arizona consistent with the Corporation's status as an organization exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended.

This Corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended, and is

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intended to be an organization

(v) which is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended, and

(vi) which is not a private foundation within the meaning of the Internal Revenue Code of 1954, as amended.

All Terms and provisions of these Articles shall be construed, applied and carried out in accordance with such intent. Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended.

The Corporation is not organized and shall not be operated for pecuniary gain or profits. No part of the net earnings of the Corporation shall inure to the benefit of or be distributed to its directors, officers, or any other private person; provided that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. Notwithstanding that this Corporation shall be authorized to and shall make reasonable charges for any services rendered by it or any products sold by it or for materials or publications furnished by it, all funds received by this Corporation for its services, materials or publications or otherwise in excess of the cost of its operation shall be used for the accomplishment of its purposes and further provided that the Corporation shall be permitted to transfer assets owned by it to other organizations exempt from tax under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended, for use in their exempt activities.

No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

B. General Powers of the Corporation. The Corporation shall have any and all powers necessary or convenient for it to carry out its purposes stated in these Articles and, in addition, it shall have any and all powers necessary or convenient for it to transact any and all lawful business for which nonprofit corporations may be incorporated under the laws of the State of Arizona, as they may be amended: provided, however, that the Corporation shall exercise its powers only in accordance with the provisions and limitations of Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended.

C. Private Foundation Status/Restriction on Powers. During any period that this corporation is a private foundation, as defined in section 509 of the Internal Revenue Code of 1954, as amended, the powers of this Corporation shall be specifically restricted so that the Corporation shall be prohibited from:

(i) Engaging in any act of self-dealing as that term is defined in Section 4941 of the Internal Revenue Code of 1954, as amended;

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- (ii) Retaining any excess business holdings as that term is defined in Section 4943 of the Internal Revenue Code of 1954, as amended;
- (iii) Making any investment in any manner which would subject the Corporation to tax under Section 4944 of the Internal Revenue Code of 1954, as amended;
- (iv) Making any taxable expenditure as that term is defined in Section 4945 of the Internal Revenue Code of 1954, as amended.

In addition, during any period that the Corporation is a private foundation, as defined in Section 509 of the Internal Revenue Code of 1954, as amended, the Corporation shall be required to distribute income in such amounts, at such times and in such manner as to prevent it from becoming liable for the tax imposed by Section 4942 of the Internal Revenue Code of 1954, as amended.

Notwithstanding the restrictions imposed in this Subdivision C of Article II, if Section 508 (e) of the Internal Revenue Code of 1954, as amended, is amended to remove the requirement that any or all of the restrictions contained herein be included in the governing instrument of this Corporation, then such of the foregoing restrictions as are no longer required shall be deemed deleted and shall have no further force or effect.

D. Administration and Distribution of Property. The Board of Directors of this Corporation shall administer and distribute any property held by the Corporation in the manner that best serves the charitable and educational needs of the community.

E. References to Internal Revenue Code. Any reference in these Articles to any section of the Internal Revenue Code of 1954, shall be deemed to also refer to such corresponding provision or provisions of any future Act of Congress as may be substituted therefor.

ARTICLE III

Initial Business

The character of the business which the Corporation initially intends to conduct in Arizona shall be the supporting of the charitable and educational programs of Recreation Centers of Sun City, Inc., an Arizona nonprofit corporation.

ARTICLE IV

Statutory Agent

The name and address of the statutory agent of the Corporation is James R. Hinton, who is and has been a resident of Arizona for more than three years, and whose address is 201 North Central Avenue, #3300, Phoenix, Arizona 85004 –1052. (amended 11-09-06)

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ARTICLE V

Membership and Capital Stock

The Bylaws of the Corporation may provide for one or more classes of nonvoting members. The Corporation shall not have voting members. If the Corporation has nonvoting members, then the class or classes of membership, their method of selection and any rights or duties inherent in the membership shall be set forth in the Bylaws. The Corporation shall have no capital stock.

ARTICLE VI

Board of Directors

The affairs of this Corporation shall be conducted by a Board of Directors and such officers as the Board may from time to time elect or appoint. The number of directors constituting the initial Board of Directors of the Corporation is six (6). The names and addresses of the persons who shall serve as initial Directors until their successors are elected and shall qualify are:

<u>Name</u>	<u>Address</u>
Peter Cipriano	19420 Palo Verde Sun City Arizona 85373
Vincent De Francis	17665 Del Webb Boulevard Sun City, Arizona 85373
David Des Biens	9940 Pleasant Valley Sun City, Arizona 85351
William Heckman	16014 Nicholas Lane Sun City, Arizona 85351
Doris Timpano	17843 North 99 th Drive Sun City, Arizona 85373
Stanley Phillips	10618 Caron Drive Sun City, Arizona 85351

Directors shall be elected to the Board of Directors pursuant to the procedure set forth in the Corporation's Bylaws. The number and term of the directors and the qualifications for and rights of the Directors shall be as set forth in the Corporation's Bylaws.

ARTICLE VII

Exemption

The incorporators, directors, officers and agents of the Corporation and their property shall be forever exempt from liability or assessment for its debts, obligations or engagements.

ARTICLE VIII - SUN CITY FOUNDATION ARTICLES OF INCORPORATION

ARTICLES VIII

Indemnity

Subject to the further provisions hereof, the Corporation shall indemnify any and all of its existing and former directors, officers and employees against all expenses incurred by them and each of them, including but not limited to legal fees, judgments and penalties which may be incurred, rendered or levied in any legal action brought against any of them for or on account of any action or omission alleged to have been committed while acting within the scope of his service as a director, officer or employee of the Corporation or as a director or officer of another corporation, partnership, joint venture, trust or enterprise at the request of this Corporation and with the specific approval of this Corporation's Board of Directors.

Whenever any existing or former director, officer, or employee shall report to the Board that he has incurred or may incur expenses, including but not limited to legal fees, judgments and penalties in a legal action brought or about to be brought against him for or on account of any action or omission alleged to have been committed by him while acting within the scope of his service as a director, officer, or employee of the Corporation or as a director or officer of another corporation., partnership, joint venture, trust or enterprise at the request of this Corporation and with the specific approval of this Corporation's Board of Directors the Board shall, at its next regular or at a special meeting held within a reasonable time thereafter, determine in good faith whether, in regard to the matter involved in the action or contemplated action, such period acted, failed to act, or refused to act willfully, with gross negligence or with fraudulent or criminal intent.

If the Board determines in good faith that such person did not act, fail to act, or refuse to act willfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action or contemplated action, indemnification shall be mandatory and shall be automatically extended as specified herein, provided, however, that 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 own choosing, to defend him in action.

The right of indemnification of any director, officer or employee of the Corporation hereinabove provided for shall be in addition to any rights set forth in the Arizona Revised Statutes, existing and as amended, and any other rights now or hereafter conferred by law.

ARTICLE IX

Dissolution of Corporation

This Corporation may be dissolved at any time by the affirmative vote of three-fourths of its directors in office at any meeting for which thirty days written notice of consideration of such action shall be duly given to its directors and to the Board of Directors of the Recreation Centers of Sun City, Inc. (amended 11-09-06). The dissolution of the Corporation shall be accomplished

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consistent with the intent that the assets be held and used for the Corporation’s stated purpose, and said termination shall not be effected so as to cause any tax to be imposed under Section 507 (a) of the Internal Revenue Code of 1954. Subject to the foregoing sentence, in the event of dissolution of the Corporation for any reason, the Board of Directors shall (after payment or provision for payment of all liabilities) dispose of and distribute the property then held by the Corporation to such organization or organizations as shall then be qualified under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended. With respect to any property not so disposed of, such property shall be disposed of and distributed to such organization or organizations as shall then be qualified under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended, as selected by and pursuant to an order of the court which has general jurisdiction for the county in which the principal office of the Corporation shall then be located.

ARTICLE X

Amendments

These Articles of Incorporation may be amended by an affirmative vote of three-fourths of its Directors in office at any meeting for which 30 days’ written notice of consideration of such action shall be duly given; provided, however, that Article II may be amended only to the extent that future changes in the applicable provisions of the Internal Revenue Code and the Regulations pertaining thereto make such changes necessary or desirable in order for this Corporation to preserve its tax-exempt status as set forth in Article II.

ARTICLE XI

Incorporator

The name and address of the incorporator is: Doris Timpano
17843 North 99th Drive
Sun City, Arizona 85373

In witness whereof, the undersigned has executed these Articles of Incorporation this 21st day of March, 1986.

s/ Doris Timpano

- Originally filed as Sun City Recreation Centers Foundation.
- Amendment of 6/20/86 changed name to The Sun City Foundation
- Submitted to the Arizona Corporation Commission 03-21-1986.
- Re-typed 04-14-06.
- Submitted to the Arizona Corporation Commission 11-09-06