

ARTICLES OF INCORPORATION

OF

VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION

NRS 81.290 - 81.340

1. The name of this corporation shall be VIRGINIA CITY HIGHLANDS 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 Virginia City Highlands, a subdivision of real property located in Storey County, Nevada; to encourage improvements to 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.
  - (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 the 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 laws 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:

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PAUL LAZARIS	550 So. Barrington Ave., Los Angeles, California
RICHARD P. CARLSBERG	512 Perugia Way, Los Angeles, California
HARVEY A. SISSKIND	4249 Bonavita Drive, Encino, California

- 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 as 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 rot 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 purposed 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 of users of the corporation, upon winding up or dissolution, be paid directly to any member, director or corporation, but shall be disbursed only in accordance with the limitations herein contained.

IN WITNESS WHEREOF, the undersigned, being the persons herein above named as the first directors, have executed these Articles of Incorporation this 30th day of April 1972.

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Paul Lazaris

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Richard P. Carlsberg

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Harvey A. Susskind

THE ORIGINAL OF THIS DOCUMENT WAS SIGNED BY THE ABOVE, NOTARIZED AND FILED WITH THE SECRETARY OF THE STATE OF NEVADA ON MAY 8. 1972

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