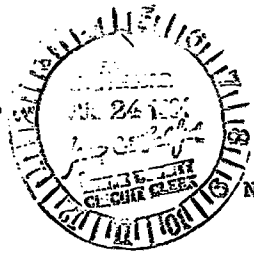


IN THE CIRCUIT COURT OF WHITE COUNTY, ARKANSAS

44003  
**FILED**  
JAN 14 1985

IN THE MATTER OF THE FORMATION OF  
RIVER OAKS TRACE ASSOCIATION OF  
CONDOMINIUM OWNERS, INC., AN  
ARKANSAS NON-PROFIT CORPORATION



**PAUL RIVIERE**  
SECRETARY OF STATE

BY: [Signature]

NO. 84-262

ORDER APPROVING FORMATION OF NON-PROFIT CORPORATION

Now on this day comes on for consideration the petition of E. D. Yancey and Tommy Quattlebaum, the incorporators of River Oaks Trace Association of Condominium Owners, Inc., for an order authorizing the formation of an Arkansas Non-Profit Corporation, and from the petition, the Court finds:

I.

The petition was filed pursuant to Arkansas Statutes Annotated Section 64-1905.

II.

Petitioners are the incorporators of River Oaks Trace Association of Condominium Owners, Inc., the Articles of Incorporation of which are attached to the petition.

III.

The purpose for which River Oaks Trace Association of Condominium Owners, Inc. is to be formed is for the management, maintenance and care of that property described in the Master Deed to River Oaks Trace Horizontal Property Regime, which said Master Deed is filed for record in Book 446 at Page 125 of the records of White County, Arkansas.

IV.

The Articles of Incorporation appended to the petition are in conformance with the Arkansas Non-Profit Corporation Act, Arkansas Statutes Annotated Section 64-1901 et seq and the corporation is to be formed for a lawful purposes and is in the best interest of the public.

NOW THEREFORE, IT IS CONSIDERED, ORDERED, ADJUDGED AND DECREED that the Articles of Incorporation submitted conform to law, and that the incorporation of River Oaks Trace Association of Condominium Owners, Inc. is for a lawful purpose and is in the best interest of the public.

IT IS SO ORDERED this 24 day of July, 1984.

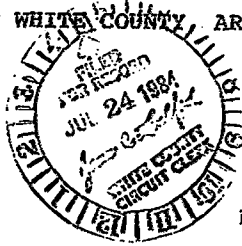
Gecil C. Jeddler  
Circuit Judge

### CERTIFICATE

STATE OF ARKANSAS }  
COUNTY OF WHITE } ss.  
I, the Clerk of the Circuit Court and Ex-Officio Recorder with-  
and for the County and certify that the above and fore-  
going instrument contains a true and correct copy of the original Order  
Approving Formation and the same appears of record in  
Circuit Book 11 at page 383 of the  
Records of White County, Arkansas.  
IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal  
as such Clerk and Recorder this the 10 day of Jan, 1985  
James C. Sanford  
Circuit Clerk and Recorder, White County, Arkansas  
By Pat Ellen D r

IN THE CIRCUIT COURT OF WHITE COUNTY, ARKANSAS

IN THE MATTER OF THE FORMATION OF  
RIVER OAKS TRACE ASSOCIATION OF  
CONDOMINIUM OWNERS, INC., AN  
ARKANSAS NON-PROFIT CORPORATION



NO. 84-262

PETITION FOR NON-PROFIT CORPORATION

Come E. D. Yancey and Tommy Quattlebaum, the incorporators of River Oaks Trace Association of Condominium Owners, Inc., by and through their attorneys, Boyett, Morgan & Millar, P. A. and for their petition for the formation of an Arkansas Non-Profit Corporation, state:

I.

This petition is filed pursuant to Arkansas Statutes Annotated Section 64-1905.

II.

Petitioners are the incorporators of River Oaks Trace Association of Condominium Owners, Inc., the Articles of Incorporation of which are attached hereto and made a part hereof by this reference.

III.

The purpose for which River Oaks Trace Association of Condominium Owners, Inc. is to be formed is for the management, maintenance and care of that property described in the Master Deed to River Oaks Trace Horizontal Property Regime, which said Master Deed is filed for record in Book 446 at Page 125 of the records of White County, Arkansas.

IV.

The Articles of Incorporation appended hereto are in conformance with the Arkansas Non-Profit Corporation Act, Arkansas Statutes Annotated Section 64-1901 et seq and the corporation, formation of which is hereby sought, is to be formed for a lawful purposes and is in the best interest of the public.

WHEREFORE, petitioners pray that this court set this matter for hearing; and thereupon enter its order determining that the Articles of Incorporation submitted herewith conform to law, and that the incorporation of River Oaks Trace Association of Condominium Owners, Inc. is for a lawful purpose and is in the best interest of the public; and for all other proper relief.

BOYETT, MORGAN & MILLAR, P. A.  
Attorneys for E. D. Yancey and  
Tommy Quattlebaum

BY *Mike Millar*  
Mike Millar  
405 West Arch  
Searcy, Arkansas 72143

### CERTIFICATE

STATE OF ARKANSAS }  
COUNTY OF WHITE } ss.  
I, the Clerk of the Circuit Court and Ex-Officio Recorder within  
and for the County aforesaid, do hereby certify that the above and fore-  
going instrument was duly recorded in Book \_\_\_\_\_, page \_\_\_\_\_  
of the Records of White County, Arkansas, on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal  
as such Clerk and Recorder this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

*James C. Sanford*  
Circuit Clerk and Recorder, White County, Arkansas

By *Pat Ellis*

ARTICLES OF INCORPORATION

OF

RIVER OAKS TRACE ASSOCIATION OF  
CONDOMINIUM OWNERS, INC.  
(An Arkansas Non-Profit Corporation)

The undersigned, natural persons, of the age of 21 years, or more, in order to form a non-profit corporation for the purposes hereinafter stated, under and pursuant to the Arkansas Non-Profit Corporation Act, Arkansas Statutes Annotated Section 64-1901, et seq, hereby certify as follows:

1. NAME. The name of the corporation shall be RIVER OAKS TRACE ASSOCIATION OF CONDOMINIUM OWNERS, INC.

2. DURATION. The period of duration of the corporation shall be perpetual.

3. PURPOSES. The corporation is organized and shall be operated to provide for the acquisition, construction, management, maintenance and care of the common elements, both general and limited, as described and set forth in and in accordance with the Master Deed to the River Oaks Trace Horizontal Property Regime filed for record in the records of White County, Arkansas in Book 446 at Page 125; and to perform all such acts as shall be required of the Association pursuant to the said Master Deed and in accordance with the Horizontal Property Act (Act 60 of the First Extraordinary Session of the 1961 General Assembly of the State of Arkansas); and, in general, to do and perform all such acts as shall be necessary and appropriate to govern the condominium property described in the Master Deed to River Oaks Trace Horizontal Property Regime above described.

4. MEMBERS. Any person, on becoming an owner of a condominium apartment in the River Oaks Trace Horizontal Property Regime shall, as a consequence, become a member of the Association. Such membership shall terminate, without formal Association action at any time such person ceases to own a

condominium apartment in the River Oaks Trace Horizontal Property Regime. No certificates of stock shall be issued by the Association, but the Board of Directors is empowered to issue one membership card per apartment to the owners of a condominium apartment for identification purposes.

5. DIVIDENDS AND DISTRIBUTIONS. No dividend shall be paid and no part of the income of the corporation shall be distributed to or inure to the benefit of any member, director or officer of the corporation; provided, however, that reasonable compensation may be paid to any member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association; and provided further that any member of the Board of Directors may be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association. Notwithstanding anything to the contrary herein contained, the Association shall be empowered in the discretion of the Board of Directors to refund excess membership assessments to the members to the extent that the same shall not be required for the purposes of the Association.

6. LOANS TO DIRECTORS AND OFFICERS PROHIBITED. No loans shall be made by the corporation to its directors or officers.

7. VOTING OF MEMBERS. Ownership of an apartment in the River Oaks Trace Horizontal Property Regime shall entitle the owner(s) to cast one vote per unit in the affairs of the Association, which vote shall be weighted to equal the proportionate share of ownership of the Apartment owner in the common elements of the Regime. Voting shall not be split amongst more than one apartment owner. The combined weighted votes calculated in accordance with Section V of the Master Deed to the River Oaks Trace Horizontal Property Regime filed for record in

Book 446 at Page 125 of the records of White County, Arkansas, reference to which is hereby made, shall equal 100%.

8. DIRECTORS. The affairs of the corporation shall be governed by a Board of Directors composed initially of three persons. The following persons shall act as Directors of the corporation and shall manage the affairs of the corporation until their successors be duly elected by a vote of the entire membership:

<u>NAME</u>	<u>ADDRESS</u>
<u>E. D. Yancey</u>	<u>300 East Race</u> <u>Searcy, Arkansas 72143</u>
<u>Tommy Quattlebaum</u>	<u>300 East Race</u> <u>Searcy, Arkansas 72143</u>
<u>Nick D'Auteuil</u>	<u>Mayfair Hotel</u> <u>Searcy, Arkansas 72143</u>

9. OFFICERS. The officers of the Association shall be a President and Secretary-Treasurer and such Vice Presidents or other officers as the Board of Directors shall deem appropriate, all of whom shall be elected by the Board of Directors for terms not exceeding three years. The duties of the officers shall be as set forth in the By-Laws of the Association.

10. ADDITIONAL POWERS OF THE CORPORATION. In addition to the statutory powers of the Association, the Association shall have, through its Board of Directors, the following duties and powers:

(a) To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations and all other provisions set forth in the Master Deed.

(b) To establish, make and enforce compliance with rules necessary for the orderly operation, use and occupancy of this condominium project. (A copy of such rules and regulations as may be adopted shall be delivered or mailed to each member promptly upon the adoption thereof.)

(c) To keep in good order, condition and repair all of the general and limited common elements and all items of personal property used in the enjoyment of the entire premises.

(d) To insure and keep insured all of the insurable common elements of the property in an amount equal to their maximum replacement value, as provided in the Master Deed. To insure and keep insured all the fixtures, equipment and personal property acquired by the Association for the benefit of the Association, the owners of the Condominium units, and their first mortgagees, and to purchase, to the extent the Board of Directors shall deem appropriate, comprehensive liability insurance covering the entire premises.

(e) To fix, determine, levy and collect the monthly pro-rated assessments to be paid by each of the Owners; and by a majority vote of the Board, to adjust, decrease, or increase the amount of the monthly assessments, subject to the provisions of the Master Deed; to levy and collect special assessments in order to meet increased operating or maintenance expenses or costs, and additional capital expenses. All monthly or other assessments shall be in itemized statement form and shall set forth in detail the various expenses for which the assessments are being made.

(f) To collect delinquent assessments by suit or otherwise, and to enjoin or seek damages from an owner, as provided in the Master Deed and the By-Laws.

(g) To protect and defend the entire premises from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any required expenditure or outlay; to execute all such instruments evidencing such indebtedness which shall be the several obligations of all of the owners in the same proportion as their interest in the common elements.

(i) To enter into contracts within the scope of their duties and power.



(j) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

(k) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements, and to permit examination thereof at any reasonable time by each of the owners and first mortgagee of an Apartment, and to the extent deemed advisable or upon the request of two-thirds of the Owners, to cause a complete audit of the books and accounts by a competent accountant, once each year.

(l) To meet at least once each quarter or more often as may be deemed appropriate by the Board of Directors.

(m) To designate the personnel necessary for the maintenance and operation of the general and limited common elements.

(n) In general, to carry on the administration of the Association and to do all of those things necessary and reasonable in order to carry out the communal aspect of condominium ownership.

11. MEMBERSHIP ASSESSMENTS. The Board of Directors of the corporation shall have the authority to fix and collect assessments against the members for common expenses and limited common expenses of the members in conjunction with the ownership by the members of condominium apartments in the River Oaks Trace Horizontal Property Regime, all as set forth in and in accordance with the By-Laws of the Association to be adopted and the Master Deed to the River Oaks Trace Horizontal Property Regime filed for record in Book 446 at Page 125, reference to which is hereby made.

12. PRINCIPAL OFFICE AND REGISTERED AGENT. The principal office of the Association shall be 300 East Race Street, Searcy, Arkansas, 72143, and the registered agent at such address shall be E. D. Yancey.

13. CONDOMINIUM MANAGEMENT ASSOCIATION. It is the intention of the incorporators that the Association be formed as a "Condominium Management Association" within the meaning of Internal Revenue Code, Section 528(c)(2). In the interpretation of these Articles, words and phrases shall be given the meanings attributed by the Internal Revenue Code, whenever the context permits.

IN WITNESS WHEREOF, we have hereunto set our hands on this 23 day of July, 1984.

INCORPORATORS:

E. D. Yancey  
E. D. Yancey  
300 East Race Street  
Searcy, Arkansas 72143

Tommy Quattlebaum  
Tommy Quattlebaum  
300 East Race Street  
Searcy, Arkansas 72143

VERIFICATION

E. D. Yancey and Tommy Quattlebaum, of lawful age, after being duly sworn, hereby state on oath that the above and foregoing facts and statements are true and correct to the best of their knowledge and belief.

E. D. Yancey  
E. D. Yancey

Tommy Quattlebaum  
Tommy Quattlebaum

STATE OF ARKANSAS  
COUNTY OF WHITE

Subscribed and sworn to before me this 23 day of July, 1984.

Wanda Hollema  
Notary Public

My Commission Expires:

10/10/90  
(SEAL)

**CERTIFICATE**

STATE OF ARKANSAS }  
COUNTY OF WHITE } ss.

I, the Clerk of the Circuit and Chancery Courts and Ex-Officio Recorder with-  
and for the County and State aforesaid, do hereby certify that the above and fore-  
going instrument contains a true and correct copy of the original Article

of Incorporation as the same now appears of record in  
Volume \_\_\_\_\_ at page \_\_\_\_\_ of the  
Records of White County, Arkansas.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal  
as such Clerk and Recorder this the 10 day of Jan, 1984

James C. Sanford  
Circuit Clerk and Recorder, White County, Arkansas

By Pat Ellis, D. C.

River Oaks Trace Association of Condominium Owners, Inc,

FILED

JAN 14 1985

PAUL RIVIERE  
SECRETARY OF STATE  
BY 

