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NOTICE TO ALL ASSOCIATIONS

Arizona Corporation Commission Requirement for All Corporations Pursuant to A.R.S. Title 10, Chapter 39, Articles 1 & 2. Please be advised that the following standards ***must*** be implemented immediately if your Association is not complying with the following standards.

- A. Association shall keep as **permanent** records:
 - 1.) **Minutes** of ALL meetings of its members and board of directors,
 - 2.) All **actions taken** by the members or board of directors without a meeting
 - 3.) All **actions taken** by a committee of the board of directors on behalf of the Association
- B. Association shall **maintain** appropriate **accounting records**
- C. Association or its agent shall **maintain a record of its members** in a form that permits preparation of a list of the name and addresses of all members and in alphabetical order by class of membership showing the number of votes each member is entitled to cast and class of memberships held by each member.
- D. Association shall **maintain its records in written form** within a reasonable time.
- E. Association shall **keep a copy** of all of the following records at its **principal office**, at its known **place of business** or at the office of its **statutory agent**: (Following need to be secured in a binder)
 - 1. **Articles** of Incorporation or restated articles, all **amendments** to the Articles in effect.
 - 2. **Bylaws** or restated bylaws, all **amendments** to them currently in effect.
 - 3. **Resolutions** or amendments adopted by its board of directors relating to the characteristics, qualifications, rights, limitations and obligations of members or any class or category of members. (This would be the Association's Fair Representation Policy)
 - 4. **Minutes of all members' meetings** and records of all **actions taken** by members without a meeting for the ***past three (3) years***.
 - 5. All **written communications** to members generally within the past three (3) years including the **financial statements** furnished for the past three (3) years.
 - 6. List of the **names** and business **addresses** of its current directors and officers
 - 7. Most **recent annual report** delivered to the commission under section 10-11622.
 - 8. Any and all **agreements** among members pursuant to section 10-3732.

Also, please remember to provide notice, via an Agenda, of meeting date and time along with the agenda topics ten days prior to the actual membership meeting. During the meeting a treasurer's report must be taken. Keep the meeting formal.

If you have any questions or concerns please contact me immediately. We do not want the Associations to be subjected to civil liability pursuant to a derivative proceeding by its membership.

Remember to continue to keep a formal corporate setting to preserve an impeccable reputation for the corporation.

At your membership meetings someone must obtain attendee's name. You may have a sign-in sheet circulated around the room during the meeting or have a sign-in sheet located at the door of the meeting. You may secure the sign-in sheet with in the minutes or in a separate binder/file. You must maintain the sheet for three (3) years.

Please formalize your membership meetings by adhering to the corporate standard of hearing "old business," "agenda items," and "new business" during the membership meetings.

Thank you in advance for your immediate action on this matter. We are here to assist you and your Association in any way possible to ensure compliance with the Arizona Corporation Commission.

Yours Truly,

NAPIER, CORY & BAILLIE, P.C.



Kathryn R. E. Baillie