

BYLAWS
OF
TOWN OF SPRINGERVILLE
MUNICIPAL PROPERTY CORPORATION

ARTICLE I

GENERAL

Section 1.01. Name and Character. The name of this Corporation is TOWN OF SPRINGERVILLE MUNICIPAL PROPERTY CORPORATION, and it has been created and organized as a nonprofit corporation under the laws of the State of Arizona.

Section 1.02. Purpose and Accomplishment Thereof. The Corporation has been formed to assist the Town of Springerville, Arizona (the "Town"), in financing and constructing capital projects and to pay all legal, financial, engineering, architectural and incidental expenses incurred therein. The Corporation intends to issue and sell its bonds to finance the acquisition of land and/or the construction of the improvements, and after such bonds have been fully paid or provided for, the Corporation shall forthwith transfer all right, title and interest of the Corporation in and to the said land and/or improvements and in and to all other property of the Corporation to the Town, subject to any then existing liens and also subject to any then existing rights of any creditors of the Corporation.

ARTICLE II

OFFICES AND CORPORATE SEAL

Section 2.01. Principal Office. The principal office of the Corporation shall be located at 23 South Papago Street, Springerville, Arizona 85938, or at such other place as shall be determined by the Board of Directors.

Section 2.02. Other Offices. The Corporation may also maintain offices at such other place or places, within or without the State of Arizona, as may be designated from time to time by the Board of Directors, and the business of the Corporation may be transacted at such other offices with the same effect as that conducted at the principal office.

Section 2.03. Corporate Seal. A corporate seal shall not be requisite to the validity of any instrument executed by or on behalf of the Corporation, but nevertheless, if in any instance a corporate seal be used, the same

shall be, at the pleasure of the officer affixing the same, a circle having on the circumference thereof "TOWN OF SPRINGERVILLE MUNICIPAL PROPERTY CORPORATION" and in the center "Incorporated Arizona 1987."

ARTICLE III

DIRECTORS

Section 3.01. Number. The Board of Directors shall consist of three (3) members until such time as the Board of Directors shall, at any annual or special meeting called for that purpose, increase or decrease the number of directors; but the Board shall at no time have less than three (3) nor more than fifteen (15) members. The directors shall be elected at the annual meeting of directors, except as provided in Section 3.02 of this Article III, subject to the approval of the Mayor and Council of the Town, and each director elected shall hold office until his or her successor is elected and qualified. Any director may be removed for cause by the Mayor and Council of the Town.

Section 3.02. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by the affirmative vote of the majority of the remaining directors then in office, though less than a quorum, or by a sole remaining director, subject to the approval of the Mayor and Council of the Town, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and qualified, unless sooner displaced.

Section 3.03. Powers. The business and affairs of the Corporation shall be managed by its Board of Directors, which may exercise all such powers granted under and consistent with the statutes of the State of Arizona, the Articles of Incorporation and these Bylaws. The Corporation shall have no members other than the members of the Board of Directors, and all powers otherwise exercisable by members may be exercised by the Board of Directors.

Section 3.04. Place of Meetings. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Arizona.

Section 3.05. Annual Meeting. The annual meeting shall be held on the third Tuesday of September of each year for the purpose of electing the new Board of Directors. In the event such meeting is not held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the

Board of Directors, or as shall be specified in written waiver by all directors.

Section 3.06. Regular Meetings. Regular meetings of the Board of Directors may be held without further notice at such time and at such place as shall from time to time be determined by the Board if a regular time and place has been previously specified for the holding of such meetings.

Section 3.07. Special Meetings. Special Meetings of the Board may be called by the President or Secretary on one day's notice to each director, either personally, by mail, or by telegram, or by telephone; special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two directors.

Section 3.08. Quorum. A majority of the membership of the Board of Directors shall constitute a quorum, and the concurrence of the majority of those present shall be sufficient to conduct the business of the Board, except as may otherwise be specifically provided by statute or by the Articles of Incorporation. If a quorum shall not be present at any meeting of the Board of Directors, the directors then present may adjourn the meeting to another time or place, upon notice as required for a special meeting. Notwithstanding the foregoing, if all the directors shall sign a written ratification of actions taken at any meeting, then such actions shall be and constitute the valid actions of the Corporation, whether or not a quorum of directors, as defined herein, was actually present at the meeting.

Section 3.09. Compensation. Neither directors nor officers shall receive any salary for their services, except that, by resolution of the Board, actual expenses of attendance, if any, may be allowed for attendance at meetings of the Board. Nothing shall preclude any director or officer from serving the Corporation in another capacity and receiving compensation therefor.

Section 3.10. Waiver of Notice. Attendance of a director at a meeting shall constitute waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any director may waive notice of any annual, regular or special meeting of directors, by executing a written notice of waiver either before or after the time of the meeting.

Section 3.11. Open Meeting Laws. Whenever any statutes or other laws of the State of Arizona, commonly known as open meeting laws, apply to the proceedings of this Corporation, such laws shall take precedence over any provisions in these Bylaws in conflict therewith; and such laws shall be complied with by all persons performing actions subject thereto.

ARTICLE IV

OFFICERS

Section 4.01. Designation of Titles. The officers of the Corporation shall be chosen by the Board of Directors, and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose a Chairman of the Board, additional Vice Presidents, and one or more Assistant Secretaries and Assistant Treasurers. Any number of offices, except the offices of President, Vice President and Secretary, may be held by the same person, unless the Articles of Incorporation or these Bylaws otherwise provide. An officer, except Chairman of the Board, need not be a member of the Board of Directors.

Section 4.02. Appointment of Officers. The Board of Directors at its annual meeting shall choose a President, one or more Vice Presidents, a Secretary and a Treasurer, and may choose a Chairman of the Board, each of whom shall serve at the pleasure of the Board of Directors. The Board of Directors at any time may appoint such other officers and agents as shall be determined from time to time by the Board.

Section 4.03. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors at any time.

Section 4.04. Chairman of the Board. The Chairman of the Board, if one shall have been appointed and be serving, shall preside at all meetings of the Board of Directors, and shall perform such other duties as from time to time may be assigned to him or her.

Section 4.05. President. The President shall preside at all meetings of directors if a Chairman of the Board shall not have been appointed, or having been appointed, shall not be serving or be absent. The President shall sign all deeds and conveyances, all contracts and agreements, and all other instruments requiring execution on behalf of the Corporation, and shall act as operating and

directing head of the Corporation, subject to policies established by the Board of Directors. In case of the permanent absence or inability of the President to act, the office shall be declared vacant by the Board of Directors and a successor chosen by the Board.

Section 4.06. Vice Presidents. There shall be as many Vice Presidents as shall be determined by the Board of Directors from time to time, and they shall perform such duties as from time to time may be assigned to them. Any one of the Vice Presidents, as authorized by the Board, shall have all the powers and perform all the duties of President in case of the President's temporary inability to act.

Section 4.07. Secretary. The Secretary shall see that the minutes of all meetings of the Board of Directors and of any standing committees are kept. The Secretary shall be the custodian of the corporate seal, and shall affix it to all proper instruments when deemed advisable by him or her. The Secretary shall give or cause to be given required notices of all meetings of the Board of Directors. The Secretary shall have charge of all books and records of the Corporation, except books of account, and, in general, shall perform all the duties incident to the office of Secretary of a corporation, and such other duties as may be assigned to him or her.

Section 4.08. Treasurer. The Treasurer shall have general custody of all the funds and securities of the Corporation except such as may be required by law to be deposited with any state official. The Treasurer shall see to the deposit of the funds of the Corporation in such bank or banks as the Board of Directors may designate. Regular books of account shall be kept under the direction and supervision of the Treasurer, and the Treasurer shall render financial statements to the President and Directors at proper times. The Treasurer shall have charge of the preparation and filing of such reports, financial statements and returns as may be required by law.

Section 4.09. Bonds of Officers. The Treasurer and any other officer or agent of the Corporation charged with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the Board shall determine and the premium therefor shall be paid by the Corporation as an operating expense.

Section 4.10. Removal. Any officer may be removed from office at any time by an affirmative vote of a majority of the Board of Directors, with or without cause.

ARTICLE V

FINANCIAL TRANSACTIONS

Section 5.01. Nonprofit Operation. The Corporation shall at all times be operated on a nonprofit basis. No director, officer, employee, member of a committee, or any individual shall receive at any time any of the net earnings or pecuniary profits from the operations of the Corporation; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets, either prior to or upon the liquidation or dissolution of the Corporation. Further, the Corporation shall not lend money to or use its credit to assist its directors, employees or officers in any manner.

Section 5.02. Accounting System and Reports. The Board of Directors shall cause to be established and maintained, in accordance with generally accepted principles of accounting, an appropriate accounting system.

Section 5.03. Contracts. Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 5.04. Checks, Drafts and Other Orders For Payment of Funds. All checks, drafts, or other orders for the payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, employee or employees of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

Section 5.05. Deposits. Except as otherwise determined by the Board of Directors, all funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such bank or banks as the Board may select.

Section 5.06. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July of each and every year and shall end on the last day of June of the following year.

ARTICLE VI

PROHIBITION OF PAYMENT
OF DIVIDENDS OR INCOME

Section 6.01. No Stock or Dividends. The Corporation shall not have or issue shares of stock, and no dividend may be paid and no part of the income or profit may be distributed to any director or officer. Notwithstanding this provision, the Corporation may pay compensation in a reasonable amount as authorized by these Bylaws.

ARTICLE VII

REPEAL, ALTERATION OR AMENDMENT

Section 7.01. Amendment of Bylaws. These Bylaws may be repealed, altered or amended, or substitute Bylaws may be adopted at any time, only by a majority of the Board of Directors. Notwithstanding the foregoing, Article V of these Bylaws regarding the nonprofit nature and operation of the Corporation shall not be altered, amended or repealed.

ADOPTED this 18 day of DEC, 1987.


President

ATTEST:


Secretary