

Pima County Clerk of the Board

Julie Castañeda

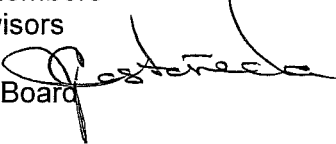
Melissa Manriquez
Deputy Clerk

Administration Division
130 W. Congress, 5th Floor
Tucson, AZ 85701
Phone: (520)724-8449 • Fax: (520) 222-0448

Document and Micrographics Mgt. Division
1640 East Benson Highway
Tucson, Arizona 85714
Phone: (520) 351-8454 • Fax: (520) 791-6666

MEMORANDUM

TO: Honorable Chair and Board Members
Pima County Board of Supervisors

FROM: Julie Castañeda, Clerk of the Board 

DATE: November 7, 2017

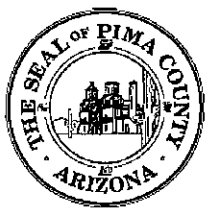
RE: Waiver for Tax Relief – Rialto Theatre Foundation

The Rialto Theatre Foundation has petitioned the Board of Supervisors, under A.R.S. §42-11153(B), for a Waiver of Real Property Taxes for tax year 2017 for Parcel Nos. 117-06-168C, located at 318 E. Congress Street (aka The Lobby Parcel) and 117-06-177B, located at 50 S. Herbert Avenue and 215 E. Broadway Boulevard (aka The Theatre Parcel). The petition was filed on October 2, 2017.

Year	Parcel ID	Tax	Interest	Fee	Total
2017	117-06-168C	\$ 7,270.30	\$ 0.0	\$ 0.0	\$ 7,270.30
2017	117-06-177B	\$18,917.15	\$ 0.0	\$ 0.0	<u>\$18,917.15</u>
Total					\$26,187.45

Attachments

- Assessor's Review Forms
- Treasure's Report
- Notice of Hearing
- Petitioner's Submission



Pima County Clerk of the Board

Robin Brigode

Mary Jo Furphy
Deputy Clerk

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Petition to the Board of Supervisors - Review Form

Pursuant to A.R.S. §42-11104(G) (educational/library property) or
 A.R.S. §42-11109(E) (religious property)

Taxpayer Rialto Theatre Foundation

For tax year(s) 2017 (parcel number 117-06-168C)

- 1) Did the organization file an affidavit as required by A.R.S. §42-11153?
 Yes No
- 2) Was the affidavit filed on or before March 1 of the tax year as required by A.R.S. §42-11153?
 Yes No
- 3) If the affidavit had been filed timely, would the Assessor have granted the exemption?
 Yes No
- 4) If the answer to Number 3 is "No", why was the exemption denied?
 The required ownership of the property was not in effect during the time period required by statute.
 The property was not being used for the exempt purpose during the time period required by statute.
 The requesting church, educational or library property did not furnish the required documents requested by the Assessor at the time of application per A.R.S. §42-11152(3)&(B)
 Other:
The parcel consists of the lobby portion of the Rialto Theatre, which in and of itself, does not meet
any requirements under Arizona Revised Statutes Title 42 Chapter 11.

Completed by: Grace Gutierrez Date: 10-6-2017

c: Honorable Bill Staples, Pima County Assessor



Pima County Clerk of the Board

Robin Brigode

Mary Jo Furphy
Deputy Clerk

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130 W. Congress, 5th Floor
Tucson, AZ 85701
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Petition to the Board of Supervisors - Review Form

Pursuant to A.R.S. §42-11104(G) (educational/library property) or
 A.R.S. §42-11109(E) (religious property)

Taxpayer Rialto Theatre Foundation

For tax year(s) 2017 (parcel No. 117-06-177B)

- 1) Did the organization file an affidavit as required by A.R.S. §42-11153?
 Yes No
- 2) Was the affidavit filed on or before March 1 of the tax year as required by A.R.S. §42-11153?
 Yes No
- 3) If the affidavit had been filed timely, would the Assessor have granted the exemption?
 Yes No

- 4) If the answer to Number 3 is "No", why was the exemption denied?
 The required ownership of the property was not in effect during the time period required by statute.
 The property was not being used for the exempt purpose during the time period required by statute.
 The requesting church, educational or library property did not furnish the required documents requested by the Assessor at the time of application per A.R.S. §42-11152(3)&(B)
 Other:

Per letters received in the Assessor's Office , representatives for The Rialto Theatre indicate that the Rialto Theatre Foundation is not the owner of the actual theatre parcel.

Completed by: Grace Gutierrez Date: 10-6-17

c: Honorable Bill Staples, Pima County Assessor



PIMA COUNTY TREASURER'S OFFICE

Beth Ford, CPA
Pima County Treasurer

240 North Stone Avenue
Tucson AZ, 85701-1199
(520) 724-8341

ACCOUNT BALANCE

RIALTO THEATRE FOUNDATION
PO BOX 1728
TUCSON AZ 85702-1728

ACCOUNT: 11706168C
PROPERTY TYPE: Real Estate
PROPERTY LOCATION: 318 E CONGRESS ST
LEGAL DESC: TUCSON PTN N55.24' E51.35' LOT 6 BLK 91 LYG S &
ADJ CONGRESS ST EXC ALL ABOVE 2405.70' ELEVATION
(AKA THE LOBBY PCL)

Account Balance as of October 19, 2017

Tax Year	Cert No	Interest Date	Interest Percent	Amount	Interest Due	Fees Due	Penalties Due	Total Due
2016 - 1		11/1/2016	16.0	3,520.54	563.29	0.00	0.00	4,083.83
2016 - 2		5/1/2017	16.0	3,520.53	281.64	0.00	0.00	3,802.17
2017 - 1		11/1/2017	16.0	3,635.15	0.00	0.00	0.00	3,635.15
2017 - 2		5/1/2018	16.0	3,635.15	0.00	0.00	0.00	3,635.15
Totals				\$14,311.37	\$844.93	\$0.00	\$0.00	\$15,156.30

If you have any questions about the items on this statement, please contact our offices.



PIMA COUNTY TREASURER'S OFFICE

Beth Ford, CPA
Pima County Treasurer

240 North Stone Avenue
Tucson AZ, 85701-1199
(520) 724-8341

ACCOUNT BALANCE

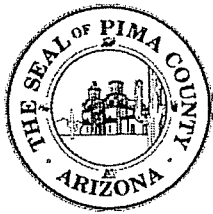
RIALTO THEATRE FOUNDATION
PO BOX 1728
TUCSON AZ 85702-1728

ACCOUNT: 11706177B
PROPERTY TYPE: Real Estate
PROPERTY LOCATION: 215 E BROADWAY BL
LEGAL DESC: TUCSON E68.96' LOTS 7 10 & 11 EXC S46.54' & EXC
S9' E68.87' LOT 6 BLK 91 (AKA THE THEATRE PCL)

Account Balance as of October 19, 2017

Tax Year	Cert No	Interest Date	Interest Percent	Amount	Interest Due	Fees Due	Penalties Due	Total Due
2016 - 1		11/1/2016	16.0	9,677.15	1,548.34	0.00	0.00	11,225.49
2016 - 2		5/1/2017	16.0	9,677.14	774.17	0.00	0.00	10,451.31
2017 - 1		11/1/2017	16.0	9,458.58	0.00	0.00	0.00	9,458.58
2017 - 2		5/1/2018	16.0	9,458.57	0.00	0.00	0.00	9,458.57
Totals				\$38,271.44	\$2,322.51	\$0.00	\$0.00	\$40,593.95

If you have any questions about the items on this statement, please contact our offices.



Pima County Clerk of the Board

Julie Castañeda

Melissa Manriquez
Deputy Clerk

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Tucson, AZ 85701
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October 23, 2017

Rialto Theatre Foundation
c/o Michael McGrath
Mesch Clark Rothschild
259 N. Meyer Avenue
Tucson, Arizona 85701-1090

RE: Waiver of Real Property Taxes—Parcel Nos. 117-06-168C & 117-06-177B

Dear Mr. McGrath:

Please be advised that your petition of Waiver of Real Property Taxes has been scheduled before the Pima County Board of Supervisors on Tuesday, November 7, 2017, at 9:00 a.m. or thereafter, at the following location:

Pima County Administration Building
Board of Supervisors Hearing Room
130 West Congress, 1st Floor
Tucson, AZ 85701

If you have any questions regarding this hearing, please contact this office at 724-8449.

Sincerely,

A handwritten signature in black ink, appearing to read "Castañeda".

Julie Castañeda
Clerk of the Board

Julie Castaneda

From: Julie Castaneda
Sent: Monday, October 2, 2017 4:57 PM
To: Julie Castaneda
Subject: FW: Rialto Theatre Foundation - Request for waiver of real property taxes
Attachments: 24O1631-Rialto - Enclosure letter to Clerk of the Board for Request for Waiver of real property taxes.PDF
Follow Up Flag: Follow up
Flag Status: Flagged

Julie Castañeda
Pima County Clerk of the Board
130 W. Congress St., 5th Floor
Tucson, Arizona 85701
(520) 724-8007

From: Jamie Archibald [mailto:jarchibald@mccrazlaw.com]
Sent: Monday, October 2, 2017 4:44 PM
To: COB_mail <COB_mail@pima.gov>
Cc: Michael McGrath <mmcgrath@mccrazlaw.com>; Grace Gutierrez <Grace.Gutierrez@pima.gov>; Andrew Flagg <Andrew.Flagg@pcao.pima.gov>
Subject: Rialto Theatre Foundation - Request for waiver of real property taxes

Dear Ms. Castaneda,

Please see attached correspondence from Michael McGrath. Please let us know if you need anything further.

Thank you,

Jamie Archibald
Paralegal



259 N. Meyer Avenue, Tucson, AZ 85701-1090
Phone (520) 624-8886
Fax (520) 798-1037

[website](#) | [vCard](#) | [map](#) | [email](#)

A Continuing Tradition of Excellence

CONFIDENTIALITY NOTICE: This communication constitutes an electronic communication within the meaning of the Electronic Communications Privacy Act, 18 USC 2510, and its disclosure is strictly limited to the recipient intended by the sender of this message. This communication may contain confidential and privileged material for the sole

OCT 04 17 AM 10:16 PC CLK OF BD

Use of the intended recipient and receipt by anyone other than the intended recipient does not constitute a loss of the confidential or privileged nature of the communication. Any review or distribution by others is strictly prohibited. If you are not the intended recipient please contact the sender by return electronic mail and delete all copies of this communication.



MESCH
CLARK
ROTHSCHILD

mmegrath@mcrazlaw.com

Our File No. 02013-61

October 2, 2017

VIA E-MAIL ONLY

Julie Castaneda
Clerk of the Board
Pima County
Administration Division
130 W. Congress
5th Floor
Tucson, AZ 85701
COB_Mail@pima.gov

RE: Rialto Theatre Foundation
Request for waiver of real property taxes

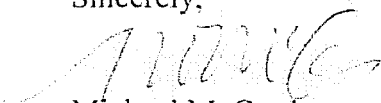
Dear Ms. Castaneda:

I represent the Rialto Theatre Foundation ("Foundation") in regard to its real property taxation issues with the Pima County Assessor's Office. I submit this request to the Pima County Board of Supervisors ("Board") for a waiver of the Foundation's 2017 real property taxes pursuant to A.R.S. § 11-11153(B).

Attached are a completed Board's Agenda Item Report and the completed Pima County Assessor's Questionnaire for Property Tax Exemption Application, which includes the Foundation's I.R.S. tax exemption letter, Articles of Incorporation, Bylaws, Financial Reports and Letter of Specific Intent, submitted in compliance with the Board's Rules and Regulations, Policies and Administrative Procedures.

Please review these items for inclusion on the agenda for the Board's meeting scheduled for October 17, 2017. Thank you in advance for your attention to this issue and please contact me or my paralegal, Jamie, if you need anything further.

Sincerely,


Michael McGrath

MM/ja
Enclosures

DOCT 04 17 AM 10:16 PC CLK OF BD

Clerk, Pima County Board of Supervisors
October 2, 2017
Page 2

MESCH CLARK ROTHSCHILD

cc : Grace Gutierrez, Pima County Assessor's Office, Exemption Section
(grace.gutierrez@pima.gov)
Andrew Flagg, Chief Deputy, Civil Division, Pima County Attorney's Office
(Andrew.flagg@pcao.pima.gov)
National Bank of Arizona
Curtis McCrary, Executive Director, Rialto Theatre Foundation

BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: October 17, 2017

Title: Request for waiver of 2017 real property taxes based on nonprofit tax exemption for Rialto Theatre Foundation

Introduction/Background:

Rialto Theatre Foundation ("Foundation") was organized for the purpose of encouraging and sponsoring arts and cultural event and providing stewardship for and support of historic performance venues (specifically, the Rialto Theatre ("Theatre")) among other purposes. The Foundation is organized as an Arizona nonprofit corporation as of May 3, 2004 and received exempt status from Federal income taxes under 501(c)(3) of the Internal Revenue Code on February 2, 2005.

Discussion:

As of nonprofit, the Foundation is exempt from ad valorem real property taxes. The Foundation owns real property identified by the Pima County Assessor as Parcel 11706168C, address 318 E. Congress Street (aka The Lobby Parcel), and Parcel 11706177B, addresses 50 S. Herbert Avenue and 215 E. Broadway Boulevard (aka The Theatre Parcel) (collectively with the Lobby Parcel, the "Property"). The Foundation received real property tax statements for 2017 and did not file the Pima County Assessor's Questionnaire for Property Tax Exemption Application, which the Foundation would have received exemption pursuant to A.R.S. § 42-11116. As such and pursuant to A.R.S. § 42-11153(B), the Foundation hereby submits the attached petition to the Pima County Board of Supervisors for a waiver of the Foundation's 2017 real property taxes.

Conclusion:

The Foundation requests the Pima County Board of Supervisors allow a waiver of the Foundation's 2017 property taxes.

Recommendation:

Pima County Board of Supervisors grants the Foundation a waiver of its 2017 property taxes based on its nonprofit, exempt status. The Pima County Assessor's Office should be notified.

Fiscal Impact:

As a nonprofit, all revenues generated by the Foundation are reinvested in the Theatre and programming for the Theatre. Any tax expense would deplete funds available for the Theatre and its programming.

Board of Supervisor District:

1 2 3 4 X 5 All

Department: _____ Telephone: _____

Contact: _____ Telephone: _____

Department Director Signature/Date: _____

Deputy County Administrator Signature/Date: _____

County Administrator Signature/Date: _____

**QUESTIONNAIRE FOR PROPERTY TAX EXEMPTION
APPLICATION**

1. Name & Address of Non-Profit or Religious organization:
Rialto Theatre Foundation
211 E. Broadway
Tucson, AZ 85701
2. From which subsection of Title 42, Chapter 11, Article 3-Exemptions do you base your claim for exemption? 42-11116
(Arizona Revised Statutes can be found at: www.azleg.gov)
3. Are there any type of business activities such as snack bars, cafés or restaurants operating on the premises? Yes No
4. Is the organization exempt from Federal and/or State income taxes?
Yes No
5. Give day, month, and year deed/title was acquired by applicant.
Day 18 Month 6 Year 2015
6. Claimant is: Owner/Operator Owner only Operator only
7. Exemption is claimed on:
All land Buildings & Improvements Personal Property
8. Is any portion of the property used as a place of residence? Yes No
If yes, state number of individuals occupying the premises and the duration of the occupancy. _____
9. Does applicant receive any income? (other than free will offerings in connection with this property) Yes No
10. Is any portion of the property being leased or rented to a non-profit and/or a for-profit organization(s)? Yes No . If yes, please list the name(s) of the organization(s) _____

11. List date of occupancy: Day 5 Month 9 Year 2004

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 02 2005

CONGRESS STREET HISTORIC THEATERS
FOUNDATION
PO BOX 1728
TUCSON, AZ 85702

Employer Identification Number:
16-1699701
DLN:
17053364076034
Contact Person:
DOROTHY M LAWRENCE ID# 31450
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
May 3, 2004
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
June 30, 2008

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

ARTICLES OF INCORPORATION
OF
CONGRESS STREET HISTORIC THEATRES FOUNDATION
An Arizona Nonprofit Corporation

Shirley Redd
5-3-2009

- 1130 372-9

ARTICLE I
NAME AND PERPETUAL DURATION

JRH

The name of the Corporation is Congress Street Historic Theatres Foundation, hereinafter called the "Corporation." The Corporation is a nonprofit corporation under Arizona law, A.R.S. Section 10-2101, et seq. The period of duration shall be perpetual.

ARTICLE II
STATUTORY AGENT

The Statutory Agent of the Corporation is Douglas Biggers, whose address is 314 E. Congress Street, Suite 206, Tucson, AZ. Mailing address: P.O. Box 1728, Tucson, AZ 85702

ARTICLE III
OFFICE

The address of the known place of business of the Corporation is the same as the address for the statutory agent.

ARTICLE IV
PURPOSE OF THE CORPORATION

The Corporation is organized exclusively for charitable, religious, educational, and scientific purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future tax code. To the extent that the following conforms to such charitable and educational purposes, the general nature of the business to be transacted by the Corporation is more specifically described as follows: Encouraging and sponsoring arts and cultural events; providing stewardship for and support of historic performance venues (including the Rialto Theatre and the Fox Tucson Theatre); educating the public about film, performance and visual arts; promoting cultural and architectural history in Tucson, Arizona; and playing a direct role in the revitalization of Downtown Tucson.

The foregoing enumeration shall not be deemed to limit or restrict the general powers of the Corporation and the enjoyment and exercise thereof, as conferred by the laws of the State of Arizona under which this Corporation is formed.

75
6288

ARTICLE V
POWERS OF THE CORPORATION

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except 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. 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 distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any activities not permitted to be carried on by (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provisions of any future tax code, or (b) a corporation, contributions to which are deductible under section 170(e)(2) of the Internal Revenue Code of 1986, or the corresponding section of any future tax code.

ARTICLE VI
MEMBERS

The corporation shall have no members.

ARTICLE VII
INITIAL BUSINESS

The Corporation intends to initially further its purposes, as stated in Article VI above, by restoring, renovating, and operating the Rialto Theatre, a historic theatre built in 1920 and listed on the National Register of Historic Places, in Downtown Tucson, Arizona, as a premier performance and film exhibition venue. The Corporation will take any and all actions as may be appropriate to accomplish this specific goal and further the general purposes set forth in Article IV above.

ARTICLE VIII
BOARD OF DIRECTORS

The number and term of the directors shall be provided in the Bylaws of the Corporation. The initial director, who shall serve until his successor(s) are elected and qualified is Douglas Biggers, 314 E. Congress Street, Suite 206, Tucson, AZ, 85701.

ARTICLE IX
ORIGINAL INCORPORATOR

The original incorporator of the Corporation is Douglas Biggers, whose address is 314 E. Congress Street, Suite 206, Tucson, AZ, 85701.

ARTICLE X DISSOLUTION

The Corporation may be dissolved only in accordance with Arizona law. Upon dissolution of the Corporation, any assets remaining after payment of, or adequate provision for, the Corporation's debts and obligations, shall be distributed to a non-profit fund, foundation or corporation, organized for purposes similar to those for which this Corporation was formed, which qualifies as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986 or corresponding section of any future tax code, as the Board of Directors shall determine. Any assets not disposed of shall be disposed by the Superior Court of the County in which the principal office of the Corporation is then located exclusively for such exempt purposes.

ARTICLE XI LIMITATION OF DIRECTOR'S LIABILITY

The personal liability of the directors of the Corporation for monetary damage for any action taken or any failure to take any action as a director is eliminated to the fullest extent permitted by A.R.S. Section 10-5202(B)(1), as it may hereafter be amended or renumbered, or the analogous provision of any future Arizona nonprofit corporation code.

ARTICLE XII INDEMNIFICATION

The Corporation may indemnify any person against liability and expenses, including without limitation attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably suffered or incurred by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other entity, in all circumstances in which, and to the extent that, such indemnification is permitted by A.R.S. Sections 10-3851 and 10-3856, or such provisions may hereafter be amended or renumbered, or the analogous provision of any future Arizona nonprofit corporation code. Any indemnification hereunder shall be made by the Corporation only as authorized by the Board of Directors pursuant to A.R.S. Section 10-3855, as it may hereafter be amended or renumbered, or the analogous provision of any future Arizona nonprofit corporation code.

The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, as was serving at the request of the Corporation as a director or officer, against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such whether or not the Corporation would have had the power to indemnify him or her against such liability under this Article.

The indemnification herein above permitted shall not be exclusive of any rights to which any director or officer of the Corporation may otherwise be entitled by law, including mandatory indemnification under A.R.S. Section 10-3852 or the analogous provision of any future code.

**ARTICLE XIII
AMENDMENT**

These articles may be amended by a vote of two-thirds of the directors then in office.

**ARTICLE XIV
CONFLICTS**

In the case of any conflict between the terms hereof and the Bylaws, these Articles of Incorporation shall control.

Dated May 3, 2004.




Douglas Biggers
Incorporator

CONSENT OF STATUTORY AGENT

Douglas Biggers, having been designated to act as Statutory Agent, hereby consents to act in that capacity until removed or his resignation is submitted.

Dated: May 3, 2004.



Douglas Biggers

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISION

Phoenix Address 1300 West Washington
Phoenix, Arizona 85007-3929

Tucson Address 400 West Congress
Tucson, Arizona 85701-4347

NONPROFIT
CERTIFICATE OF DISCLOSURE
A.R.S. Section 10-3202.D.

Congress Street Historic Churches Foundation
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation
1. Been convicted of a felony involving a transaction in securities, consumer fraud or nontrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false promises, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
 - (b) involved the violation of the consumer fraud laws of that jurisdiction; or
 - (c) involved the violation of the anti-trust or restraint of trade laws of that jurisdiction?

Yes No

C. IF YES, the following information MUST be attached

1. Full name and prior name(s) used
2. Full birth name.
3. Present home address
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.

6. Social Security number
7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or case number of case.

- C. Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by any jurisdiction?

Yes No

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name, including alias and address of each person involved.
3. State(s) in which the corporation:
 - (a) Was incorporated.
 - (b) Has transacted business.

4. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or case number of the case.

D. The fiscal year end adopted by the corporation is June 30

Under penalties of law, the undersigned (incorporators/officers) declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct, complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Doug P. Rogers DATE 5/3/07
 TITLE President

BY _____ DATE _____
 TITLE _____

BY _____ DATE _____
 TITLE _____

BY _____ DATE _____
 TITLE _____

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four incorporators, please attach remaining signatures on a separate sheet of paper.)

If within any days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

CF 0001 - Non-Profit
Rev 9/00

AZ CORPORATION COMMISSION
FILED



NOV 20 2008

FILE NO - 1130372-9

NON-PROFIT CORPORATION
ARTICLES OF AMENDMENT
Pursuant to A.R.S. §10-11005

1. The name of the corporation is:
Congress Street Historic Theatres Foundation
2. Attached hereto as Exhibit A is the text of each amendment adopted.
3. The amendment was adopted the 17 day of Nov, 2008
4. The amendment was duly adopted by and of (choose one):
 - the members
 - the board of directors (without member action and either member action was not required or members are not entitled to vote).
5. and with approval, in writing, by the person or persons so specified in the corporation's Articles of Incorporation or bylaws.

Dated as of this 17 day of Nov 2008

Signature: Michael Crawford
(Pursuant to A.R.S. §10-3120 (F)(6) the Articles of Amendment must be executed by an officer of the corporation or the Chairman of the Board of Directors).

Title: President

Printed Name: MICHAEL CRAWFORD

EXHIBIT A

**Amendment to the Articles of Incorporation of
Congress Street Historic Theatres Foundation**

1) Pursuant to a resolution approved by a unanimous vote of the board of directors on November 14, 2008, the corporate name of the Congress Street Historic Theatres Foundation is hereby changed to the Rialto Theatre Foundation.

2) This change of name is an amendment to Article I of the Articles of Incorporation. The previous version read as follows:

ARTICLE I

NAME AND PERPETUAL DURATION

The name of the Corporation is Congress Street Historic Theatres Foundation, hereafter called the "Corporation." The Corporation is a nonprofit corporation under Arizona law, A.R.S. Section 10-2101, et seq. The period of duration shall be perpetual.

The amended wording of Article I shall now read as follows:

ARTICLE I (as amended)

NAME AND PERPETUAL DURATION

The amended name of the Corporation is the Rialto Theatre Foundation, hereafter called the "Corporation." The Corporation is a nonprofit corporation under Arizona law, A.R.S. Section 10-2101, et seq. The period of duration shall be perpetual.

5/28/13

**AMENDED AND RESTATED
BYLAWS
RIALTO THEATRE FOUNDATION
April 2013**

ARTICLE 1. NAME AND PURPOSE

1.1 Name. This corporation shall be known as the Rialto Theatre Foundation, Inc. (hereinafter called the Corporation).

1.2 Purpose. This Corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under § 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code (the "Code"). The Corporation's purpose is to encourage and sponsor music, arts and cultural events; provide stewardship for and support historic performance venues, specifically the Rialto Theatre, educate and entertain the public about music, film, performance, and visual arts; promote cultural and architectural history in Tucson, Arizona; and play a direct role in the revitalization of Downtown Tucson.

1.3 Office; Registered Agent. The principal and registered offices of the corporation shall be located in Tucson, Arizona. The Corporation shall have and continuously maintain in the State of Arizona a registered agent whose office may be identical with the registered office.

1.4 Exemption. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income tax under § 501(c)(3) of the Code or (b) by a corporation contributions to which are deductible under § 170(c)(2) of the Code.

1.5 Distribution of Assets. Upon the winding up and dissolution of this Corporation, after paying or adequately providing for the debts and obligations of the Corporation, the remaining assets shall be distributed to a non-profit fund, foundation or corporation organized and operated exclusively for charitable, educational or religious and/or scientific purposes and which has established its tax-exempt status under § 501(c)(3) of the Code.

ARTICLE 2: BOARD OF DIRECTORS

2.1 Powers and Duties of the Board of Directors. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board is responsible for overall policy and direction of the Corporation and delegates responsibility of day-to-day operations to the Executive Director, staff, and committees. The Board of Directors shall have the authority to:

2.1.1 exercise general authority and responsibility for the management and operation of the Corporation;

2.1.2 establish and maintain effective operational and fiscal policies of the Corporation;

2.1.3 appoint the Directors and fill the Board's elective offices;

2.1.4 hire, supervise, and direct the Executive Director on matters of policy, purpose, responsibility, authority and integrity of operations;

2.1.5 acquire, hold, own, manage, operate, exchange, and dispose of all property (real and personal) in the ordinary course of business;

2.1.6 pledge or grant security interests in the Corporation's personal property, cash, accounts receivable and other assets as collateral for any obligation;

2.1.7 acquire, hold, own, license, and lease any interest in and to any intellectual property such as copyrights, patents, trade names and/or marks;

2.1.8 enter into, make, perform, and carry out, or cancel or rescind contracts for any lawful purpose in the ordinary course of business and consistent with the objectives of the Corporation;

2.1.9 borrow funds or incur obligations as required in the ordinary course of business;

2.1.10 approve an annual budget for the Corporation and budget for the income and expenditure of funds to control the programs of the Corporation and to control the disbursement of such funds;

2.1.11 monitor income received and expenditures incurred by the Corporation;

2.1.12 raise public or private funds to support the services and programs of the Corporation;

2.1.13 sue, be sued, complain, and defend in its corporate name; and

2.1.14 otherwise have and exercise all powers necessary and convenient to effectuate the purposes of the Corporation not inconsistent with the Articles, these Bylaws, and federal and state laws and regulations.

2.2 Number, Tenure, and Qualifications. The Board of Directors shall consist of not less than three (3) and not more than twenty-five (25) Directors. Directors shall serve three-year terms, but may be re-appointed for two additional, consecutive terms. A Director that has

not served on the Board for a period of one year or more may be subsequently appointed to the Board as though appointed for the first time. Each Director must have sufficient education and/or business experience to make sound and reasoned decisions concerning the operation of the Corporation, and shall at all times conduct themselves with professional courtesy and decorum in the affairs of the Corporation.

2.3 Board Appointments. The Board of Directors may appoint Directors to fill vacancies on the Board. Any appointment of a vacant Director position must take place during a regular meeting of the Directors, either at the Annual meeting or a regular meeting called in accordance with the provisions of these Bylaws. New Directors shall be appointed by the Directors present at the meeting, provided there is a quorum present. Directors so appointed shall serve a term beginning as of the next meeting of the Directors.

2.4 Annual Meeting. The Annual Meeting of the Board of Directors shall be held in the month of May; written notice may be given at least ten days prior thereto.

2.5 Regular Meetings. The Board of Directors shall hold Regular Meetings on a monthly basis. Regular Meetings may be called by the Chairman or Vice-Chairman of the Board, provided that at least one-quarter of all Directors agrees (by email or in-person vote) to the date set for the Regular Meeting. Notice of all Regular Meetings shall be given at least ten (10) days prior thereto by written notice.

2.6 Special Meeting. Special meetings of the Board of Directors may be called by the Chairman of the Board or at the request of three (3) Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Arizona, as the place for holding any special meeting of the Board called by them. Notice of any special meeting of the Board of Directors shall be given at least five (5) days prior thereto by written notice.

2.7 Participation in meetings by Conference Telephone. Meetings of the Board whether Regular or Special may be held by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

2.8 Notice. Notice, for the purposes of these Bylaws, shall mean written notice delivered in person, facsimile, email, or other form of written communication, or by mail or private carrier to each Director at her or his address as shown by the records of the Corporation.

2.9 Quorum. A majority of all current Directors, which shall include at least one elected Officer, shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if quorum is not achieved, the Directors present at said meeting shall notify the absent Directors of the lack of quorum and the date of the next meeting. If a quorum of Directors is present when the meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more Directors.

2.10 Proxies. The Corporation will not accept proxy votes.

2.11 Agenda. An agenda shall be prepared for all Meetings of the Board of Directors by the Executive Director, Chair or designee, if needed; however, the agenda may be amended, by vote, by the Board of Directors at its meeting. Minutes shall be kept of the Board proceedings and made available to the Directors not less than five (5) days prior to the next scheduled meeting.

2.12 Manner of Acting. Each Director shall have one vote on each matter submitted to a vote. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Corporation's Articles of Incorporation or these bylaws.

A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless either the:

2.12.1 Director objects at the beginning of the meeting or promptly on arrival to holding it or transacting business at the meeting.

2.12.2 Director's dissent or abstention from the action taken is entered in the minutes of the meeting.

2.12.3 Director delivers written notice of the Director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation before 5:00 p.m. on the next business day after the meeting.

2.13 Action Without Meeting. Any action required to be taken at a meeting of the Board of Directors of the Corporation, or any other action that may be taken at a meeting of the Board of Directors, may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by a majority of all current Directors. The consent shall identify with specificity the action to be taken and shall be made available to all Directors not less than five (5) days prior to its effective date. Such consent may be signed in one or more counterparts, as well as electronically, and shall be included in the minutes filed with the corporate records. A consent signed pursuant to this section has the effect of a meeting vote and may be described as such in any document. Action taken pursuant to this section shall become effective when the consent is signed by the last Director required to sign the consent to constitute a majority of the Directors. Any Director may withdraw their consent by written notice to the Chair or Vice-Chair at any time prior to the signature of the last Director required to sign the consent.

2.14 Vacancies. Vacancies on the Board of Directors resulting from death, incapacity to serve, resignation, removal or otherwise, may be filled by the remaining Directors, and a Director so appointed shall hold office for the balance of the term of the Director replaced, and thereafter until her or his successor has been duly elected.

2.15 Removal. Any Director may be removed from the Board of Directors upon one of the following events: absence from three (3) consecutive or six (6) non-consecutive meetings in a 12-month period; failure to serve in a manner consistent with these Bylaws and federal and

state guidelines and regulations,; or resignation from the Board of Directors, which resignation must be in writing to the Chairman of the Board. Any removal of a Director shall be made at a Regular or Special Meeting, and the removal action shall be disclosed in the meeting agenda provided pursuant to these Bylaws. Removal of a Director requires an affirmative vote of 2/3 of the Directors present at a meeting at which a quorum is present.

2.16 Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors, expenses of attendance, if any, may be allowed for attendance at any regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation for such actual services, so long as service is in accord with the Corporation's Conflict of Interest policy.

ARTICLE 3: OFFICERS

3.1 Officers. The officers of the Corporation shall be a Chair, Past Chair, Vice Chair, Treasurer, and Secretary. Other officers may be authorized and appointed or elected by the Directors. All offices shall be held by Directors. The same individuals may simultaneously hold more than one office in the Corporation. The Chair shall be chosen from among the Directors.

3.2 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the Annual Meeting of the Board of Directors. If the election of officers is not held at such meeting, such elections shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the Board. Each officer shall hold office until a successor has been duly elected.

3.3 Removal. Any officer elected or appointed by the Board of Directors may be removed, with or without cause, by the Board of Directors whenever, in its judgment, the best interests of the Corporation would be served thereby.

3.4 Resignation. Any officer may resign at any time by giving written notice to the Chair or the Secretary of the Corporation. Such resignation shall take effect when received or at any later date specified therein, and the acceptance by the Board of such resignation shall not be necessary.

3.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

3.6 Duties of Officers. Any officer elected by the Board of Directors shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer reasonably believes to be in the best interests of the corporation.

3.6.1 Chair. The Chair shall convene, and preside over, regularly scheduled Board meetings in accordance with these Bylaws. Other members of the Executive Committee may preside over a regularly scheduled meeting in the following order: Vice-chair, Secretary, and Treasurer. Additional duties are listed below:

- a) Oversee Board and Executive Committee meetings.
- b) Serve as ex-officio member of all committees.
- c) Work in partnership with the Executive Director to make sure Board resolutions are carried out
- d) Call special meetings, as necessary
- e) Appoint all Committee chairs, and, with the Executive Director, recommend who will serve on Committees
- f) Approve and present the agenda, at Board meetings.
- g) Assist the Executive Director in conducting new Board member orientation.
- h) Oversee the search for a new Executive Director.
- i) Coordinate Executive Director's annual performance evaluation.
- j) Work to recruit new Board members.
- k) Act as spokesperson for the Corporation.
- l) Consult with Board members on their roles, which may include assessing their performance, individually and/or through an annual Board Self-Assessment.

3.6.2 Vice Chair. The Vice Chair shall chair committees on special subjects as designated by the Board. If the Chair office is vacant, or the Chair is unable or refuses to perform the duties of that office, the Vice-Chair shall perform the duties of the office of the Chair, and shall have all the powers and be subject to all the restrictions of that office, until the Chair is able to resume the duties of the office, or the Board holds an election to fill the vacant office. Other duties are as follows:

- a) Serve on the Executive Committee.
- b) Carry out special assignments as requested by the Board Chair.
- c) Understand the responsibilities of the Board Chair and be able to perform these duties in the Chair's absence.
- d) Participate as a vital part of the Board leadership.

3.6.3 Past Chair. The Past Chair shall be an advisory member of the Executive Committee. The Past Chair shall assist the Board, the Chair, and the Executive Committee with historical knowledge, context and advice.

3.6.4 Treasurer. The Treasurer shall oversee all funds of the Corporation and their deposit in such bank or banks as may be designated by the Board of Directors. To facilitate routine small expenditures, the Treasurer may approve the establishment of a separate petty cash account and may authorize others to make such withdrawals with the consent of the Chair. The Treasurer shall make a report at each Board meeting. The Treasurer shall chair the Finance Committee, if one is established, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to Board members and the public. Additional duties are as follows:

- a) Serve on the Executive Committee.
- b) Ensure that the Corporation is the beneficiary of a fidelity bond (which shall be regularly renewed) in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of the office of Treasurer and staff.
- c) File the corporate annual report with the Arizona Corporation Commission.
- d) Maintain knowledge of the Corporation and personal commitment to its goals and objectives.
- e) Understand financial accounting for nonprofit organizations.
- f) Serve as financial officer of the Corporation and as Chairperson of the Finance Committee, if one is established.
- g) Manage, with the Finance Committee, if one is established, the Board's review and action related to the Board's financial responsibilities.
- h) Work with the Executive Director to ensure that appropriate financial reports are made available to the Board on a timely basis.
- i) Assist the Executive Director in preparing the annual budget and presenting the budget to the Board for approval.
- j) Answer Board members' questions about the annual audit.
- k) Perform any other duties incident to such office or as determined by the Board of Directors.

3.6.5 Secretary. The Secretary shall keep a full, complete, and accurate record of the proceedings of the Board of Directors, shall give notice of such meetings as required, distribute copies of minutes and the agenda to each Board member, and assure that corporate records are maintained. Other duties performed by the Secretary include the following:

- a) Serve on the Executive Committee.
- b) Maintain and keep safe all Corporation and Board records, including these Bylaws and any amendments thereto, and ensure their accuracy and safety.
- c) Review Board minutes.
- d) Assume responsibilities of the Chair in the absence of the Chair and Vice Chair.
- e) Discharge such other duties as pertain to the office or as prescribed by the Chair or the Board of Directors.

ARTICLE 4. EXECUTIVE DIRECTOR AND STAFF

The Executive Director is hired by the Board. The Executive Director has primary responsibility for management of the day-to-day operation of the Corporation, including carrying out the Corporation's goals and policies. The Executive Director will attend all Board meetings, report on the progress of the Corporation, answer questions of the Board Members, and carry out the following duties:

- a) Serve on the Executive Committee and, with the Chair, recommend who will serve on committees.
- b) Propose agendas for Board meetings, subject to approval by the Chair
- c) Assist in conducting new Board member orientation
- d) Execute the general policies of the Corporation, as directed by the Board.
- e) Carry out special assignments, as requested by the Board chair.
- f) Make expenditures and enter into financial commitments not in excess of Fifty-Thousand Dollars (\$50,000.00).
- g) Prepare operating plans, recommend policies, and propose changes to improve operations.
- h) Exercise full authority and control over all employees of the Corporation, subject to any reservation of authority set forth by the Board, and be responsible for the performance of staff;
- i) Work with the Treasurer to ensure that appropriate financial reports are made available to the Board on a timely basis.
- j) In conjunction with the Treasurer, prepare the annual budget and present the budget to the Board for approval.
- k) With the Treasurer, answer Board members' questions about the audit.
- l) Hire and fire staff as is appropriate for the good of the Corporation.
- m) Salaried staffing levels shall be set by the Executive Director with Board authorization.
- n) Discharge such other duties as pertain to the office or as prescribed by the Chair or the Board of Directors.

ARTICLE 5. CONFLICTS OF INTEREST POLICY

The Corporation shall adopt a conflicts of interest policy to protect the Corporation's interests, and to ensure that Directors' private interests (whether personal, professional, or financial) do not improperly influence decision making by the Board. The policy shall address the types of interests that must be disclosed, the process for disclosure and recusal (if necessary), as well as waiver by the Board. The policy shall supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations. Each Director and the Corporation's Executive Director shall sign a Conflict of Interest Statement, which shall be maintained with the corporate records.

ARTICLE 6. COMMITTEES.

6.1 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which may consist of Directors and non-directors. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it by these Bylaws or by law.

6.2 Executive Committee. An Executive Committee may be comprised of the Officers, Past Chair, Executive Director, corporate counsel, and others designated by the Board.

The purpose of the Executive Committee is to effectuate and implement matters delegated to it by the Board.

6.3 Finance Committee. A Finance Committee may be established and asked to provide financial guidance to the Board, review and discuss the Corporation's financial health, determine with whom to share the Corporation's financials, lend their names in support of the Corporation, and provide assistance as needed. Members of the Finance Committee do not need to be Directors of the Corporation, however the Chair of the Finance Committee shall be held by the Treasurer.

6.4 Governance Committee. A Governance Committee may be established and asked to provide guidance to the Board, review and discuss the Corporation's corporate health, review and propose amendments to the bylaws, create new member packets with relevant materials, discuss other organizational and governance issues, and provide assistance as needed. Members of the Governance Committee must be Directors of the Corporation, its counsel or its Executive Director.

6.5 Development Committee. A Development Committee may be established for the purpose of overseeing and directing the fundraising efforts of the Corporation. The Development Committee will provide guidance to the Board, develop and present plans to grow the Corporation, design and implement fundraising events, devise strategies for member development, and provide assistance as needed. Members of the Development Committee do not need to be Directors of the Corporation.

6.6 Other Committees. Other committees may be established by affirmative vote of a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided, the Chair of the Board of Directors shall appoint the members of the other committees. Any member thereof may be removed, with or without cause, by the person or persons authorized to appoint such member whenever in his or her judgment the best interests of the corporation shall be served by such removal.

ARTICLE 7. CONTRACTS, CHECKS, DEPOSITS, AND GIFTS

7.1 Contracts. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer(s), or any agent(s), to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

7.2 Checks, Drafts, and Orders for Payment. All checks, drafts or orders for the payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Corporation in excess of Fifty-Thousand Dollars (\$50,000) shall be approved by the Board. Checks and payment of obligations of the Corporation may be executed or made by the Executive Director, the Treasurer, or such other person as approved by the Board.

7.3 **Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

7.4 **Accounting.** An appropriate accounting system shall be established and installed in conformity with accounting principles generally accepted for non-profit corporations. The accounting system shall insure the availability of information as may be necessary to comply with all applicable operational requirements of the Corporation, as well as for purposes of audit by the Internal Revenue Service or state revenue agencies.

7.5 **Gifts.** The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

ARTICLE 8. BOOKS AND RECORDS

The Corporation shall keep current and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Directors entitled to vote. All books and records of the Corporation may be inspected by any Director for any proper purpose at any reasonable time. An independent certified public accountant shall perform a compilation of the Corporation's financial statements annually and within 120 days of the close of each fiscal year.

ARTICLE 9. CONTRIBUTIONS

The Corporation may accept any designated contribution, bequest or devise not inconsistent with its general tax-exempt purposes, its articles of incorporation, and these bylaws. As so limited, donor-designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. The Corporation shall receive all right, title, and interest in and to and control of such contributions, as well as discretion as to the ultimate expenditure or distribution thereof in connection with any special fund, purpose or use. Further, the Corporation shall retain complete control over all donated funds (including designated contributions) and shall exercise its discretion so as to insure that such funds will be used to carry out its tax exempt purposes.

ARTICLE 10. INVESTMENTS

The Board of Directors shall have power to make investments of the funds of the Corporation and to change the same, and may, from time to time, dispose of any part or all of same or any rights or privileges that may accrue thereon. The Board of Directors may delegate such powers to an investment committee, if one, or to one or more executive officers of the Corporation. Any person or persons so designated by the Board of Directors shall have authority

to execute such form of transfer and assignment as may be customary to constitute the transfer of stocks or other securities in the name of the Corporation.

ARTICLE 11. FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of July and end on the 30th day of June in each year.

ARTICLE 12. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Arizona Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 13. AMENDMENTS

The Bylaws and the Articles of Incorporation may be amended, repealed or altered in whole or in part by two thirds (2/3) vote of the entire Directorship, at any regular or special meeting of the Board of Directors of the Corporation; provided, however, in no event shall these bylaws or the Articles of Incorporation be amended so as to make the Corporation other than an organization falling within the meaning of § 501(c)(3) of the Code. The text of any proposed amendment shall be distributed to each member of the Board, together with the appropriate notice of meeting, at least ten days prior to the date of any meeting at which such amendment is to be considered.

ARTICLE 14. PARLIAMENTARY PROCEDURE

The parliamentary authority of the Corporation shall be Robert's Rules of Order, as revised, subject to any special rules adopted by the Corporation.

ARTICLE 15. PUBLIC ORGANIZATION STATUS

This Corporation intends to operate as a "public foundation" as defined in § 509 of the Code, and not as a private foundation. If at any time the Corporation is a private foundation, as described in Code § 509(a), then during such time the Corporation shall distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Code § 4942, and further, the Corporation shall not engage in any act of self-dealing as defined in Code § 4941(d), nor retain any excess business holdings as defined in Code § 4943(c), nor make any investments in such manner as to incur tax liability

under Code § 4944, nor make any taxable expenditures as defined in Code § 4945(d) or as such laws are amended from time to time.

ARTICLE 16. INDEMNIFICATION

The Corporation shall indemnify, to the maximum extent permitted by A.R.S. § 10-3850, *et seq.*, any person who is a party or is to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative, or any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that he or she is or was a Director, officer, advisor or employee of the Corporation or is or was serving at the request of the Corporation as a Director, officer, advisor or employee of any other Corporation, partnership, joint venture or other enterprise, against expenses (including attorney's fees), against judgments and fines, and amounts paid on settlement to the extent permitted by law. Expenses including attorney's fees incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of any such action, suit or proceeding to the extent permitted by law. The Corporation may, to the full extent then permitted by law and authorized by the Directors, purchase and maintain insurance on behalf of any officer, Director, advisor or employee against any liability asserted against and incurred by any such person in any such capacity or acting out of his or her status as such whether or not the Corporation would have the power to indemnify such person against such liability.

ARTICLE 17. INSURANCE

The Corporation shall maintain appropriate liability and property insurance for its operations and facilities sufficient to protect the interests of the Corporation. Policies of liability insurance shall be in amounts sufficient to protect the assets of the Corporation and shall be reviewed annually by the Executive Committee. The Corporation shall maintain workers' compensation insurance, unemployment compensation insurance, and such other forms of insurance for the benefit and protection of its employees as the Management Board deems appropriate and in the best interests of the Corporation.

CERTIFICATION

The undersigned Directors, being duly appointed and qualified, and acting on behalf of an Arizona non-profit Corporation, do hereby certify that the forgoing instrument constitutes the bylaws of said Corporation duly and regularly adopted and approved by the Board of Directors at a special meeting of said Board or subsequently as indicated

RIALTO THEATRE FOUNDATION
Conflicts of Interest Policy

1. **Purpose.** The Corporation has adopted this conflicts of interest policy to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an employee, the Executive Director, an officer or Director of the Corporation. The policy shall supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations. Each Director and the Corporation's Executive Director shall sign a Conflict of Interest Statement, which shall be maintained with the corporate records.

2. **Definitions.**

2.1 **Interested Person.** Any Director, principal, officer, Executive Director, employee or participant on a committee with board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

2.2 **Interest.** A person has an interest, financial or otherwise, if the person has, directly or indirectly, through business, investment or family:

(a) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement, or

(b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

(c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

2.3 Compensation includes direct and indirect remuneration, as well as gifts or favors that are substantial in nature.

2.4 A financial interest is not necessarily a conflict of interest. Under Section 3.2, a person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists.

3. **Procedures.**

3.1 **Duty to Disclose.** In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest

and all material facts to the Directors and participants on committees with board delegated powers considering the proposed transaction or arrangement.

3.2 Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee participants shall decide if a conflict of interest exists.

3.3 Procedures for Addressing the Conflict of Interest.

(a) An interested person may make a presentation at the Board or committee meeting, but after such presentation he/she shall leave the meeting during the discussion of and the vote on the transaction or arrangement that results in the conflict of interest.

(b) The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

3.4 Violations of the Conflicts of Interest Policy.

(a) If the Board or committee has reasonable cause to believe that an individual has failed to disclose actual or possible conflicts of interest, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the response of the individual and making such further investigation as may be warranted in the circumstances, the Board or committee

determines that the individual has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

4. Records of Proceedings. The minutes of the Board and all committees with board-delegated powers shall contain:

4.1 the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.

4.2 the names of the persons who were present for discussion and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

5. Statements. Each Director, principal officer, and participant on a committee with board-delegated powers shall sign a statement which affirms that such person has:

5.1 received a copy of the conflicts of interest policy;

5.2 read and understands the policy;

5.3 agreed to comply with the policy.

6. Periodic Reviews. To ensure that the Corporation operates in a manner consistent with its non-profit purposes, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

6.1 Whether compensation arrangements and benefits are reasonable and are the result of arm's length bargaining.

6.2 Whether the agreements entered in to further the Corporation's non-profit purposes and do not result in inurement or impermissible private benefit.

7. Use of Outside Experts. In conducting the periodic review provided for in Section 6, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

Rialto Theatre Foundation
Balance Sheet
 As of June 30, 2017

	Jun 30, 17
ASSETS	
Current Assets	
Checking/Savings	
10100 · Checking 3656	27,831.24
10200 · Merch 3664	38,570.38
10250 · Checking 191 Toole - 6789	11,600.83
10300 · Cash Drawer	7,400.00
10350 · Safe	2,000.00
10400 · Capital Campaign - 8557	162,790.22
10450 · RBar	4,492.70
10500 · Petty Cash	550.00
10700 · COH	-5,247.00
10710 · Registers - RBar	1,477.00
Total Checking/Savings	251,465.37
Accounts Receivable	
11250 · Pledges Receivable-Other	4,125.00
11275 · Pledges Receivable-Cap Campaign	82,915.50
11425 · Other A/R	15,631.84
Total Accounts Receivable	102,672.34
Other Current Assets	
11450 · Transient Account	51,638.28
12000 · Undeposited Funds	17,477.45
12100 · Inventory - Theatre	13,754.21
12150 · Inventory Asset - Rbar	20,989.92
12170 · Inventory 191 Toole	2,142.98
13000 · Prepalds	
13100 · Prepaid Expenses	3,177.77
13200 · Prepaid Marketing Exp	11,725.75
13300 · Prepaid Insurance	14,656.29
13400 · Deposits on Future Shows	90,900.00
13450 · ATM Transient	2,380.00
Total 13000 · Prepalds	122,839.81
Total Other Current Assets	228,842.65
Total Current Assets	582,980.36
Fixed Assets	
15000 · Property and equipment - R/N	
15100 · Barricade	359.80
15200 · Office Equipment	562.11
15350 · Misc. Equipment	8,813.99
15650 · HVAC	3,850.00
15750 · Marquee	1,979.00
15800 · green room	57,439.63
15850 · sound Equipment	171,717.10
15900 · Lighting Purchase	68,735.54
Total 15000 · Property and equipment - R/N	311,457.27
15950 · Theatre Building	
15955 · Theatre Bulldout	1,865.62
15950 · Theatre Building - Other	817,462.11
Total 15950 · Theatre Building	819,327.73
15975 · Land	203,000.00

3:41 PM
 09/29/17
 Accrual Basis

Rialto Theatre Foundation
Balance Sheet
 As of June 30, 2017

	Jun 30, 17
16000 · Property and equipment - Other	
16002 · Productions Supplies	11,169.87
16010 · Stage Rebuilt	8,624.70
16050 · Liquor License	40,624.50
16100 · Logo/Image Redesign	3,350.00
16150 · Mural	4,274.88
16250 · Patio Project	21,000.73
16300 · Van - Ford	2,581.92
16340 · Computers	
16341 · Ryan's Computer	4,016.02
16342 · Curtis Computer	5,199.10
16343 · Adam's Computer	750.00
16344 · Software/Videos	12,229.99
16345 · Julie's Computer	1,171.75
16346 · Christian's Computer	539.14
Total 16340 · Computers	23,906.00
16350 · POS SYS	8,423.67
16351 · Cameras - Security	3,057.11
16450 · Internet System	3,116.75
16451 · TVs	1,698.70
16000 · Property and equipment - Other - Other	29,261.85
Total 16000 · Property and equipment - Other	161,090.68
16500 · R Bar	
16520 · FF&E	125,059.13
16530 · R-Bar Bulldout	163,748.54
16540 · Logo & Artwork	9,136.95
Total 16500 · R Bar	297,944.62
16700 · 191 Toole	
16710 · Refrigeration Equipment	3,105.00
16720 · Sound Equipment	22,576.85
16730 · Lighting Equipment	5,074.05
16750 · Miscellaneous Equipment	12,817.28
16760 · Leasehold Improvements	
16761 · Stage	13,925.68
16762 · Green Room	16,582.79
Total 16760 · Leasehold Improvements	30,508.47
16790 · Liquor License	15,559.00
Total 16700 · 191 Toole	89,640.65
17000 · Accumulated depreciation	
17050 · Accum-Depre 191 Toole	-6,225.00
17080 · Accum Depr Rbar	-111,472.51
17000 · Accumulated depreciation - Other	-241,757.89
Total 17000 · Accumulated depreciation	-359,455.40
Total Fixed Assets	1,523,005.55
Other Assets	
18500 · Deposits	5,500.00
Total Other Assets	5,500.00
TOTAL ASSETS	2,111,485.91

Rialto Theatre Foundation
Balance Sheet
 As of June 30, 2017

	Jun 30, 17
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payables	62,815.45
Total Accounts Payable	62,815.45
Credit Cards	
20700 · Credit Cards NBA	
20710 · Curtis cc - 6583	672.96
20720 · Mark cc - 9033	298.31
20730 · Bruce cc - 9132	2,137.06
20760 · Kristin - 9439	9,535.33
20775 · Alyssa Hubbs cc - 9611	1,644.56
20781 · Matt 0734 New	2,224.91
20785 · Kris - 2987	478.95
20790 · Rory New 2433	687.56
20792 · Matt Wade CC - 6285	337.53
20794 · Adam 2342	327.46
20795 · Julie 0918	891.42
20700 · Credit Cards NBA - Other	1,450.62
Total 20700 · Credit Cards NBA	20,686.67
Total Credit Cards	20,686.67
Other Current Liabilities	
20900 · Current Liabilities	16,679.61
20905 · Royalties Payable	1,972.00
20950 · Accrued Property Taxes	13,093.74
21000 · Payroll Liabilities	
21100 · other	-36.85
21120 · FIT Liab	23.74
21140 · AZ IT Liab.	2.02
21160 · SUTA	2,423.88
21200 · Accrued Payroll	46,993.23
21000 · Payroll Liabilities - Other	41.02
Total 21000 · Payroll Liabilities	49,447.04
24000 · Future Sales Received (OPM)	
24200 · Merch - Future Tickets Recieved	394,557.33
Total 24000 · Future Sales Received (OPM)	394,557.33
25000 · Advanced/uneamed ticket sale	
25600 · Uneamed Ticket Sales (Fox)	40,694.76
25650 · Production Deposits	500.00
Total 25000 · Advanced/uneamed ticket sale	41,194.76
26000 · Current Portion of LTD	39,992.56
28300 · Due to Charlie Levy	5,241.54
Total Other Current Liabilities	562,178.58
Total Current Liabilities	645,680.70
Long Term Liabilities	
27000 · Ticketfly	
27010 · Uneamed Bonus	14,208.71
27020 · Uneamed ticket fee Rev	13,316.00
Total 27000 · Ticketfly	27,524.71

3:41 PM
09/29/17
Accrual Basis

Rialto Theatre Foundation
Balance Sheet
As of June 30, 2017

	<u>Jun 30, 17</u>
27200 - Mortgage Payable-National Bank	1,180,721.99
28330 - Deferred Rent-191 Toole	7,666.67
Total Long Term Liabilities	<u>1,215,913.37</u>
Total Liabilities	1,861,594.07
Equity	
31300 - Retained Earnings	405,196.99
32000 - Unrestricted Net Assets	354,074.77
33000 - Prior Period Adjustment	-851,808.71
Net Income	342,428.79
Total Equity	<u>249,891.84</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,111,486.91</u></u>

Rialto Theatre Foundation
Profit & Loss by Class
July 2016 through June 2017

Table with columns: 181 Tools, Bar, Capital Campaign, Fundraising, Theatre, TOTAL. Rows include Ordinary Income/Expense, Cost of Goods Sold, and Expense, ending with Net Ordinary Income.

Rialto Theatre Foundation
Profit & Loss by Class
 July 2016 through June 2017

	181 Tools	Bar	Capital Campaign	Fundraising	Theatre	TOTAL
Other Income/Expense						
Other Income	0.00	0.00	41.56	0.00	66.43	87.99
72200 - Interest Income						
Total Other Income	0.00	0.00	41.56	0.00	66.43	87.99
Other Expenses						
82100 - Depreciation	8,225.00	39,866.00	0.00	0.00	108,344.00	152,437.00
83600 - Non Current Costs & Adjustments	7,866.67	1,800.30	0.00	0.00	-3,782.25	5,884.72
87700 - Feasibility Study Costs	0.00	0.00	0.00	0.00	-13,000.00	-13,000.00
88600 - Casualty, Theft, Bad Debts	0.00	3,062.82	0.00	0.00	140.00	3,222.82
70000 - Interest Expense	0.00	0.00	0.00	0.00	72,548.78	72,548.78
Total Other Expense	13,891.67	44,777.12	0.00	0.00	162,251.53	220,920.32
Net Other Income	-13,891.67	-44,777.12	41.56	0.00	-162,185.10	-220,872.33
Net Income	-44,913.17	-48,831.86	238,788.88	-104,257.01	320,067.84	342,478.78

RIALTO THEATRE FOUNDATION
211 E. Broadway
Tucson, AZ 85701

LETTER OF SPECIFIC INTENT

The Rialto Theatre Foundation was organized as an Arizona nonprofit corporation on May 3, 2004, for the specific purpose of encouraging and sponsoring arts and cultural events; providing stewardship for and support of historic performance venues (specifically the Rialto Theatre); educating the public about film, performance, and visual arts; promoting cultural and architectural history in Tucson, Arizona; and playing a direct role in the revitalization of Downtown Tucson.

The Foundation acquired the property at 318 E. Congress Street, 50 S. Herbert Avenue and 215 E. Broadway Boulevard on June 18, 2015, by Special Warranty Deed recorded at the Office of the Pima County Recorder on July 2, 2015 at Seq. No. 20151830503.



SEQUENCE: 20151830503
No. Pages: 7
7/2/2015 3:08 PM

F. ANN RODRIGUEZ, RECORDER
Recorded By: JUE (e-recording)



When Recorded Mail To:

Metro Title Agency of Arizona
2502 E. River Road
Tucson, AZ 85718

MTA FILE No.: 125511

RECORDING DOCUMENT COVER SHEET

Special Warranty Deed

Exempt from Affidavit of Value per ARS 33-1134 A.3


When recorded, return to:

Mark L. Collins
Gust Rosenfeld, PLC
1 South Church, Suite 1900
Tucson, Arizona 85701

SPECIAL WARRANTY DEED

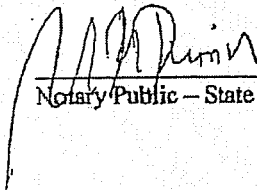
For and in consideration of Five Dollars (\$5.00) and other valuable consideration, the receipt of which is hereby acknowledged, Rio Nuevo Multipurpose Facilities District, a political subdivision of the State of Arizona ("Grantor"), does hereby convey to Rialto Theatre Foundation, an Arizona non-profit corporation ("Grantee"), all of Grantor's right, title, and interest in and to that certain real property situated in the County of Pima, State of Arizona, and which is legally described on the accompanying Exhibit A, together with all rights, privileges, easements and appurtenant benefits relating thereto, as well as all improvements located thereon. This conveyance is specifically subject to all matters set forth in accompanying Exhibit B.

GRANTOR

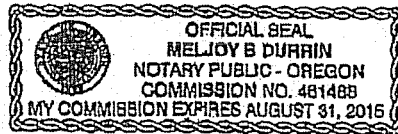
By: 
Fletcher McCusker

STATE OF OREGON)
) ss
County of MULTNOMAH)

SUBSCRIBED AND SWORN to before me this 18 day of June 2015
by Fletcher McCusker, Chairman of the Board and an authorized representative for Rio Nuevo Multipurpose Facilities District.



Notary Public - State of Oregon

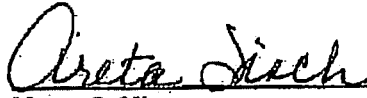


GRANTOR

By: 
Mark Irvin

STATE OF ARIZONA)
) SS
County of PIMA)

SUBSCRIBED AND SWORN to before me this 18th day of June 2015
by Mark Irvin, Secretary of the Board and an authorized representative for Rio Nuevo
Multipurpose Faculties District.


Notary Public

My Commission Expires:

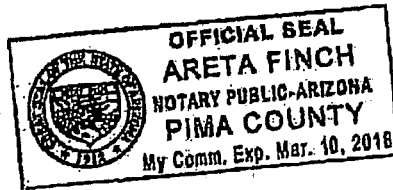


Exhibit "A"

Parcel 1: (Lobby Parcel) That portion of Block 91 of the City of Tucson, Pima County, Arizona, according to the official survey, field notes and map as made and executed by S.W. Foreman and approved and adopted by the Mayor and Common Council of said City (then Village) of Tucson, on June 26, 1872, a certified copy of which map is of record in the office of the County Recorder of Pima County, Arizona, in Book 3 of Maps and Plats, at page 70, thereof, described as follows:

COMMENCING at the Southeast corner of Lot 11 in said Block 91;

THENCE North 0 degrees 25 minutes 00 seconds West, along the East line of said Lot, a distance of 208.64 feet to a building corner and the POINT OF BEGINNING;

THENCE South 89 degrees 26 minutes 01 seconds West, along the North wall of an existing building, a distance of 51.35 feet to the East face of an existing partition wall;

THENCE North 0 degrees 27 minutes 00 seconds West, along said East face, a distance of 14.31 feet to the South face of an existing partition wall;

THENCE North 89 degrees 33 minutes 00 seconds East, along said South face, a distance of 7.07 feet to the East face of an existing partition wall;

THENCE North 0 degrees 27 minutes 00 seconds West, along said East face and the Northerly projection thereof, a distance of 40.93 feet to a point on the South right-of-way of Congress Street as described by Deed in Book 40 at page 601;

THENCE North 86 degrees 49 minutes 30 East, along said South right-of-way, a distance of 19.97 feet;

THENCE South 0 degrees 14 minutes 28 seconds East, along the Northerly projection of the West face of an existing partition wall, a distance of 21.74 feet;

Thence North 89 degrees 35 minutes 00 seconds East, along the South face of an existing partition wall a distance of 10.57 feet a wall corner;

THENCE North 0 degrees 25 minutes 00 seconds West, along the East face of an existing partition wall, a distance of 5.15 feet a wall corner;

THENCE North 89 degrees 35 minutes 00 seconds East, along the South face of an existing partition wall, a distance of 13.86 feet to a point on the East line of Lot 6 in said Block 91;

THENCE South 0 degrees 25 minutes 00 seconds East, along the East line of said Lot 6, a distance of 39.49 feet to the POINT OF BEGINNING;

EXCEPT any part of the above described property above an elevation of 2405.70 feet. This elevation being based on the City of Tucson Benchmark No. 16, being a chiseled X at the intersection of the sidewalks at the Southwest corner of the building at the Northwest corner of Broadway and 5th Avenue. This benchmark being recorded in the City of Tucson Field Book 1915 at page 2 on file in the office of the City Engineer.

Jv Arb (Ptn of 3)

Parcel II (Theatre Parcel)

That portion of Block 91 of the City of Tucson, Pima County, Arizona, according to the official survey, field notes and map as made and executed by S.W. Foreman and approved and adopted by the Mayor and Common Council of said City (then Village) of Tucson, on June 26, 1872, a certified copy of which map is of record in the office of the County Recorder of Pima County, Arizona, in Book 3 of Maps and Plats, at page 70, thereof, described as follows:

COMMENCING at the Southeast corner of Lot 11 in said Block 91;

THENCE North 0 degrees 25 minutes 00 seconds West, along the East line of said lot, a distance of 46.54 feet to a 1/2 inch rebar tagged LS 13178 and the POINT OF BEGINNING;

THENCE South 89 degrees 36 minutes 24 seconds West, 68.96 feet to a 1/2 inch rebar tagged LS 13178 on the West line of that property described in Docket 7883 at page 341;

THENCE North 0 degrees 23 minutes 09 seconds West, along the West line of said property and the Northerly projection thereof, a distance of 161.89 feet more or less to the Northwest corner of an existing building;

THENCE North 89 degrees 25 minutes 01 seconds East, along the North line of said building, a distance of 68.87 feet to a point on the East line of Lot 6 in said Block 91;

THENCE South 0 degrees 25 minutes 00 seconds East, along the East line of Lots 6, 7, and 11 in said Block, a distance of 162.10 feet to the POINT OF BEGINNING.

Jv Arb - 4

Parcel III: (Pedestrian Easement)

An easement for ingress and egress over an 8 foot wide strip of land located in that part of Block 91 of the City of Tucson, Pima County, Arizona, according to the official survey, field notes and map as made and executed by S.W. Foreman and approved and adopted by the Mayor and Common Council of said City (then Village) of Tucson, on June 26, 1872, a certified copy of which map is of record in the office of the County Recorder of Pima County, Arizona, in Book 3 of Maps and Plats, at page 70, thereof, described as follows:

COMMENCING at the Southeast corner of Lot 11 in said Block 91;

THENCE North 0 degrees 25 minutes 00 seconds West, along the East line of said Lot, a distance of 46.54 feet to a 1/2 Inch rebar tagged LS 13178;

THENCE South 89 degrees 36 minutes 24 seconds West, 68.96 feet to a 1/2 Inch rebar tagged LS 13178 on the West line of that property described by Docket 7883 at page 341;

THENCE North 0 degrees 23 minutes 09 seconds West, along the West line of said property, a distance of 24 feet to the POINT OF BEGINNING;

THENCE continue North 0 degrees 23 minutes 09 seconds West, along the West line of said property, a distance of 76.5 feet more or less to the South face of an existing building and the terminus.

Exhibit "B"

Schedule B, Section 1; Order No. 125511

Items 1 through 7 shown on the commitment for title insurance intentionally omitted.

- 8. TAXES AND ASSESSMENTS collectible by the County Treasurer not yet due and payable for the following year: 2015**
 - 9. ANY ACTION by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.**
 - 10. Reservations or exceptions in Patents or in Acts authorizing the issuance thereof.**
 - 11. WATER RIGHTS, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records. This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.**
 - 12. Established and/or existing roads, highways, rights-of-way or easements.**
 - 13. Easement(s) for ingress, egress and lobby purposes and rights incident thereto as set forth in Book 188 of Deeds at page 225; in Docket 105 at page 574, in Docket 105 at page 574, in Docket 2893 at page 340 and in Docket 3664 at page 360.**
 - 14. Easement(s) for electrical transmission and rights incident thereto as set forth in Docket 120 at page 286.**
 - 15. Easement(s) for electric transmission or distribution line or system and rights incident thereto as set forth in Docket 3315 at page 269.**
 - 16. Easement(s) for utilities and rights incident thereto as set forth in Docket 4082 at page 448.**
 - 17. Easement(s) for utilities and rights incident thereto as set forth in Docket 7981 at page 956.**
 - 18. RESTRICTIONS, CONDITIONS, COVENANTS, EASEMENTS, RESERVATIONS, LIABILITIES AND OBLIGATIONS, including but not limited to any recitals creating easements or party walls contained in instrument recorded in Docket 10041 at page 1789 and in Docket 11721 at page 3558, omitting, if any, from the above, any restrictions based on race, color, religion, sex, sexual orientation, handicap, familial status, marital status, disability, ancestry, source of income or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law; Together with all matters pertaining the imposition of any transfer or conveyance fee contained within the document(s). The provisions for such fee require it to be paid upon transfer or conveyance of the land.**
 - 19. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in Agreement for Downtown Tucson Enhancement Service recorded in Docket 10918 at page 964 and in Docket 10918 at page 984.**
 - 20. Easement(s) for conservation and rights incident thereto as set forth in Docket 12084 at page 397.**
 - 21. Terms, conditions, restrictions, easements, liabilities and/or obligations as set forth in instrument entitled "Intergovernmental, Development and Lease Agreement for Restoration, Operation and Management of the Historic Rialto Theatre" recorded in Docket 12793 at page 3447.**
 - 22. Easement(s) for natural gas line and rights incident thereto as set forth in Sequence No. 2013-1150358.**
 - 23. RIGHTS OF PARTIES IN POSSESSION on month to month tenancy or under-written but unrecorded leases.**
 - 24. New Deed of Trust to be recorded.**
- END OF SCHEDULE B - Section 2**



WEB FORM COPY

STATE OF ARIZONA CORPORATION COMMISSION CORPORATION ANNUAL REPORT & CERTIFICATE OF DISCLOSURE



DUE ON OR BEFORE 10/3/2017

FILING FEE \$10.00

PLEASE READ ALL INSTRUCTIONS. The following information is required by A.R.S. §§10-1622 & 10-11622 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. §§ 10-121(A) & 10-3121(A). YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM. Make changes or corrections where necessary. Information for the report should reflect the current status of the corporation.

11303729

1. RIALTO THEATRE FOUNDATION 211 E BROADWAY

RECEIVED

SEP 22 2017

TUCSON, AZ 85701

ARIZONA CORPORATION COMMISSION CORPORATIONS DIVISION

Business Phone: State of Domicile: ARIZONA

(Business phone is optional.)

Type of Corporation: NON-PROFIT

2. Statutory Agent: CURTIS MCCRARY Mailing Address: 3701 N LAS ALTAS City, State, Zip: TUCSON, AZ 85705

Statutory Agent's Street or Physical Address, If Different Physical Address: 211 E. BROADWAY City, State, Zip: TUCSON, AZ 85701

ACC USE ONLY Fee Penalty Reinstate Expedite Resubmit

If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below. Note that the agent address must be in Arizona. I, (individual) or We, (corporation or limited liability company) having been designated the new Statutory Agent, do hereby consent to this appointment until my removal or resignation pursuant to law. Signature of new Statutory Agent Printed Name of new Statutory Agent

3. Secondary Address:

(Foreign Corporations are REQUIRED to complete this section).

4. Check the one category below which best describes the CHARACTER OF BUSINESS of your corporation.

BUSINESS CORPORATIONS

- 1. Accounting 2. Advertising 3. Aerospace 4. Agriculture 5. Architecture 6. Banking/Finance 7. Barbers/Cosmetology 8. Construction 9. Contractor 10. Credit/Collection 11. Education 12. Engineering 13. Entertainment 14. General Consulting 15. Health Care 16. Hotel/Motel 17. Import/Export 18. Insurance 19. Legal Services 20. Manufacturing 21. Mining 22. News Media 23. Pharmaceutical 24. Publishing/Printing 25. Ranching/Livestock 26. Real Estate 27. Restaurant/Bar 28. Retail Sales 29. Science/Research 30. Sports/Sporting Events 31. Technology(Computers) 32. Technology(General) 33. Television/Radio 34. Tourism/Convention Services 35. Transportation 36. Utilities 37. Veterinary Medicine/Animal Care 38. Other

NON-PROFIT CORPORATIONS

- 1. Charitable 2. Benevolent 3. Educational 4. Civic 5. Political 6. Religious 7. Social 8. Literary 9. Cultural 10. Athletic 11. Science/Research 12. Hospital/Health Care 13. Agricultural 14. Cooperative Marketing Association 15. Animal Husbandry 16. Homeowner's Association 17. Professional, commercial Industrial or trade association 18. Other

(For-profit Corporations and Business Trusts are REQUIRED to complete this section.)

5. CAPITALIZATION:

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in the trust estate. PLEASE PRINT OR TYPE CLEARLY.

5a. Please examine the corporation's original Articles of Incorporation for the amount of shares authorized.

Number of Shares/Certificates Authorized Class Series Within Class (if any)

N/A

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the corporation's minutes for the number of shares issued.

Number of Shares/Certificates Issued Class Series Within Class (if any)

N/A

(For-profit Corporations and Business Trusts are REQUIRED to complete this section.)

6. SHAREHOLDERS:

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% beneficial interest in the corporation.

Name: Name:

NONE [checked]

Name: Name:

7. OFFICERS PLEASE TYPE OR PRINT CLEARLY. YOU MUST LIST AT LEAST ONE.

Name: SARA PEROTTI Name: POLLY PUTNAM WHITE

Title: PRESIDENT Title: SECRETARY

Address: PO BOX 1728 Address: PO BOX 1728

TUCSON, AZ 85702 TUCSON, AZ 85702

Date taking office: 09/06/2016 Date taking office: 09/06/2016

Name: MATTHEW THRASHER Name: CHRISTOPHER VOLPE

Title: TREASURER Title: VICE-PRESIDENT

Address: 1785 E SKYLINE DR #131 Address: 1320 W VIA HACIENDA

TUCSON, AZ 85718 TUCSON, AZ 85704

Date taking office: 09/06/2016 Date taking office: 09/06/2016

8. DIRECTORS PLEASE TYPE OR PRINT CLEARLY. YOU MUST LIST AT LEAST ONE.

Name: CURTIS MCCRARY Name: CAROLE TONIGAN

Address: 3701 N LAS ALTAS Address: 6840 N CASAS ADOBES DR

TUCSON, AZ 85705 TUCSON, AZ 85704

Date taking office: 7/27/2016 Date taking office: 8/12/2014

Name: DON SNYDER Name: JIM ROSBOROUGH

Address: 4430 N ALVERNON WAY Address: PO BOX 1728

TUCSON, AZ 85718 TUCSON, AZ 85702

Date taking office: 8/12/2014 Date taking office: 8/12/2014

RIALTO THEATRE FOUNDATION
Annual Report Addendum

Directors (cont'd):

John O'Dowd
629 N. Wilson Ave.
Tucson, AZ 85719

Sara Perotti
PO Box 1728
Tucson, AZ 85702

John Farlow
8304 N. Pink Pearl Way
Tucson, AZ 85741

Chris Eldridge
P.O. Box 65453
Tucson, AZ 85728

Lisa Wagenheim
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9. **FINANCIAL DISCLOSURE (A.R.S. §10-11622(A)(6))**
Nonprofits – financial disclosure is no longer required. Cooperative marketing associations – must submit a financial statement. All other types of corporations are not required to file a financial statement.

ONLY NONPROFIT CORPORATIONS MUST ANSWER THIS QUESTION:

9A. **MEMBERS (A.R.S. §10-11622(A)(6))** This corporation **DOES** **DOES NOT** have members.

10. **CERTIFICATE OF DISCLOSURE (A.R.S. §§ 10-202(D), 10-3202(D), 10-1622(A)(6) & 10-11622(A)(7))**

A. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:

1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the five year period immediately preceding the execution of this certificate?
2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraint of trade or monopoly in any state or federal jurisdiction within the five year period immediately preceding execution of this certificate?
3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the five year period immediately preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation of:
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box must be marked: YES NO

If "YES" to A, the following information must be submitted as an attachment to this report for each person subject to one or more of the actions stated in items 1 through 3 above.

1. Full birth name.
2. Full present name and prior names used.
3. Present home address.
4. All prior addresses for immediately preceding 5 year period.
5. Date and location of birth.
6. The nature and description of each conviction or judicial action; the date and location; the court and public agency involved; and the file or cause number of the case.

B. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in the corporation, served in any such capacity or held a 20% interest in any other corporation on the bankruptcy or receivership of that other corporation?

One box must be marked: YES NO

If "YES" to B, the following information must be submitted as an attachment to this report for each corporation subject to the statement above.

- (a) Name and address of each corporation and the persons involved.
- (b) State(s) in which it: (i) was incorporated and (ii) transacted business.
- (c) Dates of corporate operation.

11. **STATEMENT OF BANKRUPTCY OR RECEIVERSHIP (A.R.S. §§ 10-1623 & 10-11623)**

A. Has the corporation filed a petition for bankruptcy or appointed a receiver? **One box must be marked: YES NO**

If "Yes" to A, the following information must be submitted as an attachment to this report

1. All officers, directors, trustees and major stockholders of the corporation within one year of filing the petition for bankruptcy or the appointment of a receiver. If a major stockholder is a corporation, the statement shall list the current president, chairman of the board of directors and major stockholders of such corporate stockholder. "Major stockholder" means a shareholder possessing or controlling twenty per cent of the issued and outstanding shares or twenty per cent of any proprietary, beneficial or membership interest in the corporation.
2. Whether any such person has been an officer, director, trustee or major stockholder of any other corporation within one year of the bankruptcy or receivership of the other corporation. If so, for each such corporation give:
 - (a) Name and address of each corporation;
 - (b) States in which it: (i) was incorporated and (ii) transacted business.
 - (c) Dates of operation.

12. **SIGNATURES:** Annual Reports must be signed and dated by at least one duly authorized officer or they will be rejected.

I declare, under penalty of perjury, that all corporate income tax returns required by Title 43 of the Arizona Revised Statutes have been filed with the Arizona Department of Revenue. I further declare under penalty of perjury that I (we) have examined this report and the certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name SARA FEROTTI Date 9/26/11 Name _____ Date _____

Signature [Signature] Signature _____

Title PRESIDENT Title _____

(Signator(s) must be duly authorized corporate officer(s) listed in section 7 of this report.)