1 2 BAIRD, WILLIAMS & GREER, L.L.P. 3 6225 NORTH 24<sup>TH</sup> STREET, SUITE 125 4 PHOENIX, ARIZONA 85016 TELEPHONE (602) 256-9400 5 Daryl M. Williams (004631) 6 darylwilliams@bwglaw.net Attorneys for Tomas and Barbara Clark 7 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA 8 IN AND FOR THE COUNTY OF MARICOPA 9 Desert Mountain Club, Inc., 10 No. CV2014-015334 Plaintiff. 11 **Motion for Judgment on the Pleadings** VS. 12 Thomas Clark and Barbara Clark, husband (Assigned to the Honorable Dawn Bergin) 13 and wife, 14 Defendants. 15 The complaint in this case is twelve pages long, but it attaches fourteen exhibits, resulting 16 in 384 pages altogether. Notwithstanding its completeness—prolixity?—the defendants are entitled 17 to judgment on the pleadings. 18 The gravamen of plaintiff's complaint centers upon paragraphs 24 and 25, which provide as 19 follows: 20 24. On or about January 1, 2014, Defendants attempted to resign their Membership, effective January 1, 2014, through a letter tendered 21 to the Club. A true and correct copy of Defendants' January 1, 2014 [sic, comma omitted] letter is attached as Exhibit L. In that letter, 22 Defendants claimed that the letter "officially serve[d] as [their] resignation form [sic] the Desert Mountain Club, Inc. Effective 1/1/2014." January 1 Letter at 1. Defendants averred that the letter "terminates [their] obligation to pay dues nd assessments as a Desert Mountain Club are replaced." 23 24 Mountain Club member." *Id*. 25 Defendants have paid none of the dues or other charges against their Membership Account since January 1, 2014. 26 The factual allegations of these paragraphs were admitted by the defendants, as was the 27 allegation of paragraph 1 that the plaintiff is an Arizona non-profit corporation. 28

2 or 3 th 4 su 5 cl gi

1

9 10

8

11 12

13

1415

1617

18

1920

21

2223

2425

26

27

28

The allegations in the complaint and the hundreds of pages of exhibits set forth no restriction on the ability of a member of this non-profit corporation to resign. There is a mechanism in all of these documents for a member to

surrender his membership to the club for reissuance, a surrender that gives the member the right to receive a refund of dues and a portion of his contribution to join the club, but there is nothing that says any member cannot simply resign and walk away from whatever benefit or equity the member owns.

So that is what Tom Clark did. He resigned. His letter of resignation is shown in figure 1. The corporation statute addressing the right of a member to resign from a non-profit is:

Desert Mountain Club 10550 East Desert Hills Drive Scottsdale, AZ 85262

Sirs:

This letter officially serves as my resignation from the Desert Mountain Club, Inc. Effective 1/1/2014. I understand that this terminates my obligation to pay dues and assessments as a Desert Mountain Club member, terminates all Club privileges, And is irrevocable.

All dues and charges through 12/31/2013 will be paid in full in January 2014.

Please cancel and remove my application for Senior Membership which we have found was really not attainable anyway.

Due to health and recent physical restraints, my wife nor I are able to play golf.

Our membership certificate from 1988 is already in your hands.

Sincerely,

Thomas M. Clark Member # 352

Figure 1 Resignation Letter, Exhibit L to Complaint, ¶ 25

- A. A member may resign at any time, except as set forth in or authorizes by the articles of incorporation or bylaws.
- B. The resignation of a member does not relieve the member from any obligations the member may have to the corporation as a rsult of obligations incurred or commitments made prior to resignation.

A.R.S. § 10-3620(A), (B). As already noted, there is no exception in the articles or bylaws that prevent a resignation.

Plaintiff's complaint alleges in paragraph 25 that Tom Clark has not paid any dues or assessments since he resigned. There is no allegation that he failed to pay anything prior to his

resignation. The only obligation he could have under A.R.S. § 10-3620(B) is for "obligations" 1 2 incurred or commitments made prior to resignation." There are none. 3 **CONCLUSION** 4 The Clarks are entitled to judgment on the pleadings and they are entitled to recover their 5 attorneys fees pursuant to A.R.S. § 12-341.01 and their costs. Wherefore, they request judgment 6 dismissing plaintiff's complaint and awarding them fees and costs. 7 Respectfully submitted this 26th day of May 2015. /s/ Daryl M. Williams
Daryl M. Williams
Baird, Williams & Greer, LLP
6225 North 24<sup>th</sup> Street, Suite 125 8 9 Phoenix, Arizona 85016 10 Attorneys for plaintiff 11 Original eFiled with the Clerk's ECF 12 filing system this 26th day of May, 2015 13 Copy mailed this same day to: 14 The Honorable Dawn Bergin Maricopa County Superior Court 201 W. Jefferson (CCB #7D) Phoenix, AZ 85003-2243 15 16 and copies mailed this same day to: 17 Christopher L. Callahan Seth G. Schuknecht 18 Fennemore Craig, P.C. 2394 E. Camelback Rd., Suite 600 Phoenix, AZ 85016-3429 19 20 ccallahan@fclaw.com sschuknecht@fclaw.com 21 attorneys for plaintiff 22 /s/ Diana L. Clark 23 24 25 26 27

28