

# STATE OF COLORADO

DEPARTMENT OF  
STATE

## CERTIFICATE

I, DONETTA DAVIDSON, SECRETARY OF STATE OF THE STATE OF  
COLORADO HEREBY CERTIFY THAT

ACCORDING TO THE RECORDS OF THIS OFFICE

HIDDEN VALLEY RANCH ASSOCIATION  
(COLORADO NONPROFIT CORPORATION)

FILE # 20001146974 WAS FILED IN THIS OFFICE ON July 27, 2000  
AND HAS COMPLIED WITH THE APPLICABLE PROVISIONS OF THE  
LAWS OF THE STATE OF COLORADO AND ON THIS DATE IS IN GOOD  
STANDING AND AUTHORIZED AND COMPETENT TO TRANSACT BUSINESS  
OR TO CONDUCT ITS AFFAIRS WITHIN THIS STATE.

Dated: July 27, 2000

*Donetta Davidson*

SECRETARY OF STATE

**ARTICLES OF INCORPORATION**

FILED - INCORPORATED COPY  
SECRETARY OF STATE  
15150154

**OF THE**

**HIDDEN VALLEY RANCH ASSOCIATION**

In compliance with the requirements of the Colorado Nonprofit Corporation Act, Articles 20 through 29 of Title VII, Colorado Revised Statutes, as amended, the person signing as incorporator under these articles of incorporation below acknowledges her intent to form a nonprofit corporation under and by virtue of said statute.

**ARTICLE I  
NAME**

The name of the corporation is Hidden Valley Ranch Association (the "Association").

**ARTICLE II  
PERIOD OF DURATION**

The Association shall exist in perpetuity from and after the date of filing of these Articles of Incorporation with the Secretary of State of the State of Colorado, unless dissolved according to Colorado law.

**ARTICLE III  
PURPOSES OF THE ASSOCIATION**

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\$ 100.00

SECRETARY OF STATE

07-27-2000 15150154

The Association does not contemplate pecuniary gain or profit for the members of the Association. The primary purposes for which the Association is formed are (i) to provide for the operation, administration, use and maintenance of the Common Area more fully described under the Declaration for Hidden Valley Ranch recorded in the office of the Clerk and Recorder of Archuleta County, Colorado, as amended from time to time (the "Declaration"); (ii) to preserve, protect and enhance the values and amenities of that property; and (iii) to promote the health, safety and welfare of members of the Association (the "Members").

**ARTICLE IV  
POWERS**

In furtherance of the purposes stated above, the Association will have and may exercise all of the rights, powers, privileges and immunities now or subsequently conferred upon nonprofit corporations organized under the laws of the State of Colorado.

**ARTICLE V  
LIMITATION OF LIABILITY**

No member of the Board of Directors of the Association will have any liability to the Association or to its members for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability is not permitted under the Colorado Nonprofit Corporation Act or the Colorado Common Interest Ownership Act, Colo. Rev. Stat. §§ 38-33.3-101 through 38-33.3-319, as amended or supplemented from time to time ("CIOA"). Any repeal or modification of the foregoing sentence will not adversely affect any right or protection of a director in respect of any act or omission occurring prior to such repeal or modification.

**ARTICLE VI  
INDEMNIFICATION**

The Association will provide indemnification either directly or indirectly through insurance policies or otherwise, to the fullest extent permitted by law, for any person who serves as a director, officer, employee or agent of the Association, or who serves at the request of the Association as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise or employee benefit plan, against liabilities and expenses such person incurs in connection with holding such position. The indemnification will not extend, in any event, to any act or omission occurring prior to the date of incorporation of the Association.

Whenever such an individual seeks indemnification by the Association against any liability or expenses incurred in any threatened, pending or completed proceeding in which the individual is a party because he or she holds or has held any such position, the Association will proceed diligently and in good faith to make a determination, in the manner permitted in the Colorado Nonprofit Corporation Act, whether indemnification is permissible in the circumstances. If indemnification is determined to be permissible, the Association will indemnify the individual to the fullest extent permissible, provided that any indemnification for expenses will be limited to the amount found reasonable by an evaluation conducted in a manner permitted by the Colorado Nonprofit Corporation Act.

This article will not be interpreted to limit in any manner any indemnification the Association may be required to pay pursuant to the Colorado Nonprofit Corporation Act, any court order, or any contract, resolution or other commitment which is legally valid.

**ARTICLE VII  
PRINCIPAL ADDRESS, REGISTERED OFFICE AND REGISTERED AGENT**

The initial principal address and registered office of the Association is 452 Pagosa Street, Suite D, Pagosa Springs, Colorado 81147. The initial registered agent at such office is J.R. Ford.

**ARTICLE VIII  
INITIAL BOARD OF DIRECTORS**

The number of directors constituting the initial board of directors shall be three. The names and addresses of these persons are listed as follows:

<u>Name</u>	<u>Address</u>
J.R. Ford	452 Pagosa Street, Suite D Pagosa Springs, Colorado 81147
Gary W. Reese	452 Pagosa Street, Suite D Pagosa Springs, Colorado 81147
W. Robert Cotham	452 Pagosa Street, Suite D Pagosa Springs, Colorado 81147

**ARTICLE IX  
MEMBERS**

The Association shall have one class of members as set forth in the Bylaws, subject to the addition of any additional classes which may be named by a duly adopted amendment to the Bylaws.

**ARTICLE X  
DISSOLUTION**

The Association may be dissolved with the assent given in writing and signed by not less than 67% of the Members present at a meeting of the Members at which a quorum is present at the time the questions of dissolution are considered, subject, however, to additional requirements that may be applicable under the Declaration or under CIOA. Unless the Declaration or CIOA provides otherwise, upon dissolution of the Association, the assets, both real and personal of the Association, will be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In

the event that such dedication is refused acceptance, such assets will be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

**ARTICLE XI  
INCORPORATOR**

The name of the incorporator is Diana M. Wendel. Ms. Wendel's address is 3000 First Interstate Plaza North, 633 Seventeenth Street, Denver, Colorado 80202. The incorporator is a natural person of the age of 18 years or more.

Diana M. Wendel  
Diana M. Wendel, Incorporator

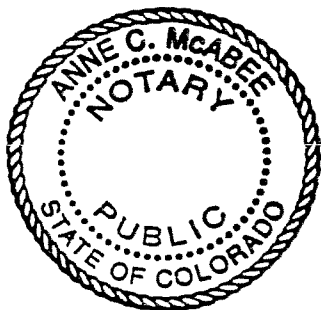
STATE OF COLORADO )  
 ) ss.  
CITY AND COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of July 2000, by Diana M. Wendel.

WITNESS my hand and official seal.

My commission expires: My Commission Expires 04/17/2004

[SEAL]



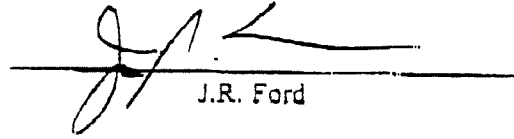
[Signature]  
Notary Public

JUL-27-00 15:08 FROM: SHERMAN & HOWARD

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**CONSENT**

The undersigned hereby consents to acting and being designated as the initial registered agent of the Association.

  
\_\_\_\_\_  
J.R. Ford