

**ATTACHMENT TO ARTICLES OF INCORPORATION  
OF  
ALCOVE HOMEOWNERS ASSOCIATION, INC.**

Pursuant to Section 7-122-103 and Part 3, Article 90, Title 7 of the Colorado Revised Statutes, these Articles of Incorporation (these “Articles”) are delivered to the Colorado Secretary of State for filing for the purpose of forming a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act (the “Nonprofit Act”).

**I. NAME**

The name of the corporation is Alcove Homeowners Association, Inc. (the “Association”).

**II. DURATION**

The period of duration of the Association will be perpetual, unless dissolved in accordance with the Declaration (as defined below), the Nonprofit Act.

**III. PURPOSES**

The Association is organized to be and constitutes the “Association” to which the Declaration of Covenants, Conditions and Restrictions for Alcove, a Town Home Planned Community (as may be amended from time to time, the “Declaration”) refers. The Declaration is or will be recorded in the real property records of Summit County, Colorado. All initially capitalized terms used in these Articles have the same meanings as used in the Declaration, unless otherwise defined in these Articles.

**IV. POWERS**

Subject to any limitations imposed by the bylaws of the Association (as may be amended from time to time, the “Bylaws”) or the Declaration, the Association has all of the powers a nonprofit corporation may exercise under the Nonprofit Act and the laws of the State of Colorado in effect from time to time.

**V. REGISTERED OFFICE AND AGENT AND PRINCIPAL OFFICE**

The street address of the initial registered office of the Association is [REDACTED]. The initial registered agent of the Association at the registered office is [REDACTED].

The street address of the initial principal office of the Association is [REDACTED].

## **VI. BOARD**

The affairs of the Association will be managed by the Association's Board. The duties, qualifications, number and term of Directors and the manner of their election, appointment and removal will be as set forth in the Bylaws. All of the duties and powers of the Association shall be exercised exclusively by the Board, its agents, contractors or employees, except to the extent specifically reserved to the Members or Owners pursuant to the Declaration, these Articles, the Bylaws or the Nonprofit Act.

## **VII. MEMBERS**

The Association shall have voting members. Each Person, or if more than one, all Persons collectively, constituting the Owner of a Lot is a member of the Association. Each membership is appurtenant to the Owner's Lot. The membership cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot for which that membership is held. Membership in the Association automatically terminates when a Person ceases to be an Owner, whether through sale, intestate succession, testamentary disposition, foreclosure or otherwise, and the new Owner automatically succeeds to the membership in the Association. The Association will recognize a new member upon presentation by a new Owner of satisfactory evidence of the sale, transfer, succession, disposition, foreclosure or other transfer of the Lot to such new Owner in accordance with the Declaration. Membership in the Association may not be transferred, pledged or alienated in any way, except to the new Owner upon conveyance of a Lot. Any prohibited transfer of a membership is void and will not be recognized by the Association. Following a termination of the Association pursuant to the Declaration, the Association will consist of all Owners entitled to share in the distribution of proceeds of a sale of the Property pursuant to the Declaration. In matters coming before the Association for which a vote of the Owners is required, each Lot is allocated votes as set forth in the Declaration. The Association is not entitled to any votes for any Lot it owns.

Upon recording of the Declaration, Declarant will hold all memberships in the Association.

## **VIII. PROXY VOTING**

A member may vote in person, as provided in the Bylaws, and may be authorized in the Bylaws to vote by proxy on any matters on which the member is entitled to vote.

## **IX. CUMULATIVE VOTING**

Cumulative voting by members in the election of Directors is not permitted.

## **X. BYLAWS**

The Board has the power to make, alter, amend or repeal the Bylaws or adopt new Bylaws, not inconsistent with these Articles, CCIOA, the Nonprofit Act, the Declaration, Bylaws and other laws of the State of Colorado, for the administration and regulation of the affairs of the Association. The members may make, alter, amend or repeal the Bylaws only as may be provided for therein.

## **XI. AMENDMENT OF ARTICLES**

The Board may amend these Articles in those instances provided for in Section 7-130-102 of the Nonprofit Act in a manner not contrary to or inconsistent with any provision of the Declaration. All other amendments of these Articles will be made in accordance with the Nonprofit Act by vote of the members, but only so long as these Articles as amended contain provisions that are lawful under the Nonprofit Act and are not contrary to or inconsistent with any provision of the Declaration. No amendment to the Articles may be adopted which discriminates against any member or affects less than all of the members of the Association, without the written approval of all of the members so discriminated against or affected.

## **XII. DISSOLUTION**

In the event of dissolution of the Association, the sale of the Property and the distribution of the proceeds from the sale will conform with the provisions of Declaration, and the proceeds of the sale of the Association's other assets will, after making the distributions set forth in Section 7-134-105 of the Nonprofit Act, be divided as provided in the Declaration.

## **XIII. INDEMNIFICATION AND LIMITATION OF LIABILITY**

The Association will indemnify, to the maximum extent permitted by law, any person who is or was a Director or officer of the Association, and may indemnify any other person, against any claim, liability or expense arising against or incurred by the person made party to a proceeding because he or she is or was a Director, officer, agent, fiduciary or employee of the Association or because he or she is or was serving another entity as a director, officer, partner, trustee, employee, fiduciary or agent at the Association's request unless (a) a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that he or she did not act in good faith or in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Association, and with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful, and (b) such court also determines specifically that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The Association further may, to the maximum extent permitted by law, purchase and maintain insurance providing such indemnification, advance expenses to persons indemnified by the Association, and provide indemnification to any person by general or specific action of the Board, the Bylaws, contract or otherwise. The Association may obtain and maintain Directors' and officers' insurance and such other insurance as deemed appropriate by the Board from time to time.

No Director or officer shall be liable for actions taken or omissions made in the performance of such Director's or officer's duties as such, except for wanton and willful acts or omissions. Without limiting the generality of the foregoing sentence, no Director shall have any personal liability to the Association or its members for monetary damages for breach of fiduciary

duty as a Director; except that the personal liability of such Director shall not be eliminated for: (i) any breach of the Director's duty of loyalty to the Association or its members; (ii) acts or omissions by the Director not in good faith or that involve intentional misconduct or a knowing violation of the law; (iii) voting for or assenting to any unlawful distributions as defined under Section 7-128-403 of the Nonprofit Act, provided that the extent of liability for such vote or assent shall be determined pursuant to Section 7-128-403 of the Nonprofit Act; (iv) consenting to or participating in the making of any loan by the Association to any Director or officer, provided that the extent of liability for such consent or participation shall be determined pursuant to Section 7-128-501 of the Nonprofit Act; or (v) any transaction from which the Director directly or indirectly derived an improper personal benefit. No Director or officer shall be personally liable for any injury to person or property arising out of a tort committed by an employee of the Association unless such Director or officer was personally involved in the situation giving rise to the injury through willful or wanton acts or omissions or unless such Director or officer committed a criminal offense in connection with such situation. Nothing contained in this paragraph will be construed to deprive any Director or officer of his or her right to all defenses ordinarily available to a Director or officer nor will anything herein be construed to deprive any Director or officer of any right he or she may have for contribution from any other Director, officer or other person. No member shall be personally liable for any debt or other obligation of the Association, except as provided in the Declaration.

#### **XIV. INCORPORATOR**

The incorporator's name and address is:

Name

Melinda Beck

Address

Otten, Johnson, Robinson, Neff &  
Ragonetti, P.C.  
950 17<sup>th</sup> Street, Suite 1600  
Denver, Colorado 80202

#### **XV. MISCELLANEOUS**

The name and mailing address of the individual who caused this document to be delivered for filing and to whom the Secretary of State may deliver notice if filing of this document is refused, is: Melinda Beck, Otten, Johnson, Robinson, Neff & Ragonetti, P.C., 950 17<sup>th</sup> Street, Suite 1600, Denver, Colorado 80202; telephone: 303-575-7529.