

B. ARTICLES OF INCORPORATION

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DEPARTMENT OF STATE  
STATE OF COLORADO

NOT FOR PROFIT  
ARTICLES OF INCORPORATION  
OF  
TELEMARK LODGE CONDOMINIUM ASSOCIATION

The undersigned, desiring to establish a nonprofit corporation pursuant to the Colorado Nonprofit Corporation Act, hereby certifies:

ARTICLE I  
NAME AND DEFINITIONS

The name of the corporation shall be TELEMARK LODGE CONDOMINIUM ASSOCIATION. Capitalized terms used herein, if not defined, shall have the meanings set forth in the Condominium Declaration for Telemark Lodge Condominiums recorded in the Clerk and Recorder's office for Summit County, Colorado ("Declaration").

ARTICLE II  
EXISTENCE

The corporation shall have perpetual existence.

ARTICLE III  
PURPOSES AND POWERS

(a) Purposes. The objects and purposes of the corporation shall be (i) to provide for the care, upkeep, and supervision of the Telemark Lodge Condominiums in Summit County, Colorado (Premises), as further described in the Condominium Declaration for Telemark Lodge Condominiums recorded in the Summit County records and in all amended and supplemental Declarations filed from time to time (Declaration), including the General Common Elements and all recreational facilities maintained thereon from time to time (if any); (ii) to regulate and control the relationships between the owners (Owners) of condominium units (Units) on the Premises in connection with their ownership of the Units; (iii) to provide for the pleasure and recreation of the Owners; and (iv) to promote the best interests of the Owners for the purpose of securing for them the fullest utilization and enjoyment of the Premises.

(b) Powers. In furtherance of the foregoing purposes, but not otherwise, the corporation (which is sometimes hereinafter called the "Association") shall have and may exercise all of the following powers:

(i) Real and Personal Property. To acquire by gift, purchase, trade, or any other method, own, operate, build, manage, rent, sell, develop, encumber, and otherwise deal in and with real and personal property of every kind and character, tangible and intangible, wherever located, and interests of every sort therein.

(ii) Borrowing. To borrow funds or raise moneys in any amount for any of the purposes of the Association and from time to time to execute, accept, endorse, and deliver as evidences of such borrowing, all kinds of instruments and securities, including, but without limiting the generality of the foregoing, promissory notes, drafts, bills of exchange, warrants, bonds, debentures, property certificates, trust certificates, and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment and performance of such securities by mortgage on, or pledge, conveyance, deed, or assignment in trust of, the whole or any part of the assets of the Association, real, personal, or mixed, including contract rights, whether at the time owned or hereafter acquired.

(iii) Contracts. To enter into, make, amend, perform, and carry out, or cancel and rescind, contracts, leases, permits, and concession agreements for any lawful purposes pertaining to its business.

(iv) Guaranties. To make any guaranty respecting securities, indebtedness, notes, interest, contracts, or other obligations created by any individual, partnership, association, corporation, or other entity, and to secure such guaranties by encumbrance upon any and all assets of the Association, to the extent that such guaranty is made in pursuance of the purposes herein set forth.

(v) Loans. To lend money for any of the purposes above set forth; to invest its funds from time to time and take and hold real and personal property as security for payment of funds so loaned or invested.

(vi) Leasehold Condominium Rent. To collect rent, as provided in the condominium lease executed by each Owner (Condominium Lease), from each Owner for remittance to the ground lessor under the Condominium Lease, if requested by such ground lessor, and to enforce the same in the manner provided in the Declaration.

(vii) Assessments. To levy quarterly assessments and special assessments against the Owners for common expenses (including but not limited to the costs of repairing and maintaining General Common Elements, and utility charges which are not charged directly to the Owners by the utility company), to charge interest on unpaid assessments and to collect dues, fees, and interest in accordance with its Bylaws, and to enforce liens given as security for such assessments, dues, fees, and interest.

(viii) General Powers. To do everything necessary, suitable, or proper for the accomplishment of any of the purposes, the attainment of any of the objects, or the furtherance of any of the powers above set forth and as set forth in the Bylaws, either alone or in

connection with other corporations, firms, or individuals, and either as principal or agent, and to do every act or thing incidental or appurtenant to, or growing out of, or connected with any of the aforesaid objects, purposes, or powers.

(ix) Rule Making. To make and enforce rules and regulations with regard to the management and operation of the Premises.

(x) Management, Maintenance, and Repair. To provide for the management, maintenance and repair of the Premises.

(xi) Powers Conferred by Law. The foregoing enumeration of specific powers shall not limit or restrict in any manner the general powers of the Association and the enjoyment and exercise thereof as now or hereafter conferred by the laws of Colorado.

(c) Restrictions upon Purposes and Powers. The foregoing purposes and powers of the Association are subject to the limitation that no part of the net earnings of the Association shall inure to the benefit of any private holder of membership certificates in the Association.

(d) Dividends, Distributions, Etc. The Association shall not pay any dividends. No distribution of the corporate assets to members (as such) shall be made until all corporate debts are paid, and then only upon final dissolution of the Association by the affirmative vote of at least 80 percent of the votes of all of the members at any regular or special meeting called for that purpose at which a quorum shall be represented. Upon such dissolution and distribution, the assets remaining after payment of all debts shall be distributed among the members of the Association in proportion to their respective interests in the general common elements of the Premises.

#### ARTICLE IV OPERATIONS, ADDRESS, AND AGENT

The operations of the Association shall be conducted at such places within or outside of the United States as may from time to time be determined by the Board of Directors. The address of the initial registered and principal office of the corporation is 1031 Thirteenth Street, Galleria, Denver, Colorado 80204. The name of its initial registered agent at such address is Harry B. Mosgrove.

#### ARTICLE V MEMBERSHIPS AND VOTING

(a) Members. Any individual, corporation, partnership, association, trust, or other legal entity or combination of entities that is a record owner (Owner) of an undivided fee simple interest or a leasehold estate granted by the declarant named in the Declaration (Declarant) in one or more Units shall

automatically be a member of the Association. Such membership shall be continuous throughout the period that ownership continues. A membership shall terminate automatically without any Association action whenever such Owner ceases to own a Unit or such Owner's leasehold estate in such Unit is terminated. Termination of membership shall not relieve or release any former member from any liability or obligation incurred by virtue of or in any way connected with ownership of a Unit, or impair any rights or remedies which the Association or others may have against such former Owner and member arising out of or in any way connected with such ownership or membership.

(b) Membership. The Association shall have two classes of membership, Commercial and Residential. Commercial Members shall be Owners of Commercial Condominium Units and such tenants of Commercial Condominium Units as shall be granted all or part of the membership rights of the Owner of such Units by written lease or other agreement in writing between the Owner and tenant of such Commercial Unit. Residential Members shall be Owners of Residential (including Employee Housing) Condominium Units. Only Commercial Members shall be entitled to vote as to those matters concerning only Commercial Condominium Units. Only Residential Members shall be entitled to vote as to those matters concerning only Residential Condominium Units. All Members shall be entitled to vote on matters concerning both Commercial and Residential Condominium Units and as to matters which cannot be clearly categorized as either exclusively Residential or Commercial. Assessments for common expenses benefiting only one class shall be allocated to that class and charged to the members of that class in proportion to the percentage division of the general common elements within the affected membership class. Within each such class of membership, there shall be categories of membership as follows:

(i) Individual Membership. Any individual acquiring an interest in a Unit shall automatically become an individual member of the Association.

(ii) Organizational Membership. Any corporation, partnership, association, trust, or other legal entity acquiring an interest in a Unit shall automatically become an organizational member of the Association. Each organizational member shall from time to time designate one or more individuals who may represent it at meetings and vote on behalf of such member. The secretary of the Association shall maintain a list of the persons entitled to vote on behalf of such member and, until the Association is notified to the contrary, any action taken by such persons purporting to act on behalf of the organizational member shall be binding on such member.

(iii) Declarant Membership. The Declarant shall be a member of the Association as long as it owns an interest in any Unit.

(c) Number of votes. The total number of votes of all members shall be 10,000. Each member shall be entitled to cast one vote at all meetings of

members for each .01 percent of interest in the general common elements of the Premises appurtenant to the Unit owned by said member from the Declarant, said interest being set forth in the Declaration. However, each member who is a co-owner of a Unit (including a joint tenant or tenant in common) shall have the right to vote only a number of votes equal to the product of his undivided interest in a Unit multiplied by the total number of votes appurtenant to the Unit. For purposes of this paragraph, each joint tenant or tenant in common of a Unit shall be deemed to own an undivided interest in his Unit equal to 100 percent divided by the total number of joint tenants or tenants in common.

(d) Amendment. This Article V may be amended only by the unanimous vote of all the members.

ARTICLE VI  
BOARD OF DIRECTORS

(a) The control and management of the affairs of the Association and the disposition of its funds and property shall be vested in a Board of Directors. The number of Directors (which may not be less than three), their terms of office, and the manner of their selection or election shall be determined according to the Bylaws from time to time in effect. Cumulative voting shall not be allowed in the election of Directors or for any other purpose. The names and addresses of those comprising the first Board of Directors, to serve until their successors shall be duly elected, are as follows:

Andrew P. Daly	1031 Thirteenth Street Galleria Denver, Colorado 80204
Harry B. Mosgrove	1031 Thirteenth Street Galleria Denver, Colorado 80204
Martin A. Hammock	1031 Thirteenth Street Galleria Denver, Colorado 80204

(b) The Board of Directors may by resolution designate two or more of their number to constitute an executive committee which shall have and exercise all of the power of the Board of Directors in the management of the business and affairs of the Association of such lesser authority as may be set forth in such resolution. No such delegation of authority shall relieve the Board of Directors or any member of the Board from any responsibility imposed by law.

ARTICLE VII  
OFFICERS

The Association shall have such officers as may from time to time be prescribed by the Bylaws. Their terms of office and the manner of their

designation or selection shall also be determined according to the Bylaws from time to time in effect.

ARTICLE VIII  
MANAGER

The Board of Directors shall have power to appoint a manager, which may be a corporation, to carry on day-to-day maintenance, repair, rental and service functions for the Association. The Association may enter into a contract with such manager having a term of not more than five years (including all renewals) and with such other provisions as the Board of Directors may approve.

ARTICLE IX  
CONVEYANCE AND ENCUMBRANCE OF PROPERTY

Authority to convey or encumber the property of the Association and to execute any deed, contract, or other instrument on behalf of the Association for itself or as attorney-in-fact for one or more of the members is vested in the president or any vice-president. All instruments conveying or encumbering such property (whether or not executed as such attorney-in-fact) shall be executed by the president or a vice-president and attested by the secretary or an assistant secretary of the Association.

ARTICLE X  
DIRECTORS' CONTRACTS, REMOVAL, COMPENSATION, AND INDEMNITY

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Association, and the same are in furtherance of and not in limitation or exclusion of the powers conferred by law:

(a) Contracts with Directors, Officers, or Members. No contract or other transaction of the Association with any other person, firm, or corporation shall be affected or invalidated by (i) the fact that any one or more of the directors, officers, or members of the Association is interested in, or is a director, trustee, or officer of another corporation, or (ii) the fact that any director, officer, or member, individually or jointly with others, may be a party to or may be interested in any such contract or transaction. Each person who may become a director, officer, or member of the Association is hereby relieved from any liability that might otherwise arise by reason of his contracting with the Association for the benefit of himself or any firm or corporation in which he may be in anywise interested.

(b) Board of Directors to Exercise General Power. All corporate powers except those which by law or by these Articles expressly require the consent of the members shall be exercised by the Board of Directors or the executive committee.

(c) Removal of Directors. One or more or all of the Directors may be removed with or without cause by the vote of a majority of the votes of the members then entitled to vote at an election of Directors. Such vacancies shall be filled only by the vote of the members so represented, as if such meeting were a regular annual meeting for the election of Directors, the person or persons having the highest number of votes in consecutive order being declared elected to the Board of Directors.

(d) Compensation of Directors and Members. The Board of Directors is hereby authorized to make provision for reasonable compensation to its members and to members of the Association for their services, and to reimburse such members for expenses incurred in connection with furthering the purposes of the Association. The Board of Directors shall fix the basis and conditions upon which such compensation and reimbursement shall be paid. Any Director of the Association may also serve in any other capacity and receive compensation and reimbursement for such other work.

(e) Indemnity. Each Director or officer, whether or not then in office, and each person who may have served at the request of the Association as a director or officer of another corporation in which it owns capital stock or of which it is a creditor, and his executors, administrators and assigns, shall be indemnified by the Association against all costs and expenses reasonably incurred by or imposed upon him in connection with or arising out of any action, suit, or proceeding in which he may be involved, or to which he may be made a party by reason of his being or having been such a Director or officer (such expenses to include the cost of reasonable settlement made with a view toward curtailment of the costs of litigation), except in relation to matters as to which he shall be finally adjudged in such action, suit, or proceeding to have been liable for negligence or misconduct in the performance of duty to the Association, and the foregoing right of indemnification shall not be exclusive of other rights to which he may be entitled as a matter of law.

#### ARTICLE XI BYLAWS

The initial Bylaws of the Association shall be as adopted by its Board of Directors. The Board shall have the power to alter, amend, or repeal the Bylaws. The Bylaws may contain any provisions for the regulation or management of the affairs of the Association which are not inconsistent with law or these Articles of Incorporation, as the same may from time to time be amended.

#### ARTICLE XII AMENDMENT OF ARTICLES

The Association reserves the right to amend, alter, or repeal any provision contained in these Articles of Incorporation by, unless a higher

voting requirement is set forth herein or in the Declaration with respect to any particular provision, the vote of the holders of at least two-thirds of the votes of the members at any regular or special meeting called for that purpose at which a quorum shall be represented.

ARTICLE XIII  
INCORPORATOR

The name and address of the incorporator is:

Robert A. Holmes, Esq.  
Fairfield and Woods  
1600 Colorado National Building  
950 Seventeenth Street  
Denver, Colorado 80202

Dated: September 18, 1985

Robert A. Holmes  
Robert A. Holmes

VERIFICATION

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

I, Deborah K. Jensen, a notary public, hereby certify that on the 18th day of September 1985 personally appeared before me Robert A. Holmes who, being by me first duly sworn, severally declared that he was the person who signed the foregoing documents as incorporator and that the statements therein contained are true.

My commission expires:

Deborah K. Jensen  
Notary Public

My Commission expires July 9, 1986  
950 Seventeenth Street # 1600  
Denver, Colorado 80202 Address