

**ATTACHMENT TO
ARTICLES OF INCORPORATION
OF
PONCHA MEADOWS ASSOCIATION, INC.
(A Colorado Nonprofit Corporation)**

KNOW ALL MEN BY THESE PRESENTS, that the incorporator hereby adopts the following additional provisions as provided by law to the Articles of Incorporation of Poncha Meadows Association, Inc. (the “Association”):

**ARTICLE I
Capitalized Terms and Definitions**

Capitalized terms shall have the same meaning as such terms contained in the Declaration of Covenants, Conditions, Restrictions and Easements for Poncha Meadows, as recorded in the records of Chaffee County, Colorado (“the Declaration”). Any capitalized term which is not defined in the Declaration shall have the same meaning as such term is defined in the Colorado Common Interest Ownership Act and/or the Colorado Revised Nonprofit Corporation Act.

**ARTICLE II
Purposes**

The Association is established as a not for profit corporation and the objects and purposes for which the Association is organized and the nature of the business to be conducted by it shall be:

1. To constitute the Association to which reference is made in the Declaration.
2. To be the Association for the Common Interest Community of Poncha Meadows in accordance with the Colorado Common Interest Ownership Act and the Colorado Revised Nonprofit Corporation Act, as they now exist and as they may hereafter be amended from time to time.
3. To exercise all powers and to administer, manage, and govern Poncha Meadows in accordance with the Declaration, including all powers granted to the Association under such Declaration.
4. To own, administer, and maintain all property, whether real or personal or interest therein, for the use and benefit of all Owners within Poncha Meadows as set forth in the Declaration.

ARTICLE III
Powers

The Association shall have and may exercise all powers conferred upon it in accordance with the Declaration, and all powers of a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act and the Colorado Common Interest Ownership Act, as they now exist and as they may hereafter be amended from time to time.

ARTICLE IV
Membership

The Corporation shall have Members and the Membership shall be constituted as follows:

1. Members. The Owner of a Lot or Unit in Poncha Meadows, upon becoming such Owner, shall be entitled and required to be a Member of the Association and shall remain a Member of the Association for the period of Ownership of such Lot or Unit. Such Membership shall be an appurtenant right of the Ownership of a Lot or Unit within Poncha Meadows, shall run with such Lot or Unit, and shall automatically be transferred to any subsequent Owner of such Lot or Unit upon the recording of any deed or conveyance thereof to a subsequent Owner.

2. Voting Rights. Membership in the Association shall entitle the Owner to voting rights in the Association as described in the Declaration and the Bylaws of the Association (the "Bylaws").

3. Terms and Conditions. The terms and conditions of Membership in the Association shall be as set forth in these Articles of Incorporation and the Bylaws.

4. Class of Members. There shall be one class of Members.

ARTICLE V
Board of Directors

1. Board of Directors. The business and affairs of the Association shall be managed by a board of directors, also known as an executive board under the Colorado Common Interest Ownership Act (the "Board").

2. Qualification of Directors. All members of the Board ("Directors") shall be Members of the Association, or a delegate of any Member which is a legal entity, as set forth in the Declaration and the Bylaws.

3. Number of Directors. The initial Board shall consist of three (3) Directors. The terms, number of Directors, and the manner of their election shall be in accordance with the Colorado Common Interest Ownership Act, the Declaration, and the Bylaws.

4. Rights of Declarant. Notwithstanding any provision above, Declarant has the sole right to appoint and to remove Directors and officers of the Association to the extent of and during the period of Declarant Control as described herein and in the Bylaws. Such Directors and officers need not be Owners, but shall exercise the care required of fiduciaries of the Owners. “Declarant Control” begins with the appointment of the initial Board and continues until the earlier of: (a) the voluntary surrender by Declarant in writing; (b) sixty (60) days after Declarant conveys to Owners other than a Declarant seventy-five percent (75%) of the Lots or Units that may be created; (c) two (2) years after the last conveyance of a Lot or Unit by Declarant in the ordinary course of business; or (d) two (2) years after the right to add new Lots or Units was last exercised (if such right is reserved by Declarant in the Declaration).

In accordance with the Colorado Common Interest Ownership Act and the Bylaws, Declarant Control is further extinguished to the extent stated as follows:

(a) Not later than sixty (60) days after conveyance to Lot or Unit Owners other than Declarant of twenty-five percent (25%) of the Lots or Units that may be created, at least one Director and not less than twenty-five percent (25%) of the Directors must be elected by Lot or Unit Owners other than the Declarant; and

(b) Not later than sixty (60) days after conveyance to Lot or Unit Owners other than Declarant of fifty percent (50%) of the Lots or Units that may be created, not less than thirty-three and one-third percent (33 ⅓%) of the Directors must be elected by Lot or Unit Owners other than the Declarant; and

(c) Not later than sixty (60) days after the termination of any period of Declarant Control, the Owners shall elect a Board of at least three Directors, at least a majority of whom must be Lot or Unit Owners other than the Declarant.

ARTICLE VI Indemnification

The Corporation shall indemnify the officers and Directors of the Association to the full extent permitted by the statutes of the State of Colorado.

ARTICLE VII Limitation of Liability

1. Non-Liability of Director. The personal liability of a Director or officer to the Association or its Members for monetary damages for breach of a fiduciary duty as a Director or officer is limited to the full extent provided by the statutes of the State of Colorado.

2. Liability for Willful or Wanton Acts. Directors and officers shall not be liable for actions taken or omissions made in the performance of corporate duties except for wanton and willful acts or omissions.

ARTICLE VIII
Bylaws

The initial Bylaws of the Association shall be adopted by the Board. The power to alter, amend, or repeal the Bylaws or adopt new Bylaws shall be vested in the Board, subject to the provisions of the Bylaws and the Colorado Revised Nonprofit Corporation Act.

ARTICLE IX
Reserved Rights

Any amendment to these Articles by the Members of the Association shall not affect adversely any right reserved to the Declarant as defined in the Declaration unless Declarant consents to the amendment. After the filing of these Articles, the Declarant shall have the right to annex additional property to the Declaration subject to and in accordance with the Colorado Common Interest Ownership Act, including common areas and property within, associated with, or necessary for full use and enjoyment of, the annexed property. The Owners of Lots or Units in such annexed property shall also be Members of the Association. Nothing contained herein shall affect the Declarant's right to amend or modify the Declaration as provided by the Colorado Common Interest Ownership Act and the Declaration.

ARTICLE X
Distribution of Assets on Dissolution

Upon dissolution of the Association other than by merger or consolidation, the assets, both real and personal, of the Association shall be applied and distributed in accordance with the Colorado Revised Nonprofit Corporation Act:

1. First to pay and discharge all liabilities and obligations of the Association.
2. To return, transfer, or convey any assets as required by the provisions of Colorado Revised Statutes § 7-134-101, et seq., as the same may be subsequently amended or modified, which may include refunds or rebates of any excess membership dues or assessments.
3. All remaining assets of the Association shall 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. If such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any qualified nonprofit corporation, 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.