

Arrowhead Improvements Association, Inc.  
Amended and Restated Articles of Incorporation  
Additional Provisions

ARTICLE I  
Name

1. The name of this corporation shall be Arrowhead Improvements Association, Inc.

**Comment [P1]:** Consistent with the 1974 Articles

ARTICLE II  
Purpose

1. The corporation is established not for profit and the objects and purposes for which the corporation is organized and the nature of the business to be conducted by it shall be:
- (a) To provide for maintenance, preservation and aesthetic and architectural control of the single family dwelling sites and common area within the subdivision.
  - (b) To constitute the Association to which reference is made in the declaration of protective covenants for Arrowhead Improvements Association ("AIA") filed with the Gunnison County Clerk and Recorder, as amended.
  - (c) To be the Association for AIA 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; provided, however, that nothing contained in these Articles shall be construed as electing treatment under the Colorado Common Interest Ownership Act other than as mandated by law for pre-existing communities.
  - (d) To own, administer and maintain all property, whether real or personal or interests therein, for the use and benefit of all site owners within AIA.

**Comment [P2]:** Consistent with the 1974 Articles

**Comment [P3]:** Consistent with the 1974 Articles

**Comment [P4]:** References the declaration of protective Covenants which specifically outlines in Article VI (1) the powers and duties of the Association

**Comment [P5]:** Re-worded to comply with Colorado laws

**Comment [P6]:** Consistent with the 1974 Articles

ARTICLE III  
Powers

1. This nonprofit corporation shall have and may exercise all powers conferred upon 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, and under the declaration of protective covenants, as amended, for AIA and other governing documents for AIA. This includes the power to sell real estate, sell personal property, encumber property owned by the Association, and otherwise take any action appropriate of an Association. Limitations on the powers of the Association include those set forth below.
2. In addition to the other limitations placed on the Association's exercise of its powers by law or by other governing documents of the Association, the Association shall not:
- (a) Without the assent of 75% or more of the members as defined by the covenants, provide any real or personal property owned by the Association as security or collateral or otherwise encumber any real or personal property owned by the Association in order to secure an obligation of the Association; or
  - (b) Without the signed assent of 75% or more of the members as defined by the covenants, dedicate, sell or transfer all or any part of the common area to any public agency, authority or utility; or
  - (c) Without the assent of 75% or more of the members as defined by the covenants, merge or consolidate or otherwise participate in any merger or consolidation with any other nonprofit

**Comment [P7]:** Reworded broadly so as to avoid the necessity of spelling out every function and power of the association in the articles. Rather, this provision recognizes it is an HOA with the powers that HOAs have. This provision should not provided the association with any power it did not already have nor should it abandon any power it currently has

corporations organized for the same purposes or annex additional residential property and common area.

**Comment [P8]:** Consistent with the 1974 Articles

#### ARTICLE IV Membership

1. The Association will have a single voting member for each Site (as defined in the declaration) subject to the declaration.
2. There is one membership for each Site owned, which shall be automatically transferred upon the conveyance of the Site.
3. The qualifications of members of the Association, the voting rights and other rights and obligations of Members are contained in the declaration and bylaws of the Association.
4. All votes of the membership shall be done by mail.

**Comment [P9]:** Clarifies the 1974 Articles by referencing the declaration of protective covenants wherein membership and voting is contained in Article VI (2)

**Comment [P10]:** Consistent with the 1974 Articles

**Comment [P11]:** Deleted language from 1974 Articles and instead references declaration of protective covenants and bylaws. This keeps the voting rights and other rights consistent with any amendment to the declaration of protective covenants and the bylaws now and in the future

#### ARTICLE V Board of Directors

1. The business and affairs of the corporation shall be managed by a board of directors, also known as an executive board under the Colorado Common Interest Ownership Act.
  - (a) All directors shall be members of the corporation.
  - (b) The number of members of the board of directors shall be as set forth in the bylaws.
  - (c) The term of office, and method of election, removal and filling of vacancies shall be as set forth in the bylaws.
  - (d) The personal liability of a director to the corporation 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. The corporation shall indemnify the officers and directors of the corporation to the full extent permitted by the statutes of the State of Colorado.

**Comment [P12]:** The 1974 Articles state voting may be done by proxy This is a conflict with the current bylaws which state voting shall be done mail

**Comment [P13]:** Consistent with Colorado law

**Comment [P14]:** The 1974 Articles state a member of the Board of Directors does not need to be an owner. This is a conflict with the current bylaws which state a member of the board of directors must be an owner

**Comment [P15]:** The 1974 Articles state there shall be 3 Directors. This is a conflict with the current bylaws which state the board of directors shall consist of at least 7 members

#### ARTICLE VI Amendment

1. Amendment of these Articles may be done in accordance with the voting provisions provided in the bylaws for amendment of these Articles. No amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the declaration or Colorado law.

**Comment [P16]:** Consistent with the 1974 Articles

#### ARTICLE VII Dissolution

1. Dissolution. In the event of the dissolution of the Association as a corporation, either voluntary or involuntarily by the Members, by operation of law or otherwise, then the assets of the Association shall be distributed or otherwise owned as set forth in C.R.S. § 38-33.3-218 and to the extent the same is not applicable, then the same shall be distributed to the Members pro rata by Site with the owners of each Site receiving one share.

**Comment [P17]:** Reworded to comply with Colorado laws

These Amended and Restated Articles of Incorporation were adopted on \_\_\_\_\_ by the board of directors without member action and member action was not required.