

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF SHOCK HILL PROPERTY OWNERS' ASSOCIATION, INC.**

_____ The undersigned ~~adult, natural person, acting as incorporator, hereby establishes a~~ nonprofit corporation ~~pursuant to the Colorado Revised Nonprofit Corporation Act~~ hereby amends and ~~the following articles restates its Articles of incorporation:~~ Incorporation as set forth below:

ARTICLE I
NAME

The name of the corporation is Shock Hill Property Owners' Association, Inc. For purposes of these Articles, the corporation is hereinafter referred to as the Association.

ARTICLE II
DURATION

The Association shall have perpetual existence.

ARTICLE III
REGISTERED OFFICE AND AGENT PRINCIPAL OFFICE

The address of the ~~initial~~ registered office of the Association is ~~137 S. Main Street, P.O. 130 Ski Hill Rd, Suite 130, PO~~ Box 7, Breckenridge, ~~Colorado~~ CO 80424. The name of the Association's ~~initial~~ registered agent at such address is ~~Kenneth M. Adams Alpine Edge Property Management.~~ Either the registered office or the registered agent may be changed in the manner provided by law. The address of the ~~initial~~ principal office of the ~~Association is 137 S. Main Street, P.O. Box~~ Association is 130 Ski Hill Rd, Suite 130, PO Box 7, Breckenridge, ~~Colorado~~ CO 80424.

ARTICLE IV
DEFINITIONS

Any capitalized terms used in these Articles that are not defined in these Articles have the meanings given to them in the Declaration of Land Use Restrictions for Shock Hill Subdivision, as amended and supplemented from time to time, and as recorded in the real property records of Summit County, Colorado (the "Declaration").

ARTICLE V
MEMBERSHIP AND VOTING

5.1 Membership.

(a) There shall be one Membership appurtenant to each Lot. The Membership appurtenant to a Lot shall be held by the Owners of that Lot and may not be separated from the Lot to which it is appurtenant.

(b) Any Membership appurtenant to a Lot having more than one Owner shall be shared by such

Owners, and each such Owner shall be a member of the Association.

5.2 Voting.

The Association shall have voting members, as provided in the Declaration and the Bylaws of the Association.

ARTICLE VI PURPOSES AND POWERS

6.1 Purposes and Powers.

The Association's purposes and powers are as set forth in the Declaration, including Section 4.1 of the Declaration. Without in any way limiting the generality of the foregoing, the Association may, but is not obligated to:

- (a) adopt and amend the Articles (as provided herein), the Bylaws and the Rules and Regulations;
- (b) adopt and amend budgets for revenues, expenditures and reserves, and collect Assessments;
- (c) hire and fire managing agents and other employees, agents and contractors;
- (d) institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Subdivision;
- (e) make contracts and incur liabilities;
- (f) regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- (g) cause additional improvements to be made part of the Common Elements;
- (h) acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property;
- (i) grant easements, leases, licenses and concessions across, through, under or over the Common Elements;
- (j) impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements;
- (k) impose charges for late payments of Assessments, recover reasonable attorneys' fees and disbursements and other costs of collection for Assessments and other actions to enforce the rights of the Association, regardless of whether suit was initiated, and,

after notice and an opportunity to be heard, levy reasonable fines and impose reasonable penalties for violations of Association Documents or any of them;

(l) impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments;

(m) provide for the indemnification of the Association's officers and directors and maintain directors' and officers' liability insurance;

~~(k) — assign its right to future income, including its right to receive Assessments;~~

~~(n)~~ provide or procure any services necessary for the safety or security of the Property, Owners, guests or visitors;

~~(o)~~ approve, install, maintain, repair and replace signage (except as otherwise provided in the Declaration);

~~(p)~~ provide or procure landscaping services within the Subdivision;

~~(q)~~ plan, arrange and hold recreational activities for the benefit of Owners, residents and their guests;

~~(r)~~ become a member of another properly owners' association or other similar associations;

~~(s)~~ exercise any other powers expressly or implicitly conferred on it by the Association Documents or any of them;

~~(t)~~ — ~~(u)~~ — exercise all other powers that may be exercised in Colorado by nonprofit corporations; and

~~(q)(t)~~ ~~(v)~~ exercise any other powers necessary ~~or proper~~ and reasonable for the governance ~~an~~ and operation of the Association.

6.2 Restrictions on Purposes and Powers.

The purposes and powers of the Association described above are subject to the following limitations:

- (a) The Association shall be organized and operated exclusively for nonprofit purposes.
- (b) No part of the net earnings of the Association shall inure to the benefit of any Owner, except as expressly permitted below with respect to the dissolution of the Association.
- (c) The Association shall not pay any dividends. No distribution of the Association's assets shall be made until all of the Association's debts are paid, and then only upon the final dissolution of the Association as approved pursuant to the Declaration.

ARTICLE VII BOARD OF DIRECTORS

7.1 Board of Directors.

- (a) The business and affairs of the Association shall be controlled, conducted and managed by the Board of Directors, except as otherwise provided by law or any Association Document.
- (b) Except as provided by law or any Association Document, the Board of Directors may act on behalf of the Association in all instances. The Board of Directors may not however, act on behalf of the Association to:
 - (i) amend the Declaration;
 - ~~(ii)~~ amend the Bylaws;
 - ~~(ii)(iii)~~ terminate the planned community created pursuant to the Declaration;
 - ~~(iii)~~ (iv) elect temporary Directors to the Board of Directors, other than to fill a vacancy ~~for the unexpired portion of the term~~ of a resigning or removed Director until the next annual meeting; or
 - ~~(iv)~~ (v) determine the qualifications, powers and duties, or terms of office, of Directors.

~~(a)(c)~~ The Board of Directors shall consist of not less than three Directors, the exact number of Directors to be as set forth in the Bylaws. In the absence of a provision in the Bylaws fixing the number of Directors, the number will be three.

~~(d) 7.02 Initial Board of Directors.~~ The number of Board of Directors shall serve staggered three-year terms, with each Director's term expiring at an annual meeting. Upon the expiration of a Director's term, the Owners will elect said Director's replacement.

~~(e) The first Board of Directors shall be four. The names and addresses of the persons who are to serve as have the initial directors are as follows: authority to fill a temporary vacancy of a resigning or removed Director. Any replacement Director appointed by the Board of Directors shall serve until the next annual meeting at which the Owners will vote for any eligible candidate to fill the vacated seat, which replacement will serve for remainder of the resigning or removed Director's three-year term.~~

| | Address |
|-----------------------------|---|
| Kenneth M. Adams | 137 S. Main Street P.O. Box 7 Breckenridge, Colorado 80424 |
| Don M. Nilsson | 137 S. Main Street P.O. Box 7 Breckenridge, Colorado 80424 |
| Thomas M. Begley | 137 S. Main Street P.O. Box 7 Breckenridge, Colorado 80424 |

ARTICLE VIII
LIABILITY AND INDEMNIFICATION

8.1 Limits on Directors' Liability.

To the fullest extent permitted by law, a Director shall not be liable to the Association or the Owners for monetary damages for breach of fiduciary duty. Any repeal or modification of this Section 8.1 shall be prospective only and shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

8.2 Indemnification.

To the fullest extent permitted by law, the Association shall indemnify each Director and each officer, employee, fiduciary and agent of the Association.

ARTICLE IX
BYLAWS

With Owner approval, as required in the Declaration, the Board of Directors shall have the power to alter, amend or repeal the Bylaws from time to time in force and adopt new Bylaws. The Bylaws of the Association may contain any provisions for the regulation or management of the affairs of the Association that are not inconsistent with law, the Declaration or these Articles.

ARTICLE X
DISSOLUTION

Upon payment of all of the Association's debts and final dissolution, any remaining assets of the Association shall be distributed among the Owners in proportion to the respective allocation of Common Expenses appurtenant to each Lot.

ARTICLE XI
AMENDMENT

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles by the vote of the holders of more than 67 percent of the votes of all Memberships at any regular or special meeting called for that purpose at which a quorum shall be represented.

ARTICLE XII
INCORPORATOR

The name and address of the incorporator is:

Kenneth M. Adams
137 South Main Street
P.O. Box 7
Breckenridge, Colorado 80424