



STATE OF COLORADO

DEPARTMENT OF
STATE

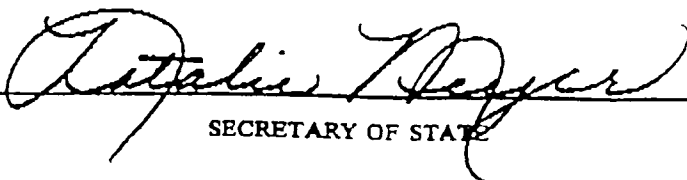
CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that the prerequisites for the issuance of this certificate have been fulfilled in compliance with law and are found to conform to law.

Accordingly, the undersigned, by virtue of the authority vested in me by law, hereby issues A CERTIFICATE OF INCORPORATION TO

THE ALPHA SUBDIVISION COMMITTEE, INC.
A NONPROFIT CORPORATION

Dated: FEBRUARY 04, 1994



SECRETARY OF STATE

BYLAWS
OF
THE ALPHA SUBDIVISION COMMITTEE, INC.
A Non-Profit Corporation

ARTICLE 1
CORPORATE AUTHORITY

The Alpha Subdivision Committee, Inc. is given authority by the Declarations of Restrictions, signed January 16, 1969, to enforce those Declarations as the "Committee of Architecture."

ARTICLE 2
PURPOSES

The purposes for which the Corporation is organized are:

(a) To provide for the enforcement of the subdivision's Declaration of Restrictions.

(b) To provide for the maintenance of a high standard of architecture and general construction in such a manner as to enhance aesthetic properties and structural soundness of the Alpha Subdivision as a whole.

(c) To adopt reasonable rules and regulations concerning committee conduct, hours of availability and necessary meetings.

(d) To do such other things as are incidental to the purpose of the Corporation or necessary or desirable in order to accomplish them.

(e) And any other lawful purpose necessary to comply with the Declaration of Restrictions.

ARTICLE 3
OFFICES

The principal office of the Corporation in the State of Colorado shall be located at P.O. Box 1330, Pagosa Springs, Colorado 81147.

The Corporation shall designate a registered office within the State of Colorado, as required by the Colorado Nonprofit Corporation Act, and shall maintain it continuously, although the address of the registered office may be changed from time to time by the Board of Directors.

The Corporation may have other offices at such other places, either within or outside the State of Colorado, as the Board of Directors may from time to time determine.

ARTICLE 4
MEMBERS

SECTION 1. Qualification. Membership in the Corporation shall consist of one class and shall be open to all property owners in the Alpha Subdivision, subject to the limitation of membership as set forth in Section 8 below.

SECTION 2. Annual Meeting. The purpose of the annual meeting of Members is to elect Directors. The annual meeting of the Members of the Corporation shall be held at the date, time and place designated by the Board of Directors. If the election of the Directors shall not be held on the day designated for the annual meeting, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as may be convenient.

SECTION 3. Special Meetings. Special meetings of the Members may be called by the President or the Board of Directors, and shall be called by the President at the request of one-fourth of the Members. The purpose for each special meeting shall be stated in the notice and may only include purposes which are lawful and proper for the Member to consider.

SECTION 4. Place of Meeting. The Board of Directors may designate any place, either within or outside the State of Colorado, as the place of meeting for any meeting of Members. If no designation is made, then the place of meeting shall be the principal office of the Corporation in the State of Colorado.

Section 5. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered personally or by mail not less than ten (10) days nor more than sixty (60) days before the date of the meeting. Notice shall be given by or at the direction of the President or the Secretary or the persons calling the meeting to each Member of record entitled to vote at the meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States Mail addressed to the Member at his address as it appears on the records of the Corporation with postage thereon prepaid.

SECTION 6. Waiver of Notice. A written waiver of notice signed by a Member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 7. Informal Action By Members. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

SECTION 8. Limitation on Membership. This being an association of people rather than an association of shares or Lots, the ownership of more than one Lot shall not entitle a Member to more than one vote. In the event that one or more Lots are owned by a corporation, partnership, joint ownership, or similar arrangement, such entities shall advise the Association of the names of two persons who shall be designated as Members.

SECTION 9. Votes. Each Member shall be entitled to one vote on each matter submitted to a vote at a meeting of Members.

SECTION 10. Quorum and Voting. A majority of the Members appearing in person or by proxy shall constitute a quorum at a meeting of Members, unless the Colorado Nonprofit Corporation Act shall provide otherwise. If a quorum is present, unless otherwise provided by law or in the Articles of Incorporation, the affirmative vote of a majority of the Members at the meeting entitled to vote on the subject matter shall be the act of the Members. After a quorum has been established at a Members' meeting, the subsequent withdrawal of Members, so as to reduce the number of Members entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. If a quorum is not present when a meeting starts, then a majority of the Members at the meeting may adjourn the meeting from time to time without further notice until a quorum is present.

SECTION 11. Proxies. Each Member entitled to vote at a meeting of Members or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy shall be in writing and shall be signed by the Member or his otherwise duly authorized attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided by law.

ARTICLE 5 BOARD OF DIRECTORS

SECTION 1. General Powers. The business and affairs of the Corporation shall be managed by the Board of Directors, except as otherwise provided in the Colorado Nonprofit Corporation Act or the Articles of Incorporation.

SECTION 2. Organization. The Board of Directors shall be composed of seven (7) people to be elected by the Corporation Members. Of the seven (7) directors, four (4) must be residents of Archuleta County, Colorado, and three (3) must be non-residents of Archuleta County, Colorado.

SECTION 3. Qualifications. In order to serve on the Board of Directors, a person must be a Member of the Corporation and agree to attend all Board meetings.

SECTION 4. Nomination. The present Board of Directors shall constitute the Nominating Committee for nominating Members to run for the Board of Directors. Those nominations shall then be presented for ratification to the Membership as a whole. Any Member can write in additional names to be considered for nomination.

SECTION 5. Terms of Office. Each Director shall serve a term of three (3) years. The terms shall be staggered so that the first year two (2) Directors are elected, the second year two (2) Directors are elected, and the third year three (3) Directors are elected. Each shall hold office until his successor is determined. Directors need not be residents of Colorado except as provided by Section 2 above.

SECTION 6. Annual Meetings. The Board of Directors shall hold its annual meeting at the same place as and immediately following each annual meeting of Members for the purpose of the election of Officers and the transaction of such other business as may come before the meeting. If a majority of the Directors are present at the annual meeting of Members, no prior notice of the annual meeting of the Board of Directors shall be required. However, another place and time for such meeting may be fixed by written consent of all the Directors.

SECTION 7. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall be determined from time to time by the Board of Directors. These meetings shall be open to any Members who wish to attend.

SECTION 8. Special Meetings. Special meetings of the Board of Directors may be called by the President and must be called by the President at the request of any two Directors. The President may set a reasonable time and place for the meeting.

SECTION 9. Telephone Meetings. Directors may participate in meetings of the Board of Directors by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

SECTION 10. Action Without Meeting. Any action of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken signed by all of the Trustees is filed in the minutes of the Board of Directors. Such consent shall have the same effect as a unanimous vote.

SECTION 11. Notice and Waiver. Notice of any special meeting shall be given at least three (3) days prior thereto by written notice delivered personally, by mail or by telegram to each Director at his address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail with postage prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting, either before, at, or after such meeting by signing a waiver of notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of such meeting or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting any objection to the transaction of business because the meeting is not lawfully called or convened.

SECTION 12. Quorum and Voting. A majority of Directors in office shall constitute a quorum for the transaction of business. The vote of a majority of Directors present at a meeting at which a quorum is present shall constitute the action of the Board of Directors. If less than a quorum is present, then a majority of those Directors present may adjourn the meeting from time to time without notice until a quorum is present.

SECTION 13. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors even though it is less than a quorum of the Board of Directors, unless otherwise provided by law or the Articles of Incorporation. A Director elected to fill a vacancy shall hold office only until the next election of Directors by the Members. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or a special meeting of Members called for that purpose.

SECTION 14. Resignation. Any Director of the Corporation may resign at any time by giving written notice to the President or the Secretary of the Corporation. The resignation of any Director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 15. Removal. Any Director or Directors of the Corporation may be removed at any time, with or without cause, in the manner provided in the Colorado Nonprofit Corporation Act.

SECTION 16. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE 6 OFFICERS

SECTION 1. Officers. The Officers of this Corporation shall be a President, Secretary, and Treasurer, each of whom shall be elected by the Board of Directors. Such other Officers and Assistant Officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. A failure to elect a President, Secretary, or Treasurer shall not affect the existence of the Corporation.

SECTION 2. Election and Term of Office. The Officers of the Corporation shall be elected annually by the Board of Directors at its meeting after each annual meeting of Members. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as is convenient. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any Officer may be removed from office at any time, with or without cause, on the affirmative vote of a majority of the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby. Removal shall be without prejudice to any contract rights of the person so removed, but election of an Officer shall not of itself create contract rights.

SECTION 4. Vacancies. Vacancies in offices, however occasioned, may be filled at any time by election by the Board of Directors for the unexpired terms of such offices.

SECTION 5. Duties. The President shall preside at all meetings of the Board of Directors and of the Members. The President shall be the chief executive officer of the Corporation. Subject to the foregoing, the Officers of the Corporation shall have such powers and duties as usually pertain to their respective offices and such additional powers and duties specifically conferred by law, by the Articles of Incorporation, by these

Bylaws, or as may be assigned to them from time to time by the Board of Directors.

SECTION 6. Salaries. The Officers shall serve without salaries.

SECTION 7. Loans to Officers. No loans shall be made by the Corporation to any Officer or Director of the Corporation.

SECTION 8. Delegation of Duties. In the absence or disability of any Officer of the Corporation or for any other reason deemed sufficient by the Board of Directors, the Board may delegate his powers or duties to any other Officer or to any other Director.

ARTICLE 7 EXECUTIVE AND OTHER COMMITTEES

SECTION 1. Creation of Committees. The Board of Directors may, by resolution passed by a majority of the whole Board, designate an Executive Committee and one or more other committees.

SECTION 2. Executive Committee. The Executive Committee, if one exists, shall consult with and advise the Officers of the Corporation in the management of its affairs and shall have and may exercise, to the extent provided in the resolution of the Board of Directors creating such Executive Committee, such powers of the Board of Directors as can be lawfully delegated by the Board.

SECTION 3. Other Committees. Such other committees shall have such functions and may exercise such power of the Board of Directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

SECTION 4. Meetings. Regular meetings of the Executive Committee, if one exists, and other committees may be held without notice at such time and at such place as shall from time to time be determined by the Executive Committee or such other committees, and special meetings of the Executive Committee or such other committees may be called by any member thereof upon two (2) days notice to the other members of such committee, given either personally or in the manner provided in these Bylaws pertaining to notice for Directors' meetings.

SECTION 5. Vacancies. Vacancies on the Executive Committee, if one exists, or on other committees shall be filled by the Board of Directors then in office at any regular or special meeting of the Board of Directors.

SECTION 6. Quorum. At all meetings of the Executive Committee, if one exists, or other committees, a majority of the

committee's members then in office shall constitute a quorum for the transaction of business.

SECTION 7. Manner of Acting. The acts of a majority of the members of the Executive Committee, if one exists, or other committees present at any meeting at which there is a quorum shall be the act of such committee.

SECTION 8. Minutes. The Executive Committee, if one exists, and the other committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

ARTICLE 8 AMENDMENTS

SECTION 1. Procedures. The Bylaws of the Corporation may be amended by a two-thirds (2/3) vote of the Members present or voting absentee at a meeting called for such purpose. The procedure for calling a meeting shall be as set forth in Article 2, Sections 2 and 3. Proposed changes to the Bylaws may be placed on the ballot by one of the following procedures.

(a) The Board of Directors may place a proposed Bylaw amendment on the ballot by a majority vote. Such proposals may be made by individual Directors or by one or more Member(s) for review and approval by the Board. After approval of the proposed Bylaw change, the Board of Directors may as a whole recommend its adoption by the membership.

(b) One or more Members may propose Bylaw changes to be placed on the ballot by petition. The Member(s) shall tender the proposed change to the Board of Directors for review and comment. Any proposed change shall be in accordance with the Articles of Incorporation, Declarations, and state and federal law. Within thirty (30) days of the date of submission to the Board of Directors of the proposed change, the Board of Directors shall approve the change as tendered or shall require changes to the format or content so that it complies with the existing format of the Bylaws and/or existing law and other governing documents. If changes to the proposed Bylaw amendment are necessary, the Member(s) who have submitted the change shall make such changes and submit the final version to the Board of Directors within thirty (30) days. If the necessary changes have been made, the Board of Directors shall approve the form of the amendment as tendered and so notify the Member(s) to begin soliciting signatures for the proposed change. The date on which the Board of Directors notifies the Member(s) of the approval of the Bylaw change shall be referred to as the "Return Date."

(c) No petition for a Bylaw amendment shall be effective unless it is submitted to the Board of Directors within sixty (60)

days of the Return Date with the requisite number of signatures.

(d) Petitions submitted for Bylaw changes must be signed by at least 4 Members.

(e) The form of the petition to be circulated shall include the text of the proposed Bylaw change at the top and a notice that indicates that no one should sign the petition unless he or she is a Member of the Alpha Subdivision Committee, Inc. The petition shall have space for each individual's signature, printed name, address, and the date signed. Attached to each submitted petition shall be a signed, notarized and dated affidavit executed by the circulator of the petition, which shall include the circulator's printed name, address and date the affidavit was signed; that the circulator was a Member at the time the petition was circulated; that the signer is the person who circulated it; and that each signature on the petition was executed in the circulator's presence and that to his or her belief each of the persons signing the petition was, at the time of signing, a Member of the Corporation. Members who do not reside in Archuleta County may execute a petition if their signature is notarized and said petition is timely returned to the circulator to be attached to and made a part of a single petition to be submitted with other petitions.

(f) For a Bylaw amendment proposed by the Board of Directors to be placed on the ballot for the annual meeting as described in Article 4, Section 2 of the Bylaws, the amendment shall be finally approved by the Board of Directors no later than sixty (60) days before the annual meeting. If the Bylaw amendment is by petition, then the fully executed petition shall be submitted to the Board of Directors no later than seventy-five (75) days prior to the annual meeting. The Secretary shall review the signatures affixed to the petition within ten (10) days of its submission and make a determination as to whether the requisite number of Members have signed the petition. If the requisite number of signatures have not been placed upon the petition, the Secretary shall immediately notify the Member (s) submitting the petition that it failed to have the requisite number of signatures and that it has been rejected. If the requisite number of signatures are on the petition, the amendment shall be placed on the ballot.

(g) The Board of Directors, in its discretion, may call a special meeting for a vote on Bylaws amendments.

(h) If a Bylaw amendment is approved by the membership, it shall become effective immediately, unless otherwise provided in the amendment.

ARTICLE 9
MEMBERSHIP CERTIFICATES

SECTION 1. Form and Issuance. Members of the Corporation may be issued certificates signed by the President and by the Secretary. Each Membership certificate shall state the following: (a) the name of the Corporation; (b) that the Corporation is organized under the laws of the State of Colorado; (c) the name of the person or persons to whom issued; and (d) the class of Membership. The Membership certificate itself shall convey no rights or privileges, but shall only be for identification.

SECTION 2. Lost, Stolen or Destroyed Certificates. The Corporation may issue a new Membership certificate in the place of any certificate previously issued if the Member named in the certificate (a) makes proof in affidavit form that it has been lost, destroyed or stolen; (b) requests the issuance of a new certificate; and (c) satisfies any other reasonable requirements imposed by the Corporation.

ARTICLE 10
BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE 11
NONDISCRIMINATION

The Officers, Directors, Members and persons served by this Corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin and sexual orientation.

ARTICLE 12
NONPROFIT OPERATION

The Corporation will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Corporation will be distributed to its Members, Directors or Officers without full consideration. No Member of the Corporation has any vested right, interest or privilege in or to the assets, property, functions or activities of the Corporation. The Corporation may contract in due course with its Members, Directors and Officers without violating this provision.

ARTICLE 13
INDEMNIFICATION

SECTION 1. Indemnification Against Third Party Claims. Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a Director, Officer, employee, fiduciary, or agent of the Corporation or is or was serving at the request of the Corporation as a Director, Officer, employee, fiduciary of another corporation, partnership, joint venture, trust, or other enterprise, shall be indemnified by the Corporation against expenses (including attorney fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in the best interest of the Corporation and, with respect to any criminal action or proceeding, had not reasonable cause to believe his conduct was unlawful.

SECTION 2. Indemnification Against Derivative Claims. Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason for the fact that he is or was a Director, Officer, employee, fiduciary, or agent of the corporation or is or was serving at the request of the Corporation or is or was serving at the request of the Corporation as a Director, Officer, employee, fiduciary or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall be indemnified by the Corporation against expenses (including attorney fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in the best interest of the Corporation; but no indemnification shall be made in respect to any claim, issue, or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court deems proper.

SECTION 3. Rights to Indemnification. To the extent that a Director, Officer, employee, fiduciary, or agent of the Corporation has been successful on the merits in defense of any action, suit or proceeding referred to in Section 1 and 2 of this Article 11 or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney fees) actually and reasonably incurred by him in connection therewith without the

necessity of any action being taken by the Corporation other than the determination in good faith that such defense has been successful. In all other cases, any indemnification under Section 1 or 2 of this Article 11 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee, fiduciary, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 and 2. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding, or if such quorum is not obtainable or even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in written opinion.

SECTION 4. Effect of Termination of Action. The termination of any action, suit or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person seeking indemnification did not act in good faith and in a manner which he reasonably believed to be in the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. Entry of judgment by a consent as a part of a settlement shall not be deemed a final adjudication of liability for negligence or misconduct in the performance of duty, nor of any other issue or matter.

SECTION 5. Advance Expenses. Expenses (including attorney fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized in Section 3 of the Article 11 upon receipt of an undertaking by or on behalf of the Director, Officer, employee, fiduciary, or agent involved to repay such amount unless it is ultimately determined that he is entitled to be indemnified by the Corporation.

SECTION 6. Other Indemnification Rights. The indemnification provided hereby shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, or otherwise, and any procedure provided for by any of the foregoing, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, Officer, employee, fiduciary, or agent and shall inure to the benefit of heirs, executors, and administrators of such person.

ARTICLE 14
MISCELLANEOUS

SECTION 1. Property Owners Association. In the event that the Board of Directors or Members of the Corporation determine that a property owners association is necessary or advisable for overseeing the business and affairs of the Alpha Subdivision, this Corporation may be re-organized as a Property Owners Association by amending these Bylaws as needed to accomplish that purpose. These amendments shall be done in accordance with Article 8 of these Bylaws.

SECTION 2. Waiver of Notice. Whenever notice is required by law, by the Articles of Incorporation or by these Bylaws, a waiver thereof in writing signed by the Directors, Members or other person entitled to said notice, whether before, or after the time stated therein, or his appearance at such meeting in person, shall be equivalent to such notice.

SECTION 3. Fiscal Year. The fiscal year of the corporation shall be as established by the Board of Directors.

CERTIFICATE

I hereby certify that the foregoing Bylaws, consisting of ten (10) pages, including this page, constitute the Bylaws of The Alpha Subdivision Committee, Inc., adopted by the Board of Directors of the Corporation as of 4 - 9, 1994.



Secretary