

ARTICLES OF INCORPORATION OF
TELLURIDE LODGE ASSOCIATION

The undersigned hereby establishes a corporation not for profit pursuant to the provisions of Chapter 31, Article 24, Colorado Revised Statutes (1963), 1967 Permanent Cumulative Supplement, and adopts the following:

ARTICLE I
NAME

The name of the corporation shall be TELLURIDE LODGE ASSOCIATION.

ARTICLE II
DURATION

The period of duration of this corporation shall be perpetual.

ARTICLE III
PURPOSES

The business, objects and purposes for which the corporation is formed are as follows:

(a) To be and constitute the association to which reference is made in the Declaration--The Telluride Lodge executed by The Telluride Company, a Colorado corporation, and to be recorded in the records of the County Clerk and Recorder of San Miguel County, Colorado, pursuant to Colorado Revised Statutes (1963), as amended, 118-15-5, relating to a condominium ownership project, hereinafter sometimes called "The Telluride Lodge" located in San Miguel County, Colorado, and to perform all obligations and duties of the association and to exercise all rights and powers of the association, as specified therein.

(b) To provide an entity for the furtherance of the interests of the owners of Condominium Units in The Telluride Lodge.

(b) Each membership shall have the percentage vote as is set forth in the Declaration--The Telluride Lodge on all matters in which members are entitled to vote.

(c) A membership in the corporation and the share of a member in the assets of the corporation shall not be assigned, encumbered or transferred in any manner except as an appurtenance to transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Condominium Unit as further security for a loan secured by a lien on such Condominium Unit.

(d) A transfer of membership shall occur automatically upon the transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the By-laws of the corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the corporation.

(e) The corporation may suspend the voting rights of a member for failure to comply with the rules or regulations of the corporation or with any other obligations of the owners of any Condominium Unit under the Declaration - The Telluride Lodge. Upon any such suspension, such Owner may request, in writing, a hearing requesting revocation of any such suspension before the Board of Directors of the Association, which hearing shall be held within 45 days after receipt by the Association of such request. Such request shall state the reasons of such Owner as to why such suspension should be revoked.

(f) The By-laws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE VI
BOARD OF DIRECTORS

(a) The business and affairs of the corporation shall be conducted, managed and controlled by a Board of Directors. The Board of Directors shall consist of not less than three nor more than seven members, the specific number to be set forth from time to time in the By-laws of the corporation. In the absence of any provision in the By-laws, the Board shall consist of five members. Members of the Board of Directors need not be members of the corporation or residents of the State of Colorado.

ARTICLE IV
POWERS

In furtherance of its purposes, but not otherwise, the corporation shall have all of the powers conferred upon corporations not for profit by the statutes and common law of the State of Colorado in effect from time to time including all of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the association under the Declaration--The Telluride Lodge which include, but are not limited to, the following:

(a) To make and collect assessments against members of the Association for the purposes of defraying the costs, expenses (including the expenses incurred in exercising its powers or of performing its functions), maid, special management services, taxes and special assessments upon and any losses of the corporation.

(b) To manage, control, operate, maintain, improve, repair and replace the Project as defined in the Declaration - The Telluride Lodge.

(c) To enforce covenants, restrictions or conditions to the extent so authorized under the Declaration--The Telluride Lodge and to make and enforce rules and regulations as provided therein.

(d) To engage in activities which will actively foster, promote and advance the interests of the owners of Condominium Units in The Telluride Lodge.

ARTICLE V
MEMBERSHIPS

(a) This corporation shall be a membership corporation without certificates or shares of stock. There shall be one class of membership and there shall be one membership in the corporation for each Condominium Unit, as defined in the Declaration--The Telluride Lodge. The owner or owners of a Condominium Unit shall hold and share the membership related to that Condominium Unit in the same proportionate interest and by the same type of tenancy in which the title to the Condominium Unit is held, provided always that there shall be only one membership per Condominium Unit. No person or entity other than owner of a Condominium Unit may be a member of the corporation.