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**Articles of Incorporation for a Nonprofit Corporation**  
 filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the nonprofit corporation is

Murphy-Larsen Ranch Owners Association

*(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)*

2. The principal office address of the nonprofit corporation's initial principal office is

Street address 132 W. SECOND STREET  
(Street number and name)  
SUITE B  
PERRYSBURG OH 43551  
(City) (State) (ZIP/Postal Code)  
United States  
(Province - if applicable) (Country)

Mailing address  
 (leave blank if same as street address) (Street number and name or Post Office Box information)  
(City) (State) (ZIP/Postal Code)  
(Province - if applicable) (Country)

3. The registered agent name and registered agent address of the nonprofit corporation's initial registered agent are

Name  
 (if an individual) VAN SCOYK WARD  
(Last) (First) (Middle) (Suffix)

**OR**  
 (if an entity)  
*(Caution: Do not provide both an individual and an entity name.)*

Street address 600 S. LINCOLN AVENUE  
(Street number and name)  
SUITE 202  
STEAMBOAT SPRINGS CO 80487  
(City) (State) (ZIP Code)

Mailing address  
(leave blank if same as street address)

\_\_\_\_\_  
(Street number and name or Post Office Box information)  
\_\_\_\_\_  
(City) CO \_\_\_\_\_  
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name  
(if an individual) VAN SCOYK WARD  
(Last) (First) (Middle) (Suffix)

OR

(if an entity)  
(Caution: Do not provide both an individual and an entity name.)

Mailing address 600 S. LINCOLN AVENUE  
(Street number and name or Post Office Box information)  
SUITE 202  
STEAMBOAT SPRINGS CO 80487  
(City) (State) (ZIP/Postal Code)  
United States  
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. (If the following statement applies, adopt the statement by marking the box.)

The nonprofit corporation will have voting members.

6. (The following statement is adopted by marking the box.)

Provisions regarding the distribution of assets on dissolution are included in an attachment.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are \_\_\_\_\_  
(mm/dd/yyyy hour:minute am/pm)

**Notice:**

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

VAN SCOYK                      WARD  
(Last)                                      (First)                                      (Middle)                                      (Suffix)  
600 S. LINCOLN AVENUE  
(Street number and name or Post Office Box information)  
SUITE 202  
STEAMBOAT SPRINGS   CO   80487  
(City)                                      (State)                                      (ZIP/Postal Code)  
United States  
(Province - if applicable)                      (Country)

*(If the following statement applies, adopt the statement by marking the box and include an attachment.)*

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

**Disclaimer:**

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

**ATTACHMENT TO  
ARTICLES OF INCORPORATION  
OF  
MURPHY-LARSEN RANCH OWNERS ASSOCIATION**

**ARTICLE 1 - Introduction; Certain Definitions**

Murphy-Larsen Ranch, a subdivision in Routt County, Colorado, shall be established as a planned community common interest community pursuant to the provisions of the Colorado Common Interest Ownership Act, as amended. Capitalized terms used but not defined herein shall have the meaning set forth in the Declaration of Protective Covenants for Murphy-Larsen Ranch that shall be recorded in the real estate records of Routt County, Colorado (the "Declaration"). Terms defined in the Declaration include "Association," "Association Bargain and Sale Deed," "Association Control Period," "Common Expenses," "Common Property," "Declaration," "Design Guidelines," "Executive Board," "Governing Documents," "Lot," "Owner," "Person," "Plat," "Structure," "Murphy-Larsen Ranch," "Ranch Roads" and "Water System." The terms defined in C.R.S. §38-33.3-103 shall have the same meanings when used in these Articles of Incorporation.

**ARTICLE 2 – Name**

The name of this corporation shall be Murphy-Larsen Ranch Owners Association. The corporation is sometimes referred to in these Articles of Incorporation and in the corporation's Bylaws as the "Association."

**ARTICLE 3 – Purposes and Powers**

**3.1 Purposes.** The Association shall operate the common interest planned community known as Murphy-Larsen Ranch, a subdivision located in Routt County, Colorado ("Murphy-Larsen Ranch"), in accordance with the Declaration and other Governing Documents, as amended from time to time, the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101, et seq. and the Colorado Revised Nonprofit Corporation Act, C.R.S. §7-21-101, et seq., as either may be amended from time to time. The objects and purposes of the Association are:

- (a) To act as the association of the Owners of Lots in Murphy-Larsen Ranch;
- (b) To manage the operation, management, repair, maintenance and supervision of Murphy-Larsen Ranch, the Ranch Roads and the Water System;
- (c) To provide for and accomplish the installation, construction, erection, repair, maintenance, conservation, administration, improvement, replacement, management, operation, insuring, restoration and supervision of Common Property, and any and all real and personal property acquired (by deed, grant, purchase, lease or otherwise) by the Association for the common use of the Owners;

Ranch;

(e) To provide for architectural and aesthetic controls within Murphy-Larsen

(e) To carry out the purposes of and to enforce the provisions of the Declaration and the other Governing Documents, as amended from time to time;

(f) To define membership and the voting rights of the members;

(g) To regulate and control the relationships among the Owners of Lots, in connection with their ownership of the Lots;

(h) To provide for the pleasure and recreation of the Owners;

(i) To promote the health, safety, welfare and common benefit of the Owners of the Lots in Murphy-Larsen Ranch, and promote the best interests of the Owners for the purpose of securing for them the fullest utilization and enjoyment of Murphy-Larsen Ranch consistent with its purposes; and

(j) To pay the Common Expenses and to assess and collect from the Owners funds necessary to pay Common Expenses.

**3.2 Powers.** In furtherance of the foregoing purposes, the Association shall have an may exercise any and all powers and authority, and do any and all acts which are delegated, described or provided, expressly or implicitly, to the Association in the Declaration, these Articles of Incorporation, the Bylaws, the Rules (including Design Guidelines) of the Association and other Governing Documents, and the Association shall have and may exercise any and all permitted acts, powers, rights and privileges which are granted to a common interest planned community under the laws of the State of Colorado. The statements of purposes and powers set forth in these Articles of Incorporation shall be construed as statements of both purposes and powers. The purposes and powers stated in each clause or phrase shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause or phrase, but shall be broadly construed as independent purposes and powers. As part of the powers of the Association, but not in limitation of the full plenary power of the Association, the Association shall have the power:

(a) Real and Personal Property. To acquire, by gift, purchase, trade or any other method, and to own, lease from third parties, operate, build, manage, use, rent, sell, hold, develop, improve, encumber, dispose of and otherwise deal in and with real and personal property of every kind and character, tangible and intangible, wherever located, and interests of every sort therein, including all property and property interests conveyed or to be conveyed to the Association by the Declarant in the Association Bargain and Sale Deed or otherwise.

(b) Borrowing. To borrow funds or raise moneys in any amount for any of the purposes of the Association, and from time to time to execute, accept, endorse and deliver, as evidences of such borrowing, all kinds of instruments and securities, including but without limiting the generality of the foregoing, promissory notes, drafts, bills of

exchange, warrants, bonds, debentures, property certificates, trust certificates and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment and performance of such instruments by mortgage or trust deed on, or pledge, conveyance or assignment of, the whole or any part of the assets of the Association, real, personal or mixed, including contract rights and assessment rights, whether at the time owned or hereafter acquired, subject, however, to any limitations provided in the Declaration.

(c) Contracts. To enter into, make, amend, perform and carry out, or cancel and rescind, contracts, leases, permits and concession agreements for any lawful purposes pertaining to its business.

(d) Assessments. To fix, determine, levy and collect general and special Common Expense assessments, water service assessments, transfer assessments and other assessments pursuant to the Declaration, including without limitation assessments to fund any reserve deemed appropriate by the Executive Board, and to levy and collect fees (including, without limitation, attorney's fees), fines, late charges, costs and interest in accordance with the Declaration and Rules, and to exercise and enforce any and all remedies provided in the Declaration for collection of such assessments, fees, fines, late charges, costs and interest.

(e) Rule-Making. To make, amend and enforce Rules (including Design Guidelines) with regard to the management and operation of the Association, the use, occupancy, appearance and operation of Murphy-Larsen Ranch, including the Lots, the Water System and other Common Property, and the use, operation, maintenance, repair and replacement of the assets of the Association, Common Property, the Ranch Roads and the Water System.

(f) Construction, Management, Maintenance and Repair. To construct, install, erect, replace, maintain, repair, manage and supervise agricultural and recreational facilities, Structures and any improvements now or hereafter installed or existing on, under, within or above any real property or property interests owned by the Association.

(g) General Powers. To do everything necessary, suitable or proper for the accomplishment of any of the purposes, the attainment of any of the objectives, or the furtherance of any of the powers above set forth, either alone or in connection with other corporations, firms or individuals, and either as principal or agent, and to do every act or thing incidental or appurtenant to, or growing out of, or connected with any of the aforesaid objectives, purposes or powers, and to do any act authorized or permitted by the Declaration.

(h) Powers Conferred by Law. The Association shall have all powers provided or permitted by the Declaration, and shall have all powers provided or permitted by the Colorado Common Interest Ownership Act and the laws of Colorado applicable to nonprofit corporations.

The foregoing enumeration of specific powers shall not limit or restrict in any manner the general powers of the Association and the enjoyment and exercise thereof as now are or as may hereafter be conferred by the laws of Colorado or the Declaration.

**3.3 Restrictions Upon Purposes and Powers.** The purposes and powers of the Association are subject to the following limitations:

(a) The Executive Board of the Association may, for any taxable year of the Association, elect to have Section 528 of the Internal Revenue Code apply to the Association. So long as the Executive Board shall have so elected that said Section 528 apply to the next ensuing taxable year of the Association, then:

(i) The Association shall be organized and operated solely as a "homeowners association," as defined in and limited by Section 528(c) of the Internal Revenue Code, for such year;

(ii) The Association shall not for such taxable year receive more than forty percent (40%) of its gross income from amounts other than membership dues, fees and assessments from Owners of Lots;

(iii) The Association shall not for such taxable year expend more than ten percent (10%) of its gross expenditures for purposes other than the acquisition, construction, management, maintenance and care of real and personal property held by the Association and other property qualifying as "association property" under Section 528(c)(4) of the Internal Revenue Code.

(b) No part of the net earnings of the Association shall inure to the benefit of any member of the Association (other than by acquiring, constructing or providing management, maintenance and care of such property of the Association qualifying as "association property" under Section 528(c)(5) of the Internal Revenue Code, and other than by a rebate of excess membership dues, fees or assessments).

**3.4 Dividends, Distributions, Etc.** The Association shall not pay any dividends. No distribution of the corporate assets to members shall be made until all corporate debts are paid, and then only upon final dissolution of the Association. Upon dissolution and after winding up the affairs of the Association, funds remaining after payment of all debts shall be distributed among the Owners in accordance with their Allocated Interests, and assets other than funds shall be distributed, transferred and conveyed to the Owners as tenants in common, in accordance with their Allocated Interests.

#### **ARTICLE 4 – Registered Office and Agent; Principal Office.**

**4.1 Registered Office and Agent.** The address of the initial registered office of the Association is 600 South Lincoln Avenue, Suite 202, Steamboat Springs, Colorado 80487, and the name of its initial registered agent at such address is Ward Van Scoyk.

**4.2 Principal Office.** The initial principal office of the Association is 132 W. Second Street, Suite B, Perrysburg, Ohio 43551. The operations of the Association shall be conducted at such places within or outside the United States as may from time to time be determined by the Executive Board in its discretion.

**ARTICLE 5 – Membership and Voting Rights**

**5.1 Members.** Any Person or combination of Persons owning an undivided fee simple interest in a Lot (including Declarant as respects Lots from time to time owned by Declarant) in Murphy-Larsen Ranch shall automatically be a member of the Association. Such membership shall be continuous throughout the period that such ownership continues and shall terminate automatically whenever ownership ceases. Members may not resign from membership in the Association, but membership shall be automatically transferred upon conveyance of such member's Lot. Termination of membership shall not relieve or release any former member from any liability or obligation incurred by virtue of or in any way connected with ownership of a Lot, or impair any rights or remedies which the Association or others may have against such former Owner and member arising out of or in any way connected with such ownership or membership.

**5.2 Individual Membership.** Any individual acquiring an ownership interest in a Lot shall automatically become an individual member of the Association.

**5.3 Organizational Membership.** Any Person, other than an individual, who acquires an ownership interest in a Lot, such as a corporation, partnership, limited liability company, association or trust, shall automatically become an organizational member of the Association. Each organizational member shall from time to time designate in writing to the Association one individual who may represent it with respect to such Lot at meetings and vote on behalf of such organizational member. The Association shall maintain a record of the individual entitled to vote on behalf of such organizational member with respect to such Lot and, until the Association is notified in writing to the contrary, only such designated individual, or the written proxy of such designated individual, may cast the votes of the organizational member with respect to such Lot, and any action taken by such individual purporting to act on behalf of the organizational member shall be binding upon such organizational member. If an organizational member owns an interest in more than one Lot, such organizational member may designate separate individuals to represent such organizational member with respect to each separate Lot.

**5.4 One Class.** The individual members and organizational members shall constitute one class of members of the Association, being Owners who own fee simple interests in Lots.

**5.5 Voting Members and Number of Votes.** The Association shall have voting members. Each Lot shall be allocated one (1) vote on all and any matters to be voted on by the members of the Association. The Association shall not be entitled to vote with respect to any Lot owned by the Association, and no Lot owned by the Association or by any governmental entity shall be allocated any votes during the period of such ownership. If the boundaries of two or more adjoining Lots are relocated pursuant to of the Declaration, then each resulting altered Lot shall nevertheless have one (1) vote on all and any matters to be voted on by the members of the Association. Division of the vote allocated to a Lot among multiple Owners of such Lot shall



not be allowed; rather, the vote allotted to a Lot shall be voted entirely and undivided for or against or in abstention of an issue or matter put to vote among the members of the Association.

**5.6 Voting Procedures.** Voting procedures shall be as specified in the Bylaws.

**ARTICLE 6 – Executive Board**

**6.1 Executive Board.** The control and management of the affairs of the Association and the disposition of its funds and property shall be vested in the Directors. All of such Directors shall constitute the Executive Board. The number of Directors shall be not less than one (1), as may be set by the Bylaws from time to time in effect, provided that the number of Directors shall not be less than three (3) after termination of the Association Control Period. The qualifications for Directors shall be as set forth in the Bylaws. Each Director shall serve for a term of one year to three years, as may be set by the Bylaws from time to time in effect and until his successor shall be duly elected and shall qualify. The affirmative vote of a majority of a quorum of Directors shall be required for the transaction of the business of the Directors at any meeting. Members of the Association shall be entitled to such votes in the election of Directors as are provided for in Article 5. Cumulative voting shall not be allowed in the election of Directors. The initial Executive Board shall consist of one (1) member, and the name and address of such member, to serve until the first annual meeting of the Association and until his successor(s) shall be duly elected and qualified, is as follows:

INITIAL DIRECTOR

<u>Name</u>	<u>Address</u>
Stephen Stranahan	132 W. Second Street, Suite B Perrysburg, Ohio 43551

**6.2 Special Declarant Rights.** Subject to Section 6.3 below, Declarant reserves the right for Declarant, or any Person designated by Declarant in a writing delivered to the Executive Board, to appoint and remove the Directors and the officers of the Association at any time and from time to time, in the sole discretion of the Declarant or the designee of Declarant, with or without cause, but only during the Association Control Period described in the Declaration. The Declarant may voluntarily surrender the right to appoint and remove the Directors and the officers of the Association before termination of the Association Control Period, but in that event the Declarant may require, for the duration of the Association Control Period, that specified actions of the Association or the Executive Board, as described in a recorded instrument executed by the Declarant, shall be approved by the Declarant before such actions become effective.

**6.3 Election of Directors.** Pursuant to the Colorado Common Interest Ownership Act, not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots created by the Plat to Lot Owners other than Declarant, at least one member, and not less than twenty-five percent (25%) of the members of the Executive Board, shall be elected by Lot Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots created by the Plat to Lot Owners other than Declarant, not less than one-third

(1/3) of the members of the Executive Board must be elected by Lot Owners other than Declarant.

#### **ARTICLE 7 – Officers**

The Association shall have such officers as may from time to time be prescribed by the Bylaws. Their terms of office and the manner of their designation or selection shall also be determined according to the Bylaws from time to time in effect, subject to Article 6 above.

#### **ARTICLE 8 – Managing Agent**

The Executive Board shall have power from time to time to appoint one or more ranch managers, water system operators, property managers or managing agents, which may be a corporation or other entity, to carry on and perform maintenance, repair, management, operations, billing and accounting and any other functions, responsibilities and obligations (whether like or unlike the foregoing) for the Association. The Association may record in the real property records of Routt County, Colorado from time to time its acknowledged certification of the name and address of any such managers or managing agents, which certificate shall be conclusive evidence of the identify of such managers or managing agents until a later certificate is recorded. The Declarant, or any officer, director, partner, manager, shareholder, joint venturer or employee of Declarant, or any entity controlled by Declarant, or any affiliate of Declarant, may be and act as a manager or managing agent or own or have an interest in the property management firm for the Association.

#### **ARTICLE 9 – Indemnification**

The Association shall indemnify, to the maximum extent permitted by law, any person who is or was a director, officer, agent, fiduciary or employee of the Association against any claim, liability or expense arising against or incurred by such person made party to a proceeding because he is or was a director, officer, agent, fiduciary or employee of the Association or because he is or was serving another entity or employee benefit plan as a director, officer, partner, trustee, employee, fiduciary or agent at the Association's request. The Association shall further have the authority to the maximum extent permitted by law to purchase and maintain insurance providing such indemnification.

#### **ARTICLE 10 – Bylaws**

The initial Bylaws of the Association shall be as adopted by the Executive Board. The Executive Board shall have the power to alter or amend the Bylaws, and the Bylaws may also be amended, altered or repealed by the affirmative vote of sixty-seven percent (67%) or more of the votes of the membership of the Association, except where a higher voting requirement is imposed by law, the Declaration, these Articles of Incorporation or the Bylaws. Any alteration or amendment in the Bylaws made by vote of the membership shall not be further altered or amended by the Executive Board. The Bylaws may contain any provisions for the regulation or management of the affairs of the Association which are not inconsistent with law, the Declaration or these Articles of Incorporation.

## **ARTICLE 11 – Amendment**

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation by the affirmative vote of the holders of sixty-seven percent (67%) or more of the votes of the membership of the Association, except where a higher voting requirement is imposed by law, the Declaration or these Articles of Incorporation.

## **ARTICLE 12 – Certain Liabilities of Directors**

The personal liability of a director to the Association or to the members for monetary damages for breach of fiduciary duty as a director is hereby eliminated, except that such provision shall not eliminate or limit the liability of a director to the Association or to the members for monetary damages for:

- (a) Any breach of the director's duty of loyalty to the Association or to the members;
- (b) Acts or omissions not in good faith or which involve intention misconduct or a knowing violation of law;
- (c) Acts specified as being prohibited in C.R.S. §7-128-403, as amended, or any successor thereto; or
- (d) Any transaction from which the director derived an improper personal benefit.

## **ARTICLE 13 – Incorporator**

The name and address of the incorporator of the Association are:

Ward Van Scoyk  
Weiss and Van Scoyk, LLP  
600 So. Lincoln Avenue, Suite 202  
Steamboat Springs, CO 80487

## **ARTICLE 14 - Filing**

The (a) name or names, and (b) mailing address or addresses, of any one or more of the individuals who cause this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused, are:

Ward Van Scoyk  
Weiss and Van Scoyk, LLP  
600 So. Lincoln Avenue, Suite 202  
Steamboat Springs, CO 80487