

AMENDED AND RESTATED ARTICLES OF INCORPORATION  
FOR A NONPROFIT CORPORATION

1. ID Number: 20081452802
2. The domestic entity name for the nonprofit corporation is The Shores at The Highlands Association, Inc.
3. The principal office address of the nonprofit corporation is 207 Summit Place, Suite 298, Silverthorne, Colorado 80498 and the mailing address is PO Box 4844, Dillon, Colorado 80435.
4. The true name and mailing address of the individual causing the document to be delivered for filing are J. Christopher Kinsman, 1550 17th Street, Suite 500, Denver, CO 80202.
5. The registered agent of the nonprofit corporation is Basic Property Management. Its street address is 207 Summit Place, Suite 298, Silverthorne, Colorado 80498. Its mailing address is P.O. Box 4844, Dillon, Colorado 80435.

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

6. The nonprofit corporation will have voting members.
7. The affairs of The Shores at the Highlands Association, Inc. ("Association") shall be managed by the Board of Directors of the Association as provided in, and in accordance with, the Bylaws of the Association.
8. The members of the Board of Directors shall not be personally liable to the Association or to its members for monetary damages for breach of fiduciary duty as a Director; except that the foregoing shall not eliminate or limit the liability of a Director for any breach of the Director's duty of loyalty to the Association or its members; acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; acts specified in Colorado Revised Statutes Sections 7-128-403 and 7-128-501; and any transaction from which the Director derived an improper personal benefit.

Any repeal or modification of this Article shall be prospective only and shall not adversely affect any right or protection of a Director of the Association existing at the time of such repeal or modification.

9. Except for personal liability of a Director as described above, and unless otherwise limited by the Colorado Common Interest Ownership Act, the Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Shores at the Highlands or the Bylaws of the Association, the Directors shall be indemnified by the Association for any loss, damage, cost or expense incurred in the performance of their duties to the

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Association, including attorneys' fees and costs, to the maximum extent permitted by law.

Any repeal or modification of this Article shall be prospective only and shall not adversely affect any right or protection of a Director of the Association existing at the time of such repeal or modification.

10. In the event of dissolution of the Association, the property and assets thereof remaining, after providing for all obligations, shall then be distributed pursuant to the Colorado Revised Nonprofit Corporation Act, C.R.S. Title 7, Article 134, and, if The Shores at The Highlands Planned Community is terminated, then pursuant to Colorado Common Interest Ownership Act at 38-33.3-218.
11. The corporation's period of duration is perpetual.
12. This amendment and restatement was adopted by the members and the number of votes cast for the amendment was sufficient for approval.