

ARTICLES OF INCORPORATION

OF

COLORADO HORSE-RACING ASSOCIATION, INC.

(A Nonprofit Corporation)

FILED  
DONETTA DAVIDSON  
COLORADO SECRETARY OF STATE

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SECRETARY OF STATE

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NONPROFIT

The undersigned incorporator, a natural person of the age of 21 years or more, desiring to form a nonprofit corporation under the provisions of the Colorado Nonprofit Corporation Act does execute, acknowledge, and deliver in duplicate to the Secretary of State of the State of Colorado the following Articles of Incorporation:

ARTICLE I

Name

The name of the corporation shall be: Colorado Horse-Racing Association, Inc. ("Corporation" or "CHA").

ARTICLE II

Period of Duration

This Corporation shall exist in perpetuity, from the date of filing of these Articles of Incorporation with the Secretary of State for the State of Colorado, unless dissolved according to law.

ARTICLE III

Objects and Purposes

This Corporation is organized exclusively for the purpose of promoting, within the meaning of Section 501(c)(6) of the Internal Revenue Code, the common business interests of individuals associated with the racing of Thoroughbreds, Quarter horses, and other breeds which are offered races by race tracks licensed in the state of Colorado ("Horse Racing"), which seek representation by the Colorado Horse-Racing Association which is accepted by the Colorado Horse-Racing Association, and in this connection, subject to the restrictions set forth below, the specific objects and purposes of the Corporation and the nature of the business to be carried on by it are as follows:

A. To responsibly represent the interests of individuals associated with Horse Racing in the State of Colorado.

B. To receive, maintain, and administer a fund of real and personal property, derived from all sources whatsoever, and subject to the terms of any specific gift, grant, bequest, or

devise and to the restrictions set forth below, to use, apply, and distribute the income from and the principal of such a fund exclusively for the purpose of carrying out the preceding purposes of the Corporation;

C. To do and to engage in all lawful activities that further or are consistent with the preceding objects and purposes of the Corporation.

#### ARTICLE IV

##### Powers

In furtherance of the preceding objects and purposes, the Corporation shall have and may exercise all of the rights, powers, privileges, and immunities now or subsequently conferred upon nonprofit corporations organized under the laws of the State of Colorado.

#### ARTICLE V

##### Membership and Capital Stock

The Corporation shall have members, who shall have such rights, qualifications, powers, and privileges and who shall be divided into such classes as shall be provided in the bylaws. The Corporation shall have no capital stock.

#### ARTICLE VI

##### Board of Directors

The affairs and management of the Corporation shall be under the control of a Board of Directors. The Board of Directors of the Corporation shall be composed of not less than 3 nor more than 7 directors, as may be fixed by the bylaws of the Corporation. Directors shall serve for the terms stated in the bylaws of the Corporation. The names and addresses of the persons who shall serve as the initial directors of the Corporation until their successors shall have assumed office or been elected, as the case may be, and shall have qualified are as follows:

<u>Name</u>	<u>Address</u>
Ron Icabone	1301 Pennsylvania St., #900 Denver, CO 80203
John Hammes	1301 Pennsylvania St., #900 Denver, CO 80203
John Downing	1301 Pennsylvania St., #900 Denver, CO 80203

Tom Bradbury	1301 Pennsylvania St., #900 Denver, CO 80203
Vaughn Cook	1301 Pennsylvania St., #900 Denver, CO 80203
F.A. Heckendorf, Jr.	1301 Pennsylvania St., #900 Denver, CO 80203
Gail Hardin	1301 Pennsylvania St., #900 Denver, CO 80203
Jerry Saughter	1301 Pennsylvania St., #900 Denver, CO 80203
George Wafer	1301 Pennsylvania St., #900 Denver, CO 80203

#### ARTICLE VII

##### Liability of Directors

No director shall be personally liable to the Corporation for monetary damages for any breach of fiduciary duty as a director, except that no director's liability to the Corporation for monetary damages shall be eliminated or limited on account of any of the following:

- A. Any breach of the director's duty of loyalty to the Corporation;
- B. Any acts or omissions of the director not in good faith or that involve intentional misconduct or a knowing violation of law;
- C. The director's assent to or participation in a loan by the Corporation to any director or officer of the Corporation;
- D. Any transaction in which the director received 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 Corporation existing at the time of such repeal or modification.

#### ARTICLE VIII

##### Bylaws

The Board of Directors shall have the power to make such bylaws as they may deem proper for the management of the affairs of the Corporation. Such bylaws may prescribe the authority under

which conveyance or encumbrance of all or any part of the corporate property may be made, and the persons who shall be authorized to execute the instruments of conveyance or encumbrance.

#### ARTICLE IX

##### Officers

The Corporation 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 be determined according to the bylaws then in effect.

#### ARTICLE X

##### Principal Office, Registered Office and Registered Agent

The principal office of the transaction of the business of the Corporation in the State of Colorado shall be in the City and County of Denver. The address of the initial registered office of the Corporation is 1301 Pennsylvania Street, Denver, CO 80203, and the name of the registered agent at such address is James H. Beimford. Either the registered office or the registered agent may be changed in the manner permitted by law.

*Both the principal office and address of the registered agent is 1301 Pennsylvania St #900 Denver CO 80203*

#### ARTICLE XI

##### Change in Articles of Incorporation

The members of this Corporation shall have the right from time to time on the vote a majority of the members, and not otherwise, to dissolve the Corporation or to amend, alter, change, or repeal any provision contained in these Articles of Incorporation in the manner now or subsequently prescribed by statute.

#### ARTICLE XII

##### Dissolution

Upon any liquidation, dissolution, or winding up of the Corporation, the Board of Directors shall, after paying or adequately providing for the payment of all the obligations and liabilities of the Corporation, dispose of all the assets owned by the Corporation by transferring such assets exclusively to or for the benefit of such organization or organizations as shall at the time qualify under Section 501(c)(6) of the Internal Revenue Code, as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the District Court for the City and County of Denver, exclusively for such exempt purposes or to such organization or organizations which are organized and operated exclusively for such exempt purposes, as such Court shall determine.

**ARTICLE XIII**

**Internal Revenue Code**

All references to the Internal Revenue Code shall be deemed to mean the Internal Revenue Code of 1986, as it presently is constituted, as it may be amended, or any successor statute of similar purpose.

**ARTICLE XIV**

**Incorporator**

The name and address of the incorporator is James H. Beimford, 1301 Pennsylvania Street, Suite 900, Denver, CO 80203.

**IN WITNESS WHEREOF**, the above-named incorporator has signed these ARTICLES OF INCORPORATION 5th day of December, 2000.

**INCORPORATOR,** *Registered Agent*

  
James H. Beimford