

## RESORT RULES AND REGULATIONS

### BC HOTEL A RESIDENCES OWNERS ASSOCIATION, INC.

The following rules and regulations ("Rules and Regulations"), except as otherwise expressly stated, apply to all Owners and their families, lessees, employees, agents, invitees and guests with respect to the use of the Hotel-Residential Units and Limited Common Element – Hotel-Residential ("Resort") and any other portion of the Beaver Creek Hotel A Condominium ("Condominium"). Defined terms not specifically defined in these Rules and Regulations shall have the meaning attached to such terms in the Declaration of Timeshare Plan for BC Hotel A Residences ("Timeshare Declaration") or the Declaration for Beaver Creek Hotel A Condominium ("Condominium Declaration").

#### GENERAL

1. Each of the Timeshare Units shall be occupied only as vacation accommodations. Use of the Timeshare Units and the recreational facilities of the Condominium are limited solely to the personal use of Owners, their guests, invitees and lessees and for recreational uses by corporations and other entities owning Unit Weeks. Use of Timeshare Units or the recreational facilities for commercial purposes or any purposes other than the personal use described herein is expressly prohibited. "Commercial purpose" shall include, but not be limited to, a pattern of rental activity by an Owner that the Timeshare Association, in its reasonable discretion, could conclude constitutes a commercial enterprise or practice. Except as provided in the Timeshare Declaration no Timeshare Unit may be divided or subdivided into a smaller Timeshare Unit.

2. The balconies, terraces, stairways and windows shall be used only for the purposes intended, and shall not be used for drying or hanging garments, cleaning of rugs, or storing other objects. The sidewalks, driveways and entrances must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the Timeshare Units unless otherwise authorized by the board of directors of the Timeshare Association ("Executive Board"). No Owner shall decorate or alter any part of a Timeshare Unit so as to affect the appearance of the Timeshare Unit from the exterior. Such decoration or alteration shall include, but not be limited to, painting or illumination of the exterior of a Timeshare Unit, display of plants or other objects upon balconies or railings or exterior window sills or ledges, reflective film or other window treatments, draperies, window shades, screen doors and lights. The Timeshare Association shall have the sole discretion, which may be based on aesthetic principles only, to determine compliance with this provision.

3. All parts of the Timeshare Units shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard allowed to exist. Disposition of garbage and trash shall be only by the use of garbage disposal units, by employees or agents of the Timeshare Management Company or by the use of sealed trash bags placed in the Timeshare Association's common trash dumpsters for pick-up by the trash company.

4. In case of emergency originating in or threatening any Timeshare Unit, regardless of whether or not the Owner is present at the time of such emergency, the Executive Board, the Timeshare Management Company or any other person authorized by them, shall have the right to enter such Timeshare Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate, and to facilitate entry in the event of any such emergency, the Executive Board and/or the Timeshare Management Company shall retain a pass key to each Timeshare Unit. For any lock on any door changed by an Owner, the Owner shall immediately provide the Executive Board with a new key; provided however, that the no Owner shall be permitted to change the lock on any door

to a Timeshare Unit. Failure to comply could result in, and each Owner hereby authorizes, forced entry by either the board of directors or the Timeshare Management Company. Failure to comply will also result in the removal or re-keying of the lock, all at the Owner's expense.

5. Any antenna or other wiring erected on the roof or exterior walls of the Building without the prior consent of the Executive Board in writing is subject to being removed without notice or compensation. No antennas of any type designed to serve a Timeshare Unit shall be allowed on the Condominium, except as may be provided by the Executive Board in writing, or as may be provided to serve as a master antenna for the benefit and use of the Condominium or Resort. No electrical or other equipment may be operated on the Condominium which interferes with television signal reception.

6. No pets of any type are permitted in the Timeshare Units.

7. The General Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the personal use of the Owners. No part of the General Common Elements may be used for storage, vehicle repair, construction or any other purpose unless specific written permission for such use is given by the Condominium Association or Timeshare Association. If, in the judgment of the Executive Board, any item must be removed from the applicable area of the Resort, the Owner of said item shall be charged for the cost of such removal.

8. Smoking is prohibited in enclosed common areas and in the Timeshare Units. Smoking is permitted on individual decks which are limited common elements provided the door to the Timeshare Unit is closed to prevent smoke from entering the Timeshare Unit.

9. Timeshare Owners and their families, guests, invitees, employees and lessees are permitted to park ONLY in their assigned space or other areas designated by the Condominium Association or Timeshare Association. No vehicle shall be parked at any time in a manner that will prevent proper snow removal from the Condominium. No trailers, oversized vehicles or commercial vehicles shall be parked in any parking space by or for the benefit of any Timeshare Owner, except such temporary parking spaces provided for the purpose as may be necessary to effectuate deliveries to such Owners. Bicycles and motorcycles shall not be stored on the Condominium except in such areas designated for this purpose. No motorized boat, sail boat, or watercraft of any nature, nor trailers or recreational vehicles, may be stored on the Condominium. In the event any vehicle is parked in violation of these Rules and Regulations, such vehicle may be ordered removed or towed, at the Owner's expense, at the discretion of the Condominium Association or Timeshare Association.

10. No person shall do or permit anything to be done within the Resort, or bring or keep anything therein which would conflict with health and safety laws or with any insurance policy of the Timeshare Association or with any rules of the Beaver Creek Resort Company, the Condominium Association or the Timeshare Association or with any of the rules, regulations or ordinances of any governmental or quasi-governmental authority having jurisdiction over the Condominium. No Owner shall permit any use of a Timeshare Unit or make or permit any use of the Condominium that will increase the cost of insurance upon the Resort. EACH HOTEL-RESIDENTIAL UNIT, INCLUDING ANY TIMESHARE UNITS, AND THEIR RESPECTIVE OWNERS SHALL ADDITIONALLY REMAIN SUBJECT TO ANY RULES AND REGULATIONS PROMULGATED BY THE CONDOMINIUM ASSOCIATION WITH RESPECT TO THE CONDOMINIUM. IN THE EVENT OF ANY CONFLICT BETWEEN THESE RULES AND REGULATIONS AND ANY CONDOMINIUM RULES AND REGULATIONS, THE CONDOMINIUM RULES AND REGULATIONS SHALL CONTROL.

11. No radios, stereos, speakers or any other apparatus may be used, nor shall any nuisance or activity be conducted which may be an annoyance to other Owners or which interferes with the peaceful possession and proper use of the Resort or Condominium by the Owners.

12. No Timeshare Owner shall make or permit any disturbing noise within his Timeshare Unit or on the Resort or Condominium by himself, his family, guests, invitees, employees, agents or lessees, nor do or permit to be done anything that does or may interfere with the rights, comforts or convenience of other Owners or occupants.

13. No sign, advertisement or other lettering shall be exhibited, inscribed, painted or affixed by any Owner or other person on any part of the outside or inside of the Resort, nor shall any advertisement, announcements, or solicitation of any kind be distributed or passed out in any part of the Condominium, without prior written consent of the Executive Board, except that the right is specifically reserved to the Developer to place and maintain "For Sale" or "For Rent" signs on the Condominium for as long as it may have Units or Timeshare Interests to sell.

14. No Timeshare Owner may modify a Timeshare Unit.

#### **ENFORCEMENT OF RULES AND REGULATIONS**

The Executive Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Timeshare Unit of the violating Timeshare Owner and to suspend a Timeshare Owner's right to vote or any person's right to use the Resort or Condominium for violation of any duty imposed under the Condominium Declaration, any Rules and Regulations of the Condominium Association, the Timeshare Declaration, the Bylaws of the Timeshare Association, or these Rules and Regulations provided, however, nothing herein shall authorize the Timeshare Association or the Executive Board to limit ingress and egress to or from a Timeshare Unit.

In the event that any occupant, guest or invitee of a Timeshare Unit violates the Condominium Declaration, Bylaws of the Condominium Association, Rules and Regulations of the Condominium Association, the Timeshare Declaration, Bylaws of the Timeshare Association or these Rules and Regulations and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Executive Board with respect to the Hotel-Residential Units, the Owner shall pay the fine upon notice from the Condominium Association or Timeshare Association. The failure of the Executive Board with respect to the Hotel-Residential Units, to enforce any provision of the Condominium Declaration, the Bylaws of the Condominium Association, the Rules and Regulations of the Condominium Association, the Timeshare Declaration, the Bylaws of the Timeshare Association or these Rules and Regulations shall not be deemed a waiver of the right of the Executive Board to do so thereafter.

(a) Notice. Prior to imposition of any sanction, the Executive Board with respect to the Hotel-Residential Units, or their respective delegates shall serve the alleged violator with written notice by certified mail to the address of the Unit and the address of the Owner on file in the Timeshare Association's records describing (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the Executive Board if applicable, for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed.

(b) Hearing. If a hearing is requested within the allotted ten-day period, a hearing before the Executive Board shall be held affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction, proof of proper notice shall be placed in the minutes of the meeting.

(c) **Additional Enforcement Rights.** Notwithstanding anything to the contrary, the Timeshare Association, acting through the Executive Board with respect to the Hotel-Residential Units, may elect to enforce any provision of the Condominium Declaration, the Bylaws of the Condominium Association, the Rules and Regulations of the Condominium Association, the Timeshare Declaration, the Bylaws of the Timeshare Association or these Rules and Regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), suit at law or in equity to enjoin any violation or to recover monetary damages, or pursue any other remedy, or any combination of remedies without the necessity of compliance with the procedures set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

The Executive Board may effectuate additional rules and regulations regarding the use and operation of the Timeshare Units; provided, however, any such rules and regulations must not be inconsistent with the Timeshare Declaration, the Condominium Declaration or the Resort Company Documents.

THE FOREGOING CONDOMINIUM RULES AND REGULATIONS were UNANIMOUSLY APPROVED by the Executive Board of BC Hotel A Residences Owners Association, Inc. as of the \_\_\_\_ day of \_\_\_\_\_, 2006.

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Name: \_\_\_\_\_  
Secretary