

**CONSTRUCTION ACTIVITIES  
AND COMPLIANCE DEPOSIT REGULATION**

Adopted 3/16/90  
Revised 4/10/92  
Revised 4/7/94  
Revised 4/898  
Revised 10/21/98

1. Title. This regulation shall be known as the "Construction Activities and Compliance Deposit Regulation."
  
2. Purpose and Applicability. The purpose of this regulation is to regulate Construction Activity (as such term is defined below) within Beaver Creek to minimize the impacts of Construction Activity on Guests and Owners. The Resort Company has the power to amend this Regulation from time to time, without notice. This regulation shall not apply to any land contained within the Mountain Facility as the term is more particularly described in the Amended and Restated General Declaration Beaver Creek, Eagle County, Colorado, as recorded with the Clerk and Recorder of Eagle County, Colorado, on December 27, 1979, in Book 296, at Page 446, as amended from time to time.
  
3. Definitions. Unless otherwise stated, all capitalized terms used herein shall have the meanings given to them in the Amended and Restated General Declaration for Beaver Creek, Eagle County, Colorado, as recorded with the Clerk and Recorder of Eagle County, Colorado, on December 27, 1979, in Book 296, at Page 446, as amended from time to time (the "Declaration"). In addition, as used in this regulation, the following terms shall have the following meanings:
  - 3.01 "Compliance Deposit" means the deposit that an Owner is required to deliver to the Resort Company prior to commencing a Construction Activity.
  
  - 3.02 "Construction Site" means a Site upon which Construction Activity takes place.
  
  - 3.03 "Construction Activity" means any Site preparation; landscaping; building construction; sign erection; exterior change, modification, alteration or enlargement of any existing structure; paving; fencing; planting or other improvements to any Site or other property or building or structure thereon; or any change in the use of any Site or other property or building or structure thereon.
  
  - 3.04 "Construction Vehicle" means any car, truck, tractor, trailer or other vehicle used to perform any part of a Construction Activity or to transport equipment, supplies or workers to a Construction Site.
  
  - 3.05 "DRB" means the Design Review Board as appointed by the Board of Directors of the Resort Company.
  
  - 3.06 "Holiday" means all nationally recognized holidays and, in addition, shall mean the period of time beginning on the twenty-fourth (24th) day of December each year and ending on the Sunday immediately following New Year's Day of the next year.

- 3.07 "Owner Representative" means any contractor, subcontractor, agent or employee hired or engaged by an Owner in connection with any Construction Activity.
- 3.08 "Regulation" means this Construction Activities and Compliance Deposit Regulation.
- 3.09 "Remodel" means any Construction Activity that involves the rebuilding or reconstruction or alteration of an existing improvement, but which does not involve the construction or creation of new or additional square footage of useable space within or around an existing improvement. A Construction Activity shall not be deemed to be a Remodel if it requires or would cause (i) the construction or alteration of any utility improvement other than a utility improvement contained wholly within an existing improvement; (ii) the use of a laydown area outside of an existing improvement; (iii) the use of a portable toilet for construction workers; or (iv) Construction Site disturbances that would cause, or would have the potential to cause, soil erosion.
- 3.10 "Security Department" means the Beaver Creek Security Department.
- 3.11 "Substantially Complete" means that stage of a Construction Activity at which the work is sufficiently complete so as to allow the owner to legally occupy or utilize the work for its intended use. Legal occupation or utilization means that the Owner has obtained a temporary certificate of compliance from the DRB and a temporary certificate of occupancy from Eagle County. Notwithstanding any other provision hereof, a Construction Activity shall not be deemed to be Substantially Complete until all exterior finish work and landscaping work has been completed.
- 3.12 "Temporary Structure" shall mean any structure erected or otherwise installed as a job office or for the purpose of storing materials in connection with a Construction Activity. "Temporary Structure" shall also include a portable toilet and trash dumpster used in connection with a Construction Activity.

4. Construction Process, Approvals and Inspections.

- 4.01 Construction Process. Owners and their Owner Representatives shall arrange a preplanning meeting with the DRB to educate themselves about the Resort Company's design review and development process and the DRB's concerns with respect to particular Sites. To assist Owners and their Owner Representatives in educating themselves about the Resort Company's design review and development process, the following materials are attached to and made a part of this Regulation.
- (a) Attached hereto as Exhibit A is a list of Sources for Information Regarding Construction in Beaver Creek.
- (b) Attached hereto as Exhibit B is the DRB's Design Review and Development Process Outline.
- (c) Attached hereto as Exhibit C is the DRB's Design Regulations Checklist.

- (d) Attached hereto as Exhibit D is the DRB's Minimum Requirements for Sketch Plan Submittals.
- (e) Attached hereto as Exhibit E is the DRB's Minimum Requirements for Final Design Review Submittals.
- (f) Attached hereto as Exhibit F is the DRB's Minimum Requirements for Final Working Drawing Submittals.

4.02 Preconstruction Requirements. No Owner shall commence any Construction Activity until it has satisfied all preconstruction requirements set forth in this Section 4.02.

- (a) To initiate the formal design review process, the Owner of a Site shall submit sketch plans to the DRB for its review and approval. If the DRB rejects the sketch plans, the Owner shall make such design changes as the DRB shall require and resubmit the sketch plans to the DRB. If the DRB approves the sketch plans, the Owner shall proceed as described in subparagraph 4.02(b) below.
- (b) After obtaining the DRB's approval of its sketch plans, the Owner shall prepare final plans and submit the same to the DRB for its review and approval. If the DRB rejects the final plans, the Owner shall make such design changes as the DRB shall require and resubmit the final plans to the DRB. If the DRB approves the final plans, the Owner shall proceed as described in subparagraph 4.02(c) below.
- (c) After obtaining the DRB's approval of its final plans, the Owner shall (i) prepare and submit its (A) final working drawings, (B) initial Erosion Control and Soil Stabilization Plan (as described in paragraph 6.01 below), (C) permanent Erosion Control and Revegetation Plan (as described in paragraph 6.01 below), and (D) Transportation and Parking Plan (as described in paragraph 6.10 below), to the DRB the Security Department and the Beaver Creek Metropolitan District; (ii) stake the footprints of (A) all improvements to be constructed on the Site, and (B) all parking, storage and laydown areas; (iii) request a site inspection from the DRB; and (iv) deliver its Compliance Deposit to the DRB in accordance with Section 5 below. If the DRB rejects such submittals or finds the results of the site inspection to be unsatisfactory, the Owner shall make such changes as the DRB shall require and then resubmit such submittals to the DRB and/or request a follow-up site inspection from the DRB, as the DRB may require. If the DRB approves such submittals, finds the results of the site inspection to be satisfactory and receives the Owner's Compliance Deposit, the DRB shall approve the Owner's proposed Construction Activity and the Owner shall proceed as described in subparagraph 4.02(e) or, as applicable, 4.02(f) below.
- (d) Subsequent to its delivery of final working drawings and the Compliance Deposit to the DRB under subparagraph 4.02(c) above, the Owner may submit identical final working drawings to the Eagle County Building Department for its plan check process. In no event shall an Owner (i) initiate

the plan check process with the Eagle County Building Department prior to the DRB's approval of the Owner's final plans, or (ii) submit final working drawings to the Eagle County Building Department that differ from those that the Owner submits to the DRB.

- (e) Except as provided in subparagraph (f) hereof, prior to requesting a building permit from the Eagle County Building Department, the Owner shall provide the Security Department and the Beaver Creek Metropolitan District with a site plan which depicts the following: (i) the location of all areas which will be disturbed by the Construction Activity; (ii) the location of all utilities to be constructed and used in connection with the project; (iii) the location of all laydown areas; (iv) the Transportation and Parking Plan (as described in paragraph 6.10 below); (v) the location of all fencing proposed for the project or to be used to screen the Construction Activity; (vi) the location of any portable toilets to be used in connection with the Construction Activity; (vii) the location of any trash dumpsters to be used in connection with the Construction Activity; (viii) the initial Erosion Control and Soil Stabilization Plan (as described in paragraph 6.01 below); and (ix) the location of any proposed snow storage areas for the project. Prior to requesting a building permit from the Eagle County Building Department, the Owner shall obtain the approval of the Security Department and the Beaver Creek Metropolitan District of the site plan submitted pursuant to this paragraph. After the DRB approves the Construction Activity contemplated by the Owner as described in subparagraph 4.02(c) above and after the Security Department and the Beaver Creek Metropolitan District approve the site plan or plans submitted pursuant to this paragraph, the Owner shall request a building permit from the Eagle County Building Department and request any and all other necessary permits and approvals from Eagle County, Colorado, the Beaver Creek Metropolitan District and any other governmental or quasi-governmental entity with jurisdiction over the Construction Site. In no event shall an Owner (i) request a building permit from the Eagle County Building Department prior to the DRB's approval of the Owner's proposed Construction Activity as described in subparagraph 4.02(c) above, or (ii) commence any Construction Activity prior to obtaining (A) the DRB's approval of such Construction Activity as described in subparagraph 4.02(c) above, and (B) a building permit and all other necessary permits and approvals from Eagle County, Colorado, the Beaver Creek Metropolitan District and any other governmental or quasi-governmental entity with jurisdiction over the Construction Site.
- (f) Prior to requesting a building permit from the Eagle County Building Department for any Construction Activity that constitutes only a Remodel, the Owner shall provide the Security Department and the DRB with a work plan which shall include (i) a detailed description of all work to be performed; (ii) a construction staging plan; and (iii) the name, telephone number and telefacsimile number of the Owner. The construction-staging plan shall include the timing of all construction activity, the location of all areas in which construction vehicles will be parked, and the location of any trash dumpsters to be used in connection with the Construction Activity. Prior to requesting a building permit from the Eagle County Building Department, the

Owner shall obtain the approval of the Security Department of any work plan submitted pursuant to this subparagraph.

4.03 Construction Inspections. In addition to any inspections or certificates required by the Eagle County Building Department, the Beaver Creek Metropolitan District and any other governmental or quasi-governmental entity with jurisdiction over the Construction Site, an Owner must schedule the following inspections with the DRB or provide the following certificates to the DRB:

- (a) Prior to commencing its Construction Activity, the Owner shall request a site inspection as described in subparagraph 4.02(c) above.
- (b) Upon the completion of the footings for each building foundation and prior to the commencement of any framing activity, the Owner shall request a foundation inspection from the DRB and shall, within fifteen (15) days thereafter, deliver to the DRB an improvement location certificate for the Construction Site which (i) is certified by an engineer or surveyor registered in the State of Colorado; and (ii) shows the location of all permanent improvements then located on the Construction Site. Thereafter, the DRB shall inspect the foundation to ensure that the Construction Activity is being performed in compliance with the approved final working drawings and this Regulation.
- (c) Upon completion of core and shell framing, and prior to exterior finishing and any framing inspection by Eagle County, the Owner shall request a framing inspection from the DRB and, simultaneously therewith, deliver to the DRB an improvement location certificate for the Construction Site, which (i) is certified by an engineer or surveyor registered in the State of Colorado; (ii) shows the location of all permanent improvements then located on the Construction Site; and (iii) sets forth the elevations of the garage slab -and the highest roof ridge, at the time of framing, of all such permanent improvements. Thereafter, the DRB will inspect the framing to ensure that the Construction Activity is being performed in compliance with the approved final working drawings and this Regulation.
- (d) Upon Substantial Completion of the Construction Activity, the Owner may request a temporary certificate of compliance inspection from the DRB. Thereafter, the DRB shall inspect the Construction Site to ensure that the Construction Activity is Substantially Complete and has been performed in compliance with the approved final working drawings and this Regulation.
- (e) Upon final completion of all portions of the Construction Activity, including all landscaping required in connection therewith and all remedial work that the DRB required the Owner to perform following the temporary certificate of compliance inspection described in subparagraph 4.03(c) above, the Owner shall request a final inspection from the DRB. Thereafter, the DRB shall inspect the Construction Site to ensure that all portions of the Construction Activity, including all such landscaping and remedial work, are fully

complete and have been performed in compliance with the approved final working drawings and this Regulation.

The DRB shall use its best efforts to conduct the inspections described in subparagraphs 4.03(a) through (e) above within seventy-two hours after receiving written requests therefor. The DRB may enter upon a Construction Site at any reasonable time to inspect the progress of a Construction Activity and ensure compliance with approved final plans and this Regulation.

4.04 Certificates of Compliance and Occupancy. "Certificates of compliance" are issued by the DRB. "Certificates of occupancy" are issued by the Eagle County Building Department. An Owner may not occupy or otherwise use any improvement constructed on a Construction Site until it has first received (i) a certificate of compliance or temporary certificate of compliance from the DRB, and then (ii) a certificate of occupancy or a temporary certificate of occupancy from the Eagle County Building Department.

- (a) If an Owner has performed its Construction Activity in compliance with its approved final plans and this Regulation, the DRB will issue a certificate of compliance to the Owner following a final inspection conducted under subparagraph 4.03(e) above. If the Owner has failed to perform its Construction Activity in compliance with its approved final plans and this Regulation, the Owner shall promptly perform such remedial work as the DRB shall require.
- (b) If an Owner has performed its Construction Activity in compliance with its approved final plans and this Regulation, but certain insubstantial details of construction or landscaping remain to be completed, the DRB may, but it not required to, issue a temporary certificate of compliance to the Owner following an inspection under paragraph 4.03(c) above. If the Owner has failed to perform its Construction Activity in compliance with its approved final plans and this Regulation, the Owner shall promptly perform such remedial work as the DRB shall require. The DRB may condition its issuance of a temporary certificate of compliance upon an increase in the amount of the Owner's Compliance Deposit as described in subparagraph 5.03(f) below.
- (c) In no event shall an Owner apply for a final certificate of occupancy from the Eagle County Building Department without first having obtained a temporary certificate of compliance from the DRB. Similarly, in no event shall an Owner apply for a temporary certificate of occupancy from the Eagle County Building Department without first having obtained a temporary certificate of compliance from the DRB.

5. Compliance Deposit. After the DRB approves an Owner's proposed Construction Activity as set forth in paragraph 4.02(c) above, and prior to commencing such Construction Activity, the Owner shall deliver a Compliance Deposit to the DRB, on behalf of the Resort Company, as security for the Owner's full and faithful performance of its Construction Activity in accordance with its approved final plans and this Regulation.

5.01 Amount of the Compliance Deposit.

- (a) The amount of the Compliance Deposit shall be based upon the aggregate square footage, as measured from the outer dimensions of the framed structure, of all enclosed structures to be built on a Construction Site as follows:

<u>Square Footage</u>	<u>Deposit</u>
0 - 499	\$ 2,500
500 - 1,999	\$10,000
2,000 - 4,999	\$20,000
5,000 - 6,999	\$30,000
7,000 - 8,999	\$40,000
9,000 and greater	\$50,000

- (b) Notwithstanding the foregoing, with respect to any Construction Activity that consists solely of a Remodel the amount of the Compliance Deposit shall be equal to the greater of (i) two percent (2%) of the estimated cost of the Construction Activity as set forth in the building permit application submitted by the Owner to the Eagle County Building Department for such Construction Activity (up to, but not to exceed \$50,000) or (ii) \$5,000-

5.02 Form of Compliance Deposit. The Compliance Deposit shall be delivered to the DRB in cash, by certified or cashier's check or by wire transfer.

5.03 Administration of Compliance Deposit. The DRB, on behalf of the Resort Company, shall administer each Compliance Deposit as follows:

- (a) The DRB shall hold the Compliance Deposit as security for the Owner's full and faithful performance of its Construction Activity in accordance with its approved final plans and this Regulation.
- (b) The Resort Company may, directly, through the DRB, or upon request of the Beaver Creek Metropolitan District, use, apply or retain the whole or any part of a Compliance Deposit to the extent required to reimburse the Resort Company or the Metropolitan District for any cost which the Resort Company or Metropolitan District may incur, or may be required to incur, by reason of an Owner's non-compliance in respect of any of the terms and conditions set forth herein or set forth in the Beaver Creek Internal Road Regulations as adopted by the Metropolitan District. The Resort Company or Metropolitan District shall be entitled to a fee in an amount equal to 15 percent of the amount of any costs incurred by the Resort Company or Metropolitan District to cure any such noncompliance by an Owner, which fee may be paid from the Compliance Deposit. If the amount of the Compliance Deposit is not sufficient to cure any such noncompliance by an Owner, the Resort Company may, directly or through the DRB, apply the Compliance Deposit in a manner which best mitigates the effects of such noncompliance while not actually curing the non-compliance. In addition, the Resort Company may, directly or through the DRB, use, apply or retain the whole or any part of a Compliance

Deposit to pay to the Resort Company any fine imposed by the Resort Company, the DRB or the Security Department under paragraph 7.02 below that is not paid as and when the same becomes due and payable.

- (c) The Resort Company's decision to use the Compliance Deposit as permitted hereunder shall be at the sole and absolute discretion of the Resort Company.
  - (d) If the Resort Company uses part or all of the Compliance Deposit as set forth in subparagraph 5.03(b) above, then the DRB shall provide, on a quarterly basis, to both the Owner and any Owner Representative, an accounting of the Compliance Deposit. If the Resort Company uses part of the Compliance Deposit as set forth in paragraph 5.03(b) above, and said use results in the diminution of the Compliance Deposit by ten percent (10%) or more of its original amount, then the Owner shall, within ten days after written demand therefor to the Owner from the Resort Company or the DRB, pay the Resort Company the amount used so as to restore the Compliance Deposit to its original amount. Neither the Owner nor any other party shall have any rights of any kind or nature against the Resort Company, its officers, agents, employees, directors or attorneys arising out of the Resort Company's use of the Compliance Deposit, unless the Resort Company is grossly negligent, or intentionally acts in bad faith.
  - (e) The Resort Company shall be under no obligation of any kind or nature to take any action to complete any Construction Activity, or cure any failure of the Owner to comply with all regulations pertaining to the Construction Activity.
  - (f) Any part of the Compliance Deposit not used by the Resort Company as permitted by subparagraph 5.03(b) above shall be returned to the Owner within thirty days after a Construction Activity is Substantially Complete. No portion of the Compliance Deposit shall be returned to an Owner upon the DRB's issuance of a temporary certificate of compliance. The DRB may condition its issuance of a temporary certificate of compliance upon its receipt from the Owner of funds sufficient to increase the amount of the Compliance Deposit to an amount equal to the product obtained by multiplying (i) the cost of that portion of the Construction Activity that remains to be completed, as estimated by the DRB, by (ii) 1.15.
6. Construction Requirements. Each Owner shall ensure that all Construction Activity that is performed on its Construction Site is performed in accordance with the following requirements.
- 6.01 Erosion Control and Vegetation Protection.
- (a) The DRB shall not approve any proposed Construction Activity under subparagraph 4.02(c) above, unless and until it has first approved an initial Erosion Control and Soil Stabilization Plan and a permanent Erosion Control and Revegetation Plan for the Construction Site. The Owner of the Construction Site is responsible for preparing and submitting such plans to the

DRB, the Security Department and the Beaver Creek Metropolitan District. If the DRB rejects any such plan submitted by the Owner, the Owner shall make such changes to the plan as the DRB shall require and resubmit the plan to the DRB. Once the DRB has approved such plans for a Construction Site, the Owner shall ensure that all Construction Activity is performed in compliance with such plans. In addition, the Owner shall ensure that (a) trees not authorized for removal are not damaged; (b) brush, surplus soil, and other excavated debris are promptly removed from the Construction Site; (c) dust is controlled by a dust abatement method approved by the DRB; and (d) during all Construction Activity, all driveway, parking and laydown areas are covered with at least two inches of three-quarter-inch screened rock.

- (b) Prior to commencing any Construction Activity, the Owner shall ensure that the area identified as the disturbance area on the site plan submitted pursuant to paragraph 4.02(e) is enclosed on those sides or areas subject to erosion, as determined by the Security Department and the Metropolitan District, by an erosion fence adequate for site conditions. The erosion fence shall be continuously maintained in good condition by the Owner. Prior to the placement of said erosion fence, a representative of the Security Department and the Metropolitan District shall inspect the Construction Site to ensure (i) that all areas likely to be disturbed by the proposed Construction Activity are included within the area identified as the disturbance area on such site plan and (ii) that the proposed erosion fence is adequate for site conditions.

6.02 Noise. Each Owner shall use all reasonable efforts to minimize external noise resulting from its Construction Activity and shall comply with the applicable noise limits established by Section 3.4 of the Resort Company's Noise Regulation. Notwithstanding the foregoing, an Owner shall not be required to comply with the noise limits set forth in subsection 3.4 of the Resort Company's Noise Regulation, but, instead, shall be subject to the noise limits established by Section 3.7 of said Noise Regulation during the following days and hours:

Monday through Friday:

Holidays	8:30 a.m. to 7:00 p.m.
Non-Holidays	7:30 a.m. to 7:00 p.m.

Saturday:

- Resort Commercial and Resort Services zones

Holidays	8:30 a.m. to 5:30 p.m.
Non-Holidays	7:30 a.m. to 7:00 p.m.
- Residential Low Density and Residential Medium Density zones

Holidays	8:30 a.m. to 5:30 p.m.
Non-Holidays	8:30 a.m. to 7:00 p.m.

At all other times, each Owner shall ensure that the noise resulting from its Construction Activity shall not exceed the noise limits set forth in subsection 3.4 of the Noise Regulation without the Security Department's prior consent.

No Construction Activity shall be allowed on any Sunday within the Residential Low Density and Resort Medium Density zones. Construction Activity shall be allowed on Sunday within the Resort Commercial and Resort Services zones provided that such Construction Activity shall not exceed the noise limits established by Section 3.4 of the Beaver Creek Resort Company Noise Regulation. The boundaries of the Residential Low Density zones, Residential Medium Density zone, Resort Commercial zone and Resort Services zone shall be as defined in the Master Plan of Beaver Creek Planned Unit Development, as it may be amended or supplemented from time to time, and which has been approved by Eagle County.

- 6.03 Protection of Property. An Owner's Construction Activity shall be limited to its Construction Site, unless the Security Department provides specific written authorization to the contrary. An Owner shall cause any common ground, adjacent lots or roads damaged during its Construction Activity to be restored to the Resort Company's satisfaction promptly and, in any event, within thirty days after such damage occurs. In order to protect neighboring properties, the Owner shall ensure that a temporary visual screen or temporary fence of not less than six feet in height be constructed and maintained along the front and side lot lines of a Construction Site. Said fence or visual screen shall be green in color.
- 6.04 Temporary Structures. Temporary Structures may be maintained on a Construction Site. Temporary living quarters shall not be permitted on a Construction Site. All Temporary Structures erected on a Construction Site shall be removed within thirty days after completion of the Construction Activity. Temporary Structures shall be screened to minimize the visual impact to other Owners and Guests. Plans for the placement and screening of Temporary Structures must be approved by the Security Department prior to the erection of the Temporary Structures. Trash dumpsters maintained on a Construction Site are deemed to be temporary structures and shall be visually screened to the greatest extent practicable. Once a trash dumpster is one-half (1/2) full, it shall be covered with a cover supplied by the owner of the dumpster, or with a cover that has been approved by the Security Department, until emptied or removed from the Construction Site.
- 6.05 Water Connections and Toilets. A temporary water connection and on-site enclosed chemical toilets must be available at all times when Construction Activity is taking place on a Construction Site. Chemical toilets shall be screened from view by means of a wood enclosure, which enclosure shall be constructed of T-111, a common pre-stained wood siding material, or an equivalent material. Chemical toilets shall be located so as to minimize any adverse impacts on adjacent Sites.
- 6.06 Blasting Restrictions. No blasting shall be performed on any Construction Site without the Security Department's prior consent. Blasting may be subject to certain restrictions, which shall be determined by the Security Department in its sole and absolute discretion and which may vary from Site to Site.
- 6.07 Signs. Unless otherwise required by state or federal law no signs shall be displayed on a Construction Site without the prior written approval of the DRB. The Owner shall have the burden of establishing that a given sign is required by state or federal law.

- 6.08 Roadway Maintenance. An Owner shall repair any damage to roads within Beaver Creek caused by Construction Vehicles used in connection with such Owner's Construction Activity and shall keep all such roads free and clear of all materials, rubbish, dirt, mud and debris resulting from such Owner's Construction Activity. Any dirt, mud, rubbish, debris or material of any sort which is found on roads within Beaver Creek and which is caused by an Owner's Construction Activity shall be removed by said Owner within twenty-four hours of its occurrence. No road cuts, deletions or additions shall be made without the consent of the Beaver Creek Metropolitan District.
- 6.09 Deliveries. The Security Department is hereby authorized to establish regulations to govern the periods during which vehicles that cannot travel faster than 25 mph on Village Road shall be allowed to travel on Village Road. In the absence of such regulations, vehicles that cannot travel faster than 25 mph on Village Road shall travel on Village Road only during the hours of 5:00 p.m. to 10:00 p.m., 7:15 a.m. to 8:00 a.m. and 11:00 a.m. to 2:00 p.m. In addition, the Security Department, in its sole and absolute discretion, may (i) restrict the use of Village Road by Construction Vehicles or any other slow moving vehicles whenever a special event, festival, convention or other similar activity presents the possibility of significant traffic congestion on Village Road or (ii) grant exceptions to this regulation or to any regulations established hereunder upon a determination that the slow moving vehicle is not likely to cause significant traffic congestion. Nothing herein shall be construed to limit the application of any other provision of this regulation which regards access of Construction Vehicles to Construction Sites.
- 6.10 Access and Parking.
- (a) Construction Vehicles shall gain access to Construction Sites only from existing roads adjacent to the Construction Sites. No Construction Vehicle shall arrive at, depart from, or have access to a Construction Site between the following hours each day: 7:15 p.m. and 7:15 a.m. Construction Vehicles shall be parked within a Construction Site or within the Site on which the Construction Activity occurs. No Construction Vehicle shall be parked on or along roads within Beaver Creek nor upon or within Beaver Creek Metropolitan District right-of-ways. No more than ten Construction Vehicles may be parked within a Site or Construction Site at any one time. The Owner of a Site in which the physical or topographic conditions prevent the parking of more than five (5) Construction Vehicles within the Site may request the approval of the Security Department and Beaver Creek Metropolitan District to park Construction Vehicles within the Beaver Creek Metropolitan District right-of-ways so long as all such parking is within the extended boundaries of the Site upon which the Construction Activity is to occur. The limitations of this subparagraph (a) shall apply only within the single-family neighborhoods within the Resort.
- (b) Prior the site inspection described in subparagraph 4.02(c) above, an Owner of a Construction Site shall submit a written Parking and Transportation Plan to the Security Department for the Security Department's review and

approval. Each such Parking and Transportation Plan shall describe (i) how and where Construction Vehicles will be parked at the Construction Site during the Construction Activity; (ii) the maximum number of Construction Vehicles that will be parked at the Construction Site at any one time; and (iii) the manner in which construction workers will be transported to and from the Construction Site during the Construction Activity.

- (c) No Construction Activity shall commence at a Construction Site until the Security Department has approved a Parking and Transportation Plan for that Construction Site in writing. The Security Department may require modifications to any proposed Parking and Transportation Plan submitted by an Owner. Such modifications may include, without limitation, modifications that (i) alter designated Construction Vehicle parking areas; (ii) alter the manner in which construction workers will be transported to and from the Construction Site; and (iii) require the Owner to pay a reasonable fee to the Resort Company, in accordance with Exhibit G hereto, to use the Resort Company's bus system to transport construction workers to and from the Construction Site if the Security Department determines that such use is necessary.

- 6.11 Construction Lighting. No Construction Site or Construction Activity shall be lighted unless and until a construction lighting plan has been submitted to, and approved by, the Security Department and the DRB. All exterior construction lighting shall be connected to a motion sensor. All interior construction lighting, including lights within temporary structures such as construction offices, shall be turned off when not actually in use. The Security Department shall not approve any construction lighting plan unless it determines that the proposed lighting will not cause unreasonable glare upon or the excessive lighting of property not owned by the Owner of the Construction Site.
- 6.12 Animals. No Owner Representative may keep or maintain a dog or other pet on a Construction Site at any time.
- 6.13 Business License. All Owners and Owner Representatives shall obtain an Annual Business License if required to do so by the Resort Company's Annual Business Licenses Regulation.
- 6.14 Completion of Construction. Unless otherwise approved by the DRB, each Owner shall ensure that each Construction Activity it performs (a) commences within one year after the DRB's approval of final plans therefor; (b) is Sub-tantially Complete within sixteen (16) months after commencement thereof; and (c) is fully and finally complete, including all required landscaping, within twenty-four (24) months after commencement thereof . Notwithstanding the foregoing, any commercial project shall (a) commence within one (1) year after the DRB's approval of final plans thereof, (b) be substantially complete within thirty (30) months after commencement thereof, and (c) be fully and finally complete, including all required landscaping, within thirty-six (36) months after commencement thereof. For purposes of this section, a "commercial project" shall be any construction project other than a single family residential project. The DRB may, upon application by an Owner, and a

showing of good cause, extend the period herein provided for Substantial Completion or final completion for a period not to exceed eight (8) months with respect to Substantial Completion and six (6) months with respect to final completion. For purposes of this section "good cause" shall not include financial constraints or any other constraint which may reasonably be attributed to an action or failure to act of the Owner.

6.15 Compliance with Laws and Regulations

- (a) Each Owner shall, at its own expense, comply with all terms and conditions of this Regulation, the Declaration and all other regulations promulgated from time to time by the Resort Company and the DRB that are applicable to its Construction Activities.
- (b) Each Owner shall, at its own expense, comply with all federal, state and local laws, ordinances, orders, rules, regulations and other governmental requirements relating to its Construction Activities.
- (c) Each Owner shall, at its own expense, ensure that its Owner Representatives comply with the terms and conditions of subparagraphs 6.13(a) and (b) above.

7. Enforcement. If an Owner or any Owner Representative violates any term or condition set forth herein, the Resort Company shall have the following rights and remedies.

7.01 Right to Cure. The Resort Company or the DRB may, but is not obligated to, enter upon the Construction Site and cure such violation at the Owner's cost and expense. If the Resort Company or DRB cures any such violation, the Owner shall pay to the Resort Company the amount of all costs incurred by the Resort Company or DRB in connection therewith, plus an administrative fee equal to 15 percent of all of such costs, within five days after the Owner receives a written invoice therefor from the Resort Company or DRB.

7.02 Right to Fine. Unless a more specific penalty is provided for the violation of any term or condition of this Regulation, the Resort Company may impose a fine of \$100 against the Owner for the first violation of any term or condition of this Regulation. For each subsequent violation of that same term or condition, the Resort Company may impose a fine in an amount equal to twice the amount of the fine imposed against the Owner for the Owner's last violation of that same term or condition. Each day during which a violation of any term or condition of this Regulation continues shall be considered a distinct and subsequent violation for purposes of this paragraph. The Resort Company or DRB shall provide written notice of any fine to both the Owner and the Owner Representative. The Owner shall pay any fine imposed under this paragraph 7.02 within five days after the Owner receives written notice thereof. The Resort Company hereby delegates its power to fine under this paragraph 7.02 to the DRB and the Security Department. Notwithstanding any other provision hereof, the failure of an Owner or Owner Representative to comply with a written order of the Resort Company, the DRB or the Security Department to cease and desist from a violation of this Regulation, shall result in a doubling of the maximum fine that could otherwise be imposed for the violation. If the written cease and desist order contains a

time period within which a violator is ordered to cease a violation, the passage of such time period, and the passage of each such time period thereafter in which such violation continues, shall result in the doubling of the fine imposed for the passage of the previous time period.

- 7.03 Right to Sue for Injunctive Relief. The Resort Company may sue the Owner to enjoin such violation.
- 7.04 Right to Sue for Damages. The Resort Company may sue the Owner for all damages, losses, costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements incurred by the Resort Company as a result of the violation.
- 7.05 Lien. The Resort Company shall have a lien against the Site and all of the Owner's other properties within Beaver Creek to secure payment of (a) any fee, charge, fine or other amount due from the Owner to the Resort Company under this regulation, (b) interest on any unpaid amounts at the rate of 18 percent per annum from the date due until paid, and (c) all costs and expenses of collecting any unpaid amounts, including, without limitation, reasonable attorneys' fees and disbursements. Any such lien may be foreclosed as a mortgage under the laws of the State of Colorado.
- 7.06 Other Rights and Remedies. The Resort Company shall have all other rights and remedies available to it at law or in equity. All rights and remedies of the Resort Company shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right of remedy.
8. Appeal of Fines. An Owner shall appeal any fine imposed against the Owner by the DRB or the Security Department to the DRB's Fine Appeals Committee (the "FAC") in accordance with the following terms and conditions. The FAC shall be comprised of three (3) members who shall be appointed by the DRB and who shall serve until excused by the DRB for any or no cause. One member of the FAC shall be a member of the DRB; one member of the FAC shall be a representative of the Security Department; and one member of the FAC shall be a representative of the Resort Company. Within five days after receiving written notice from the DRB or the Security Department that such entity is imposing a fine against the Owner, the Owner may file a written appeal with the FAC. Said written appeal shall contain a brief statement of the factual and legal grounds of the appeal. If the Owner fails to file a written appeal with the FAC within such five-day period, the Owner shall have no further right to appeal the fine under this Section 8. If the Owner files a written appeal within such five-day period, the FAC may review such appeal and deliver a written decision with respect thereto to the Owner and to the DRB or the Security Department, as the case may be, within thirty days after its receipt of such appeal or (ii) waive its right to hear such appeal, in which case an Owner may proceed in accordance with the Resort Company's Fine and Penalty Appeal Regulation. The FAC shall act only upon a vote of the majority of its members. If the FAC decides in favor of the Owner, the DRB or the Security Department, as the case may be, shall revoke its notice imposing the fine. If the FAC decides in favor of the DRB or the Security Department, as the case may be, the Owner shall pay such fine within five days after its receipt of the FAC's decision.

