

ANNUAL BUSINESS LICENSE REGULATION

Adopted 4-8-82
Revised 10-29-82
Revised 6-25-84
Revised 9-11-85
Revised 2-14-92
Revised 11-28-92 to be effective 1/1/93
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Revised 8/21/96
Revised 3/3/98
Revised 4/8/98

1. Title. This regulation shall be known as "Annual Business Licenses."
2. Purpose. The purpose of this regulation is to require the annual licensing and limited regulation of all businesses conducted on Premises within Beaver Creek or involving recurring use of the roads, streets or open spaces of Beaver Creek, and to provide the Beaver Creek Resort Company, a Colorado non-profit corporation (the "Resort Company"), with necessary information concerning the activities of such businesses in order to protect the property, health, welfare, peace and safety of residents, guests, property owners, business operations and employees at Beaver Creek.
3. Definitions. For purposes of this regulation the following definitions shall apply.
 - 3.1 "Annual Business License" means a license required to be obtained under this regulation.
 - 3.2 "Business" means any business, profession, occupation or activity engaged in by a Person for profit, gain, benefit or advantage that is conducted on Premises within Beaver Creek or that makes use, more than four times in any month of the License Year, of any roads, streets, or open spaces within Beaver Creek;
 - 3.3 "Licensee" means any Person required to obtain an annual business license;
 - 3.4 "License Year" means twelve months from the date of issue.
 - 3.5 "Outside Purveyor" means any Person doing business in Beaver Creek who does not own, rent or occupy any Premises or who occupies any Premises, but does not own or otherwise have a legal ownership interest in the Premises (such as a purveyor of fast foods whose place of business is physically located outside of Beaver Creek but who delivers food within Beaver Creek or a handcart vendor who occupies a Premises, but who does not have any ownership interest in the Premises).
 - 3.6 "Person" means any individual, partnership, corporation, firm, estate, trust, association, joint venture or other entity;

- 3.7 "Premises" means any land, structure, lodge, store, office, salesroom, warehouse, or other place of Business situated within Beaver Creek which is owned, leased, or occupied by a Business;
- 3.8 "Beaver Creek" means the property subject to the Amended and Restated General Declaration for Beaver Creek, Eagle County, Colorado, recorded December 27, 1979 in Book 296 at page 446 of the real property records of Eagle County, as amended from time to time.
4. Required. In order to conduct any Business in Beaver Creek a Person is required to obtain an annual business license from the Resort Company.
5. Fee -- Amount. Except as set forth in Section 10(f) hereof, the license fee for the Annual Business License shall be \$100.00. Effective November 1, 1998, the Annual Business License Fee shall be \$200.00
6. Fee -- Due Date. The license fee shall be paid to the Resort Company on or before the expiration date of the License Year for any Business in operation that obtained an Annual Business License for the preceding License Year, or otherwise shall be paid prior to the commencement of Business activity in Beaver Creek.
7. Exemptions. Persons exempt from the provision of this regulation are as follows:
 - 7.1 Employees of a Licensee;
 - 7.2 Churches or established religious organizations;
 - 7.3 Eleemosynary corporations;
 - 7.4 Hospitals;
 - 7.5 Schools;
 - 7.6 Governments;
 - 7.7 Persons exempt under federal or Colorado law;
 - 7.8 Any owner of a condominium unit in Beaver Creek who rents his or her unit only through a Person or entity licensed under this regulation;
 - 7.9 Any Person or entity which is licensed by the Colorado Public Utilities Commission as a "motor vehicle carrier" or "contract carrier by motor vehicle" other than those transporting trash, waste, rubbish and garbage; and
 - 7.10 Any Person who is licensed under the Snow Plow Regulation of the Resort Company.
8. Requirements of Licensee. Every Licensee under this regulation shall do the following, and by becoming a Licensee shall be deemed to have agreed to do the following:

- 8.1 Comply with all provisions of the Amended and Restated Declaration of Beaver Creek, any applicable Supplemental Declaration, and the Articles of Incorporation, Bylaws and Rules and Regulations of Beaver Creek Resort Company;
 - 8.2 Without limiting the generality of subparagraph 8.1, (i) pay all applicable assessments due to the Resort Company including but not limited to the Common Assessment and the Civic Assessment, subject to the Resort Company's right to waive its entitlement to any applicable assessment for any license year or portion thereof from any one or all Outside Purveyors and to revoke such waiver as to any one or all Outside Purveyors at any time; and (ii) comply with all rules and regulations applicable to retail and/or commercial operations at Beaver Creek;
 - 8.3 Ascertain and at all times comply with all laws and regulations applicable to a licensed Business;
 - 8.4 Avoid any illegal, dangerous or harmful practices or conditions which are detrimental to the property of others as to the general health, welfare, peace or safety of Beaver Creek;
 - 8.5 Refrain from engaging in Business on the licensed Premises during any period when its license is revoked or suspended;
 - 8.6 Provide such information and documentation, and permit such investigation and inspection, as the Resort Company shall request;
 - 8.7 Obtain expressed permission or invitation or a lease agreement from owner of Premises to perform such Business on Premises;
 - 8.8 If a Licensee has not already done so pursuant to Section 10 of this Regulation, it shall immediately upon issuance of its Annual Business License, register with the Resort Company Security Department by providing the Security Department with an executed copy of its Application for Annual Business License; and
 - 8.9 If a Licensee is also an Owner Representative, as defined in subsection 3.08 of the Resort Company Construction Activities and Compliance Deposit Regulation, it shall procure, maintain in force, and file with the Resort Company a general liability insurance policy that (i) covers bodily injury, including death, in the amount of \$500,000.00 for any one person and in the amount of \$1,000,000.00 for two or more persons in any one accident, (ii) covers injury to or destruction of property of others in the amount of \$200,000.00 for any one accident, (iii) names the Resort Company as an additional insured, and (iv) provides that there shall be no termination or material change in the coverage provided thereby without thirty days prior written notice to the Resort Company.
9. Required for Each Place of Business. An Annual Business License shall be obtained for each place of Business within Beaver Creek regardless of whether the Business conducted therein is a separate Business or a branch, division or agency of a licensed Business situated at another location in Beaver Creek.
10. Administration. The administration of the Annual Business Licenses required by this regulation shall be vested in the Resort Company or such officer or employee of the Resort Company (or any

entity engaged to manage the Resort Company) as the Resort Company shall designate from time to time (the "licensing agent"), who is authorized to do the following:

- 10.1 Collect license fees and issue receipts therefor;
- 10.2 Adopt all forms and prescribe the information to be given therein;
- 10.3 Promulgate and enforce all reasonable rules and regulations necessary to the operation and enforcement of this chapter;
- 10.4 Investigate and determine the eligibility of each applicant for an Annual Business License; and
- 10.5 With respect to any Outside Purveyor, the Resort Company may (but shall not be required to) estimate the Civic Assessment which such Outside Purveyor would pay during the License Year if it were an owner of property subject to the civic assessment of the Resort Company, and collect such amount (in addition to the License Fee) at the time of issuing an Annual Business License to such Outside Purveyor. As long as such estimate is made in good faith and the Resort Company has not been misled in making such estimate, any Outside Purveyor receiving an Annual Business License under this Subsection 10(f) shall not be liable for any Civic Assessment in excess of such estimate. Moreover, no Outside Purveyor receiving an Annual Business License pursuant to this Subsection 10(f) shall be entitled to any refund of any estimated Civic Assessment paid hereunder.

11. Denial.

11.1 An application for an Annual Business License will be denied by the Resort Company or the licensing agent only in the event the Business or Person sought to be licensed (a) is an unlawful Business or the Person applying for the license is not qualified or licensed to engage in such Business under applicable law, (b) has had an Annual Business License revoked for cause at any time within the three calendar years preceding the date of application, ~~or~~ (c) is not in good standing under the laws of the State of Colorado on the date of application, (d) has engaged in a prior violation of any of the Rules and Regulations of the Resort Company, or (e) is an Outside Purveyor seeking to engage in a Business which uses as its Premises property in which the Resort Company owns an exclusive easement and which, therefore, is property over which the Resort Company has discretion as to whether to allow a business use of the property.

11.2 In the event an application is denied, the Resort Company or the licensing agent shall deliver to the applicant a written order of denial which states the reasons therefor, together with a refund of the license fee submitted with the application.

12. Revenue Disposition. The license fees collected by the Resort Company or the licensing agent under this regulation shall be general revenues which shall be credited to the general funds of the Resort Company.

13. Exemption -- Filing Date. Any Person claiming exemption from the provisions of this regulation shall file a notice of exemption, on such form as the Resort Company or the licensing agent may

prescribe, with the Resort Company or the licensing agent on or before January 31 of each License Year for any Business in operation prior to that date, or otherwise file notice prior to the commencement of Business activity in each year.

14. Enforcement. The Resort Company may seek an injunction to restrain a Person from engaging in Business within Beaver Creek who does not obtain an Annual Business License under this chapter or whose license is revoked or suspended, and this remedy shall be in addition to all other remedies prescribed in this regulation or available at law or otherwise.

15. Violation -- Penalty. Any Person who violates a provision of this regulation shall be in violation of the Rules and Regulations of the Resort Company, and shall be subject to a fine by the Resort Company of up to \$500 for each day of each violation, subject, however, to the right of the Resort Company to waive or reduce any such fine for reasonable cause. Said fine may be imposed and collected by the Resort Company directly, or through the Resort Company's Security Department. Prior to the imposition of any fine or other penalty, the violator shall be provided, by personal delivery or certified mail, with a written notice of such fine or penalty which states the nature of the violation. A copy of said notice shall also be delivered to the Executive Director of the Resort Company and the Beaver Creek Merchant's Association. Any Person who violates a provision of this regulation shall also be subject to the suspension or revocation of vehicle access authorization as described in the Beaver Creek Metropolitan District Rules of the Road.

The undersigned hereby applies for a license to do Business in the Beaver Creek Resort, as required by Beaver Creek Resort Company's regulations entitled "Annual Business License", a copy of which has been received by the Applicant. Applicant hereby certifies to the Resort Company and agrees as follows:

1. It has reviewed (a) the Amended and Restated General Declaration of Beaver Creek, (b) the related Supplemental Declarations, and (c) the Articles of Incorporation, Bylaws, and Rules and Regulations of Beaver Creek Resort Company, all as presently in effect; and it will comply with all of the provisions thereof, including without limitation, all regulations concerning Commercial or Retail Business applicable to Applicant's Business, Annual Business Licensing and Dog Control;±
2. Applicant will at all times comply with all laws and regulations applicable to its Business;
3. Applicant will avoid any illegal, dangerous or harmful practices or conditions which are detrimental to the property of others as to the general health, welfare, peace or safety of Beaver Creek Resort;
4. Applicant will refrain from engaging in Business in the Beaver Creek Subdivision during any period when its license and/or permit is revoked or suspended;
5. Applicant will provide such information and documentation, and permit such investigation of and inspection of its Business as Beaver Creek Resort Company may from time to time reasonably request;
6. Applicant recognizes that "Beaver Creek" is a registered servicemark of Vail Associates, Inc.;
7. Applicant understands (a) that the roads within the Beaver Creek Resort are limited access roads, (b) that it must comply with all of the rules and regulations applicable to the use of such roads, and (c) that it may be prohibited from using such roads if it fails to comply with such rules and regulations;
8. Applicant will only conduct Business within Beaver Creek at the address or location set forth above unless it obtains a further permit authorizing it to conduct Business at a different address.
9. Applicant has received expressed permission or invitation or has entered into a lease or license agreement with owner of Premises to perform Business on Premises.

IN WITNESS WHEREOF, Applicant hereby signs this application as of the date first set forth above.

Applicant

Application and applicable fee received this _____ day of _____, 20____.

Beaver Creek Resort Company of Colorado