

BEAVER CREEK RESORT COMPANY OF COLORADO COMMERCIAL ACTIVITY REGULATION

Adopted February 19, 2004

1. **Title.** This regulation shall be known as the "Commercial Activities Regulation."
2. **Purpose.** The purpose of this regulation is to: (i) prohibit the use of property in Beaver Creek for a commercial activity where (a) any Supplemental Declaration of Land Use Restrictions prohibits use of the property for a commercial activity unless the Resort Company has issued a written permit for such activity, and (b) the Resort Company has not issued a written permit for the commercial activity; and (ii) to provide for enforcement of the commercial activity prohibition through the imposition of fines. The Resort Company has the power to amend this Regulation from time to time, without notice.
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") or in the Articles of Incorporation for the Beaver Creek Resort Company.
4. **Commercial Activity Prohibition.** Unless an Owner has first obtained a written permit from the Resort Company, no Owner shall conduct, or permit, allow or suffer any other person to conduct, any commercial activity on a Site if any Supplemental Declaration of Land Use Restrictions prohibits use of the Site for a commercial activity in the absence of a written permit from the Resort Company; provided, however, that the term "commercial activity" shall not be construed to mean any activity that is specifically allowed as a use of the Site under the applicable Supplemental Declaration of Land Use Restrictions.
5. **Enforcement, Violations and Penalties.** This regulation may be enforced by the Beaver Creek Resort Company, the Beaver Creek Resort Company Security Department, or the Beaver Creek Design Review Board, or any authorized agent of any of the foregoing. Any Owner that violates any provision of this regulation shall be subject to a fine by the Resort Company, either directly or through the Resort Company Security Department or the Resort Company Design Review Board. Upon the first violation of this regulation, there may be a fine imposed of \$5,000 for each day during which the violation existed or continues. Upon a second violation of this regulation, there may be a fine imposed of \$10,000 for each day during which the violation existed or continues. Upon a third and each subsequent violation of this regulation, there may be a fine imposed of \$20,000 for each day during which the violation existed or continues. In addition, upon the third or subsequent violation of this regulation, the Resort Company may seek an injunction to restrain a person from any further violation of this regulation, such remedy being in addition to all other remedies available at law, equity or otherwise.