

**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**RULES & REGULATIONS**  
**RETAIL OPERATION**

Adopted 11-18-81  
Revised 11-01-82  
Revised 05-14-84  
Revised 07-09-87  
Revised 11-27-87  
Revised 09-06-89  
Revised 11-25-95  
Revised 3-3-98  
Revised 6-9-99  
Revised 2/17/00  
Revised 8/17/00  
Revised 3/17/05

1. PURPOSE AND SCOPE

- 1.1 A primary function of the Resort Company is to maximize the competitive posture of the entire Beaver Creek resort by enhancing the overall quality of the experience afforded the visitor to Beaver Creek. To this end, the Resort Company has promulgated the following rules. These rules are premised on the recognition that Beaver Creek competes with other destination resorts upon the basis of the overall experience it offers its guests. Since this experience derives from the individual efforts of the diverse elements active at Beaver Creek, some coordination of effort is needed. At the same time, these rules recognize that the constituents of Beaver Creek are independent entities that should enjoy maximum freedom of enterprise. The purpose of these rules, and of any further rules promulgated hereunder, is to afford the minimum amount of coordination necessary to maximize the overall quality of the Beaver Creek Resort. These rules are not intended to inhibit competition among the various elements at Beaver Creek, and it is the policy of the Resort Company to encourage and foster that competition.
- 1.2 These rules shall apply to "Retail Establishments", which shall include all businesses selling goods or services to the public, including but not limited to restaurants or shops within the Beaver Creek Subdivision. To the extent any hotel or lodge within the Beaver Creek Subdivision sells goods or services to the public or operates a restaurant, such hotel or lodge shall be deemed a "Retail Establishment".
- 1.3 The Resort Company has the power to amend these Rules and Regulations from time to time, without notice, to ensure adequate coverage of the topics discussed herein or other topics that may arise through the growth of the area.

2. TRANSPORTATION

- 2.1 Only a permit issued by the Resort Company will allow private vehicular access to the Beaver Creek Subdivision. Any private transportation systems to the Beaver Creek Subdivision will also require a permit from the Resort Company.
- 2.2 Bicycle travel into the Beaver Creek Subdivision is permitted. Bicycles must adhere to all vehicle regulations for traffic safety.

- 2.3 Bicycles, rollerblades, skates and skateboards shall not be ridden or used within the Pedestrian Mall except as may be allowed within the ice rink. Bicycles and skateboards may be walked or carried within the Pedestrian Mall. For purposes of this paragraph, "Pedestrian Mall" shall be defined as the hatched area within the Pedestrian Village, as defined and depicted in Exhibit A to this Regulation, other than streets and rights-of-way designated for use by vehicles.
- 2.4 Employees of Retail Establishments shall use the Beaver Creek Transit system or an approved private system, unless such employee has a Resort Company permit for a private vehicle. Said Resort Company permits shall be color-coded to indicate that it is a merchant vehicle pass.

3. DELIVERIES TO BEAVER CREEK SUBDIVISION

- 3.1 Except as provided in paragraph 6.09 of the Resort Company's Construction Activities and Compliance Deposit Regulation regarding slow moving vehicles, for Retail Establishments including but not limited to Federal Express, United Parcel Service and other similar delivery company vehicles, the Beaver Creek Subdivision deliveries are allowed as follows.

- 3.1.1 Covered Bridge – Dial a Ride bus stop

No deliveries are allowed in these locations without special permission of Beaver Creek Public Safety.

- 3.1.2 Village Hall Loading Dock

Deliveries shall be allowed at the Village Hall Loading Dock from 5 a.m. to 6 p.m. each day.

- 3.1.3 Avondale Road – Offerson Road

Delivery trucks may utilize Avondale or Offerson Roadway for deliveries from 7 a.m. to 8:30 a.m., 11:00 a.m. to 12 noon, and from 5 p.m. to 6 p.m.

Delivery trucks that can utilize a loading dock without extending into the roadway may deliver between 8:30 a.m. and 12 noon and 3 p.m. to 6 p.m.

- 3.1.4 Service Center Warehouse

Delivery trucks using the loading dock at the Service Center Warehouse may deliver from 5 a.m. to 6 p.m.

- 3.1.5 Village Core other than listed above

Deliveries to Village Core areas other than described above shall be allowed from 8:30 a.m. to 6 p.m.

### 3.1.6 Residential

Deliveries to the Residential areas within Beaver Creek shall be limited to 8:30 a.m. to 6 p.m.

Upon application, the Resort Company Security Department may, in its sole discretion, allow for special delivery during hours other than those listed above.

## 4. VEHICLE SIZE LIMITATIONS

- 4.1 Vehicle access to the Beaver Creek Subdivision will require a special permit from the Resort Company.
- 4.2 All delivery vehicles will be required to obtain a permit to enter the Beaver Creek Subdivision.

## 5. OUTDOOR DISPLAYS OF MERCHANDISE

- 5.1 No Retail Establishment shall engage in the outdoor display of merchandise. Notwithstanding the foregoing, outdoor displays of merchandise may be considered and approved by the Resort Company Board of Directors if:
  - 5.1.1 The outdoor display is in connection with a community-wide event and/or the Board deems it to be a benefit to the community; or
  - 5.1.2 The outdoor display is proposed as a means to mitigate a hardship to the specific Retail Establishment, which hardship is not caused by the applicant (such as a construction activity in the vicinity of the Retail Establishment); and
  - 5.1.3 The Beaver Creek Design Review Board has reviewed the proposal with regard to the racks or other furniture proposed for use in the outdoor display and has approved it as consistent with the design theme of the Resort.
- 5.2 Any outdoor display of merchandise that may be approved pursuant to Section 5.1 shall:
  - 5.2.1 contain not more than two (2) display areas consisting of two (2) racks, two (2) tables, or a combination of one (1) rack and one (1) table; and
  - 5.2.2 maintain the merchandise in a neat and orderly manner; and
  - 5.2.3 not utilize baskets, boxes or containers of any type to display the merchandise.

## 6. GUEST CHARGING

- 6.1 To provide maximum service to the guest and increase competitive position of Beaver Creek as a resort community each Retail Establishment agrees to participate in a village-wide system enabling guests to charge purchases of goods and services, if such a system is made available by the Resort Company. Such a system will operate in accordance with policies adopted by the Resort Company.

7. DISPLAY LIGHTING

7.1 All restaurants and shops are required to maintain display window lighting to enhance the entire Village lighting (per Beaver Creek Design Review Regulations) from 5:00 p.m. to 5:00 a.m., seven days per week and while open for business. Lighting design must have Design Review Board approval.

8. SIGNAGE

8.1 Resort Company approval is required for any signs displayed in Beaver Creek Subdivision (per Beaver Creek Design Review Regulations).

9. USE OF BEAVER CREEK TRADE MARK

9.1 Retail Establishments are advised that the Beaver Creek name and logo is a registered trademark of Vail Associates, Inc. Retail Establishments should contact Vail Associates, Inc. before making any use of the Beaver Creek name or logo.

10. PEDESTRIAN MALL

10.1 The mall shall not be used for any purposes without written consent from the Resort Company (including but not limited to sidewalk sales, displays, billboards, solicitation, etc.).

11. CENTRAL RESERVATIONS SYSTEM

11.1 To ensure implementation of "onestop" vacation arrangements, restaurants will be encouraged to use the Resort Company's Central Reservation System, if and when such service is made available.

11.2 This Central Reservation System will operate in accordance with rules and regulations to be adopted by the Resort Company from time to time.

12. MARKETING

12.1 All advertising shall be truthful, tasteful and discrete and shall be consistent with the theme and quality for the Beaver Creek Resort in general. All advertising, upon reasonable request, shall be submitted to the Resort Company for written approval before publication.

13. HOURS OF OPERATION

13.1 Minimum operating hours for all retail, restaurant and other commercial operations and/or activities (individually a "Commercial Operation") shall be as set forth in Exhibit B hereto. The failure of a Commercial Operation, or its owner or operator, manager or employee to comply with the minimum operating hours established by Exhibit B, shall constitute a violation of these Rules and Regulations and shall be punishable as set forth in Section 14 below. Should a landlord or other person or entity with authority or control over a Commercial Operation require that the Commercial Operation maintain minimum operating hours that exceed, in whole or part, the minimum operating hours set forth in Exhibit B hereto, nothing herein shall be construed as altering, amending or otherwise

requirement of a landlord or other person or entity with authority or control over a Commercial Operation be construed as altering, amending or otherwise effecting the requirements of these Rules and Regulations.

14. ENFORCEMENT

- 14.1 If any Retail Establishment, or the owner, operator, manager or employee thereof shall violate any provision of these rules and regulations, including the provisions of the various Exhibits to these rules and regulations, the Resort Company may, in its discretion, impose a fine or fines against such Retail Establishment, owner, operator, manager or employee as provided in this subsection. Upon the first occurrence of a violation, the violator shall be notified of the violation and warned, in writing, that further violations are subject to, among other things, fines. Thereafter, violations of the provisions of these rules and regulations are punishable by a fine of up to \$50.00 for the second violation, \$100.00 for the third violation, and \$250.00 for each violation thereafter. For purposes of this provision, each day during which a violation of any provision of these rules and regulations shall exist or continue shall constitute a separate violation. Any other provision of this subsection notwithstanding, a Retail Establishment, or the owner, operator, manager or employee thereof, shall not be fined for a violation of the minimum operating hours set forth in Exhibit B hereto unless the Retail Establishment's rate of compliance with the minimum operating hours is less than ninety percent (90%) as measured within any single calendar quarter.
- 14.2 In addition to, or in lieu of the fine provided for above, the Resort Company may, in its discretion, enforce the provisions of these rules and regulations concerning the minimum operating hours for a Commercial Operation by providing a series of incentive and disincentives as follows:
- A. If, upon periodic and regular inspections, the Resort Company finds that a Commercial Operator's rate of compliance with the minimum operating hours set forth in Exhibit B to these rules and regulations equals or exceeds ninety percent (90%), then the Resort Company may provide to such Commercial Operator some or all of the following incentives: (i) up to five (5) additional VIP free parking passes, (ii) up to twenty-five (25) free ice skating passes, (iii) up to five (5) free parking vouchers, (iv) eligibility in a lottery to win an all expense paid 7-day trip for two to Lech, Austria, (v) recognition in newspaper advertising as a "Premier Beaver Creek Retailer," or (vi) a listing as a presenting sponsor of one of Beaver Creek's signature events/concerts.
- B. If, upon periodic and regular inspections, the Resort Company finds that a Commercial Operator's rate of compliance with the minimum operating hours set forth in Exhibit B to these rules and regulations is less than ninety percent (90%), then the Resort Company may provide to such Commercial Operator some or all of the following disincentives: (i) the revocation of up to five (5) VIP free parking passes, (ii) the restriction of paid parking space for employees or owners of the Commercial Operation to one person and space per day, (iii) the denial of access to the discounted Merchant Ski Pass Program, or (iv) the denial of the ability of the Commercial Operation to advertise in the Beaver Creek Magazine.

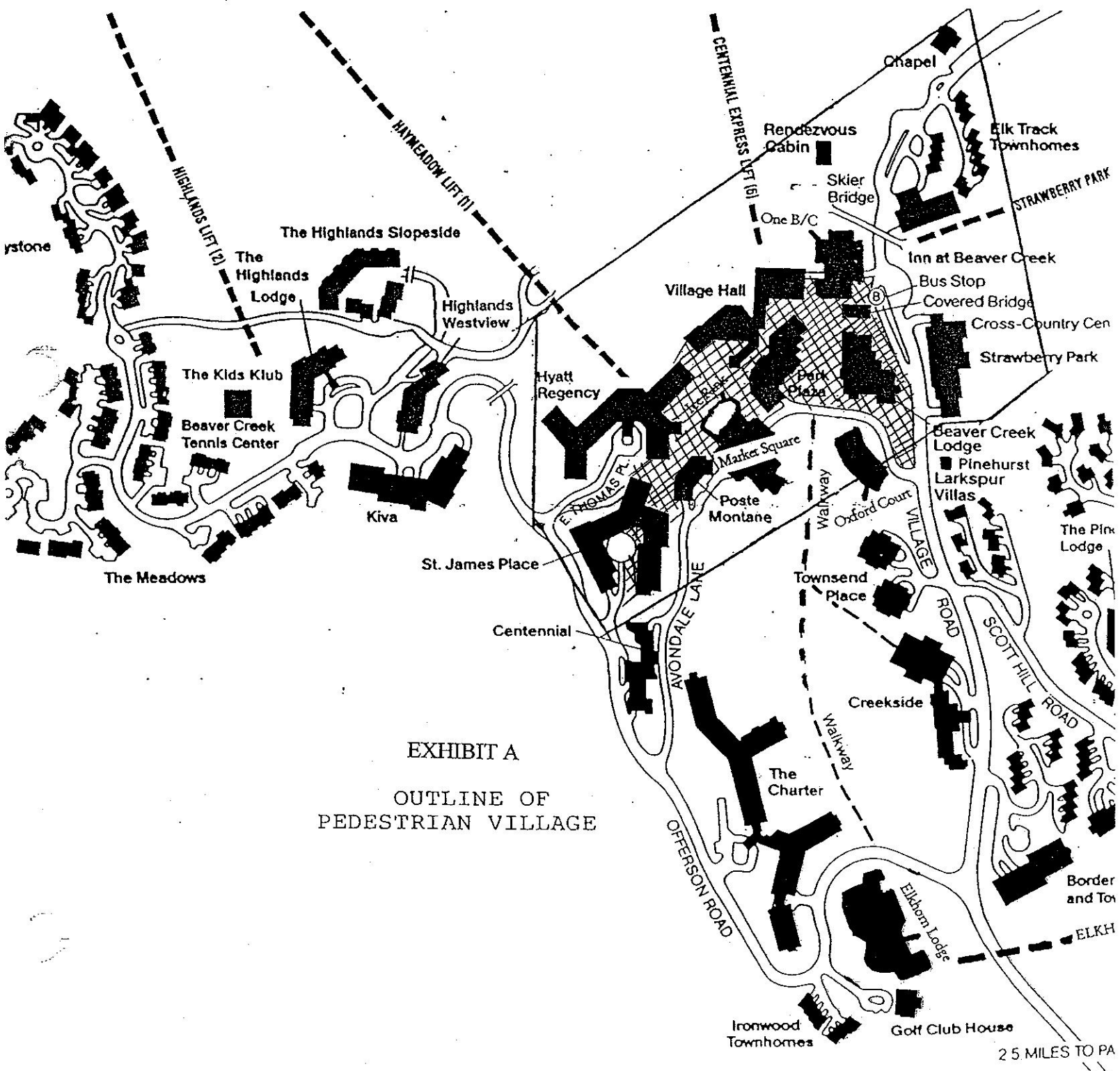


EXHIBIT A  
 OUTLINE OF  
 PEDESTRIAN VILLAGE

25 MILES TO PA