

# LATE PAYMENT PENALTY REGULATION

Adopted 11/26/94

1. Title. This regulation shall be known as the Late Payment Penalty Regulation.
2. Purpose. The purpose of this regulation is to establish a means to enforce timely payment of all assessments and other sums payable to Beaver Creek Resort Company of Colorado (the "Resort Company"), including without limitation, the Common Assessment, Civic Assessment, Mountain Civic Assessment and Special Assessments, as such terms are defined and used in the Bylaws of Beaver Creek Resort Company of Colorado (the "Bylaws"). The Resort Company has the power to amend this regulation from time to time, without notice, to ensure adequate coverage of the topics discussed herein or other topics which may arise, and to ensure that the amount of the Penalty (as defined below) is sufficient to ensure timely payment of sums owed to the Resort Company.
3. Definitions. Unless otherwise stated herein, all capitalized terms 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 or supplemented from time to time (the "Declaration"), or alternatively, if such terms are not defined in the Declaration, the meanings given to them in the Bylaws. The terms "Resort Company", "Bylaws" and "Declaration" have the respective meanings given to them above, and the following terms as used herein have the following meanings:
  - 3.1 "Assessment Default" means the failure of a person or entity to pay an assessment or other amount payable to the Resort Company on or before the Due Date (as defined below) therefore, in accordance with the Declaration, the Bylaws and the Rules and Regulations (as defined below). If more than one assessment or other amount payable to the Resort Company is not timely paid, the failure to pay each such assessment or amount shall constitute an "Assessment Default" regardless of whether the Due Dates for such assessments or amounts were the same.
  - 3.2 "Defaulting Person" means the person or entity who commits an Assessment Default.
  - 3.3 "Due Date" of an assessment or other amount payable to the Resort Company means the date on which payment of such assessment or other amount is due pursuant to the Declaration, the Bylaws, or the Rules and Regulations except that with respect to the Real Estate Transfer Assessment, Resort Assessment and Local Improvement Assessment, the term "Due Date" shall mean the date specified for payment in the Resort Company's initial written request for payment of such assessment.
  - 3.4 "Penalty" means the monetary fine of \$100.00 to be levied pursuant to Section 4.1 below.
  - 3.5 "Rules and Regulations" means the Rules and Regulations adopted by the Resort Company from time to time.

4. Requirement.

- 4.1 For each Assessment Default, the Resort Company shall, subject to Section 4.3 below, assess a Penalty against the Defaulting Person.
- 4.2 Any payments or other sums received from a Defaulting Person following the Resort Company's assessment of a Penalty shall be applied by the Resort Company to amounts owed to it by the Defaulting Person in the following order of priority: first, to the payment of the Penalty and any other fines or penalties then outstanding; second, to the payment of accrued interest; and third, to the amount of any assessments or other amounts then outstanding.
- 4.3 Two or more officers of the Resort Company shall have the authority to excuse the payment of a Penalty when such officers, or any of them, determine that the circumstances warrant an exemption from imposition of the Penalty.