

**MINUTES OF THE
ANNUAL MEETING OF THE MEMBERS OF
THE CHRISTIE LODGE OWNERS ASSOCIATION, INC.
Saturday, October 4, 2008
Avon, Colorado**

I. CALL TO ORDER

The Annual Meeting of Members (the “Annual Meeting”) of The Christie Lodge Owners Association, Inc. (the “Association”) was called to order at 9:00 a.m. Mountain Time on Saturday, October 4, 2008 at The Christie Lodge, Beaver Creek Room, by Kristen Nostrand, President of the Association. Ms. Nostrand welcomed the owners in attendance and introduced the other members of the Board of Directors of the Association: Jonasue Phillips, John Mertens, Bill McReynolds, Steve Vickers, Gary Kujawski and Art Olson. Ms. Nostrand introduced Mr. Clowdus, the Association Counsel, and asked him to describe the procedures to be followed at the Annual Meeting. Mr. Clowdus stated that the meeting should follow the agenda included in the Notice of Annual Meeting. He noted that the Annual Meeting would proceed informally to the degree possible but that Roberts Rules of Order would apply if any issue is contested. He also reminded owners to use the microphone to make motions or address the meeting so that they can be identified in the meeting Transcript. Ms. Nostrand appointed Gary Kujawski, an attorney and former President of the Association, as the Parliamentarian for the meeting.

II. PROOF OF NOTICE OF ANNUAL MEETING

Ms. Nostrand then asked Mike Clowdus to offer proof of Notice of the Annual Meeting.

A. Mr. Clowdus offered the Certificate of Mailing of Notice of the Annual Meeting dated October 4, 2008 and executed by Lisa Siegert-Free, General Manager of the Lodge certifying that the Notice of Meeting was mailed to all owners of record on August 21, 2008.

B. Establish Quorum. Mr. Clowdus explained that there are 15,529 possible votes in The Christie Lodge Owners Association, Inc. comprised of 19 commercial units which have 51 votes each, three remaining whole units that have 52 votes and 277 timeshare units with 52 votes each. A quorum for a meeting is 10% of the total, or 1,553 votes. Mr. Clowdus received a tabulation of the owners in attendance in person or by proxy prepared by the Association staff. He noted that there were 3,381 votes present at the meeting in person or by proxy, including 47 timeshare owners and commercial owners representing 255 votes and the inventory owned by The Christie Lodge representing 3,103 votes. Mr. Clowdus declared that a quorum was present and that there existed a lawfully constituted Annual Meeting of the Association.

III. READING OF MINUTES OF PRECEDING ANNUAL MEETING

Ms. Nostrand asked for a motion to waive reading of the minutes of the prior Annual Meeting, a copy of which had been provided to members when they checked in at the Annual Meeting. J. Raymond David so moved and it was seconded by Margret Rouse. The motion passed by acclamation. Ms. Nostrand then asked for a motion to approve the minutes of the last Annual Meeting as presented. Frank Marek so moved and Debra Mertens seconded the motion. The minutes were approved by acclamation.

IV. REPORTS OF COMMITTEES

A. Audit Committee. Ms. Nostrand requested reports from the various committees of the Board. She first introduced Bill McReynolds, a Board member and former President of the Association, who serves as Chairman of the Audit Committee, to present the Audit Committee report. Mr. McReynolds noted that the Independent Auditor's Opinion of Zwiebach & Company stated that the financial statements present fairly, in all material respects, the financial position of the Association for the fiscal year ended June 30, 2008 and the results of its operations and cash flows for the year then ended, in conformity with generally accepted accounting principles. He described their opinion as what is known in the industry as a "clean opinion." Mr. McReynolds went on to review certain items in the audit starting with the balance sheet and concluding with the fund balance of more than \$3,508,063 up from \$3,347,000 last year. Mr. McReynolds noted reasons for changes in the various fund balance within the audit, and rental revenue increase of approximately \$400,000. He also reviewed the statement of revenues and expenses. He noted the accountant's compilations of the fund's balances and the footnotes to the financial statements which explain various items on both the balance sheet and income statement in more detail. He concluded that the Association is in excellent financial condition. Mr. McReynolds addressed a question about capital reserves and then stated that he would be available to answer specific questions after the meeting if anyone was interested in more detailed information.

B. Legal Committee. Ms. Nostrand then called on Jonasue Phillips to make the report on behalf of the Legal Committee. She stated that she was delighted that she had no legal reports to make.

V. REPORT OF OFFICERS AND MANAGEMENT.

Kristen Nostrand noted Lynn Weas' absence due to illness and introduced Lisa Siegert-Free, General Manager of the Lodge, to make the Management Report. She welcomed the owners and introduced all staff members in attendance and presented The Christie Lodge's values. Lisa Siegert-Free turned the presentation over to Charles Frey who noted changes and improvements to The Christie Lodge over the last year. Mr. Frey introduced B. Jay Bliss, the Lodge's Front Office Manager, for a presentation on reservations and exchanges, followed by John Perkins, who spoke on the new Town of Avon Master Plan. The complete text of all presentations and reports are in the Transcript of the recording of the meeting.

VI. NOMINATION OF CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS.

A. Explanation of Eligibility Requirements and Election Procedures. Kristen Nostrand asked Mike Clowdus to explain the eligibility requirements and election procedures for the Board of Directors. Mr. Clowdus first noted that three members of the Board of Directors were completing two terms and their positions on the Board needed to be filled. The Bylaws prohibit a majority of Directors being from the same state. Candidates for election must advise the Association of their candidacy and provide a resume to the Association on or before to August 1 of each year. As a result, anyone who is not on the list of candidates who provided resumes is not eligible to be nominated from the floor. He noted that the abstracted resumes of all the nominees were in the Annual Meeting Materials given to all Members at check-in. Mike Clowdus turned the meeting over to Gary Kujawski to report on the procedures and recommendation of the Recruitment and Nominating Committee. He explained the candidate recruitment and interview process employed by the Committee. He noted the four individuals who submitted resumes: William D. McReynolds, Lucy Aldridge, Eldon Ringler and Thomas A. Napoli. Messrs. McReynolds and Napoli are former Board members. The three nominees in attendance briefly addressed the meeting.

After Mr. Kujawski's presentation, Ms. Nostrand asked for a motion to nominate the full slate of four candidates who submitted resumes. Reg Phillips so moved and the motion was seconded by J. Raymond David and passed by acclamation. Kristen Nostrand then asked for a motion to waive appointment of election inspectors, with the duties of the inspectors to be fulfilled by the Association staff. J. Raymond David so moved and George Browning seconded it. The motion passed by acclamation. The election of directors proceeded by written ballots which were distributed to the owners upon check-in. Kristen Nostrand asked the staff to collect and count the ballots.

While the ballots were being collected and counted, Bobby Coates from RCI gave a brief presentation to the owners on RCI exchanges. He reviewed the RCI comment card history at The Christie Lodge. He also explained the change in the Lodge's rating to a standard listing but then emphasized the high trading power that Christie Lodge's owners have within the RCI system that allows exchanges into gold crown and silver crown categories.

VII. NEW BUSINESS.

Under New Business, Ms. Nostrand asked Mike Clowdus to present several resolutions to the members for vote.

A. Assessment/Reserves Resolution. Mr. Clowdus proposed a resolution for consideration by the members in attendance. He explained the purpose of the resolution relating to compliance with the requirements of the Internal Revenue Service in order to insure that assessments and reserves are not taxed as income. He briefly reviewed the history of the issue with other associations and read into the record the resolutions that support the Association's practice, which are designed to prevent the Association's reserves from being taxed as income or prepaid

assessments being taxed as income in the year received as opposed to the year expended. The text of the resolutions is attached to these Minutes.

At the end of Mr. Clowdus' presentation, Kristen Nostrand asked for a motion to approve the resolution. John Mertens moved to approve the resolutions as presented and Reggie Phillips seconded the motion. The resolutions passed by acclamation.

B. Resolution Ratifying all Board of Directors' Acts. Mike Clowdus then asked for a motion from the Association members ratifying all acts of the Directors for the prior fiscal year based upon reports received from the Board of Directors and management at today's meeting. J. Raymond David moved to ratify the acts of the Board based upon the information received at the meeting. Paul Mulqueen seconded the motion. The motion passed by acclamation.

Kristen Nostrand announced that Bill McReynolds, Tom Napoli and Lucy Aldridge had been elected as members of the Board of Directors. She also announced that there would be a meeting of the new Board immediately following the Annual Meeting.

XI. ADJOURNMENT.

Kristen Nostrand then asked for a motion to adjourn the 2008 owners meeting. Dave Kruchek made the motion to adjourn, seconded by [unidentified] . The motion passed by acclamation.