

**MINUTES OF THE
ANNUAL MEETING OF THE MEMBERS OF
THE CHRISTIE LODGE OWNERS ASSOCIATION, INC.
Saturday, October 8, 2016
Avon, CO**

I. CALL TO ORDER

Mr. J. Raymond David welcomed the owners, introduced himself, and thanked everyone for attending the meeting. The Annual Meeting of Members (the “Annual Meeting”) of The Christie Lodge Owners Association, Inc. (the “Association”) was called to order at 9:05 a.m. Mountain Daylight Time on Saturday, October 8, 2016 at The Christie Lodge in the Beaver Creek Conference Room by Mr. J. Raymond David, President of the Association. Mr. David introduced the Association Board of Directors: Ms. Christina Holcomb, Mr. Earl Hauserman, Mr. Bill McReynolds, Ms. Kristen Nostrand, Mr. John Perkins and Ms. Jonasue Phillips. Mr. David also introduced Committee Members: Mr. Tim Fisher, Mr. Scott Fulton, Mr. Ted Langworthy, and Mr. John Mertens. Also introduced was Mr. Jerry Oliver, Association Attorney and Mr. Ken Ka, RCI Account Representative.

Mr. David advised that the meeting would follow the agenda included in the owners’ meeting packet, and would proceed informally to the degree possible, stating if parliamentary procedure were called for, Ms. Phillips would serve as Parliamentarian. Mr. David described the motion procedures to be followed and reminded the audience to use the microphone when addressing the meeting, in order to have the proceedings properly documented into the written record.

II. PROOF OF NOTICE OF ANNUAL MEETING

A. Proof of Notice. Mr. David offered the Certificate of Mailing of Notice of the Annual Meeting on October 8, 2016, as executed by Lisa Siegert-Free, Managing Director and General Manager, certifying that the Notice of Annual Meeting was mailed to all owners of record on August 15, 2016.

B. Establish Quorum. Mr. David 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 residential units that have 52 votes each; and 277 timeshare units with 52 votes each. A quorum for a meeting is 10% of the total, or 1,553 votes. He received a tabulation of the owners in attendance in person or by proxy, which was prepared by Mr. Eric Lickteig, CFO. Mr. David noted that there were 3,073 votes present at the meeting in person or by proxy; he declared that a quorum was present, and declared an official Annual Meeting of the Christie Lodge Owners Association.

III. READING OF THE MINUTES OF THE PRECEDING ANNUAL MEETING

Mr. David then asked for a motion to waive the reading of the minutes of the 2015 Annual Meeting. Mr. Jim Schwab, Westminster, CO made a motion to waive the reading of the prior year's minutes. Ms. Rose Mammenga, Brighton, CO seconded the motion, which passed by acclamation. Mr. David then asked for a motion to approve the minutes of the 2015 Annual Meeting as presented. Mr. William Caldwell, Lakewood, CO so moved and Ms. Ann Schenkman, Greeley, CO seconded the motion. The minutes were approved by acclamation.

IV. REPORTS OF COMMITTEES

Mr. David requested reports from the various committees of the Board and introduced Bill McReynolds, Chairman of the Audit Committee, to present the Audit Committee report.

A. Audit Committee. Mr. McReynolds presented the audit, noting that we received a clean opinion. He referred the owners to the financial reports in their meeting packet, stating that even without the heavy bookings from the previous year's Alpine World Championships, cash has increased. Preliminary numbers for the first quarter of FY17 show that rental revenue has exceeded budget and the accounts receivable on maintenance fees is also up due to 1,300 more new owners in the last two years. He thanked Management for their care in keeping expenses down and for another year without a maintenance fee increase.

B. Legal Committee. Mr. David introduced Mr. Tim Fisher, Legal Committee Chair, who thanked Management for operating conservatively and limiting risk to the Association. Mr. Fisher reported that there is one personnel matter being monitored by our outside insurer but no other matters or frivolous lawsuits.

V. REPORT OF OFFICERS AND MANAGEMENT

Mr. David introduced Ms. Lisa Siegert-Free, Managing Director and General Manager of the Lodge. Ms. Siegert-Free welcomed and thanked the owners for attending and introduced the staff members in attendance. Her presentation included an update on Vail Resorts' recent acquisition of Whistler-Blackcomb along with a review of their on-mountain improvements and new adventure opportunities here in Vail. She also provided an update on the town of Avon and a comparison of Association maintenance fee costs to the industry average, noting that Christie Lodge fees are significantly lower. Information on the our in-house activities and the Association's rental program was also presented along with our high customer service ratings.

Ms. Siegert-Free introduced Mr. Rick Dameron, Executive Director of Operations. Mr. Dameron's presentation provided Capital Reserve Fund information and an explanation of which projects qualify for Capital Reserve funding. He presented an update on Project WOW, which is the major unit renovation that is currently in progress. This remodel includes the reconfiguration of the angled rooms, solid core doors, a renovation of the bathrooms and the installation of a cook-top, new sink and full size refrigerator in the kitchens. The American Resorts Development Association featured an article on our Project WOW in their September issue of Developments magazine, a copy of which was included in each owner's packet of meeting materials. Additional property upgrades include replacement of the parking lot ramp and snowmelt system, along with the purchase of a new plow truck for snow removal. He also presented an update on the Association's policies on marijuana. He thanked the owners for their support of the Christie Lodge and encouraged them to stay for the tour of a renovated unit after the meeting is adjourned.

Mr. David thanked the managers for their presentations.

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

Mr. David explained the eligibility requirements of candidates.

A. Explanation of Eligibility Requirements and Election Procedures. Owners must be in good standing and be current on their maintenance fees; submit a resume to the Christie Lodge Executive Office by August 1, prior to the election; and there cannot be a majority of Board members from any one state.

Mr. David then introduced Ms. Christina Holcomb, Recruitment and Nomination Committee Chair. Ms. Holcomb referred owners to the candidate resumes in their meeting packets and announced the slate of candidates. She then reminded owners that they are voting to fill two vacancies on the Board. Ms. Holcomb then called for a motion to place the candidates on the slate, which was made by Mr. Jim Schwab, Westminster, CO and seconded by Mr. Reggie Phillips, Crowley, TX. The motion passed by acclamation.

Each of the following candidates spoke briefly regarding their timeshare ownership at the lodge and their personal qualifications: Mr. Tim Fisher, Mr. Earl Hauserman, Ms. Hanna Lindgren and Mr. Alan Robinson.

VII. APPOINTMENT OF THE ELECTION INSPECTORS.

Mr. David then asked for a motion to waive appointment of Election Inspectors, with the duties of the Inspectors to be fulfilled by Mr. Eric Lickteig, CFO. Motion was made by Ms. Berry Moyer, Sugarland, TX and seconded by William Caldwell, Lakewood, CO. The motion passed by acclamation.

VIII. ELECTION OF DIRECTORS

The election of directors proceeded by written ballots which were distributed to the owners during registration. Mr. David asked the staff to collect and submit the ballots to the CFO for counting.

While the ballots for the election of Directors were being collected and counted, Mr. David introduced Mr. Ken Ka, RCI Account Executive. Mr. Ka made a presentation on the history of RCI. Mr. David thanked Mr. Ka for his presentation.

IX. UNFINISHED BUSINESS

There was a brief discussion and review of Amendment 4, during which the advantages to both owners and the Association were presented.

X. NEW BUSINESS

There was no new business.

Mr. David announced the voting results, stating the following candidates were elected to the Board: Mr. Tim Fisher and Mr. Earl Hauserman.

Mr. David then presented two resolutions to the members for vote and noted that the text of the resolutions were included in each owners' information packet.

Assessment/Reserves Resolution. Mr. David explained that the purpose of this resolution is to comply 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 resolution that supports the Association's practice, which is 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.

Mr. David asked the members for a motion to approve the Assessment/Reserves Resolution as read. Mr. William Caldwell, Lakewood, CO made the motion to approve the resolution and Mr. Reggie Phillips, Crowley, TX seconded the motion. There being no questions or discussion brought forth, the motion passed by acclamation.

Resolution Ratifying all Board of Directors' Acts. Mr. David then asked that the Association members ratify all acts of the Directors for the prior fiscal year based upon reports and information received from the Board of Directors and Management at today's meeting.

Mr. David asked the members for a motion to approve the Resolution Ratifying all Board of Directors' Acts as read. Ms. Ann Schenkman, Greeley, CO made the motion to approve the resolution and Ms. Alostia Mills, Denver, CO seconded the motion, which passed by acclamation.

There being no further new business, Mr. David thanked the owners for their attendance and invited them to remain for the raffle drawing and Project WOW tour that would take place after the meeting adjourned.

XI. ADJOURNMENT

There being no further business or discussion, Mr. David called for a motion to adjourn. Mr. Monroe Trotman so moved and Ms. Rosalind Hair, Fort Worth, TX seconded the motion. The motion to adjourn the meeting was passed by acclamation at 11:15 a.m. MDT and the meeting adjourned.

ASSESSMENT/RESERVES RESOLUTION

RESOLVED, any amounts collected by or paid to the Association in excess of operating expenses for the fiscal year end June 30, 2016 shall be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by Revenue Rulings 70-604, 75-370 and 75-371. Such amounts shall be deposited into financially secure, interest bearing accounts. Any amounts so added to the capital replacement reserves shall be allocated to the various components at the direction of the Board.

FURTHER RESOLVED, any excess amounts added to capital reserves instead of being rebated to owners or applied to next year's assessments shall be used for capital reserves.

FURTHER RESOLVED, any 2016-17 assessments received prior to June 30, 2016, the Association's fiscal year end, shall apply only to services required to be performed in the following fiscal year and shall be deemed to be held in escrow by the Association against payments for the next year's fiscal services.

FURTHER RESOLVED, the Board is to take all actions necessary or appropriate to make capital reserves and excess funds at year ends non-taxable, including stating a separate itemization for capital reserves on the assessment statement, separating capital reserves from operating funds of the Association and depositing any early receipts into an escrow account.

RESOLUTION

RESOLVED, that the members of the Christie Lodge Owners Association, Inc. do ratify all actions taken by the Board of Directors of the Christie Lodge Owners Association, Inc. during the fiscal year 2016, as were reported, discussed and/or disclosed at the Annual Owners Meeting held on October 8, 2016.