

**MINUTES OF SPECIAL MEETING
OF
BOARD OF MANAGERS
OF
HOMESTEAD AT SNOWMASS ASSOCIATION**
A Colorado Non Profit Corporation

A Special Meeting of Board of Managers of **HOMESTEAD AT SNOWMASS ASSOCIATION**, a Colorado Non Profit Corporation, was held by telephone conference on August 25, 2016.

In attendance were Michael Estes (President), Bill Devers, Colin Heggie, Malo Harrison and Robert Campbell. Barton Craig and Michael George of Snowmass Lodging Company were also present.

The President called the meeting to order at 12:02 pm and stated that a quorum of Board of Managers and Officers were present for the conduct of business. The Board Members and Officers waived Notice of the meeting.

Old Business-Board Composition-No vacancy to be filled

Barton Craig noted that the Minutes of the last regular Board Meeting of March 2nd, 2016 indicate that Bob Campbell would resign from the Board and that Ingegard Fehr would fill his Board position. After the meeting, in communication via email Ms. Fehr declined to serve on the Board, and Bob Campbell agreed to serve out the remainder of his term or until a suitable replacement can be found. Mr. Devers made a motion to accept Bob Campbell's offer to continue to serve on the Board until a suitable replacement can be found. Ms. Harrison seconded, and the motion passed.

The following items were brought up for discussion and ratification:

1. The Board of Managers ("Board") considered an amendment to Article VII of the Bylaws pursuant to Article XIII of the Bylaws.
 - a. Article VII, Indemnification of Officers, Board of Managers Members and Managing Agent, provides in pertinent part:

"but no indemnification shall be made regarding any claim, issue, or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association." [Article VII 1. b.](#)
 - b. The Board desire to amend this language in order to approve an amendment to the Management Agreement with Snowmass Lodging Company ("SLC") precipitated by assignment of the Management Agreement to WVR Colorado, LLC, a Delaware Limited Liability Company.

- c. The amended language would replace “*negligence or misconduct in the performance of his or her duty to the Association*” with “**gross negligence or willful misconduct in the performance of his or her duties to the Association.**”
- d. After careful deliberations and confirmation that such an amendment will not affect the current insurance premiums for the Association, the Board of Members voted unanimously to amend the Bylaws to change Article 1. b. to reflect the Association will not indemnify the Managing Agent for “gross negligence or willful misconduct”.

RESOLVED that the Article VII 1.b. be amended to read as follows:

“but no indemnification shall be made regarding any claim, issue, or matter as to which such person has been adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duty to the Association.”

- 2. The President next brought up discussion and ratification of the *Assignment of and Amendment to Management Agreement* (“Assignment”) from Snowmass Lodging Company to WVR, Colorado, LLC.
 - a. The Board considered the fact that SLC’s other clients had approved the Assignment with similar indemnification language. Other SLC clients include: Owl Creek Townhomes Association and the Woodrun Place Association, Chamonix Association, and Enclave Association.
 - b. The Board discussed including the following language as a condition to agreeing to the Assignment in order to preserve the “independent contractor” status of the Managing Agent.

“It is the intent of the parties to this agreement that Managing Agent is hired as the Association's independent contractor agent, not as an employee of the Association, and shall conduct itself and perform its duties under the terms of this agreement within the scope of authority granted hereunder and according to the budgetary amounts approved by the Board of Managers and/or Directors of the Association.”

Upon motion duly made by Mr. Campbell, and seconded by Mr. Heggie and unanimously carried.

RESOLVED that the Board ratified and approved the *Assignment of And Amendment to Management Agreement* with the inclusion of the above language preserving the independent contractor status of the Managing Agent.

FURTHER RESOLVED that the Association will cover the premiums for the fidelity insurance or bond as required by Article II, 3 s. 1 as a common expense.

FURTHER RESOLVED that the President has the authority to execute the *Assignment of And Amendment to Management Agreement* as approved on behalf of the Association.

Before the Assignment and Amendment are signed by the Board President, Mike George will receive assurances in writing from the representative at Wyndham of the following outstanding concerns: The requirement for Fidelity insurance or bond, the continuity of personnel for property management of the Homestead, the right to interview and approve new personnel for property management if a change is made, and the assurance that there will be no significant increase in fees for a fixed amount of time.

There being no further business meeting, Mrs. Harrison made a motion to adjourn, Mr. Heggie seconded, and unanimously carried, and the meeting was adjourned at 12:25pm.

DATED: _____

President, Michael Estes

Secretary, Malo Harrison