

VAIL RESORTS INC
Form DEF 14A
October 19, 2012

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

VAIL RESORTS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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VAIL RESORTS, INC.

**390 Interlocken Crescent
Broomfield, Colorado 80021**

**NOTICE OF THE 2012 ANNUAL MEETING OF STOCKHOLDERS
To be held on November 29, 2012**

October 19, 2012

To our Stockholders:

The annual meeting of stockholders of Vail Resorts, Inc., a Delaware corporation (the "Company"), will be held on Thursday, November 29, 2012 at 4:00 p.m., Mountain Standard Time, at the St. Julien Hotel, 900 Walnut Street, Boulder, Colorado 80302, to:

- (1) Elect the six directors named in the attached proxy statement to serve for the ensuing year and until their successors are elected and qualified;
- (2) Ratify the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2013;
- (3) Hold an advisory vote on executive compensation; and
- (4) Transact such other business as may properly come before the meeting or any adjournments or postponements of the meeting.

These items of business are more fully described in the proxy statement accompanying this Notice.

Only holders of record of shares of our common stock at the close of business on October 4, 2012 are entitled to receive notice of, and to vote at, the annual meeting or at any postponement or adjournment thereof. A list of stockholders entitled to vote at the annual meeting will be available for examination by any stockholder at the annual meeting and for ten days prior to the annual meeting at our principal executive offices located at 390 Interlocken Crescent, Broomfield, Colorado 80021.

Pursuant to the rules of the Securities and Exchange Commission, or the SEC, we have elected to provide access to our proxy materials over the Internet. Accordingly, we will mail, on or about October 19, 2012, a Notice of Internet Availability of Proxy Materials to our stockholders of record and beneficial owners as of the close of business on October 4, 2012. On the date of mailing of the Notice of Internet Availability of Proxy Materials, all stockholders and beneficial owners will have the ability to access all of the proxy materials on a website referred to and at the URL address included in the Notice of Internet Availability of Proxy Materials.

The Notice of Internet Availability of Proxy Materials will also identify the date, the time and location of the annual meeting; the matters to be acted upon at the meeting and the Board of Directors' recommendation with regard to each matter; a toll-free telephone number, an e-mail address, and a website where stockholders can request a paper or e-mail copy of the proxy statement, our annual report and a form of proxy relating to the annual meeting; information on how to access and vote the form of proxy; and information on how to attend the meeting and vote in person. These proxy materials will be available free of charge.

Stockholders are cordially invited to attend the annual meeting. If you wish to vote shares held in your name at the annual meeting, please bring your Notice of Internet Availability of Proxy Materials or proxy card (if you previously requested one be mailed to you) and picture

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identification. If you hold shares through an intermediary, such as a broker, bank or other nominee, you must present proof of ownership to attend the meeting. Proof of ownership could include a proxy from your broker, bank or other nominee or a copy of your account statement. Shares held through a broker, bank or other

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nominee may be voted by you in person at the annual meeting only if you obtain a valid proxy from the broker, bank or other nominee giving you the right to vote the shares and bring such proxy to the annual meeting. Attendance at our annual meeting will be limited to persons presenting a Notice of Internet Availability of Proxy Materials or proxy card (if you requested one) or voting instruction card, account statement or similar evidence of ownership, and picture identification. Attendance at the meeting alone will not automatically revoke your previously submitted proxy.

Your vote is extremely important. We appreciate your taking the time to vote promptly. After reading the proxy statement, please vote, at your earliest convenience by telephone or Internet, or request a proxy card to complete, sign and return by mail. If you vote at the annual meeting, your previously submitted proxy will be revoked automatically and only your vote at the annual meeting will be counted. **YOUR SHARES CANNOT BE VOTED UNLESS YOU VOTE BY: (i) TELEPHONE, (ii) INTERNET, (iii) REQUESTING A PAPER PROXY CARD, TO COMPLETE, SIGN AND RETURN BY MAIL, OR (iv) ATTENDING THE ANNUAL MEETING AND VOTING IN PERSON.** Please note that all votes cast via telephone or the Internet must be cast prior to 11:59 p.m., Eastern Standard Time, on Wednesday, November 28, 2012.

By Order of the Board of Directors,

Fiona E. Arnold
*Executive Vice President,
General Counsel and Secretary*

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VAIL RESORTS, INC.

**390 Interlocken Crescent
Broomfield, Colorado 80021**

**PROXY STATEMENT FOR THE 2012
ANNUAL MEETING OF STOCKHOLDERS**

We are providing these proxy materials in connection with the solicitation of proxies by the Board of Directors (the "Board") of Vail Resorts, Inc. (the "Company") to be voted at our annual meeting, which will take place on Thursday, November 29, 2012 at 4:00 p.m., Mountain Standard Time, at the St. Julien Hotel, 900 Walnut Street, Boulder, Colorado 80302, and at any adjournment or postponement thereof. As a stockholder, you are invited to attend the annual meeting and are requested to vote on the items of business described in this proxy statement.

In accordance with the rules and regulations of the SEC, instead of mailing a printed copy of our proxy materials to each stockholder of record or beneficial owner, we are now furnishing proxy materials, which include our proxy statement and annual report, to our stockholders over the Internet. Because you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials, unless you have previously made a permanent election to receive these materials in hard copy or unless you request a printed copy as described below. Instead, the Notice of Internet Availability of Proxy Materials will instruct you as to how you may access and review all of the important information contained in the proxy materials. The Notice of Internet Availability of Proxy Materials also instructs you as to how you may submit your proxy. If you received a Notice of Internet Availability of Proxy Materials by mail and would like to receive a printed copy of our proxy materials you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

It is anticipated that the Notice of Internet Availability of Proxy Materials will be mailed, and this proxy statement will be made available, to stockholders on or about October 19, 2012.

What is the difference between a stockholder of record and a "street name" holder?

If your shares are registered directly in your name with the Company's transfer agent, Wells Fargo Shareowner Services, then you are a stockholder of record.

If your shares are not held in your name, but rather are held through an intermediary, such as in an account at a brokerage firm or by a bank, trustee or other nominee, then you are the beneficial owner of shares held in "street name." However, as a beneficial owner, you have the right to direct your broker or other nominee regarding how to vote the shares held in your account.

Who is entitled to vote at or attend the annual meeting?

Holders of record of our common stock as of the close of business on October 4, 2012, which we refer to as the record date, are entitled to vote. On the record date we had 35,731,940 shares of common stock outstanding. Each share is entitled to one vote on each item being voted on at the annual meeting. You are entitled to attend the annual meeting only if you were a stockholder or joint holder as of the record date or you hold a valid proxy for the annual meeting.

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If you are a stockholder of record:

As a stockholder of record, you may vote in person at the meeting or vote by proxy. Whether or not you plan to attend the meeting, we urge you to vote by proxy in advance of the annual meeting over the telephone or on the Internet as instructed in the Notice of Internet Availability of Proxy Materials to ensure your vote is counted.

If you are a street name holder:

As a street name holder, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other nominee and bring such proxy to the annual meeting. If you want to attend the annual meeting, but not vote at the annual meeting, you must provide proof of beneficial ownership as of the record date, such as your most recent account statement prior to October 4, 2012, a copy of the voting instruction card provided by your broker or other nominee, or other similar evidence of ownership. Whether or not you plan to attend the meeting, we urge you to vote by proxy in advance of the annual meeting over the telephone or on the Internet as instructed in the Notice of Internet Availability of Proxy Materials to ensure your vote is counted.

How do I vote my shares?

If you are a stockholder of record:

By Telephone or the Internet

Stockholders of record can vote their shares via telephone or the Internet as instructed in the Notice of Internet Availability of Proxy Materials. The telephone and Internet procedures are designed to authenticate a stockholder's identity, to allow stockholders to vote their shares and confirm that their instructions have been properly recorded.

The telephone and Internet voting facilities will close at 11:59 p.m., Eastern Standard Time, on November 28, 2012.

By Mail

Stockholders who request a paper proxy card by telephone or Internet may elect to vote by mail and should complete, sign and date their proxy cards and mail them in the pre-addressed envelopes that accompany the delivery of paper proxy cards. Proxy cards submitted by mail must be received by the time of the meeting in order for your shares to be voted.

At the Meeting

Shares held in your name as the stockholder of record may be voted by you in person at the annual meeting.

If you are a street name holder:

By Telephone or the Internet

If your broker or other nominee provides for a means to submit your voting instructions by telephone or the Internet, you will be provided with directions on doing so by your broker or other nominee.

By Mail

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Street name holders may vote by mail by requesting a paper voting instruction card according to the instructions contained in the materials received from your broker or other nominee.

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At the Meeting

Shares held in street name may be voted by you in person at the annual meeting only if you obtain a valid proxy from the broker or other nominee that holds your shares giving you the right to vote the shares and bring such proxy to the annual meeting.

Can I change my vote?

If you are a stockholder of record, you may change your vote at any time prior to the vote at the annual meeting by:

providing timely delivery of a later-dated proxy (including by telephone or Internet vote);

providing timely written notice of revocation to our Secretary at 390 Interlocken Crescent, Broomfield, Colorado 80021; or

attending the annual meeting and voting in person.

If you are a street name holder, you may change your vote by timely submitting new voting instructions to your broker or other nominee following the instructions they provided, or, if you have obtained a valid proxy from your broker or other nominee giving you the right to vote your shares, by attending the meeting and voting in person.

How many shares must be present or represented to conduct business at the annual meeting?

The quorum requirement for holding the annual meeting and transacting business is that holders of a majority of the issued and outstanding common stock that is entitled to vote must be present in person or represented by proxy. Both abstentions and broker non-votes described below are counted for the purpose of determining the presence of a quorum. If there is no quorum, the holders of a majority of shares present at the meeting in person or represented by proxy may adjourn the meeting to another date.

How are abstentions treated?

Abstentions are counted for purposes of determining whether a quorum is present. For purposes of determining whether the stockholders have approved a matter, abstentions are not treated as votes cast affirmatively or negatively, and therefore do not have any effect on the outcome of a matter to be voted on at the annual meeting that requires an affirmative vote of a majority of the votes cast by holders of our common stock present in person or by proxy at the annual meeting. A "majority of votes cast" means the number of "FOR" votes exceeds the number of "AGAINST" votes.

What are the voting requirements?

Proposal 1 Election of Directors

In the election of directors named in this proxy statement, you may vote "FOR" one or more of the nominees or your vote may be "AGAINST" one or more of the nominees. Alternatively, you may vote "ABSTAIN" with respect to one or more nominees. You may not cumulate your votes for the election of directors. To be elected, each director nominee requires a majority of the votes cast for his or her election, which means that each director nominee must receive more votes cast "FOR" than "AGAINST" that director nominee. Abstentions are not treated as voting on this proposal. If stockholders do not elect a nominee who is already serving as a director, Delaware law provides that the director would continue to serve on the Board as a "holdover director," rather than causing a vacancy, until a successor is duly elected or until the director resigns. Under our Corporate Governance Guidelines and as permitted by our Bylaws, each director has submitted an advance, contingent resignation that the Board may accept if stockholders do not elect the director. In that situation, our

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Nominating & Governance Committee would make a recommendation to the Board about whether to accept or reject the resignation, or whether to take other action. The Board will promptly publicly disclose its decision regarding the director's resignation.

Proposal 2 Ratification of Selection of PricewaterhouseCoopers LLP

In the ratification of the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2013, you may vote "FOR," "AGAINST" or "ABSTAIN." This proposal requires the affirmative vote of a majority of those shares present in person or represented by proxy, entitled to vote, and actually voting on the proposal at the annual meeting. Abstentions are not treated as voting on this proposal.

Proposal 3 Advisory Vote on Executive Compensation

In the advisory vote to approve executive compensation, you may vote "FOR," "AGAINST" or "ABSTAIN." This proposal requires the affirmative vote of a majority of those shares present in person or represented by proxy, entitled to vote, and actually voting on the proposal at the annual meeting. Abstentions are not treated as voting on this proposal. The vote is advisory, and therefore not binding on the Company, the Compensation Committee or our Board. However, the Compensation Committee will review the voting results and take them into consideration when making future decisions regarding executive compensation as it deems appropriate.

What are "broker non-votes"?

If you hold shares in street name through a broker and do not provide your broker with voting instructions, your shares may constitute "broker non-votes." Generally, broker non-votes occur on a matter when a broker is not permitted to vote on that matter without instructions from the beneficial owner and instructions are not given by the beneficial owner. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are considered present for purpose of determining a quorum but are not considered entitled to vote or votes cast on that proposal. Thus, a broker non-vote will make a quorum more readily attainable, but, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

If your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, may either leave your shares unvoted or vote your shares on "routine" matters. The proposal to ratify the selection of our independent registered public accounting firm for the current fiscal year (Proposal 2) is considered a routine matter. Under the rules of the New York Stock Exchange, or the NYSE, the election of directors (Proposal 1) and the advisory vote on our executive compensation (Proposal 3) are not considered routine matters and, consequently, without your voting instructions, your broker cannot vote your uninstructed shares on these proposals.

Who will serve as inspector of elections?

The inspector of elections will be a representative from Broadridge Financial Solutions, Inc.

Who will bear the cost of soliciting votes for the annual meeting?

We will bear the cost of soliciting proxies. In addition to the original solicitation of proxies, proxies may be solicited personally, by telephone or other means of communication, by our directors and employees. Directors and employees will not be paid any additional compensation for soliciting proxies.

We may reimburse brokers holding common stock in their names or in the names of their nominees for their expenses in sending proxy material to the beneficial owners of such common stock.

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What does it mean if I receive more than one Notice of Internet Availability of Proxy Materials?

If you receive more than one Notice of Internet Availability of Proxy Materials, it means that you have multiple accounts at the transfer agent or with brokers or other nominees. Please vote all of your shares as described herein, or follow the instructions received from each broker or other nominee, to ensure that all of your shares are voted.

What if I submit a proxy but do not make specific choices?

If a proxy is voted by telephone or Internet, or is signed and returned by mail without choices specified, in the absence of contrary instructions, the shares of common stock represented by such proxy will be voted as recommended by the Board, and will be voted in the proxy holders' discretion as to other matters that may properly come before the annual meeting.

How can I find out the results of the voting at the annual meeting?

Preliminary voting results will be announced at the annual meeting. Final voting results will be published in a Form 8-K, which will be filed with the SEC following the annual meeting.

Annual Meeting Materials

The Notice of Internet Availability of Proxy Materials, Notice of Annual Meeting, this proxy statement and the annual report of the Company for the fiscal year ended July 31, 2012, or fiscal 2012, have been made available to all stockholders entitled to Notice of Internet Availability of Proxy Materials and entitled to vote at the annual meeting. The annual report is not incorporated into this proxy statement and is not considered proxy-soliciting material.

PROPOSAL 1. ELECTION OF DIRECTORS

At the annual meeting, six directors are nominated for election to the Board to serve for the next year and until their respective successors are elected and qualified. The nominees are Messrs. Hernandez, Katz, Kincaid, Redmond and Sorte and Ms. Schneider. Each of the nominees is currently a director of the Company and was previously elected by the stockholders. The terms of Mr. Jeffrey W. Jones and Mr. Thomas D. Hyde will end at the annual meeting and the Board and management would like to thank them for their contributions to the Board and the Company. The Nominating and Governance Committee has commenced a search to fill the two vacancies on the Board that will be created when the current terms of Messrs. Jones and Hyde end at the annual meeting.

The persons named as proxies in the accompanying proxy, who have been designated by the Board, intend to vote, unless otherwise instructed in such proxy, "FOR" the election of Messrs. Hernandez, Katz, Kincaid, Redmond and Sorte and Ms. Schneider as directors. If any nominee becomes unavailable for election as a result of an unexpected occurrence, your shares will be voted for the election of a substitute nominee, if any, proposed by the Board. Each person nominated for election has agreed to serve if elected. Our Board has no reason to believe that any nominee will be unable to serve. The proxies solicited by this proxy statement may not be voted for more than six nominees.

INFORMATION WITH RESPECT TO NOMINEES

The following sets forth the name and age of each nominee, identifies whether the nominee is currently a member of the Board, lists all other positions and offices, if any, now held by him or her with the Company, and specifies his or her principal occupation during at least the last five years.

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The Nominating & Governance Committee monitors the mix of skills, knowledge, perspective, leadership, age, experience and diversity among directors in order to assure that the Board has the ability to perform its oversight function effectively. The Nominating & Governance Committee has determined that the Board will be comprised of individuals who meet the highest possible personal and professional standards. Our director nominees should have broad experience in management, policy-making and/or finance, relevant industry knowledge, business creativity and vision. They should also be committed to enhancing stockholder value and should be able to dedicate sufficient time to effectively carry out their duties.

The Nominating & Governance Committee considers many factors when determining the eligibility of candidates for nomination as director. The committee does not have a formal diversity policy; however, in connection with the annual nomination process, the committee considers the diversity of candidates to ensure that the Board is comprised of individuals with a broad range of experiences and backgrounds who can contribute to the Board's overall effectiveness in carrying out its responsibilities. The committee assesses the effectiveness of its efforts at achieving a diverse Board when it annually evaluates the Board's composition.

The Nominating & Governance Committee considers the following specific characteristics in making its nominations for our Board: independence, wisdom, integrity, understanding and general acceptance of the Company's corporate philosophy, business or professional knowledge and experience that can bear on the Company's and the Board's challenges and deliberations, proven record of accomplishment with excellent organizations, inquiring mind, willingness to speak one's mind, ability to challenge and stimulate management, future orientation, willingness to commit time and energy, diversity, and international/global experience.

Nominees for Directors

Roland A. Hernandez, 55, was appointed a director of the Company in December 2002 and was appointed Lead Director in March 2009. Mr. Hernandez is the founding principal and Chief Executive Officer of Hernandez Media Ventures, a privately held company engaged in the acquisition and management of media assets. He has served in this capacity since 2001. Mr. Hernandez served as Chairman of Telemundo Group, Inc., a Spanish-language television and entertainment company, from 1998 to 2000 and as President and Chief Executive Officer from 1995 to 2000. From 1986 to 1994, Mr. Hernandez was President of the corporate general partner of Interspan Communications. Mr. Hernandez serves on the Board of Directors of MGM Resorts International, Sony Corporation and US Bancorp, and previously served on the Board of Directors of Lehman Brothers Holdings, The Ryland Group, Inc. and Wal-Mart Stores, Inc. He also serves on the Advisory Board of Harvard Law School and the President's Council on International Activities at Yale University. Mr. Hernandez brings to the Board extensive public company experience, including as a lead director in the travel and leisure sector and as a board member of several large public companies with a global presence and also brings significant business, finance and executive management experience.

Robert A. Katz, 45, was appointed a director of the Company in June 1996 and was appointed Chairman of the Board in March 2009. Mr. Katz also served as Lead Director from June 2003 until his appointment as Chief Executive Officer of the Company in February 2006. Prior to his appointment as the Company's Chief Executive Officer, Mr. Katz was associated with Apollo Management L.P., a private equity investment firm, since 1990. Mr. Katz serves on the Board of LiveWell Colorado and the Vail Valley Foundation. Mr. Katz, as the Company's Chief Executive Officer, provides the Board with unique insight and information regarding the Company's strategy, operations and business, and provides an essential link between management and the Board on management's business perspectives. Mr. Katz's involvement in all aspects of the Company's business and operations provides a perspective on operational and strategic proposals under consideration by the Board that other directors rely upon in reviewing and approving matters before the Board. Additionally, as a member of the Board since 1996, Mr. Katz is able to provide a unique historical perspective into the operations and vision for the Company.

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Richard D. Kincaid, 50, was appointed a director of the Company in June 2006. Mr. Kincaid is the President and Founder of the BeCause Foundation, a nonprofit corporation that heightens awareness of complex social problems and promotes change through the power of film. Mr. Kincaid was the President, Chief Executive Officer and a trustee of Equity Office Properties Trust, an owner and manager of office buildings and, at the time, the largest U.S. real estate investment trust, until March 2007. He was named President of Equity Office Properties in November 2002 and Chief Executive Officer in April 2003. Mr. Kincaid joined Equity Office Properties as a Senior Vice President in 1996, was named Chief Financial Officer in 1997 and Executive Vice President and Chief Operating Officer in 2001. He previously served as Senior Vice President and Chief Financial Officer of Equity Office Holdings, L.L.C., a predecessor of Equity Office Properties, and was Senior Vice President of Equity Group Investments, Inc., a private investment company. Mr. Kincaid serves on the Board of Directors of Rayonier Inc., Strategic Hotels and Resorts, Inc. and Dividend Capital Diversified Property Fund, Inc. He also serves on the Board of Green Planet Bottling, Inc., Life for the World, Lotsa Helping Hands, Sage Botanic Media, LLC and Staff CU. Mr. Kincaid brings to the Board extensive public company board experience and real estate and executive management experience.

John T. Redmond, 54, was appointed a director of the Company in March 2008. Mr. Redmond was President and Chief Executive Officer of MGM Grand Resorts, LLC, a collection of resort-casino, residential living and retail developments, and a director of its parent company, MGM Mirage, from March 2001 to August 2007. He served as Co-Chief Executive Officer and a director of MGM Grand, Inc. from December 1999 to March 2001. Mr. Redmond was President and Chief Operating Officer of Primm Valley Resorts from March 1999 to December 1999 and Senior Vice President of MGM Grand Development, Inc. from August 1996 to February 1999. Prior to 1996, Mr. Redmond was Senior Vice President and Chief Financial Officer of Caesars Palace and Sheraton Desert Inn, having served in various other senior operational and development positions with Caesars World, Inc. Mr. Redmond serves on the Board of Directors of Allegiant Travel Company and Tropicana Las Vegas Hotel and Casino, Inc. He also serves on the Board of Echo Entertainment Group Limited and serves as a Trustee of the University of San Diego. Mr. Redmond brings to the Board extensive public company board experience and executive management experience in the travel and leisure sector.

Hilary A. Schneider, 51, was appointed a director of the Company in March 2010. Since September 2012, Ms. Schneider has served as President of Lifelock, Inc., a leading provider of identity theft protection, identity risk assessment and fraud protection services, which commenced trading on the NYSE in October 2012. She has also served as a Senior Advisor to TPG Capital, a global private investment firm, since May 2011. From March 2010 to November 2010, Ms. Schneider served as Executive Vice President at Yahoo! Americas. She joined Yahoo! in September 2006 when she led the company's U.S. region, Global Partner Solutions and Local Markets and Commerce divisions. Prior to joining Yahoo!, Ms. Schneider held senior leadership roles at Knight Ridder, Inc., from April 2002 to January 2005, including Chief Executive Officer of Knight Ridder Digital before moving to co-manage the company's overall newspaper and online business. From 2000 to 2002, Ms. Schneider served as President and Chief Executive Officer of Red Herring Communications. She also held numerous roles at Times Mirror from 1990 through 2000, including President and Chief Executive Officer of Times Mirror Interactive and General Manager of the Baltimore Sun. Ms. Schneider serves on the Board of Directors of LogMeIn, Inc. She also serves on the Board of Primedia, Inc. and Water.org and is a member of the Unilever Global Marketing Advisory Board. Ms. Schneider brings to the Board extensive executive management and online marketing experience.

John F. Sorte, 65, was appointed a director of the Company in January 1993. Mr. Sorte is Executive Chairman of Morgan Joseph TriArtisan LLC, an investment and merchant bank engaged in providing financial advice, capital raising and private equity investing. Mr. Sorte is also a director of Morgan Joseph TriArtisan Group Inc., the parent company of Morgan Joseph TriArtisan LLC. Prior to co-founding Morgan Joseph in 2001, he was President of New Street Advisors LP. He previously held

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various positions at Drexel Burnham Lambert, including Head of the Energy Group, Co-head of Investment Banking and Chief Executive Officer, and started his career as an investment banker at Shearson Hammill. Mr. Sorte also serves on the Board of Shorts International Ltd. Mr. Sorte brings to the Board extensive executive management and finance experience.

THE BOARD RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES NAMED ABOVE.

MANAGEMENT

The following table sets forth the executive officers of the Company as of October 4, 2012.

Name	Position
Robert A. Katz	Chairman and Chief Executive Officer
Jeffrey W. Jones	Chief Financial Officer and President Lodging, Retail, Real Estate
Blaise T. Carrig	President Mountain Division
Fiona E. Arnold	Executive Vice President, General Counsel and Secretary

For biographical information about Mr. Katz, see "Information With Respect To Nominees" above.

Jeffrey W. Jones, 50, was appointed Chief Financial Officer and President Lodging, Retail, Real Estate in June 2012, and previously served as Co-President and Chief Financial Officer from June 2011 to June 2012, Senior Executive Vice President and Chief Financial Officer from February 2006 to June 2011, and Senior Vice President and Chief Financial Officer from November 2003 to February 2006. Mr. Jones has also served as a director of the Company since June 2008 and, as previously disclosed, will retire from the Board on November 29, 2012 at the annual meeting and will retire from the Company effective December 31, 2012. From 1999 to 2003, Mr. Jones served as Executive Vice President and Chief Financial Officer of Clark Retail Enterprises, Inc. From June 1998 to June 1999, Mr. Jones was Chief Financial Officer and Treasurer of Lids Corporation in Boston, Massachusetts. Mr. Jones is a member of the American Institute of Certified Public Accountants.

Blaise T. Carrig, 61, was appointed President Mountain Division of the Company in June 2012. He previously served as Co-President from June 2011 to June 2012, as Co-President Mountain Division from April 2010 to June 2011, as Executive Vice President Mountain Division and Chief Operating Officer of Heavenly Mountain Resort from January 2008 to April 2010 and as Senior Vice President and Chief Operating Officer of Heavenly Mountain Resort from September 2002 to January 2008. From 1997 to 2002, Mr. Carrig was the President and Managing Director for The Canyons in Park City, Utah. Prior to 1997, he served as the Managing Director of Sugarbush Resort in Warren, Vermont, where he had been since 1976 in a variety of positions from Ski Patrol to President. Mr. Carrig has been active in the ski industry, having served on the boards of the Vermont Ski Area Association, Ski Utah and the California Ski Industry Association. He currently serves on the Executive Board of the National Ski Areas Association, as well as the Board of Directors of the Tahoe Baikal Institute, an international environmental organization. He also serves on the Nevada Commission on Tourism.

Fiona E. Arnold, 45, was appointed Executive Vice President and General Counsel of the Company in June 2011. She previously served as Senior Vice President and General Counsel from June 2007 to June 2011 and as Vice President and Deputy General Counsel from September 2006 to June 2007. She was appointed Secretary of the Company in September 2007. From 2003 to 2006, Ms. Arnold served as Associate General Counsel for Western Gas Resources, Inc. in Denver, Colorado and from 2001 to 2003 she served as Vice President of Legal and Business Affairs and Assistant General Counsel for Crown Media Holdings, Inc., also in Denver. Prior to that position, Ms. Arnold was an associate at Jones Day in the Dallas, Texas office where she practiced securities and transactional law. She began her legal career in Australia in 1993. Ms. Arnold serves on the Board of Directors for the Denver Metro Chamber of Commerce.

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Set forth in the following table is the beneficial ownership of common stock at the close of business on October 4, 2012 for all directors, nominees, the named executive officers listed on the "Summary Compensation Table," and, as a group, such persons and all other executive officers as of such date.

Name of Beneficial Owner	Common Stock Beneficially Owned	
	Shares	Percent of Class*
Roland A. Hernandez	21,687	*
Thomas D. Hyde	18,148 ⁽¹⁾	*
Richard D. Kincaid	23,148 ⁽²⁾	*
John T. Redmond	13,528 ⁽³⁾	*
Hilary A. Schneider	6,912	*
John F. Sorte	54,374 ⁽⁴⁾	*
Robert A. Katz	785,835 ⁽⁵⁾	2.2%
Jeffrey W. Jones	172,381	*
Blaise T. Carrig	64,059 ⁽⁶⁾	*
John McD. Garnsey	67,001 ⁽⁷⁾	*
Fiona E. Arnold	21,166 ⁽⁸⁾	*
Directors, nominees and executive officers as a group (11 Persons)	1,248,239 ⁽⁹⁾	3.4%

*

Applicable percentages are based on 35,731,940 shares outstanding on October 4, 2012, adjusted as required by rules promulgated by the SEC. Unless indicated by footnote, the address for each listed director and executive officer is 390 Interlocken Crescent, Broomfield, CO 80021. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Except as indicated by footnote, the person named in the table report having sole voting and investment power with respect to all shares of common stock known as beneficially owned by them.

The number of shares of common stock outstanding used in calculating the percentage for each listed person includes the restricted stock units, or RSUs, and common stock underlying share appreciation rights, or SARs, and stock options held by that person that are currently exercisable or are exercisable within 60 days of October 4, 2012, but excludes RSUs and our common stock underlying SARs or stock options held by any other person.

- (1) Includes 211 shares of common stock underlying 296 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).
- (2) Includes 211 shares of common stock underlying 296 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).
- (3) Includes 211 shares of common stock underlying 296 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).
- (4) Includes 15,000 shares of common stock underlying 15,000 stock options.
- (5) Includes 25,000 shares of common stock underlying 25,000 stock options and 610,752 shares of common stock underlying 1,225,825 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).
- (6) Includes 25,166 shares of common stock underlying 25,166 stock options and 26,744 shares of common stock underlying 82,496 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).
- (7) Includes 35,500 shares of common stock underlying 35,500 stock options and 28,436 shares of common stock underlying 79,972 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).

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(8)

Includes 16,880 shares of common stock underlying 45,820 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).

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- (9) Includes 100,666 shares of common stock underlying 100,666 stock options and 683,445 shares of common stock underlying 1,435,001 SARs (assuming a fair market value of \$57.33, the closing price of our common stock on October 4, 2012).

INFORMATION AS TO CERTAIN STOCKHOLDERS

Set forth below is certain information with respect to the only persons known to the Company to be the beneficial owners of more than five percent of the Company's voting securities at the close of business on October 4, 2012, based on filings required by the SEC.

Name of Beneficial Owner	Common Stock Beneficially Owned	
	Shares	Percent of Class*