

Building:
UDI No.: Unit # Week #
Purchaser: **Owner Names**

SMUGGLERS' NOTCH RESORT

Club Recreational Benefit Renewal & Extension Agreement

The date of this Agreement is **Date** the parties to this Agreement are the person(s) named above (the "Purchaser") and Smugglers' Notch Management Company, Ltd., a Vermont corporation ("Smugglers").

Recitals

A. The purchase of the Undivided Deeded Interest (the "UDI") does not include any free or preferential privileges to use the skiing recreational facilities, the summer recreational facilities or the other recreational facilities at the Smugglers' Notch Resort in Cambridge, Vermont (the "Recreational Facilities"), during the time of the UDI or otherwise.

B. As an optional benefit to owners of Undivided Deeded Interests, an owner may acquire, but only by this Agreement, the limited right to free or discounted use of specified privileges and benefits, for the number of individual and for the term specified in this Agreement.

C. Smugglers' has not offered to finance any portion of the purchase price for the Club Recreational Benefits assigned in this Agreement.

Promises and Terms

In consideration of Ten and More Dollars and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. Club Recreational Benefits. For the period of time specified in Section 3 (the "Term") and subject to the terms and provisions of this Agreement, the Purchaser shall have the following benefits:

Winter Benefits for # individuals

- ski lift passes
- complimentary daily use of the Courtside enclosed swimming pool and adjoining locker room
- 10 percent discount off regularly priced daily and weekly rates at Treasure's Nursery
- 1/3 discount off published rates for Discovery, Trail Blazers, Adventure, Notch Squad and Explorer Camps, group ski/snowboard equipment and lessons.
- the greater of (x) a 20 percent discount off all regularly priced merchandise or (y) any larger discount offered during sale periods at the Ski and Sport Shop
- complimentary use of the current Fun Zone when available to the general public
- after the owner has utilized all pre-purchased benefits, all guests staying with the owner will receive a 1/3 discount on lift tickets during the owner's Fixed Week or Floating Week and will be eligible to use the Recreation Facilities

Summer Benefits for # individuals

- free summer benefit passes
- complimentary use of the existing ten outdoor tennis courts
- complimentary daily use of the Courtside swimming pool/whirlpool, adjoining locker room and Flume Waterslide
- complimentary use of the Giant Rapid River Ride, Mountainside pool area, Rumrunner area and Notchville Park area
- the greater of (x) a 20 percent discount off all regularly priced merchandise or (y) any larger discount offered during sale periods at the Ski and Sport Shop
- complimentary use of the current Fun Zone when available to the general public
- complimentary participation in all existing programs (Discovery, Trail Blazers, Adventure, Notch Squad and Explorer) offered from time to time for children over three years to full-paying retail guests at the Resort (but excluding overnight camps and lunches)
- 1/3 off all existing specialty camp programs offered from time to time for children over three years to full paying retail guests at the Resort (but excluding overnight camps and lunches)
- complimentary organized hikes when offered to full-paying retail guests at the Resort
- 1/3 off group tennis lessons when offered to full-paying retail guests at the Resort
- complimentary participation in existing group recreational and instructional programs offered complimentary to full-paying retail guests at the Resort
- complimentary use of the existing nine hole miniature golf course
- 10 percent discount off regularly priced daily and weekly rates at Treasure's Nursery
- after the owner has utilized all pre-purchased benefits, all guests staying with the Owner will receive a 1/3 discount on day camps (Discovery, Trail Blazers, Adventure, Notch Squad and Explorer) during the owner's Fixed Deeded Week or Floating Deeded Week and will be eligible to use the Recreational Facilities

2. Purchase Price. The purchase price for the Club Recreational Benefits shall be \$#### (excluding tax) per person. The purchase price shall be paid in full upon the execution of this Agreement. Receipt of full payment is acknowledged by Smugglers'. These Benefits are subject to Vermont Sales Tax of 6 percent.

3. Term. The term of this Agreement (the "Term") shall be # years from the date hereof, or the date Purchaser's current Benefit Agreement expires, unless sooner terminated by the occurrence of any of the following:

(a) transfer of ownership of the UDI by the Purchaser;

(b) default by the Purchaser under the terms of the Undivided Deeded Interest Ownership Declaration;

(c) if applicable, default by the Purchaser under the terms of the Collateral Note from the Purchaser to Smugglers' or the mortgage deed securing the Collateral Note;

(d) default by the Purchaser of any other financial obligation to Smugglers'.

4. Limitation on Club Recreational Benefits. (a) The Club Recreational Benefits are available only (x) during the Fixed Deeded Week listed above and the appurtenant Floating Deeded Week or (y) during any week for which the Purchaser has exchanged the Fixed Deeded Week listed above or the appurtenant Floating Deeded Week.

(b) The Club Recreational Benefits are personal to the Purchaser and the Purchaser's immediate family, and may not be transferred to a succeeding owner or any other person. However, the Club Recreational Benefits will continue during ownership and after transfer of the UDI (by gift, will or sale) to and during the ownership of the Purchaser's spouse, children or spouses of children, but only for the remainder of the Term.

5. Ski Area. Substantially all of the downhill trails at the Resort are located on lands leased from the State of Vermont. The current lease arrangements are renewable every ten years until 2068, but impose certain obligations which, if not followed, could result in termination of the lease; and also authorize the State to terminate the lease without cause. Smugglers' believes that prepaid ski privileges are protected by the lease documents. Smugglers' also believes that termination is unlikely, would be unprecedented and wholly out of character with the long-standing partnership between the private and public sectors in Vermont. In the event that the lease arrangements are terminated and the prepaid skiing privileges are ended, the Purchaser will be entitled to a pro-rata refund of the portion of the purchase price attributable to the skiing privileges for the number of years remaining in the Term.

6. Application. The Club Recreational Benefits are a supplementary, optional benefit to the Purchaser. Smugglers' and its affiliates have no obligation, implied or otherwise, to offer these privileges to any other person, or to extend the Club Recreational Benefits on sale, expiration of the Term or otherwise.

SMUGGLERS' NOTCH MANAGEMENT
COMPANY, LTD.

THE OWNER

By _____

