

## THE SUGARLOAF MOUNTAIN HOTEL RENTAL MANAGEMENT AGREEMENT

**THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION, A CLASS ACTION WAIVER,  
AND A JURY TRIAL WAIVER. IT IS IMPORTANT THAT YOU READ THE ENTIRE DISPUTE  
RESOLUTION PROVISION CAREFULLY.**

This Rental Management Agreement (the "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2024 (the "Effective Date") between Sugarloaf Mountain Corporation, a Maine corporation, whose address is 5092 Access Road, Carrabassett Valley, Maine 04947 (referred to herein as "Manager") and "Owner" whose name and address are set forth at the end of this Agreement.

Whereas, Owner wishes to employ Manager for the purpose of renting, managing and operating Unit, as defined in Section 1, of the Sugarloaf Mountain Hotel (the "Hotel") located at Sugarloaf Mountain Resort ("Resort"), situated in Carrabassett Valley, Franklin County, Maine; and,

Whereas, the Hotel will be operated as a first class Hotel.

In consideration of the benefits flowing to both parties, it is hereby agreed as follows:

**1. Exclusive Rental Sugarloaf.** Manager, as designated preferred rental manager for Sugarloaf Mountain Center Condominium Association (the "Homeowner's Association") pursuant to that certain Agreement dated \_\_\_\_\_ between Manager and the Homeowner's Association, and Owner, as owner of a quartershare ownership interest in the Sugarloaf Mountain Center Condominium at Sugarloaf, Unit # \_\_\_\_\_ (the "Unit") for mutual consideration paid, agree that Manager shall be the exclusive rental manager of the Unit, which shall be governed by the terms of this Agreement.

**2. Management Services.** Manager agrees to use its best efforts in the rental, management and operation of the Unit (the "Rental Program"). Owner may not Rent the Unit, as defined in Section 3 below, directly or indirectly, except in accordance with the provisions of this Agreement, and in accordance with the provisions of the Condominium Declaration and Bylaws of the Hotel. If Owner receives any income for the use of the Unit, except as provided for herein, Owner shall pay to Manager all such income it receives for use of the Unit during the term of this Agreement.

**3. Rentals.** Rentals shall include any non-Owner use or lease of the Unit of any kind and through any program, including but not limited to, Boyne Vacation Club, Space Available Use, and Resort Condominiums International (a "Rental" or to "Rent"). Owner shall be prohibited from allowing use of the Unit by a third party through any property swap or property trading program, where Owner will have use of another property in consideration of allowing use of the Unit by a third party. Owner is responsible for making deposits directly with Resort Condominiums International and Boyne Vacation Club (BVC).

4. **Term.** Owner agrees to permit Manager to Rent the Unit, for an initial term of twelve months (as the same may be extended as set forth herein, the "Term"), commencing on the Effective Date and subject to the terms and conditions of this Agreement. The Term will automatically renew on an annual basis and continue in force thereafter until terminated as provided herein.

5. **Termination.** Either party may terminate this Agreement at any time upon giving thirty (30) days' written notice to the other party. In the event of termination by Owner, Owner agrees to honor any reservations made prior to the date of termination.

6. **Unreleased Time Upon Termination.** Manager shall use its best efforts to transfer existing reservations to other units but cannot guarantee availability of the Unit for periods in which Unit had been previously released into the Rental Program pursuant to this Agreement. In the event that this Agreement is terminated by Owner, Owner and Manager agree that, to the extent that any time deposited in the rental program cannot be released back to Owner ("Unreleased Time"), the terms and conditions of this Agreement shall continue to govern all Unreleased Time and such Unreleased Time may not be used or Rented by Owner.

7. **Use by Owner.** By \_\_\_\_\_ of each year, Owner shall inform Manager of when the Unit will be available for Rental by completing an owner-usage calendar ("Owner's Schedule") and returning it to Manager. Manager will provide the form Owner's Schedule to Owners by email annually in the spring. Any Owner failing to return the Owner's Schedule shall have all dates placed into the Rental Program for the upcoming year.

(a) **Rental Program Dates.** Manager shall have the right to book the Unit on any date not set aside in Owner's Schedule. Manager is not obligated to make Unit available to Owner when the Unit has already been Rented. However, Owner has the right to make advance reservations for the use of the Unit by Owner or Owner's family members and friends, provided that these reservations have been accepted and confirmed by Manager.

(b) **Changes to Owner's Schedule.** Changes to the Owner's Schedule must be made in writing and received by the Manager no less than two weeks in advance of the intended arrival date and will be honored only if it is possible to move any existing reservation for the Unit to another like unit, in Manager's reasonable discretion. In order to enter into reservation contracts with Renters for the Unit pursuant to this Agreement, Manager relies upon Owner's commitment to place the Unit in the Rental program during the periods indicated by Owner on Owner's Schedule. Because of this reliance, it will not always be possible for Manager to release the Unit back to Owner for a certain date or dates upon Owner's request, even if Owner gives more than two weeks' advance notice of a requested change. While Manager may be able to accommodate a request for a change one time, it may not be able to do so on another occasion. Owner agrees to take these terms into consideration when completing Owner's Schedule. By signing this Agreement and submitting Owner's Schedule, Owner is agreeing to and acknowledging these terms.

(c) **Check-In.** Owner agrees to register at Manager's front desk before entering the Unit and upon check-out and agrees to have family members, friends and all other persons register prior to entering, and upon leaving, the Unit. Owner agrees not to enter the Unit and not to permit any other persons, including family members, friends,

repairman or guests, to enter the Unit without prior notification to, approval of, and coordination through Manager.

**8. Space Available Program.** Owner agrees that as a party to this Agreement, the Unit may be made available to the other owners on a rotating basis for the Space Available Program, as defined below. Owner will accrue no revenue for nights used under the Space Available Program. Manager may, in its discretion, require specific levels of annual participation in the Rental Program as a condition of eligibility for the Space Available Program, and may impose other conditions affecting eligibility for participation in the Space Available Program, including but not limited to maximum occupancy rates, all in Manager's sole discretion. Reservations made pursuant to the Space Available Program are subject to a per night fee paid to the to the Maintenance Reserve Fund, as defined in Section 15, as determined by Manager in Manager's sole discretion, and any applicable taxes and service charges. The terms and conditions of the Space Available Program may be adjusted by Manager at any time during the Term in Manager's sole discretion.

(a) **Home Property.** Manager may allow Owner to use a comparable or lesser unit in the Hotel on a home property space-available basis (the "Space Available Program") during weeks other than Owner's owned weeks upon reservation made no earlier than 72 hours prior to date of arrival. Space available is determined by Manager in Manager's sole discretion, and may be unavailable at any time, as determined by Manager, in Manager's sole discretion, including, but not limited to, weekends, holidays and school vacation weeks. No longer than a three (3) night stay in any one unit will be allowed, for a maximum of six (6) days. Owner will be responsible for all housekeeping charges incurred during the Space Available Program and these fees will be determined by the actual room being utilized during the visit. A housekeeping set-up charge will apply for each room change during the Space Available Program stay. The Space Available Program is available to Owners and their immediate family (spouse, parents, children, grandchildren), solely to the extent listed above.

(b) **Other Boyne Resort-affiliated Quartershare Properties.** Owner may reserve a comparable or lesser unit at other Boyne Resort-affiliated quartershare properties on a space available basis during any period regardless of ownership weeks, with reservations to be made no earlier than 48 hours prior to date of arrival. Space available is determined by Boyne in Boyne's sole discretion, and may be unavailable at any time, as determined by Boyne in Boyne's sole discretion, including, but not limited to, weekends, holidays and school vacation weeks. No longer than a three (3) night stay in any one unit will be allowed, for a maximum of six (6) days. Owner will be responsible for all housekeeping charges during the Space Available Program and those rates will be determined by the other Boyne Resort-affiliated properties. The Boyne Resort-affiliated properties participating in the Space Available Program shall be as announced by Manager from time to time, and is subject to change without notice in Manager's sole discretion.

**9. Rental Rates.** Manager, in its sole discretion, shall establish the rental rates for the Unit. In doing so, consideration shall be given to such factors as competition, seasonality, location, type of unit, condition of unit, number of persons occupying the unit and market served. Manager may base such rates on variable pricing/yield strategy. Manager shall be entitled, without notice to or approval from the Owner, to set rents for the Unit and Owner hereby acknowledges that no guarantee or representation concerning the potential Rental Income have

been made to or relied upon by Owner. Manager may discount the Rental rate offered to guests as part of a group rate offered to guests in conjunction with a group reservation or a package, which may include, without limitation, rental of conference space, skiing, golf and/or food and beverage, which is purchased by the guest from Manager or its affiliated companies.

**10. Allocation of Guests.** Rental of the Unit shall be based upon the requirements of specific guests requesting rental space from Manager. Owner acknowledges and recognizes that Manager manages a number of units in the Hotel and other communities and hotels on a basis similar to that contemplated by this Agreement, including units owned by Manager or its affiliates. Manager agrees that it shall attempt to allocate potential guests among all of the units it is managing in the following manner:

- (a) Based on a potential guest's expressed preference as to a particular unit.
- (b) Based on a potential guest's expressed preference as to general location or type of unit.
- (c) Based upon a reasonably fair rotational system taking into account the frequencies of Rental of a particular unit and its availability for use from time to time.
- (d) Such other factors as Manager shall reasonably determine from time to time, in its sole discretion.
- (e) While Manager shall not discriminate against any particular unit or Owner in allocating Rentals, Manager shall nevertheless be afforded absolute discretion in making such allocations, and Manager shall not be subjected to the application of any strict mechanical tests in administering this Section of the Agreement.

To the extent practical and feasible, Manager will attempt to treat all like units in its Rental Program equally, but nothing herein shall bind Manager to equalize rents. Notwithstanding anything to the contrary, Manager shall be authorized, in its sole discretion, to take the Unit out of service for use by Rental guests at any time for any reason, including without limitation, to perform maintenance and repairs on the Unit.

**11. Housekeeping Services.** Housekeeping rates are determined by Manager in its sole discretion from time to time and will be promptly provided to all Owners.

(a) Owner shall be required to use setup and daily housekeeping services provided by Manager during any Rental period. Manager's standard housekeeping service, equivalent to that provided to other guests in the Hotel, will be provided to Rental guests who occupy the Unit. These fees shall be billed to Owner upon departure of each tenant and payment shall be due within \_\_\_ days, payable to Manager or shall be billed and posted to Owner's account for payment within \_\_\_ days, in Manager's sole discretion. Fees for Resort Condominiums International use will be billed to Owner after such use.

(b) When the Unit is occupied by the Owner or Owner's guest ("Owner Occupied"), daily housekeeping service will be available to Owner upon request, depending on staff availability. When the Unit is Owner Occupied, a comparable service will be provided at the end of the use. Owner agrees to pay Manager its standard housekeeping fee for housekeeping services provided during the time the Unit is Owner

Occupied, which charges shall be paid by the Owner at checkout or charged to the Owner's account, and Manager may deduct such costs and charges from Owner's share of Rental Income, as defined in Section 12.

**12. Rental Income.** For the purposes of this Agreement, the term "Rental Income" shall be defined as the amount received by Manager from guests for rent and does not include taxes, resort fees, local lodging assessment, travel agency commissions, third-party reservation firm fees, credit card service fees (in the amount of three percent (3%) of Rental Income), and any other fixed or variable charges, fees or amounts other than rent. Manager may increase the percentage for credit card service fees, if Manager determines its costs to be greater than three percent (3%). Additionally, monies paid by guests to Manager for other goods and services (such as room service, food and beverage, greens fees, ski tickets, ski rentals and lessons, resort fees, package components, facility and meeting space rental, etc.) and monies paid by guests to governmental agencies (such as taxes and tourism bureau assessments) are not included in rental income. Rental Income also shall not include any guest deposits that were forfeited in accordance with Manager's policies, which shall be the exclusive property of Manager.

**13. Collection of Rental Income.** Manager shall collect the Rental Income that results from the Rental of the Unit. Manager is expressly authorized to deposit Rental Income from the Unit with Rental Income collected from other units managed by Manager in Manager's general property trust account. Manager shall also collect such other costs and expenses that must be collected and/or paid upon the Rental of a Unit, including, but not limited to, use tax and local lodging assessments, and shall pay the same directly to the party to whom they are due.

**14. Management Fee.** In consideration for Manager's Rental management services, Owner agrees that Manager may retain a management fee equal to forty five percent (45%) of the Rental Income associated with the Rental of the Unit. Owner's fifty five percent (55%) share of the Rental Income shall be distributed to Owner as set forth in Section 16 below.

**15. Maintenance Reserve Fund.** For participants in the Rental Management Program, Manager will establish a "Maintenance Reserve Fund" that will be funded, from each reservation, at a rate set by Manager annually in its reasonable discretion. The Maintenance Reserve Fund shall be used by Manager pursuant to the policy attached hereto and made a part hereof as Exhibit A (the "Maintenance Reserve Fund Policy"), to address minor repairs or replacements to keep the Unit in good and rentable condition, as Manager deems necessary in its reasonable discretion. Owner hereby acknowledges and agrees that Manager makes no warranty as to the sufficiency of monies held in the Maintenance Reserve Fund to pay the cost of all required repairs and replacements. Owner hereby acknowledges and agrees that if there are insufficient funds in the Maintenance Reserve Fund at the time repairs or replacements are required by Manager, Owner, together with the other quartershare owners, will be responsible for making such repairs or replacements at Owner's expense, and shall be billed for such expenses by the Association. Owner further acknowledges and agrees that Manager will not advance funds against anticipated future maintenance reserve funds to Owner for purpose of meeting such expense.

Owner hereby acknowledges and agrees that the Maintenance Reserve Fund is for the common benefit of all of the unit owners in the Rental Program. Manager will provide the Homeowner's Association for the Hotel with a quarterly accounting for the Maintenance Reserve Fund. In the event that Manager ceases to be the manager of the Hotel at any time, funds remaining in the Maintenance Reserve Fund will be divided between the Homeowner's

Association and Manager, based upon the percentage of contribution to the Maintenance Reserve Fund by Manager (currently 45%) and the owners (currently 55%).

**16. Statements to Owner; Deductions; Payment of Net Rental Income.** Manager will provide Owner with monthly statements showing all Rental Income and expenses charged to the Owner's share of Rental Income. The expenses shall be broken down into categories that can include such items as the costs associated with the maintenance, repair and replacement work performed, or to be performed, condominium association assessments paid on behalf of Owner, telephone service charges, any amounts due to Manager or any of its affiliates by Owner and any other amounts required to be paid by the Owner pursuant to the terms of this Agreement.

Such monthly statements will be mailed or emailed from Manager's office on or about the 15th of the month. Owner's share of Rental Income shall otherwise be due and payable to Owner within 30 days of month's end. The accounting month ends on the Thursday prior to the last Sunday of each calendar month. Manager may, in its discretion, also directly deposit any of Owners' share of Rental Income into Owners' bank account. Owner shall, upon Manager's request, provide such account information as Manager reasonably requests to accommodate the same. If Owner's share of the rental income does not cover expenses due, Owner agrees to pay any shortage upon billing by Manager.

Owner authorizes Manager to retain from Rental Income otherwise due Owner any delinquent taxes, association dues and special assessments relating to the Unit.

**17. Accounting Records.** Manager agrees to maintain full accounting records on all transactions affecting the Unit for a period of five (5) years from the date of the last transaction. "Full accounting records" means a record of transactions connected with the Rental of the Unit as detailed in Manager's property management software. Manager has no obligation to maintain records of receipts, group contracts associated with the Rental of the Unit, invoices, bank records or like documents. Owner at any reasonable time upon reasonable notice during regular business hours may examine the accounting records relating to the Unit, except as set forth in Section 18 below.

**18. Renter Information.** Owner understands that the names of Renters, their addresses and telephone numbers are the sole and exclusive property of Manager and that such information will not be made available to Owner. Owner further agrees that Owner shall have no right to access records pertaining to other units and properties which Manager may manage.

**19. Bad Debt.** Manager shall use good faith efforts to collect all charges for use of the Unit from Renters. Manager shall not be liable to Owner for "bounced" checks, credit card "charge backs" or fraud by Renters. In the event Manager is unable to collect for rent of the Unit or monies received for the Rental of the Unit are refunded to the Rental guest or are returned or recovered by a third-party, no management fee will be charged and Rental Income will not be paid to Owner.

**20. Refunds.** Owner agrees that Manager may offer a refund of all or a part of the rent paid by any Rental guest due to circumstances beyond the control of Manager if Manager deems this action is necessary to promote the Rental guest's satisfaction. Rental guest transfers or refunds as a result of dissatisfaction of the Rental guests are to be made at the sole discretion of Manager.

**21. Telephone.** Basic telephone service may be required to be provided in each room or set of rooms that is capable of being Rented separately throughout the term of this Agreement. If the Unit is located in a hotel condominium, Owner shall have telephone service on the Manager's USA PBX, and monthly service fees will be charged to the Owner as part of the Association's assessment. Any charges for local, credit card and toll-free calls (all currently free to owners), direct long distance calls, information, operated assisted and other types of calls will, in the case of Owner's use, be set forth on the periodic statements to the Owner, and, in the case of other guests, will be collected at the time of check out.

**22. Marketing and Complimentary Use.** Manager may place promotional materials in the Unit, maintain a house channel within the cable TV programming and perform such other marketing as Manager deems necessary to promote rental of the Unit and to promote Boyne USA Resorts as a whole. In order to enable Manager to effectively market and/or manage the Unit for rental purposes, it is necessary, from time to time, that Manager grant complimentary use thereof to a person or persons who will not pay any rent or usage charge therefore. Manager shall be entitled to utilize the Unit up to two (2) nights annually for such purpose, in its sole discretion, but Manager shall use reasonable efforts to equalize such complimentary use among all of the units in Manager's Rental Program. Manager shall maintain records of any such usage of all units in Manager's Rental Program and shall pay any cleaning or other similar expenses associated therewith.

**23. Condition of Units and FF&E.** In order to participate in Manager's Rental Program, Owner's Unit and all furniture, fixtures and equipment ("FF&E") in the Unit (including furniture, beds, headboards, TV sets, mirrors, pictures and wall decorations ("Case Goods FF&E") and all wall and floor coverings, window treatments, carpeting, bedspreads, lamp shades and upholstery ("Soft Goods FF&E") and all other unspecified items of a similar nature must be in a suitable condition for occupancy, in compliance with the high-quality standards of a first class Hotel, and in compliance with the specifications adopted by Manager from time to time. Case Goods FF&E shall be replaced at least every 10 to 12 years. Soft Goods FF&E shall be replaced at least every 5 to 6 years. However, earlier or more frequent renovations or replacements may be required to maintain the high-quality standards of the Hotel. Manager shall inspect the Unit from time to time in order to determine the condition of the Unit and whether any repairs, replacements or other actions may be required with respect to the interior of the Unit and its FF&E and shall perform such maintenance, repair and replacement work as shall be necessary, in the sole discretion of Manager, to keep the Unit and its FF&E suitable for occupancy. Owner agrees Owner is responsible for the cost of any such maintenance, repair and replacement work as provided for herein. Owner shall be responsible for the cost of bringing the Unit and its FF&E to a suitable condition for occupancy. Notwithstanding anything contained herein to the contrary, Manager and Owner hereby acknowledge that the underlying condominium association may be responsible for the repair, maintenance and/or replacement of all or some of the FF&E. To the extent that the Association is primarily responsible for FF&E within the Unit, Manager's rights and Owner's obligations shall be limited to the rights and obligations of the Owner related to FF&E within the Unit.

Owner agrees not to introduce any other non-standard furnishings, interior décor items or contents into the Unit without the prior written authorization of Manager. Even with such authorization, Owner shall be solely responsible for loss of, or damage to, any property of Owner.

**24. Unit Maintenance.** Owner agrees Owner is solely responsible for all costs expended in the maintenance, repair and replacement work performed, or to be performed, on

their Unit and on the FF&E and other elements and improvements within the Unit. The Owner also agrees to take part in the preventive maintenance and upkeep programs (such as furnace checks, window and carpet cleanings, pest control, etc.) that Manager determines are necessary to maintain the Unit. On minor maintenance and repair work, Manager may perform the work before seeking reimbursement from the Owner as provided below. On any maintenance, repair or replacement work that is not considered minor maintenance and repair, Manager may require payment in advance of the work being done. For purposes of this Agreement, "minor maintenance and repair" shall be deemed work with an estimated cost of less than \$5,000.00. Manager may, at its discretion, obtain payment from the Owner in one of two ways: (i) Manager may send a statement of the cost, or an estimate of the cost, to the Owner and ask that the Owner pay the cost to Manager in full or according to a payment schedule, or (ii) Manager may also, at its discretion, deduct the cost from the Owner's share of the Rental Income. In either case, Manager may require that the cost of the work be paid prior to commencement of the work. If charges are based on an estimate, the actual cost will be reconciled after the actual cost is determined.

**25. Damage to Unit.** Manager is responsible for inspecting the Unit after each Rental and to note any damage that may have occurred. The Owner is ultimately responsible for any damage to the Unit and its contents, including damage, theft or other action by any person occupying the Unit. The Owner is also responsible for normal wear and tear on the Unit and its contents. Manager shall make a good faith effort to identify and first collect the cost of repair for damage from the responsible guest or third party or, if applicable, from an insurance policy, but Manager can give no guarantee thereof and shall not be obligated to pay any sums whatsoever for such losses. Owner shall be responsible for any cost of repair or replacement above any funds which are collected from a third party or paid on any policy of insurance maintained by the Association or the Owner, including any deductible amount. Owner may, at Owner's expense, maintain additional insurance coverage necessary to meet this responsibility.

Manager is authorized to cause any emergency repairs to be made as Manager, in its sole discretion, deems necessary to preserve and protect the Unit and its contents from damage. Manager shall investigate with reasonable promptness and make a full written report as to all accidents or claims for damage or destruction to the Unit or its contents and shall cooperate with and make any and all loss or incident reports required by any insurance company. Owner shall be responsible for the cost of repair or replacement necessitated by any damage above any funds which are paid on any policy of insurance maintained by the Owner or Condominium Association. Manager makes no representations that it is capable of providing major repairs in all circumstances.

**26. Liability Coverage.** The Association maintains liability insurance coverage for the general common elements and common areas of the Hotel. During the term of this Agreement, Owner agrees to maintain liability insurance coverage against all losses or damages arising out of Owner's ownership and use of the Unit. Owner shall cause Manager to be named as an additionally named insured on its liability insurance policy. Any liability coverage maintained by the Association or by Manager shall not relieve the Owner of its primary responsibility to maintain this insurance coverage.

Owner agrees to indemnify and hold Manager harmless from all losses, expenses or damages of any nature whatsoever in connection with the management of the Unit and from liability for injury to any person or property on, about or in connection with the Unit from any cause whatever, unless such costs, expenses, damages or liabilities are caused by Manager's own gross negligence or willful misconduct. Manager shall not be liable to the Owner or to any other

person for any error in judgment or for doing or omitting to do any matter or thing pursuant to the terms of this Agreement, except in cases of willful misconduct or gross negligence.

Manager agrees to indemnify and hold Owner harmless from all losses, expenses or damages of any nature whatsoever in connection with the management of the Unit caused solely by Manager's own, or its employees', gross negligence or willful misconduct.

**27. Hiring of Managers and Employees.** Manager shall hire, supervise and discharge all labor and employees required to perform its services under this Agreement. All such labor and employees shall be those of Manager and not the Owner. Manager may perform any of its services hereunder directly or by assignment through Manager's contractors and subcontractors as it may deem proper.

**28. Rules and Regulations.** Manager is authorized to impose reasonable rules and regulations governing the use of the Unit, including rules regarding pets and smoking (although Owner has the right to prohibit pets and smoking in the Unit). The purpose of such rules and regulations is to enable Manager to effectively manage the Unit and other units located in the Hotel for transient guests. Owner agrees to abide by the same and shall instruct any family member, friend or other person using the Unit through the Owner that such rules are in full force and effect and must be obeyed by all persons. Manager also reserves the right to limit the number of people using the Unit to the maximum number intended for that type and size of unit.

**29. Spring and Fall Cleaning.** The Owner shall be responsible for all the costs of semi-annual mandatory cleaning of the Unit in the spring and fall. The services shall be provided by Manager and billed to Owner according to the cleaning rates established by Manager, provided, however, that Manager may, in its sole discretion, elect to have the cost of said cleanings covered by the Maintenance Reserve Fund instead.

**30. Sale of Unit.** In order that Manager may better protect the safety of its owners and guests and the Hotel and property contained within this resort community, Owner agrees to notify Manager, in writing, any time the Unit is listed for sale and will provide Manager with the name of the listing broker. In addition, any showings of the Unit must be coordinated in advance through Manager and will be allowed only when the Unit is unoccupied. Owner agrees that Owner will require that the listing for the Unit shall include a disclosure that the Unit is being sold subject to all existing reservations and all agreements with purchasers shall obligate the purchaser of the Unit to honor all existing reservations. Owner agrees to notify any listing broker of Manager's policy for obtaining access to the Unit, and Owner agrees that Manager has the right to prevent Rental guests from being disturbed for real estate sales purposes. Owner further agrees that, in the event of a sale of the Unit, the contract evidencing the sale shall expressly provide that the purchaser of the Unit will honor all confirmed reservations that Manager is unable to relocate to other units.

**31. Owner Acknowledgements.** Owner acknowledges and agrees that: (i) no inducements or representations of any kind were made directly or indirectly to Owner by or on behalf of Manager, its agents, its employees, or any affiliates(s) of Manager and its agents or employees as to the tax or other economic benefits or implications which may or may not be realized from owning and/or leasing the Unit; (ii) Manager makes, and has made, no guarantees or representations regarding Rental Income or expenses with respect to the Rental of the Unit and/or the Rental Program, nor has Owner relied on any guarantees or representations of Manager, its agents, employees, or affiliates regarding Rental Income or expenses in entering

into this Agreement; and (iii) income from the Rental of units in the Hotel is not and will not be pooled, and each owner of a unit in the Rental Program will receive income (if any) attributable to the actual Rental of his or her unit as set forth in this Agreement.

Owner further acknowledges that Manager has made no representation to Owner concerning the number of days, if any, the Unit may be Rented or the amount of income Owner is likely to receive from the Rental of the Unit. Owner's income, if any, will be derived from the Rental of the Unit only. Owner authorizes Manager to offer the Unit for Rent according to the general terms and conditions in this Agreement. However, Owner acknowledges that Rental rates for the Unit may fluctuate as residential unit market conditions change and authorizes Manager to adjust Rental rates as necessary to facilitate occupancy of the Unit. Manager shall be under no obligation to make adjustments to the Rental rates and makes no representations whether any adjustments in rental rates will facilitate occupancy of the Unit or maximize the rental income for the Unit. Further, Owner acknowledges and agrees that Owner has not relied on any guarantees or representations of Manager or Manager's affiliates regarding Rental or occupancy rates in entering into this Agreement.

Additionally, Owner acknowledges and agrees that Manager acts or may act as a Rental agent and/or property Manager for other properties, including without limitation, properties in the Hotel or the Resort, some of which may be substantially similar to the Unit and some of which may be owned or managed by Manager, and/or other subsidiaries or affiliates of Manager (collectively referred to as "Manager's Affiliates"). In addition, Owner acknowledges and agrees that Manager and/or Manager's Affiliates may be involved in leasing or rental activities which are in direct competition with leasing or Rental of the Unit hereunder by Manager, and that under no circumstances shall Manager be obligated to attempt to equalize occupancy or set Rental rates for the Unit consistent with the occupancy rates or Rental rates of these other properties owned or managed by Manager or Manager's Affiliates. Owner agrees and acknowledges that Manager is under no obligation to promote or market the Unit over competing properties (including without limitation, other properties owned by Manager or Manager's Affiliates) and shall not be liable for any loss of income or other damages sustained or allegedly sustained by Owner arising from any failure by Manager to set rental rates comparable to these other properties, rent the Unit during one or more time periods or to obtain the maximum Rental receipts for the Unit. Owner acknowledges and agrees that in connection with the Rental of such other properties, Manager may be first offering to prospective guests the rental of other properties owned and/or leased by Manager or Manager's Affiliates, and Owner hereby consents to Manager first offering to prospective guests the rental or other properties owned and/or leased by Manager or Manager's Affiliates.

**32. Default.** If, for any reason, Owner violates any of the terms of this Agreement, including but not limited to abuse of the Unit by Owner or his guests, or if Owner is at any time delinquent in obligations to pay taxes, association dues or special assessments on account of the Unit or Hotel, Manager shall have the right to give written notice of intention to either (i) terminate this Agreement, allowing 15 days to take remedial action to the satisfaction of Manager or, in the case of delinquency as to taxes, association dues or special assessments, (ii) cancel any pending Rentals of the Unit and cease accepting future Rentals of the Unit until such delinquency is cured in full. Manager will give written notice of the intention to invoke the remedies allowed under this Section either by hand delivery, in person, by registered or certified mail or by email to Owner at the address set forth below. Notice will be deemed given upon delivery. The parties agree to work in good faith to resolve all disputes, claims, and other controversies arising out of or relating to this Agreement or any other aspect of the relationship between the parties or any Related Parties

("Claims"). For purposes of this Agreement, "Related Party" means any parent company, subsidiaries, affiliates, employees, officers, directors, and agents and any third party that pursues a Claim. If a Claim has not been settled by such good faith efforts within thirty (30) days of a party providing notice thereof and is within the jurisdiction of the small claims court, either party may seek relief in small claims court.

Owner hereby agrees and acknowledges that Owner's failure to meet any of Owner's obligations under this Agreement may result in suspension of any or all of Owner's benefits hereunder, including, without limitation, the right to use the Space Available Program, as defined below, or it may result in termination of this Agreement by Manager as provided above. In addition, failure to pay any amounts owed to Manager or to the Hotel Owner's Association may result in suspension of Owner's rights to participate in the Resort Condominiums International program.

**33. Limitation of Liability.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO CASE SHALL MANAGER OR ANY OF ITS AFFILIATES BE LIABLE TO OWNER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (INCLUDING DAMAGES FOR LOSS OF PROFITS), OR FOR ANY OTHER DAMAGES THAT ARE NOT DIRECT ECONOMIC DAMAGES, OR FOR ANY DAMAGES FOR PERSONAL OR BODILY INJURY, EMOTIONAL DISTRESS OR DAMAGE TO PROPERTY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, AND EVEN IF MANAGER HAS BEEN ADVISED OF OR OTHERWISE HAD REASON TO KNOW OF THE POSSIBILITY OF SUCH DAMAGES. IN ANY CASE, MANAGER'S LIABILITY TO OWNER FOR BREACH OF CONTRACT OR NEGLIGENCE SHALL NOT EXCEED, IN THE AGGREGATE, THE TOTAL MANAGEMENT FEE RECEIVED BY MANAGER UNDER THIS AGREEMENT DURING THE TWELVE-MONTH PERIOD IMMEDIATELY PRIOR TO THE EVENT GIVING RISE TO THE LIABILITY.

**34. Jury Trial Waiver.** THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION OR PROCEEDING ON ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THE TRANSACTIONS OF WHICH THIS AGREEMENT IS A PART OR THE ENFORCEMENT HEREOF. EACH PARTY HERETO ACKNOWLEDGES THAT IT MAKES THIS WAIVER KNOWINGLY, WILLINGLY, AND VOLUNTARILY AND WITHOUT DURESS, AND ONLY AFTER EXTENSIVE CONSIDERATION AND DISCUSSIONS OF THE RAMIFICATIONS OF THIS WAIVER WITH ITS ATTORNEYS.

**35. Class Action Waiver.** With respect to all Claims among the parties, regardless of whether the Claims are litigated in court or subject to arbitration, each party hereto waives any right to (i) participate in a class action in court or in arbitration, either as a class representative, class member, or class opponent, (ii) act as a private attorney general in court or in arbitration, and (iii) join or consolidate Claim(s) with claims involving any other person. To the extent either party is permitted by law or court of law to proceed with a class or representative action against the other, the parties hereby agree that: (i) the prevailing party shall not be entitled to recover attorneys' fees or costs associated with pursuing the class or representative action (notwithstanding any other provision in this agreement to the contrary); and (ii) the party who initiates or participates as a member of the class will not submit a claim or otherwise participate in any recovery secured through the class or representative action.

**36. Arbitration.** If a Claim has not been settled by discussions within thirty (30) days of a party providing notice thereof and is not pursued in small claims court, the parties acknowledge and agree all Claims, including any dispute arising out of or relating to the construction, enforcement, and interpretation of this agreement, must be submitted to mandatory, final and binding individual arbitration. Either party may commence arbitration with the American Arbitration Association (“AAA”) by sending a Demand for Arbitration to the other party by certified mail and submitting a copy of the Demand and the filing fee to the AAA. The form of Demand, the rules regarding payment of filing fees, the ways to submit a Demand to the AAA, and other information about the AAA Rules and the arbitration process are available from the American Arbitration Association. Contact the AAA through its website at [www.adr.org](http://www.adr.org). Each party shall pay their own attorneys’ fees incurred during the arbitration proceeding and the costs of arbitration shall be paid in accordance with the AAA Rules. Pursuant to the Class Action Waiver set forth below, the parties agree that the arbitrator may not consolidate proceedings for more than one party’s claims and may not otherwise preside over any form of a representative, collective, or class proceeding. The parties agree that their Agreement implicates interstate commerce and this agreement to arbitrate is governed by the Federal Arbitration Act and not by any state law regulating the arbitration of disputes. Any arbitration decision rendered pursuant to this arbitration agreement may be enforced in any court with jurisdiction. The terms “disputes” and “claims” shall have the broadest possible meaning.

**37. Estoppel and Mutual Release.** This Agreement is intended to amend and replace any prior rental management agreement (“Prior RMA”) between Owner and Manager (or any of Manager's Affiliates). In order to induce Manager to enter into this Agreement, and in consideration for the mutual promises and releases made herein and throughout this Agreement, Owner represents and warrants that (i) no breach or failure to perform by Manager or any of Manager's Affiliates or Owner exists under any Prior RMA; (ii) no facts or circumstances exist that, with the passage of time, will or could constitute breach or failure to perform under a Prior RMA by either party, (iii) neither Owner nor Manager (or any of Manager’s Affiliates) have made any claim against the other alleging a breach under the Prior RMA; and (iv) Owner has no claims, offsets or defenses against Manager (or any of Manager's Affiliates) for any amounts due under a Prior RMA. Owner and Manager (for itself and its Manager Affiliates) hereby release, acquit, hold harmless and forever discharge and compromise any and all causes of action, elements of damages or claims against Owner, Manager, Manager's Affiliates or any party under any Prior RMA, whether known or unknown, and whether such claims or causes of action arise under or out of the Prior RMA, under the rental management program as administered under the Prior RMA, or under tort, common law, statute or equity, and which claims the parties further acknowledge and agree are forever mutually estopped from pursuing.

**38. Assignment and Effect.** Manager may assign its interest in this Agreement without the consent of the Owner. A copy of any such assignment shall be promptly provided to Owner. Upon such assignment, Manager shall be released from all liability and obligations hereunder. This Agreement may not be assigned by Owner unless such assignment has first been approved in writing by Manager. This Agreement shall be binding upon the successors and assigns of the parties. This Agreement may not be modified except by a written document signed by an authorized representative of each party. No independent party or realtor has any authority to modify the terms of this Agreement or make representations on behalf of Manager.

**39. Notice.** Any demand or notice required or permitted hereunder, shall be given by either (A) personal delivery, (B) same-day or overnight delivery by independent courier, (C)

facsimile transmission with a confirmation copy delivered by another method permitted by this Section, or (D) electronic mail addressed to the electronic mail address set forth herein for the party to be notified with a confirmation copy delivered by another method permitted by this Section. Notices may be sent and/or signed by a party's attorney. Notice given in accordance herewith for all permitted forms of notice, shall be effective upon the earlier to occur of actual delivery to the address of the addressee or refusal of receipt by the addressee (even if such addressee refuses delivery thereof); provided, however, that in the case of notice by facsimile or electronic notice, if such notice is received after 5:00 PM, it shall be deemed to have been received on the next business day.

All notices required to be given, or which may be given hereunder, shall be in writing and if mailed, shall be sent by mail to the party at the address set forth on the signature page of this Agreement.

**40. Miscellaneous Provisions.**

- (a) This Agreement constitutes the entire agreement between the parties and supersedes any and all other agreements, either oral or written, between the parties with respect to the subject matter.
- (b) Owner agrees and acknowledges that waiver by Manager of any of Owner's obligations or of any breach by Owner of any of Owner's obligations under this Agreement shall not create any obligation on the part of Manager to grant a waiver in the future under similar circumstances.
- (c) The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.
- (d) Unless notified in writing to the contrary, the mailing and e-mail addresses set forth in this Agreement will be the correct addresses of the parties to be used for the purpose of any required, permitted, or desirable correspondence, including the sending of payment, notices, statements, and other matters.
- (e) This Agreement shall be governed and construed in accordance with the laws of the State of Maine.
- (f) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- (g) This Agreement was entered into at arm's length, without duress or coercion, and is to be interpreted as an agreement between parties of equal bargaining strength. Owner and Manager each acknowledge that neither party is a fiduciary to the other party.

Executed on the date first set forth above.

**MANAGER:**

Sugarloaf Mountain Corporation, a Maine corporation

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**OWNER:**

\_\_\_\_\_ [sign]

\_\_\_\_\_ [print]

\_\_\_\_\_  
Address

\_\_\_\_\_

\_\_\_\_\_  
City                      State                      Zip

\_\_\_\_\_  
E-mail address

## Exhibit A

### Maintenance Reserve Fund Policy (“MRF”)

The Maintenance Reserve Fund (“MRF”, formerly known as the 4% Fund) eliminates the need for separate billing of certain minor unit repairs to individual quartershare owners of a particular unit.

#### How it Works:

- 4% of the gross room rental rate is deducted from gross nightly room rental revenue, ensuring that Manager and Owners contribute to the MRF according to the same 45%/55% split in which they share in the net proceeds of the rental revenue.
- The Manager manages both the funds in the MRF and the repairs and replacements covered by the MRF, all pursuant to the terms of the Rental Management Agreement
- Owners report eligible unit repair requests to Owner Services and the Manager manages these requests

#### What it Includes:

- MRF is used to cover parts, supplies and equipment associated with minor repairs or replacements costing five hundred dollars (\$500) or less per repair or replacement.
- Examples of items that are covered by funds in the MRF include minor paint and wallpaper touch ups, minor plumbing and electrical repairs and replacement, minor appliance and small wares replacement and repairs, window treatment repair and replacement, door lock and trim repair, and kitchen inventory replacement.
- The following items **and the labor costs associated with the following items** may be covered by funds in the MRF in Manager’s sole discretion:
  1. Refinishing or repairs of wood table or furniture tops, trim, wainscoting, cabinet faces, interior wood railings, and wood windowsills.
  2. Semi-annual deep cleaning of units.
  3. Outside vendor and contractor services, parts and labor for repairs in units.

#### What it does Not Include:

- The MRF generally covers costs of the supplies and equipment associated with minor repairs and replacements **but does not include the labor associated with such repairs or replacements**, except for labor associated with the three items listed above.
- Damage caused by a guest that is beyond normal wear and tear will be billed to the guests and is not covered by the MRF.