

**RENTAL POOL MANAGEMENT AGREEMENT  
THE LANDINGS RESIDENTIAL CONDOMINIUMS**

This Rental Pool Management Agreement hereafter known as the “**Agreement**” is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_ 20\_\_ by and between The Landings Body Corporate, a Saint Lucia unincorporated company hereafter known as the “**The Body Corporate**”, and \_\_\_\_\_ residential unit purchaser hereafter known as the “**Residential Owner**”.

**RECITALS**

A. The “**Residential Owner**” entered into a Residential Condominium Purchase and Sale Agreement hereafter known as the “**Purchase Contract**”, pursuant to which it agreed to purchase a residential condominium unit, hereafter known as the “**Residential Unit**” at a project known as “**The Landings**”, hereafter known as the “**Resort**”. Upon completion, the Residential Unit will be legally described in the Deed of Sale to be executed upon handover of the Residential Unit to the Residential Owner as follows:

Block [REDACTED] Parcel No. [REDACTED] known as Unit No. [REDACTED] of Building [REDACTED]

B. The Residential Unit along with other commercial and residential units owned by other third-parties have been or will be created to form the Resort, which is a series of buildings and external common areas. The Residential Units and the Commercial Units will be governed by the Condominium Declaration for Phase #2 of the Resort dated [REDACTED] 2008 (the “**Condominium Declaration**”).

C. The Residential Owner wishes to engage the services of The Body Corporate to offer, manage, and operate the Residential Owner’s Residential Unit as a transient rental hotel unit within the Resort pursuant to the terms and conditions set forth in this agreement, hereafter known as the “**Rental Pool**”. The Residential Owner does not intend to occupy the Residential Unit at all times of the year, and the Residential Owner desires to engage The Body Corporate for the purpose of renting the Residential Unit, in whole or in part as described below, to others (“**Resort Guests**”) when not occupied by the Residential Owner or the Residential Owner’s non-paying guests, on the terms and conditions set forth in this Agreement.

**AGREEMENT**

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Residential Owner and The Body Corporate agree as follows:

1. **Engagement.** The Residential Owner hereby engages The Body Corporate to serve as the exclusive Rental Pool Manager and Agent for the Residential Unit, and The Body Corporate hereby accepts such engagement to serve as the exclusive Rental Pool Manager and Agent for the Residential Unit, on the terms and conditions set forth in this Agreement. The Residential Owner agrees and accepts that the Residential Owner may not rent the Residential Unit to any persons or entities except through the services of The Body Corporate all in accordance with the Condominium Declaration.

2. **Acceptance in Rental Pool.** The Residential Owner hereby agrees that, prior to the Residential Unit being accepted into the Rental Pool, The Body Corporate will inspect the Residential Unit and, if applicable, the Residential Owner will be required to engage The Body Corporate, pursuant to a separate agreement, to make such repairs or replacements as The Body Corporate, in its reasonable discretion, deems are necessary to bring the Residential Unit into compliance with the “**Rental Pool Standard**” as defined in Section 7(a) below. The Residential Owner further agrees that it will engage The Body Corporate, pursuant to a separate agreement, to provide “**Furnishings**” (as defined in Section 12 below) and incidental items that The Body Corporate deems are necessary, in its sole and absolute discretion, for the Residential Unit to comply with the Rental Pool Standard.

3. **Term for Rental Pool Management.** Notice of participation in the Rental Pool program will be deemed to have occurred upon written notification to The Body Corporate by Residential Owner instructing The Body Corporate to include the Residential Unit into the Rental Pool program. The commencement date of participation in the Rental Pool will be as of the closing of the Residential Owner’s purchase of the Residential Unit pursuant to the Purchase Contract (the “**Closing**”). The term of this Agreement, hereafter known as the “**Term**” shall commence on the Closing and shall continue in accordance therewith unless terminated by either party as set forth in Section 18 below.

4. **Delegation of Duties by The Body Corporate.**

(a) The Residential Owner acknowledges and agrees that The Body Corporate may assign or delegate its rights and obligations under this Agreement, in whole or in part, and at The Body Corporate’s sole discretion, without notice to or consent from Residential Owner, to: (i) the operator of the Resort from time to time, if any, hereafter known as the “**Manager**”; (ii) any third party designated by The Body Corporate; or (iii) a successor to The Body Corporate. In the event that the agreement by which this Agreement is assigned by The Body Corporate, or pursuant to which the responsibilities of The Body Corporate are delegated, shall expire or otherwise terminate such that the assignee or delegatee is no longer associated with the Resort, this Agreement will at The Body Corporate’s option: (iv) terminate upon delivery of notice to the Residential Owner; or (v) be assigned to another Manager engaged for the Resort, or to another person or entity designated by The Body Corporate, in which event such other Manager, person or entity will perform the functions of The Body Corporate hereunder.

(b) The Residential Owner acknowledges that there is no guarantee that: (i) any agreement for management of the Resort will remain in place for the stated duration of the Term of this Agreement; or (ii) the Resort, this Agreement and the Rental Pool will be managed by any particular Manager or any other operator for the duration of the term of this Agreement. The Residential Owner further acknowledges that any person or entity to which The Body Corporate assigns or delegates its rights and obligations under this Agreement must be experienced in the operation of hotels and resorts consistent with the Rental Pool Standard, and may or may not be a so called “branded” operator. The Body Corporate must engage a Manager who has the ability and experience to manage the resort in strict compliance with the operating standard as set out by The Body Corporate subject to the applicable provisions of the Condominium Declaration. The Residential Owner also acknowledges that neither The Body Corporate nor the Manager shall have any liability to the Residential Owner whatsoever in the

event the relationship between The Body Corporate and Manager terminates at any time during The Term of this Agreement. The Residential Owner hereby assumes all risks associated with the replacement of any delegatee of rights of The Body Corporate to manage and operate the Resort and/or the Rental Pool, as well as the potential termination of this Agreement, including the risk of loss to the Residential Owner of potential rental income, unless, however the termination of this Rental Pool management agreement and the subsequent replacement thereof is caused directly by the gross negligence or willful misconduct of The Body Corporate or the Manager.

(c) As of the date of this Agreement, The Body Corporate has engaged ROCKRESORTS INTERNATIONAL, LLC, a Delaware limited liability company hereafter known as “Rock Resorts” or “Manager” as the Manager of the Rental Pool and The Body Corporate hereby notifies the Residential Owner that it has delegated to RockResorts the performance of The Body Corporate’s obligations and the enforcement of The Body Corporate’s rights under this Agreement. Accordingly, the Residential Owner hereby acknowledges and agrees that, (i) where applicable, references to The Body Corporate hereunder may also refer to RockResorts, for so long as Rock Resorts is engaged as the Manager, (ii) unless and until the Residential Owner is notified in writing by The Body Corporate or by Rock Resorts that RockResorts is no longer the Manager, RockResorts shall be entitled, on behalf of The Body Corporate, to exercise all rights afforded to The Body Corporate under this Agreement (including making determinations of rates, charges and other rental policies and enforcing the obligations of the Residential Owner under this Agreement). The Residential Owner further acknowledges, however, that RockResorts shall have no independent liability to the Residential Owner in connection with its performance of this Agreement on behalf of The Body Corporate, it being understood that all obligations and liabilities of RockResorts shall be set forth and, pursuant to the terms and conditions of a Resort Management Agreement and Commercial Unit Management Agreement entered into with The Body Corporate, or an affiliate thereof. Rock Resorts will also have sole responsibility to act as the Manager of the Resort.

5. **Residential Owner Occupancy.** The Residential Owner will commit the Residential Unit to the Rental Pool and shall have the right to reserve the Residential Unit as follows:

(a) ***Rental Pool Commitment Period.*** The Residential Unit shall remain in the Rental Pool for the twelve (12) month period beginning July 1<sup>st</sup> and ending June 30<sup>th</sup> of the subsequent year (the “**Operating Year**”).

(b) ***Residential Owner Occupancy Restrictions.*** The Residential Owner shall have the right to reserve the Residential Unit for its own use or use by any of the Residential Owner’s non-paying guests during an Operating Year (this type of reservation, a “**Residential Owner Occupancy**”) as follows: (i) fourteen (14) Peak Nights, and (ii) unlimited Non-Peak Nights (both as defined below), subject to the following restrictions:

(i) “**Peak Nights**” shall include the following specific dates:

December 19 - January 4 (the “**Holiday Period**”)

January 15 - January 22

February 13 - February 20

March 11 - March 25

May 7 - May 11

The Body Corporate reserves the right in its sole discretion to adjust the specific dates for Peak Nights based on (a) availability, (b) the level of demand for Resort accommodations during the time period requested, and (c) other reasonable business conditions as determined at the sole discretion of The Body Corporate.

(ii) The Body Corporate shall accept reservations for Peak Nights on a “first-come, first-served” basis until a maximum of 20% of the available Rental Pool inventory has been reserved for Residential Owner Occupancy (the “**Peak Night Threshold**”). Any requests for Residential Owner Occupancy during Peak Nights after the Peak Night Threshold has been met shall be accepted in the sole discretion of The Body Corporate, subject to (a) availability, (b) the level of demand for Resort accommodations during the time period requested, and (c) other reasonable business conditions as determined at the sole discretion of The Body Corporate. Notwithstanding the foregoing, the Residential Owner may not reserve the Residential Unit for Residential Owner Occupancy during the Holiday Period for two consecutive Operating Years.

(iii) “**Non-Peak Nights**” shall include all other nights of the Operating Year that are not determined to be Peak Nights in accordance with Section 5(b)(i).

(c) ***Rental Pool Commitment Incentives.*** As an inducement to enter the Residential Unit in to the Rental Pool, Residential Owner’s shall receive the following incentives. The incentives can be used for one Residential Owner visit or spread over several visits. The incentives are non transferable, do not carry over from Operating Year to Operating Year and must be consumed or used during the current Operating Year (i.e. - July 1<sup>st</sup> and ending June 30<sup>th</sup>). For incentive purposes the definition of Residential Owner means the owner or the corporate delegate for those units owned by corporate entities and always means one person.

Rental Pool Incentives:

1. One (1) complimentary departure clean as set forth in Section 11(h).
2. Discounted Housekeeping, Turn Down and Departure Services fees.
3. “Resort Fees” will not apply to Residential Owner or its non-paying guests.

(d) **Acknowledgement of Rental Pool Financial Return Variances.** The Residential Owner acknowledges that the potential financial returns associated with Rental Pool participation will vary significantly due to (i) the seasonal nature of the tourism industry, (ii) the relative strength or weaknesses of the tourism industry worldwide, (iii) worldwide tourism trends and booking patterns, (iv) the amount of time the Residential Unit remains in the Rental Pool, (v) the amount of nights reserved by the Residential Owner for Residential Owner Occupancy, (vi) the availability of the Residential Unit for Resort Guest occupancy during Peak Night periods, including the Holiday Period, and (vi) potential impacts from ongoing construction activities at the Resort through to completion of Phase #4.

6. **Rental Pool Reservations and Policies.**

(a) **General.** The Body Corporate agrees to maintain a reservation system through which all reservations for the Residential Units in the Rental Pool program will be processed. Any and all reservations for the Residential Unit, whether for the Residential Owner's personal use or for use by Resort Guests shall be made through the reservation system and, subject only to the other provisions of this Agreement, shall be subject to all of the policies and procedures established from time to time by The Body Corporate. Accordingly, The Body Corporate shall have the right to establish policies and procedures regarding access, control and check-in and check-out procedures, including, without limitation, the right to require all persons staying in the Residential Unit (including the Residential Owner) to present a valid credit card at check-in to pay for charges associated with the stay. Neither The Body Corporate, nor any of its parent companies, affiliates or subsidiaries has any liability to the Residential Owner if all or any part of the reservation system becomes inoperable or ceases to function for any reason or cause, excluding those caused by the gross negligence or willful misconduct of The Body Corporate and/or any of its parent companies, affiliates, delegates or subsidiaries. The Body Corporate, shall at all times, in the performance of any of its duties and/or obligations, comply with each and every one of the terms, conditions and restrictions set forth in the Condominium Declaration (and any exhibits attached thereto), as amended from time to time.

(b) **Rates and Policies.** The Body Corporate shall, in its sole discretion, set and advertise rates and rental policies, from time to time, under which The Body Corporate will offer the Residential Unit for rental. The Body Corporate has the right to assign a classification to the Residential Unit for the purpose of setting rental rates. The Body Corporate shall also have the right to make changes to rates then in effect in circumstances such as, but not limited to, extended length of stay, group discounts, The Body Corporate or other corporate discounts, package plan discounts or in similar situations when The Body Corporate can grant corporate discounts, friends and family discounts and other discounts as it deems advantageous to the Rental Pool financial returns all in accordance with its rate determination policies set forth in the Annual Plan.

(c) **Selection and Notification of Residential Owner Occupancy.** The Residential Owner agrees to select/reserve its applicable Peak Nights and notify the Body Corporate in writing of this selection on or before the 1<sup>st</sup> of April prior to and for use in the upcoming Operating Year. The Peak Nights and Non-Peak Nights which the Residential Owner reserves the Residential Unit for Residential Owner Occupancy shall be set forth in Exhibit B attached hereto. Submission of a completed Exhibit B to the Body Corporate in accordance with

the aforementioned deadline will constitute notification for purposes of entering the Residential Unit in to the Rental Pool. The initial Residential Owner Occupancy periods shall be declared upon execution of this Agreement and shall be designated in Exhibit B attached hereto. Once The Body Corporate confirms, in writing, the Residential Owner Occupancy periods, The Body Corporate may not rent the Residential Unit for the specified dates of Residential Owner Occupancy periods without Residential Owner's written consent.

(d) ***Changes to Residential Owner Occupancy.*** Any and all requests by the Residential Owner to modify the Residential Owner Occupancy periods after the deadline set forth above may or may not be accepted by The Body Corporate. The Body Corporate will make every effort to accommodate the Residential Owner's request, however the Body Corporate reserves the right to accept or reject the Residential Owner's request at the sole discretion of the Body Corporate and subject to (i) availability, (ii) the level of demand for Resort accommodations during the time period requested, and (iii) other reasonable business conditions as determined in the sole discretion of The Body Corporate. Should a Residential Owner who is currently on property during a Residential Owner Occupancy period, like to extend the period of its stay, the Body Corporate will make every effort to accommodate the request, however the Body Corporate reserves the right to accept or reject the Residential Owner's request at the sole discretion of the Body Corporate and subject to (i) availability, (ii) the level of demand for Resort accommodations during the time period requested, and (iii) other reasonable business conditions as determined in the sole discretion of The Body Corporate.

(e) ***Check-In/Check-Out.*** The Residential Owner and/or the Residential Owner's non-paying guests shall be subject to, at all times during a Residential Owner Occupancy, the currently existing Check-In and Check-Out policies that apply to all Resort Guests.

7. **The Body Corporate's Scope of Services and Conditions of Operation.** In addition to the obligations of The Body Corporate specified elsewhere in this Agreement, The Body Corporate shall perform the following functions, which may be delegated to the Manager, as its agent, pursuant to Section 4 above. All costs for the following, unless otherwise noted, will be paid for from rental pool revenues, hereafter known as "**Gross Rental Revenues**" that are collected by The Body Corporate as appropriate and in accordance with this Agreement:

(a) ***General.*** The Body Corporate will establish, modify from time to time and implement a standard of maintenance, repair, service and operation for the Rental Pool which is consistent with The Body Corporate's operation and management of the Resort. This standard is hereafter known as the "Rental Pool Standard". The Body Corporate will establish and maintain the Rental Pool Standard in strict compliance with the Condominium Declaration. The Body Corporate, in its sole and absolute discretion, may change the "flag" or "brand" of the Resort at any time without notice to or consent from Residential Owner. During the Term, The Body Corporate will manage, operate, lease and maintain the Residential Unit in a manner that is consistent with the Rental Pool Standard and as more particularly provided for elsewhere in this Agreement. The Body Corporate may enter into rental agreements for the Residential Unit on the Residential Owner's behalf, in the name of the Residential Owner and with the effect of binding the Residential Owner and the Residential Owner's successors and assigns, for the periods as permitted in this Agreement. The Body Corporate may collect deposits, rents and

other sums from Resort Guests and otherwise enforce the terms of rental agreements. In the event that a Resort Guest defaults on a rental agreement The Body Corporate, at their sole discretion may, but is not obligated to, institute legal action to enforce rental agreements. All costs associated with such enforcement will be paid for by the Gross Rental Pool Revenues.

(b) **Rental Rates and Priority of Rentals.** The Body Corporate will, from time to time, establish rental rates for the Residential Unit and, upon request, provide the Residential Owner with a schedule of such rates. In operating the Rental Pool, The Body Corporate will rent the available inventory of rooms in the Resort and the Rental Pool pursuant to normal industry practices taking into account Resort Guest preferences, including without limitation, square footage, location, condition, bed types, views, and availability during certain “High Season” periods. The Residential Owner acknowledges and agrees that the rates established for the Residential Unit by The Body Corporate may vary from the rates for other condominium Residential Units. The Body Corporate may, in its reasonable discretion, rent the Residential Unit for reduced rates in order to maximize occupancy. Further, The Body Corporate may grant complimentary nights and may also grant discounted rates, hereafter known as “**Discount Rates**” as required to maximize the performance of the Rental Pool operation. Complimentary Nights or Discount Rates may also be offered to persons who, in The Body Corporate’s sole judgment, will contribute to the success of the Rental Pool and/or the Resort.

(c) **Extension of Credit.** The Body Corporate may, in The Body Corporate’s sole discretion, extend credit to Resort Guests and travel companies, by either directly billing such parties, or accepting cheques and credit cards, provided The Body Corporate will at all times use reasonably prudent business judgment in making such decisions. The Body Corporate will not be held liable for any dishonored cheques that it receives from Resort Guests. The Residential Owner understands, acknowledges and agrees that The Body Corporate may be unaware that certain rental amounts are not collectible, hereafter known as “**Uncollected Rental Amounts**” until after The Body Corporate pays “**Residential Owner’s Share of Proceeds**”, for the calendar quarter during which The Body Corporate accrued such Uncollected Rental Amounts. In such event, The Body Corporate may deduct any Uncollected Rental Amounts from the Gross Rental Revenues earned in the quarter in which The Body Corporate becomes aware of such Uncollected Rental Amounts.

(d) **Housekeeping Services.** The Body Corporate will provide for the cleaning of the Residential Unit for, during and at the conclusion of periods of rental of the Residential Unit to Resort Guests and in doing so will provide linens, towels, hand soaps, shampoo and other sundries in the Residential Unit consistent with the Rental Pool Standard. The Body Corporate will provide for the cleaning of the Residential Unit at the conclusion of periods of Residential Owner Occupancy, and in doing so will provide linens, towels, hand soaps, shampoo and other sundries in the Residential Unit consistent with the Rental Pool Standard. The foregoing services are hereafter known as “**Housekeeping Services**”. The Residential Owner can choose to have daily or weekly Housekeeping Services during any Residential Occupancy Period. The cost for daily weekly or conclusion Housekeeping Services will be charged to the Residential Owner at the rates noted in Section 11 of this agreement. The Residential Unit Owner agrees that the conclusion cleaning is mandatory and further assumes all costs associated with this clean in accordance with the provisions of and as per the rates noted in Section 11 of this agreement.

(e) **Marketing.** The Body Corporate will pay from Gross Rental Revenues all marketing and promotion, administration and bookkeeping expenses incurred for the Residential Unit, it being understood that The Body Corporate may advertise, list and/or otherwise market the Residential Unit for rental in any manner determined by The Body Corporate, in its sole and absolute discretion, including but not limited to, general marketing for the Rental Pool as a whole or general marketing for the Resort. The Body Corporate shall not, however advertise, list and/or otherwise market the Residential Unit for sale in the United States.

(f) **Amenities.** The Body Corporate will provide the Residential Owner, when in occupancy of the Residential Unit, and the Residential Owner's non-paying Guests access to all amenities within the Resort that are generally available to other Resort Guests, including any Resort pools, lagoon, Resort hot tubs, saunas, exercise facilities, food and beverage outlets, lobby and concierge areas, landscaped environs, telecommunications features, video on demand, cable television and beauty salons and spas as they may exist from time to time. These areas are hereafter known collectively "**The Amenities**" provided that Residential Owner and Residential owner's Guests will be responsible for any charges incurred in connection with the use of or services provided at those Amenities on the same basis as other guests of the Resort.

(g) **Maintenance.** The Body Corporate will provide all maintenance and repair for the Residential Unit as needed to keep the same in a condition consistent with the Rental Pool Standard. The cost for such ongoing routine maintenance and repair will be paid for out of the Gross Rental Revenues. The Body Corporate will also put in place an industry standard unit refurbishment program such that the Residential Units will be maintained long term in strict compliance with the Rental Pool Standard. All costs of this refurbishment program will be funded by the Fixtures Furnishings & Equipment (FF&E) Maintenance and FF&E Fund as detailed in Section 12 of this Agreement.

(h) **Utility Bills – Telephone/internet access/ cable television, Water and Sanitary Services, Internet Access, Electrical Utility, Refuse Collection** – Hereafter known collectively as the "**Utilities**". The Body Corporate will pay all utility bills for all Rental Pool units. The utility costs for Rental Pool units available for Resort Guest occupancy, occupied or not, will be pooled and paid for with funds from the Gross Rental Revenues. The utility costs for the Residential Unit while occupied by the Residential Owner or Residential Owner's non paying guest during a Residential Owner Occupancy Period will be either paid directly by the Residential Owner to the Body Corporate at the end of the Residential Owner Occupancy period or be deducted from the Residential Owners Share of Proceeds on a quarterly basis. If Gross Rental Revenues and/or the Residential Owner's Share of Proceeds, as applicable, are insufficient to address the applicable utility costs denoted, Residential Owners must remit any deficiency to The Body Corporate as provided in this Section 11(i).

(i) **Employees and Third Party Providers.** The Body Corporate may use its own employees to discharge its obligations pursuant to this Agreement or may contract with third party providers to provide all or any portion of the services required. The Body Corporate will not be liable to the Residential Owner for any errors, acts or omissions of third party providers or subcontracts. The Body Corporate, at its discretion may or may not pursue any claims against third party providers or subcontractors should they arise. The decision to pursue

or not pursue claims will be based on reasonable business practices in an effort to maximize the benefits to the Rental Pool.

(j) **Insurance** The Body Corporate and the Residential owners will at all times have in place all required insurances as set out in the Condominium Declaration and the Property Management Agreement – The Landings Residential Condominiums/Commercial Condominiums”, the latter of which is signed by all Residential Owners and Commercial Unit Owners.

(k) **Accommodation of Residential Owner Requests.** The Body Corporate will, at all times during the term of this Agreement, use reasonable business judgment in the exercise of its decisions and the taking of actions that materially effect the Residential Owner or the Residential Owner’s non-paying guests.

8. **Residential Owner Duties and Responsibilities.** In addition to the obligations of the Residential Owner specified elsewhere in this Agreement, the Residential Owner will perform the following functions.

(a) **Taxes, levies, duties.** The Residential Owner will pay all taxes, duties and levies on the Residential Unit as required by the Saint Lucian Authorities.

(b) **Storage.** During periods that the Residential Owner is not using the Residential Unit, the Residential Owner may not store or leave any personal property, other than the Furnishings and Accessories in the Residential Unit excepting only those items that may be securely and properly stored in the Residential Unit’s designated residential storage area hereafter known as the “**Residential Storage Area**”. The Body Corporate may inspect the Residential Owner Storage area for health and safety purposes from time to time, but assumes no responsibility or liability for the contents of the Residential Owner Storage area. The Residential Owner will not store or keep in the Residential Owner Storage area or any other part of the Residential Unit any hazardous materials, explosives, highly combustible or flammable materials or other dangerous items.

(c) **Room Charges.** The Residential Owner shall be fully responsible for all hotel-related service fees and charges billed to the Residential Unit during a Residential Owner Occupancy. The Residential Owner agrees that after each Residential Owner Occupancy, any and all such fees and charges will be due upon check-out and billed against the Residential Owner’s account or credit card. Such fees and charges shall include without limitation, charges for room service, food and beverage, golf, retail products, housekeeping services, spa services, use of cabanas, dry cleaning services, and other services offered by The Body Corporate and/or the Manager.

9. **Rental Pool Deposit Account; Authorized Deductions.**

(a) **Rental Pool Deposit Account.** The Body Corporate shall maintain an account on behalf of the Residential Unit Owners into which it shall deposit the Gross Rental Revenue (the “**Rental Pool Deposit Account**”). Any and all interest earned on funds in the Rental Pool Deposit Account shall accrue to the Residential Unit Owners. As used herein, “**Gross Rental Revenues**” means all proceeds received by The Body Corporate directly

attributable to the rental of the units in the Rental Pool other than any applicable room, excise, sales or similar taxes collected on behalf of and required to be remitted to governmental authorities and other third parties. Gross Rental Revenues shall not include, and the Residential Owner has no right or claim to, any amounts paid by Resort Guests for local and long distance phone service, internet, pay-per-view or other premium cable service, extra maid or other service, spa services, food and beverage services, revenues generated by use of or services provided at the Amenities, events or reservations booked by or through The Body Corporate, transportation, or other items not customarily included in the rental rate for the Residential Unit, and such sums are not part of Gross Rental Revenues and are the sole property of the commercial unit owners. In addition, Gross Rental Revenues shall specifically not include (and the Residential Owner shall earn no Rental Pool income during such periods) any and all revenue generated by the Residential Unit during periods of Residential Owner Occupancy.

(b) ***Authorized Deductions.*** On an on-going basis during the Term, The Body Corporate shall be authorized to deduct the following from the Rental Pool Deposit Account:

- (i) the compensation, fringe benefits, bonuses, expenses, and payroll taxes of Rental Pool employees;
- (ii) costs of Inventories and Operating Equipment;
- (iii) ordinary and routine repair and maintenance expenses
- (iv) utility costs, administrative, legal and general costs of the Rental Pool;
- (v) charge or credit card discounts;
- (vi) Lease payments for the use of specified commercial unit areas required for the operation of the Rental Pool. These include but are not limited to the lobby, reception, concierge areas, baggage and FOH office areas, the hotel IT infrastructure, the applicable areas of the Services Building including the operations office space, equipment and IT infrastructure, applicable storage and warehouse areas, service and maintenance areas, shipping and receiving areas.
- (vi) rents paid for FF&E under leases which constitute “operating leases” under generally applied accounting principles consistently applied;
- (vii) governmental fees and assessment (other than taxes levied or imposed by any governmental authority upon the Resort, or payments in lieu of said taxes, including income, property, goods and services, gross receipts or occupancy, transfer, purchase, franchise, stamp, ad valorem, value added, occupation or excise taxes);
- (viii) complimentary and discount expenses, laundry service expenses and any and all other operating expenses incurred by The Body Corporate for the proper and efficient operation of the Rental Pool (items (i) through (viii) shall be collectively referred to herein as the “**Gross Operating Expenses**”);

(ix) travel agent commissions, wholesaler commissions, central reservations charges, credit card fees, and other outside costs associated with room and reservation transactions (the “**Commission and Reservation Expenses**”)

(x) special insurance premiums should they arise;

(xi) Uncollected Rental Amounts; and

(xii) Deductions for the Maintenance and FF&E Fund.

(xiii) Management Fees

Charges (i) through (xiii) are collectively referred to as the “**Rental Pool Operating Costs.**”

“**Inventories**” shall mean fuel, soap, light bulbs, mechanical supplies, cleaning supplies, stationery, paper supplies and other similar consumable and expendable items necessary or customary (now or in the future) in the reasonable opinion of The Body Corporate in order to operate the Rental Pool in accordance with the terms of this Agreement and the Rental Pool Standard. “**Operating Equipment**” shall mean all blankets, linens, uniforms, silver, china, glassware, crockery, kitchen utensils, cleaning equipment or any other similar items necessary or customary (now or in the future) in order to operate the Rental Pool in accordance with the terms of this Agreement and the Rental Pool Standards. Operating Equipment and Inventories does not include any equipment or inventories related to any of the commercial units or non rental pool residential units.

(c) **Reconciliation of Account.** On a monthly basis, The Body Corporate shall reconcile the Rental Pool Deposit Account and determine Net Rental Proceeds. “**Net Rental Proceeds**” means the Gross Rental Revenues less the Rental Pool Operating Costs.

#### 10. **Management and Other Fees.**

(a) **Management Fee.** As compensation for the management services provided under this Agreement, the Residential Owner agrees to pay The Body Corporate a fee equal to 3% of Gross Rental Revenues hereafter known as the “**Management Fee**”. The Body Corporate shall deduct the Management Fee from the Rental Pool Deposit Account on a monthly basis. This fee covers the management of the Rental Pool as well as the management of the common areas.

(b) **Management Incentive Fee.** As compensation for the management services provided under this Agreement, the Residential Owner agrees to pay The Body Corporate an incentive fee equal to 15% of the amount that the Net Rental Proceeds exceeds the forecasted Net Rental Proceeds as set out in the Annual Plan. The Body Corporate shall deduct the Incentive Fee from the Rental Pool Deposit Account on a monthly basis.

11. **Owners’ Distribution Account and Calculation of Owners Share of Revenues.** The Body Corporate shall maintain an account, hereafter known as the “**Owner’s Distribution Account**”, on behalf of the Residential Unit Owners. At the end of each calendar month during the Term, after the payment of the Rental Pool Operating Costs the Body

Corporate will remit to the Owners' Distribution Account any remaining Net Rental Proceeds less the Management Incentive Fee. Any and all interest earned on funds in the Owners' Distribution Account shall accrue to the Residential Unit Owners. At the end of each calendar quarter during the Term, The Body Corporate shall distribute the funds in the Owners' Distribution Account to the Residential Owners as follows. This distribution is hereafter known as the **“Residential Owner’s Share of Revenues”**.

(a) For every day that the Residential Unit is in the rental pool the Body Corporate shall calculate and record the Gross Rental Revenues for that day, hereafter known as **“Daily Gross Revenues”** as well as the total weighted square footage of the Units participating in the pool, hereafter known as the **“Weighted Daily Area”**.

*For Beachfront Units*

The square footage of the Unit shall be multiplied by a weighting factor of 1.30 to give the **“Weighted Square Footage”** of the Unit.

*For Channel Units in Blocks 1 and 2*

The square footage of the Unit shall be multiplied by a weighting factor of 1.15 to give the **“Weighted Square Footage”** of the Unit.

*For Channel Units in Blocks 3 and 4 and Lagoon and Harbour Units*

The square footage of the Unit shall be multiplied by a weighting factor of 1.00 to give the **“Weighted Square Footage”** of the Unit.

(b) On a monthly basis the Body Corporate shall calculate and record the monthly Rental Pool Operating Costs and then determine a daily operating cost hereafter known as the **“Daily Average Operating Cost”** for the month. This rate shall also include the Management Incentive Fee.

(c) The calculation that the Body Corporate shall use to determine the distribution rate, hereafter known as the **“Daily Distribution Rate”** is as follows;

$$\text{Daily Gross Revenues} - \text{Daily Average Operating Cost} = \text{Net Daily Revenues}$$

$$\text{Net Daily Revenues} / \text{Weighted Daily Area} = \text{Daily Distribution Rate}$$

(d) The calculation that the Body Corporate will use to determine the Residential Owners distribution, hereafter known as the **“Residential Owner’s Daily Distribution”** is as follows:

$$\text{Weighted Square Footage} \times \text{Daily Distribution Rate} = \text{Residential Owner’s Daily Distribution}$$

(e) The Body Corporate shall determine the monthly or quarterly residential owner's total distribution by adding up Residential Owner's Daily Distribution for the month or quarter in question. The Quarterly Report will denote all daily distributions for the quarter.

(f) **Residential Owner Daily Housekeeping Fee.** The Residential Owner may elect, in its sole discretion, to receive daily Housekeeping Services during any period of Residential Owner Occupancy. The fee for such daily Housekeeping Services, if elected by Residential Owner, shall be US\$35.00 for one bedroom units, US\$45.00 for two bedroom units, US\$55.00 for three bedroom units and US\$65.00 for three bedroom grand units for every night the Residential Owner or Residential Owner's non-paying guests occupy the Residential Unit (the "**Residential Owner Daily Housekeeping Fee**"). The Residential Owner Daily Housekeeping Fee shall be deducted from the Residential Owner's Share of Proceeds. The Residential Owner will not be charged the Residential Owner Daily Housekeeping Fee for Housekeeping Services rendered during occupancy of the Residential Unit by Resort Guests. The Residential Owner Daily Housekeeping Fee is intended to cover the costs incurred by The Body Corporate to perform the Housekeeping Services during occupancy of the Residential Unit by Residential Owner or Residential Owner's non-paying guests, and may be changed from time to time by The Body Corporate upon 30 days' prior notice to Residential Owner, so long as The Body Corporate charges equitable amount to all Rental Pool participants based on unit size.

(g) **Residential Owner Daily Turn Down Service Fee.** The Residential Owner may elect, in its sole discretion during any period of Residential Owner Occupancy, to receive daily turn down services that shall include closing all curtains/drapes, turning on appropriate lights, turn down of linens on all beds, refreshing of all bathrooms, removing any trash, and refreshing the kitchen (the "**Turn Down Services**"). The fee for such daily Turn Down Services, if elected by Residential Owner, shall be US\$20.00 for one bedroom units, US\$25.00 for two bedroom units, US\$30.00 for three bedroom units and US\$35.00 for three bedroom grand units for every night the Residential Owner or Residential Owner's non-paying guests occupy the Residential Unit (the "**Residential Owner Daily Turn Down Fee**"). The Residential Owner Daily Turn Down Fee shall be deducted from the Residential Owner's Share of Proceeds. The Residential Owner will not be charged the Residential Owner Daily Turn Down Fee for Turn Down Services rendered during occupancy of the Residential Unit by Resort Guests. The Residential Owner Daily Turn Down Fee is intended to cover the costs incurred by The Body Corporate to perform the Turn Down Services during occupancy of the Residential Unit by Residential Owner or Residential Owner's non-paying guests, and may be changed from time to time by The Body Corporate upon 30 days' prior notice to Residential Owner, so long as the changes are equal for all Rental Pool participants based on unit size.

(h) **Residential Owner Departure Services Fee.** Residential Owner or Residential Owner's non-paying guests must pay to The Body Corporate a fee in the amount of US\$100.00 for one bedroom units, US\$125.00 for two bedroom units and US\$150.00 for three bedroom units and US\$160.00 for three bedroom grand units, upon departure for post stay Housekeeping Services (the "**Residential Owner Departure Services Fee**"). The Residential Owner Departure Services Fee shall be deducted from the Residential Owner's Share of Proceeds. Residential Owner will not be charged the Residential Owner Departure Services Fee for Housekeeping Services rendered during occupancy of the Residential Unit by Resort Guests. The Residential Owner Departure Services Fee is intended to cover the costs incurred by The

Body Corporate to perform the Housekeeping Services after a Residential Owner Occupancy of the Residential Unit, and may be changed from time to time by The Body Corporate upon 30 days' prior notice to Residential Owner, so long as The Body Corporate charges the same amount to all Rental Pool participants.

(i) ***Distribution Residential Owner Revenues.*** The Residential Owner's Share of Revenues will be the quarterly total of the Residential Daily Revenue Distributions less (i) Residential Owner's Share of Utility Expenses, (ii) Condominium Assessments, (iii) any Residential Owner Daily Housekeeping Fee, and (iv) Residential Owner Departure Services Fee and Residential Owner's utility costs for that quarter. The Body Corporate will be distributed this sum to Residential Owner on or before the 14<sup>th</sup> day of the month succeeding the end of the quarter to the address listed in Section 22 (or such other address as Residential Owner may designate from time to time), together with a written statement in the form of the attached Exhibit A (a "**Quarterly Statement**") demonstrating how The Body Corporate arrived at Residential Owner's Share of Proceeds.

(j) ***Residential Owner Cost Deficiency.*** If, after disbursement of all Residential Owners' Share of Proceeds, the Owners' Distribution Account contains insufficient funds to cover the Rental Pool Operating Costs, The Body Corporate shall prorate the deficiency between the Residential Unit Owners and the Quarterly Statement will reflect the amount owed by the Residential Owner and the Residential Owner must remit the balance due to The Body Corporate (the "**Residential Owner Cost Deficiency**") within 30 days after delivery of the Quarterly Statement. If the Residential Owner fails to pay the Residential Owner Cost Deficiency when due, interest will accrue at the rate of 30-day LIBOR as established from time to time by Bank of America or its successors, plus 600 basis points, per annum (the "**Default Rate**") until paid in full. The Body Corporate may use any funds in the Maintenance and FF&E Fund to cover such Residential Owner Cost Deficiency.

12. **Furnishings; Maintenance, Repair and Replacement.** The Residential Unit Owners are solely responsible for furnishing the Residential Units with furniture and housewares (the "**Furnishings**"), which must be consistent with the Rental Pool Standard and approved by The Body Corporate. While participating in the Rental Pool each Residential Owner is responsible for the cost and expense of all maintenance, repair and replacement within their Residential Unit and must keep the Furnishings in the Residential Unit in a condition consistent with the Rental Pool Standard. To assist in meeting this requirement the Body Corporate will facilitate the ongoing maintenance and refurbishment of the Rental Pool units. In order to provide funds for such items, The Body Corporate will deposit three percent (3.0%) of the Gross Rental Revenues in a separate fund specifically designated for maintenance, repair and replacement services for the units and for the upkeep and replacement of the Furnishings (the "**Maintenance and FF&E Fund**"). In the event that the money on deposit in the Maintenance and FF&E Fund is insufficient for such maintenance, repair or replacement, The Body Corporate may either retain such excess from Residential Owner's Share of Proceeds or submit an invoice to Residential Owner for such amounts, with no obligation to advance funds on behalf of the Residential Owner. The Residential Owner will pay to The Body Corporate such amounts due within 30 days of invoice. If the Residential Owner fails to pay such amount when due, interest will accrue at the Default Rate until paid in full. The Body Corporate may make expenditures from the Maintenance and FF&E Fund (or, in its discretion, advance its own funds) for such

maintenance, repair and replacement without any prior authorization from Residential Owner; provided, however, that The Body Corporate must obtain the Residential Owner's permission, which may be oral, for any expenditure in excess of US\$1,000.00. Notwithstanding the foregoing, The Body Corporate is not required to seek the consent of the Residential Owner for any maintenance or repairs that constitute an emergency, would jeopardize immediate rental of the Residential Unit, or threaten to harm other units. With regard to the Furnishings, which are the Residential Owner's sole responsibility, The Body Corporate may from time to time make reasonable recommendations to the Residential Owner regarding improvements, repairs and replacements. Residential Owner will use reasonable efforts to follow such recommendations, and hereby acknowledges that if the Residential Owner determines not to make the recommended improvements, repairs or replacements, The Body Corporate's ability to rent the Residential Unit may be adversely affected and The Body Corporate may refuse to rent the Residential Unit or may terminate this Agreement as provided for in Section 18(b). With Residential Owner's prior consent, The Body Corporate may coordinate any improvements, repairs or replacements of the Furnishings approved by Residential Owner and may use money in the Maintenance and FF&E Fund for such purposes. The Residential Owner acknowledges and agrees that money in the Maintenance and FF&E Fund will bear interest and if it does, the Residential Owners are solely entitled to such interest. Upon a sale or transfer of the Residential Unit, the Residential Owner shall not be entitled to any withdrawal from the Maintenance and FF&E Fund. In the event of a termination of the Rental Pool, the balance of the Maintenance and FF&E Fund, after payment of all outstanding obligations, shall be divided equally among those Residential Unit Owners whose units remain in the Rental Pool on the date of termination.

13. **Books and Records; Reports; Review of Records.**

(a) ***Books and Records.*** The Body Corporate shall keep full and adequate books of account and such other records as are necessary to reflect the results of the operation of the Rental Pool. Such books of account shall be kept in all material respects in accordance with generally accepted accounting principals (consistently applied) and, to the extent consistent therewith, the Uniform System of Accounts (and generally in accordance with customary hospitality industry standards and practices).

(b) ***Financial Reports.*** At the end of each calendar quarter during the Term, The Body Corporate shall deliver to Residential Unit Owners quarterly unaudited financial statements prepared from the books and records maintained by The Body Corporate, consisting of a balance sheet, a profit and loss statement and statement of cash flow for the Rental Pool for the preceding calendar quarter and the Operating Year to date, in each case in The Body Corporate's standard form. The quarterly financial statements shall also contain or be accompanied by statements and calculations of the Management Fee and the Residential Owner's Share of Proceeds for the preceding calendar quarter and will include any receipts for expenditures from the Maintenance and FF&E Fund during such period.

(c) ***Review of Records.*** Upon seven (7) business days' prior notice and during The Body Corporate's normal business hours, the Residential Owner may review all records and/or other requested information regarding the Rental Pool and the Residential Unit. Copies of records can be requested and the will be provided in due course. The Residential

Owner assumes all reasonable costs associated with the searching/copying and posting of any and all requested records.

14. **Pets**. No pets will be allowed in the Residential Unit, subject to any rules and regulations adopted from time to time pursuant to the Condominium Declaration. Neither The Body Corporate nor the Manager is responsible for any damage caused to the Residential Unit or the Furnishings by any pet allowed into or kept in the Residential Unit.

15. **Smoking**. The Residential Unit will be designated as non-smoking and the Residential Owner, Residential Owner's non-paying guests, and Resort Guests may not smoke in the Residential Unit. Neither The Body Corporate nor Manager is responsible for any damages caused to the Residential Unit or the Furnishings as a result of smoking in the Residential Unit, even if in violation of this Section 15.

16. **Damage to Residential Unit**. Neither The Body Corporate nor the Manager is responsible for any loss, damage or wear and tear to the Residential Unit caused by a Resort Guest or occupant, an employee or subcontractor of The Body Corporate or Manager, unless due to negligence or the willful misconduct on the part of The Body Corporate or an employee or subcontractor of The Body Corporate. Upon discovery of any material loss or damage to the Residential Unit, The Body Corporate will promptly notify the Residential Owner. The Body Corporate will use reasonable efforts to collect amounts due from Resort Guests as necessary to reimburse the rental pool for the cost to repair any damage caused by Resort Guest or its invitees; provided, however, The Body Corporate cannot and does not guarantee that the same will be collected. The Body Corporate at its discretion will also pursue insurance claims for damage if the activation of an insurance claim is financially prudent and practical. In the event that costs relating to remediation of the damage cannot be collected from the Resort Guest or the through an insurance claim, the Body Corporate will utilize funds from the Maintenance and FF&E Fund to cover repair costs.

17. **Residential Owner's Right of Entry**. The Residential Owner shall have the right, upon five (5) days written notice to The Body Corporate, recognizing the privacy of Resort Guests, the right to enter the Residential Unit for the purposes of inspection. The Residential Owner shall not retain possession of a key to the Residential Unit except during periods of Residential Owner Occupancy nor shall Residential Owner alter any lock or install any new lock on the exterior doors of the Residential Unit while the Residential Unit remains subject to this Agreement. Notwithstanding the foregoing, any entry into the Residential Unit by the Residential Owner under this Section 17 may not take place during the stay of a Resort Guest. The Residential Owner may request that one (1) day be blocked by The Body Corporate in order to enter into and inspect the Residential Unit when available.

18. **Termination**.

(a) ***Termination upon Sale***. The Residential Owner will, through The Body Corporate, keep The Body Corporate advised of any attempts by Residential Owner to sell or otherwise transfer the Residential Unit, and will deliver written notice to The Body Corporate at least ninety (90) days prior to the completion of any such sale or transfer. In connection with such sale, Residential Owner acknowledges the need of The Body Corporate to protect the

privacy of Resort Guests. The Residential Unit may not be shown to prospective purchasers when occupied by a Resort Guest. Should the Residential Owner fail to give The Body Corporate advance notice of a sale or transfer, the Residential Unit will remain in the Rental Pool for a period of sixty (60) days after the sale or transfer, after which the Residential Unit will be removed from the Rental Pool unless the new Residential Owner executes a Rental and Property Management Agreement.

(b) **Termination by The Body Corporate.** The Body Corporate may terminate this Agreement as follows:

(i) Upon giving at least 30 days' prior written notice for any reason, with or without cause;

(ii) Immediately if the Residential Owner fails to follow The Body Corporate's recommendations regarding Furnishings as provided for in Section 12;

(iii) Immediately upon default by Residential Owner of its obligations under this Agreement, provided that notice and an opportunity to cure have been provided in accordance with Section 19; or

(iv) Immediately if The Body Corporate ceases to manage and operate the Resort, subject to the ability of The Body Corporate to assign its Resort Management Agreement to a subsequent manager of the Resort.

(c) **Termination by Residential Owner.** The Residential Owner may terminate this Agreement as follows:

(i) Upon giving at least 120 days' prior written notice for any reason, with or without cause, as to the Residential Unit;

(ii) Immediately upon default by The Body Corporate of its obligations under this Agreement, provided that notice and an opportunity to cure have been provided in accordance with Section 19; or

(iii) Immediately if a petition to have The Body Corporate adjudged bankrupt is filed by or against The Body Corporate or if a petition for reorganization under any law related to bankruptcy is filed by or against The Body Corporate or if a trustee or receiver is appointed to take possession of all or substantially all of The Body Corporate's assets.

(d) **Obligations upon Termination.** In the event of termination, The Body Corporate shall, following the applicable notice period set forth above, use reasonable efforts to transfer any confirmed reservations to accommodations similar to the unit; if, however, The Body Corporate is unable to relocate such reservation(s) to similar accommodations, the Residential Owner will be fully obligated to honor future rentals of the Residential Unit booked prior to the termination, shall share the income from such rental and will be fully obligated to maintain the Residential Unit in accordance with this Agreement during such rental periods. Following any transfer or sale, The Body Corporate will prorate the Residential Owner's Share of Revenue between the Residential Owner and the New Residential Owner based on the total

number of days the Residential Unit was owned by the Residential Owner and New Residential Owner respectively. After the termination, The Body Corporate's and the Residential Owner's obligations under Section 11 regarding Gross Rental Revenues and Rental Pool Operating Costs will remain in full force and effect as to such prior reservations.

19. **Default and Remedies.** In the event a party defaults in the performance any of its obligations under this Agreement, which default is not cured within 30 days after the other party gives notice of such default (or such longer period as may be required if cure cannot reasonably be accomplished within 30 days provided that the party in default diligently commences and proceeds with cure), then the other party will have all rights and remedies provided for in this Agreement or otherwise available at law or in equity, including without limitation, termination of this Agreement as provided for in Section 18. All such remedies are cumulative with and non-exclusive of one another, and may be pursued by the non-defaulting party either successively or concurrently as the non-defaulting party may elect. The exercise of any one remedy will not be an election of remedies to the bar of the exercise of any other remedy. In addition to any other remedies available, in the event of a default by Residential Owner, The Body Corporate may deduct any amounts owed to The Body Corporate by Residential Owner pursuant to this Agreement from Residential Owner's Share of Proceeds without notice (provided it is reflected on the Quarterly Statement) and/or suspend the offering of the Residential Unit for rental. Further, in the event the Residential Owner fails to pay any party other than The Body Corporate any amount required under this Agreement when due, The Body Corporate may, but is not obligated to, make payment to said party on behalf of Residential Owner and may deduct such amount from Residential Owner's Share of Proceeds without notice (provided it is reflected on the Quarterly Statement). Notwithstanding anything contained in this Agreement to the contrary, in any action for damages, each party will be entitled only to actual damages and expressly waives any right or claim for punitive, exemplary or consequential damages of any kind or nature.

20. **Damage/Liability.** Neither The Body Corporate nor the Manager will be liable for any loss, cost, damage or injury (including death) (i) occurring to the Residential Unit (including all Furnishings) during any rental period or any other time, whether by casualty, theft, vandalism, acts of God, natural disaster or otherwise, or (ii) arising in connection with the Residential Unit or any activities under this Agreement, unless directly caused by the gross negligence or willful misconduct of The Body Corporate and its respective agents and affiliated companies.

21. **Residential Owner's Representations and Acknowledgements.**

(a) ***NO UNQUALIFIED REPRESENTATIONS CONCERNING RENTAL INCOME. THE RESIDENTIAL OWNER ACKNOWLEDGES AND AGREES THAT NEITHER THE BODY CORPORATE, MANAGER, NOR ANY DELEGEE, AGENT OR EMPLOYEE OF EITHER, HAS MADE ANY REPRESENTATIONS, WARRANTIES, STATEMENTS OR PROJECTIONS OF ANY KIND RELATED TO POTENTIAL RENTAL INCOME THAT WILL BE GENERATED BY PLACING THE UNIT IN THE RENTAL PROGRAM.***

(b) ***NO UNQUALIFIED REPRESENTATIONS CONCERNING ECONOMIC OR TAX BENEFITS.*** THE RESIDENTIAL OWNER ACKNOWLEDGES AND AGREES THAT NEITHER THE BODY CORPORATE, MANAGER, NOR ANY DELEGEE, AGENT OR EMPLOYEE OF EITHER, HAS MADE ANY REPRESENTATIONS, WARRANTIES, STATEMENTS OR PROJECTIONS OF ANY KIND RELATED TO ANY ECONOMIC OR TAX BENEFITS THAT OWNER MIGHT ENJOY OR BENEFIT FROM BY VIRTUE OF OWNING THE UNIT OR PLACING THE UNIT IN THE RENTAL PROGRAM.

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Residential Owner Initials

22. **Notices.** All notices, consents or other written communication given pursuant to this Agreement must be in writing and will be deemed properly given and received on the earlier of when actually delivered or when deemed delivered in accordance with the following provisions. Notice may be given by (a) delivery by Federal Express or a similar courier service, in which case notice will be deemed given one business day after being deposited with the courier for overnight/next day delivery; (b) fax, in which case the notice will be deemed given when the receiving fax machine sends electronic confirmation of receipt; (c) registered or certified mail, first class postage prepaid, in which case notice will be deemed given three business days after being deposited with the United States Postal Service; or (d) email, in which case notice will be deemed given upon electronic confirmation that such email was opened. To be valid, a notice must be sent to the address or fax number shown below, or to such other address or fax number as the receiving party may have specified by written notice given in accordance with this Section 26.

If to The Body Corporate:  
The Landing Body Corporate  
Rodney Bay  
PO Box CP5984  
Castries  
Saint Lucia, West Indies  
Attn: Jane Benfield  
Fax No: (758) 452 0440  
Email: JaneB@thelandingsstlucia.com

With a copy to Manager:  
Rockresorts (St. Lucia) Inc.  
390 Interlocken Crescent, Suite 1000  
Broomfield, CO 80021  
Attn: General Counsel  
Fax No: (303) 404-6402

If to Residential Owner:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Email: \_\_\_\_\_

23. **Miscellaneous.**

(a) ***Independent Counsel.*** The Residential Owner should and has been advised to seek whatever independent advice and counsel Residential Owner deems necessary to fully understand the ramifications of the Rental Pool and this Agreement, expressly including tax consequences of this Agreement.

(b) ***Entire Agreement.*** This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof, and there are no representations, inducements, promises or agreements, oral or otherwise, not included in this Agreement. If any clause or provision of this Agreement is held to be invalid in whole or in part, then such clause or provision will be deemed stricken and the remaining clauses and provisions, or portions thereof, will remain in full force and effect.

(c) ***Amendments.*** No amendment, alteration, modification of or addition to this Agreement will be valid or binding unless expressed in writing and signed by the Residential Owner and The Body Corporate.

(d) ***Governing Law.*** This Agreement will be governed by and interpreted in accordance with the laws of the State of Saint Lucia.

(e) ***Attorneys' Fees.*** In the event of litigation concerning the terms and provisions of this Agreement, the prevailing party will be entitled to an award of reasonable attorneys' fees and costs.

(f) ***Assignment.*** The Residential Owner may not assign its rights or obligations under this Agreement without the express written consent of The Body Corporate; provided, however, the Residential Owner may assign its rights or obligations under this Agreement to its spouse, adult family members or a trust or corporation controlled by the Residential Owner, its spouse or adult family members without the prior written consent of The Body Corporate (a "**Permitted Assignment**"). Upon such a Permitted Assignment, this Agreement shall be binding upon such spouse, adult family member or trust or corporation.

(g) ***Counterparts; Facsimile Signatures.*** This Agreement may be executed in counterparts, each of which will constitute but one agreement. This Agreement may be executed by facsimile and any facsimile will have the same force and effect as the original.

(h) As used herein, “**Annual Plans**” shall mean all annual plans for the Rental Pool and the Resort prepared by Manager and approved by The Board of Directors of the Body Corporate, consisting of the Operating Budget, Marketing Plan and Strategy and Revenue Forecast Budget for the Rental Pool Operations.

24. **Contingent upon Closing**. Notwithstanding anything contained in this Agreement to the contrary, the Residential Owner and The Body Corporate expressly agree that the effectiveness of this Agreement is strictly contingent upon the Closing and if the Closing fails to occur in accordance with the Purchase Contract, this Agreement will automatically be deemed terminated.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Residential Owner and The Body Corporate have executed this Agreement as of the Effective Date.

**OWNER of Residential Unit \_\_\_\_\_**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Witness)

**THE BODY CORPORATE:**

\_\_\_\_\_  
\_\_\_\_\_

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

Title: \_\_\_\_\_

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

Title: \_\_\_\_\_

**EXHIBIT A**

**STATEMENT OF OWNER'S SHARE OF PROCEEDS**

Residential Unit: \_\_\_\_\_

Residential Owner: \_\_\_\_\_

Quarter Ending: \_\_\_\_\_

**GROSS RENTAL REVENUES (FOR THE QUARTER)** **\$** \_\_\_\_\_

Less:  
Gross Operating Expenses (\$ \_\_\_\_\_)  
Administrative and General Expenses (\$ \_\_\_\_\_)  
Sales and Marketing Expenses (\$ \_\_\_\_\_)  
Lease for Commercial Spaces (\$ \_\_\_\_\_)  
Utilities (\$ \_\_\_\_\_)  
Management Fee – 3% of GRP (\$ \_\_\_\_\_)  
Maintenance and FF&E Fund Deposit (\$ \_\_\_\_\_)  
Commission and Reservation Expenses (\$ \_\_\_\_\_)  
Uncollected Rental Amounts (\$ \_\_\_\_\_)  
All other Authorized Deductions (i.e. insurance, etc.) (\$ \_\_\_\_\_)

**TOTAL RESORT QUARTERLY EXPENSES** **\$** \_\_\_\_\_

**TOTAL RESORT QUARTERLY NET RENTAL PROCEEDS – PROFIT/(LOSS)** **\$** \_\_\_\_\_

**INDIVIDUAL OWNER'S SHARE OF REVENUES FROM RENTAL POOL**

Less:  
Utility Costs for Owner Stay Periods (\$ \_\_\_\_\_)  
Housekeeping Fees for Owner Stay Periods (\$ \_\_\_\_\_)  
Quarterly Condominium Assessments (\$ \_\_\_\_\_)

**TOTAL OF OWNER'S PERSONAL EXPENSES AND HOA DUES** **\$** \_\_\_\_\_

**OWNER'S SHARE – PROFIT/(LOSS)** **\$** \_\_\_\_\_

**RENTAL POOL MAINTENANCE AND FF&E FUND** **\$** \_\_\_\_\_

**OPENING BALANCE (CLOSING BALANCE FROM PRIOR QUARTER)** **\$** \_\_\_\_\_

**QUARTERLY DEPOSIT** **\$** \_\_\_\_\_

**QUARTERLY EXPENDITURES** **\$** \_\_\_\_\_

**CLOSING BALANCE** **\$** \_\_\_\_\_

**STATEMENT OF OWNER'S MONTHLY COMMON AREA COSTS**

Residential Unit: \_\_\_\_\_

Residential Owner: \_\_\_\_\_

Statement Date: \_\_\_\_\_

**MONTHLY COST FOR MANAGEMENT AND MAINTENANCE OF THE COMMON AREAS**

Compensation, fringe benefits, bonuses, expenses and payroll taxes of employees	\$ _____
Ordinary/routine repair and maintenance including inventories of maintenance materials	\$ _____
Administrative, legal and general costs of the management of the common areas	\$ _____
Rents paid under leases constituting "operating leases" under GAAP	\$ _____
Governmental fees and assessments	\$ _____
Insurance premiums	\$ _____
Uncollectable assessment amounts	\$ _____
Telecom charges and utility costs associated with management of common areas	\$ _____
Lease payments for commercial unit areas required for management of common areas	\$ _____
Deductions for deposit into the Resort Maintenance Fund	\$ _____
<b>TOTAL COST (A)</b>	
<b>UNIT ENTITLEMENT PERCENTAGE (B) (AS NOTED IN THE CONDOMINIUM DECLARATION)</b>	\$ _____
<b>OWNER'S MONTHLY ASSESSMENT: (B) X (A)</b>	\$ _____
<b>COMMON AREA MAINTENANCE FUND</b>	\$ _____
<b>OPENING BALANCE (CLOSING BALANCE FROM PRIOR QUARTER)</b>	\$ _____
<b>QUARTERLY DEPOSIT</b>	\$ _____
<b>QUARTERLY EXPENDITURES</b>	\$ _____
<b>CLOSING BALANCE</b>	\$ _____

**STATEMENT OF OWNERS MONTHLY SERVICE AND UTILITY COSTS**

Residential Unit: \_\_\_\_\_

Residential Owner: \_\_\_\_\_

Statement Date: \_\_\_\_\_

**TOTAL MONTHLY SERVICES AND UTILITY COSTS**

Electrical Utility Costs	\$ _____
Water and Sewerage Utility Costs	\$ _____
Telecommunication/Cable Services Costs	\$ _____

**TOTAL DUE** \$ \_\_\_\_\_

**EXHIBIT B**  
**RESIDENTIAL OWNER OCCUPANCY SELECTION CONFIRMATION**

Residential Unit: \_\_\_\_\_

Residential Owner: \_\_\_\_\_

Rental Pool Operating Year \_\_\_\_\_

**Requested Residential Owner Occupancy Periods**

	<u>Arrival Date</u>	<u>Departure Date</u>
1)	xx/xx/xxxx	xx/xx/xxxx
2)	xx/xx/xxxx	xx/xx/xxxx
3)	xx/xx/xxxx	xx/xx/xxxx
4)	xx/xx/xxxx	xx/xx/xxxx