



STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP

MEMBERSHIP PLAN

SEPTEMBER, 2006



MEMBERSHIP PLAN

STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP

MEMBERSHIP PLAN OVERVIEW

MISSION STATEMENT

The Stratton Mountain Homeowner Membership encompasses all that the resort has to offer. The membership works to create and enhance a social experience within a community. Its purpose is to recognize the importance that members of our community have with the success of Stratton Resort by offering qualified homeowners exclusive access to resort wide amenities and programs, as well as benefits and privileges that are not available to the general public.

MEMBERSHIP ELIGIBILITY

Anyone whose home or property was originally deeded by the Stratton Corporation is eligible to become a Stratton Mountain Homeowner Member upon payment of a non-refundable initiation fee.

MEMBERSHIP CATEGORIES

The Stratton Mountain Homeowner Membership offers something for everyone. Full Membership, Sports Center Membership or Golf Memberships are available in single, couple and family memberships.

SPECIAL MEMBERSHIP BENEFITS

In addition to an extensive array of programs and activities for members, there are a number of attractive benefits, including:

Transferability. Each eligible property's access to membership is transferable upon the sale of a property. A transfer fee will be assessed to the new owner.

Exclusivity. Unrestricted membership with exclusive privileges to Resort-wide facilities.

Preferred Membership Access and Convenience of Resort Charging Privileges. Members receive special resort-wide charging privileges at Stratton owned and operated outlets and dining facilities with proof of a valid Homeowner Membership card. Some restrictions will apply.

Programming. Access to a wide array of programming designed to create and enhance a social experience within a community including three annual member events.

Sports Center Privileges. Discounts on massages, tennis lessons, tanning, personal training and guest fees. Membership includes free exercise classes and use of outdoor tennis courts. No black outs with unlimited use of the Stratton Sports Center at anytime of scheduled hours of operations.

Golf Privileges. Afforded unlimited access, special discounts and services at the Stratton Mountain Golf Course to include retail, food and beverage, and other select services.

Concierge. A concierge service is available to arrange for a variety of personal services. The concierge service is included with a membership, but members are responsible for the cost of services scheduled via the concierge. For convenience, these services may be charged to the member's account.

Club Newsletter. Members will receive a periodic newsletter containing information about events and activities within the Club division and other items of interest. Members may also log onto www.stratton.com/clubs for additional information and updates.

CAREFULLY REVIEW ALL MEMBERSHIP DOCUMENTS

Everyone who desires to maintain a Stratton Mountain Homeowners Membership should carefully read this Membership Plan and all of the other referenced documents. Please contact Membership Services with related questions or concerns at (802) 297-4039 or email StrattonMemberships@intrawest.com.

RELY ONLY ON INFORMATION IN THIS MEMBERSHIP PLAN

No person has been authorized to give any information or make any representations not contained in this Membership Plan and the referenced documents. Any other information or representations if given or made must not be relied upon as having been authorized by the Stratton Mountain Homeowner Membership Program or Stratton Resort. In the event of a conflict between the terms of membership contained in the Membership Plan, Rules and Regulations and Membership Agreement with other printed materials, the Membership Plan, Rules and Regulations and Membership Agreement shall govern.

MEMBERSHIPS ARE OFFERED ONLY FOR RECREATIONAL PURPOSES

Stratton Mountain Homeowner Memberships are being offered exclusively for the purpose of permitting members the recreational use of the Resort Club Facilities. Memberships should not be viewed as an investment and no member should expect to derive any economic profits from membership.

No federal or state authority has passed upon or endorsed the merits of this membership plan.

FOLLOW THESE PROCEDURES TO APPLY FOR RESORT CLUB PRIVILEGES

A person desiring membership may become a member by complying with the following requirements:

- A. Must have eligible property at Stratton Resort

- B. Complete and sign the membership application
- C. Mail or deliver to Stratton Mountain Resort a completed and signed Membership Form to, RR1 Box 145, Stratton Mountain, VT 05155 or by calling (802) 297-4039, ATTENTION Membership Services.

STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP BOARD OF ADVISORS.

The Resort may establish a Stratton Mountain Homeowner Advisory Board composed of members whose purpose includes fostering good relations between the members and management of the Club Facilities, providing the membership with input on programs, plans and activities of the Stratton Mountain Homeowner Membership Facilities, and advising on the Membership's policies and rules and regulations. Additionally, the Resort may establish Facility Committees to specifically guide and advise both the Resort and the Homeowner Advisory Board on the individual recreational facilities included in this Membership Program. The management of the Club Facilities shall meet with the Stratton Mountain Homeowner Board of Advisors on a periodic basis to discuss the operation of the Club Facilities. The Stratton Mountain Homeowner Board of Advisors shall have no duty or power to negotiate or otherwise act on behalf of the Club Facilities, its management or the Members, and shall serve only in an advisory capacity. The management of the Club Facilities will have the final authority on all matters concerning the Club Facilities and the Members of the Club Facilities.

MEMBERSHIP FEATURES AND FACILITIES

RESORT FACILITIES

The facilities of the Resort, referred to as "Resort Facilities" in this Membership Plan, include the Stratton Sports Center and Stratton Mountain Golf Course.

ADDITIONAL CLUB FACILITIES

The Resort may, in its sole discretion, expand the existing Resort Facilities or add additional facilities either on or off-site as it determines appropriate from time to time. If additions to existing facilities are made or new facilities are added, the Resort Facilities included in this Plan may increase the number of memberships and/or offer additional categories of membership privileges to its members and such other persons determined by the Resort from time to time. If offered, each member may acquire some or all of the additional privileges, subject to availability, on such terms and conditions as may be determined by the Resort from time to time and in its sole discretion. Members who elect to acquire such the additional membership privileges may be required to pay an additional membership deposit and additional dues, fees and charges for the additional membership privileges. The Resort will reserve the right to remove or restrict the use of any additional facilities added as Resort Facilities.

ACKNOWLEDGMENT OF MEMBERSHIP RIGHTS

Stratton Mountain Homeowner Membership or membership in a specific Resort Facility permits the members to use the Facilities in accordance with this Stratton Mountain Homeowner Membership Plan and the Rules and Regulations. Membership is not an investment in the Company or Resort and does not give a member a vested or prescriptive right to easement to use the Resort Facilities. Membership does not provide a member with equity or ownership interest or any other property interest in any of the Resort's property or facilities. A member only acquires a revocable permission to use the Resort Facilities in accordance with the terms and conditions of the Stratton Mountain Homeowner Membership Plan, Rules and Regulations and Membership Application Form, as they may be amended from time to time in the sole discretion of the Resort. Membership does not entitle the member to any rights or privileges at any other Intrawest Resorts or Clubs. All rights and privileges of members under this Membership Plan, the Rules and Regulations and the Membership Application Form are subordinate to the liens and encumbrances on any Club Facilities or Resort properties.

The Resort reserves the right, in its sole discretion at any time, to terminate or modify this Membership Plan and Rules and Regulations, to reserve memberships, to sell, lease, or otherwise dispose of the Resort Facilities or any other property subject to this Membership Plan in any manner whatsoever and to any person whosoever, to add, issue, modify or terminate any type or category of class of membership, to discontinue operation of any or all of the Resort Facilities or any other property subject to this Membership Plan, to convert the Resort Facilities or any other property subject to this Membership Plan into a membership-owned club, and to make any other changes in the terms and conditions of membership available for use by members.

In the event of termination of the Membership Plan, termination of a person's category of membership or the discontinuance of operation of all or substantially all of the Resort Facilities or any other property subject to this Membership Plan, the Resort will not refund the membership deposit to the affected member[s]. All Sports Center membership deposits are non-refundable and always transfer with the property. In the event that the Sports Center facilities are sold and the buyer assumes liability for the repayment of the appropriate membership deposit as provided in the membership agreement, the member shall look solely to the new owner for repayment thereof and the seller of the Resort Facilities shall be released from any and all liability for the repayment thereof and any related claims or causes of action. In the event of a sale of any Resort Facility or any other property subject to this Membership Plan, the buyer may take title subject to the terms and provisions of the then existing Membership Plan but as then owner will have the authority to continue, discontinue or modify the Membership Plan or any related documents or practices. All members understand and agree that the Resort shall not be accountable or liable for the actions of any buyer.

HOURS OF OPERATIONS

Each facility's hours of operation will be posted on the Club operations website, and in Facility Policy Booklets. Please check for seasonal updates by logging onto www.stratton.com/clubs.

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STRATTON MOUNTAIN RESORT HOMEOWNER MEMBERSHIP PLAN

INTRODUCTION

This Membership Plan, including the Rules and Regulations and the Membership Agreement, sets forth the rights and privileges of membership for members and their lawful and permitted families and guests to use the Stratton Mountain Facilities.

INVITATION TO MEMBERSHIP

MEMBERSHIP BY INVITATION ONLY

The Resort extends the privilege of the membership program to residences within the Community. Resort residences within the "Community" are eligible for membership in the Stratton Mountain Homeowner Membership Program. "Community" is defined as Stratton Mountain Resort Deeded Property, which is property originally owned and deeded by Stratton. However, membership is a privilege. The Resort reserves the right to modify, restrict, add or eliminate past, current and future terms, conditions, members or individuals at its sole discretion.

ACCOUNT RESPONSIBILITY AND DELINQUENCY

Members are responsible for all charges, assessments, dues and fees on their account including but not limited to if made by themselves or a family member or guest. Members are responsible to look to their family member or guest, not the Resort, for any inappropriate or unauthorized charges.

Delinquency is defined as a deeded or qualified property or membership that has not maintained or been kept "current", (based on the terms and conditions of this Plan and/or any other Membership category or condition). In the event of delinquency, all past fees, dues and any other charges or assessments from the time that delinquency was assessed must be paid in full to the Resort. The Resort reserves the right to permit or not to permit re-entrance into the Stratton Mountain Homeowner Membership Program and/or any other pre-delinquency membership category to any member found to be delinquent on his/her account.

In the event of a delinquent account (property), the Resort reserves the right to sell a new "bond" to the property owner and member in order to reactivate the property in question. The Resort is not obligated to reactivate delinquent properties.

MEMBERSHIP DEPOSIT

A non-refundable initiation fee (or credit) that grants access into the Stratton Mountain Homeowner Membership Program.

DEEDED PROPERTY

Current or past property developed and initially sold by Stratton.

MEMBERSHIP DEPOSIT

A credit that may or may not be received by a property purchaser in current and future Resort Development projects.

NEW PROPERTY OWNERS

At the sale of a newly developed Stratton property, (as of the date of this document), the Resort has the right to charge and/or apply the Membership Deposit as an additional amount and/or as a Membership Deposit Credit. In either case the transaction occurs at closing and is final and non-refundable. Documentation must be provided at the time of closing by Membership Services clearly stating the Resort's intentions and Membership Deposit amount. Unless otherwise stated in writing, the Membership Deposit will be an additional amount, made payable at the time of closing. In order to maintain a property's eligibility all newly acquired Membership Deposits must be paid at, or within 30 days of closing. After 30 days, the Resort has no obligation to offer a Membership Deposit. Future Membership Deposit offerings may be limited and/or restricted based on the Resort Facility's ability to accommodate current membership. Membership Deposit payments should be made to Stratton Mountain Resort Membership Services. The Membership Deposit amount is subject to change from time to time at the Resort's sole discretion.

RIGHTS GOVERNED BY MEMBERSHIP PLAN

Members agree to be bound by the terms and conditions of this Membership Plan and the Rules and Regulations of each facility, as amended from time to time in the Resort's sole discretion, and each Member irrevocably agrees to fully substitute the membership privileges acquired pursuant to the Membership Plan and Rules and Regulations for any present or prior rights in or to use of any Resort Facilities. The Resort has sole discretion in interpreting the Membership Plan and Rules and Regulations.

STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP OPERATIONS**STRATTON MOUNTAIN HOMEOWNER ADVISORY BOARD -**

Resort Management will assign a Stratton Homeowner Advisory Board of Directors to help guide and provide direction for the Stratton Mountain Homeowner Membership Program. The Stratton Mountain Homeowner Advisory Board will be made up of current Stratton Mountain homeowners from qualified Stratton Mountain Resort Home associations. This Board will serve strictly in an advisory capacity but will be instrumental in the success of the program.

- , Additionally: Individual facilities may have committees to help with specific facility needs. These committees will be made up of Stratton Mountain Homeowner Members that show a specific interest in certain aspects of one or more of the Resort's facilities.
- , Those interested in participating on one of the committees or the Advisory Board should write or email your interest to Membership Services.
- , Resort Officers make selection based on criteria that includes but is not limited to:
 - 1 An individual's Association
 - 1 Representation that supports the diversity of our Resort community and home associations
 - 1 An individual being current on all accounts with the Resort and showing a history of such

MANAGEMENT AND OPERATION

The Resort owns, manages and operates all Stratton Facilities. As a result, the Resort is solely responsible for the government and administration of the Resort Facilities and the Membership Plan and will have the exclusive authority in its sole discretion to accept, reject, revoke or suspend members, set dues and charges, establish rules and regulations and control the management and affairs of the Membership Plan operations and its facilities. The Resort also reserves the right to engage a professional management company to operate the Resort Facilities.

GENERAL PROVISIONS

PROTECTION OF MEMBERSHIP PRIVILEGES

In the event that the Resort ever sells any Resort Facility or other property subject to this Plan, it will disclose the existence of this Membership Plan and will require the purchaser to acquire title to the purchased property subject to the terms and conditions of this Membership Plan. Furthermore, the Resort will disclose the Membership Plan to any prospective lender, and will request recognition by the prospective lender of the Membership Plan. However, it is important to remember that because of the nature and retained authority by the owner for any property under the terms of this Plan, the Resort can not guarantee that any purchaser will continue the Plan or continue the Plan under the terms and conditions at the time of purchase.

MEMBERSHIP SERVICES TO ANSWER INQUIRIES

Should you have any questions concerning the Membership Plan or the membership opportunities available within the program, please contact the Membership Services Manager at (802) 297-4039 or email strattonmemberships@intrawest.com.

OFFERING OF MEMBERSHIP

OFFERING OF MEMBERSHIPS

Memberships will be offered by invitation to such persons as the club determines appropriate from time to time.

Membership is available to Stratton deeded property owners on a first come, first served basis. Membership to non-Stratton deeded property owners may be offered solely at the Resort's discretion.

All of the unissued memberships will be reserved by the Resort and the Resort will not be compelled to sell a reserved membership. The Resort may issue a reserved membership to any person whom the Resort, in its sole discretion, determines appropriate, from time to time.

Memberships, including reissuance of membership after delinquency, may be issued on a conditional basis subject to certain terms and conditions set by the Resort.

WAIT LIST

If memberships are not available, the Resort will establish a waiting list of those persons who have notified the Resort in writing of their desire to purchase a membership.

The Resort may at its sole discretion determine that Membership be held at certain levels. The Resort may establish a wait list of those persons who have notified the Resort in writing of their desire to purchase a membership.

MEMBERSHIP OPTION AND PRIVILEGES

The Stratton Mountain Homeowner Membership Plan offers a full Resort membership including Sports Center Membership and Golf Course Membership. This membership program offers single, couple and family memberships. The Resort reserves the right to change, amend, and adjust at its sole discretion with or without notice any membership offer, term or condition.

FULL RESORT MEMBER —

Full resort club members will receive all benefits and privileges. They receive Golf, Sports Center, Tennis, resort charging, resort discounts, and Mountain Club dining privileges.

SPORTS CENTER MEMBER

Unlimited use of the Stratton Sports Center, fitness classes and outdoor tennis courts.

GOLF COURSE MEMBER

Resort Golf Members will receive unlimited seasonal access to the Stratton 27-hole Championship Golf Course.

OTHER MEMBERSHIPS AND USE PRIVILEGES

CORPORATE MEMBERSHIP

The Resort may offer memberships to actual legal, business entities, as determined by the Resort from time to time, in its sole discretion. Each Corporate Membership designee will count as one membership against the membership cap. Each Corporate Membership will entitle the Corporate Member to designate up to 3 persons to use the Resort Facilities. Each designated user of the Corporate Membership will be required to pay the same dues and will be entitled to use the Resort Facilities on the same basis as a member. Each Corporate member and their designated users must complete and submit a Corporate Membership Agreement and Corporate Designee Membership Agreement, respectively, as provided by the Resort and such other forms as may be requested by the Resort to verify the Corporate Member's status as a bona fide business entity. Each designated user must be an owner, director, officer, partner, shareholder or employee of the entity and will be subject to approval of the Resort, in its sole discretion. Each Corporate Member will be responsible for any unpaid dues, fees and other charges incurred by their designated users. A Corporate Member may change one or more of the designated users one time per membership year, upon payment of a redesignation fee and subject to the terms and conditions established by the Resort from time to time.

INVITATIONAL

In order to introduce the Stratton Mountain Homeowner Membership to prospective members, the Resort may, in its sole discretion, offer membership on an annual, seasonal or recallable basis to persons who do not own property in the Community ("Invitational Memberships"). Invitational Members will be entitled to use the Resort Facilities on such terms and conditions as determined by the Resort from time to time. The total number of Invitational Memberships will be limited to the difference between the maximum number of memberships that can be issued and the number of outstanding memberships at the beginning of any membership year. Invitational Memberships will be recalled at the end of each membership year as necessary, on a last-issued, first-recalled basis to reduce the number of memberships to the maximum number of memberships permitted.

HONORARY MEMBERSHIPS

The Resort may issue Honorary Memberships in the Membership Plan to such persons as the Resort determines appropriate from time to time. These Honorary Memberships will be in addition to all other memberships and will be available on such terms and conditions and afford such privileges as the Resort determines.

COMPANY MEMBERSHIPS

The Resort may issue Company Memberships in the Resort to such persons as the Resort determines appropriate from time to time. These Company Memberships will be in addition to all other memberships and will be available on such terms and conditions as the Resort determines appropriate. Company Members shall have such privileges and shall pay such fees and charges as determined by the Resort from time to time. Company members will not be obligated to pay dues unless later determined otherwise.

OTHER MEMBERSHIPS

The Resort previously issued a limited number of Memberships (“Charter Memberships”) to certain individuals pursuant to a separate agreement. These memberships are not available to any other person. Charter Members will be in addition to all other memberships. The Resort reserves the right, at its sole discretion, to enter into additional “Charter Memberships”. These memberships may or may not be limited to individual facilities.

NUMBER OF MEMBERSHIPS

The intended purpose of this Membership Plan is to accommodate past, current and future property developed by the Resort. The Resort reserves the right to limit, add or restrict in its sole discretion the total number of memberships available in the program and per facility.

TRANSFER OF MEMBERSHIP

TRANSFER OF MEMBERSHIP TO THE RESORT

A member may transfer his or her membership only to the Resort by resigning the membership. The Resort has the sole discretion to resell the membership to a new member. Should a member desire to resign from the Resort, the member shall be required to give 30 days prior written notice to the Resort. Resignation by a member is irrevocable unless otherwise determined by the Resort.

IF A MEMBER SELLS THEIR RESIDENCE IN THE COMMUNITY

If a member sells his or her residence in the Community, the membership eligibility status with the Stratton Mountain Homeowner Membership Program ends.

DUES, CHARGES, SPECIAL FEES, AND SPECIAL DEPOSITS

DUES, FEES AND CHARGES

The Resort will determine the amount of dues, fees and charges to be payable by members each year. Dues shall be payable on an annual basis, unless otherwise determined by the Resort from time to time. The current dues, fees and charges for the use of the Resort Facilities and in the Plan are indicated on the Schedule of the Dues and Charges. The amount of dues, fees and other charges is subject to change from time to time by the Resort with or without advance notice.

MEMBERSHIP YEAR

The Resort's membership year will constitute the twelve-month period commencing July 1 and ending June 30, unless otherwise established by the Resort from time to time.

PRO-RATED DUES AND FEES UPON REASSURANCE OF THE MEMBERSHIP

If a membership is resold during a membership year, the resigned member shall not be entitled to a refund of a pro-rated portion of any monthly dues.

ACKNOWLEDGMENT OF MEMBERSHIP RIGHTS

Membership permits the members to use the Facilities in accordance with this Membership Plan and the Rules and Regulations. Membership is not an investment in the Company and does not give a member a vested or prescriptive right to easement or any other property right or to use the Resort Facilities or any other Resort property. Membership does not provide a member with any equity or ownership interest or any other property interest in the Facilities or any other Resort property. A member only acquires a revocable entitlement to use the Resort Facilities in accordance with the terms and conditions of the Membership Plan and Rules and Regulations, as the same may be amended from time to time, and the Membership Application Form. Membership in the Resort Facilities does not entitle the member to any rights or privileges at any other Intrawest Resorts or Clubs. All rights and privileges of members under this Membership Plan, the Rules and Regulations and the Membership Application Form, are subordinate to the lien or encumbrance on any Resort Facilities or property.

The Resort reserves the right, in its sole discretion, to terminate, amend or modify this Membership Plan and Rules and Regulations, to reserve memberships, to sell, lease, or otherwise dispose of any Resort property [real or personal] subject to this Plan in any manner whatsoever and to any person whatsoever, to add, issue, modify or terminate any type or category or class of membership, to discontinue operation of any or all of the Resort property [real or personal] subject to this Plan, to convert the Resort Facilities into a membership-owned Resort, and to make any other changes to this Plan or to the terms and conditions of membership available for use by members.

In the event of termination of the Membership Plan, termination of a person's category of membership or the discontinuance of operation of all or substantially all of the Resort Facilities or any other Resort property [real or personal] subject to this Plan, the Resort will not refund the membership deposit to the affected members. All Sports Center bonds are non-refundable and always transfer with the property. In the event that the Sports Center Facilities are sold and the buyer assumes liability for the repayment of the appropriate membership deposit as provided in the Membership Agreement, the member shall look solely to the new owner for repayment thereof and member agrees and acknowledges that the seller of the Resort Facilities shall be released from all liability, claims or causes of action for the repayment thereof. In the event of a sale of the Resort Facilities, the buyer shall take title subject to the terms and provisions of the then existing Membership plan but as the new owner will have the authority to continue, discontinue or modify the Membership Plan or any related documents or practices. All members understand and agree that the Resort shall not be accountable or liable for the actions of any buyer.



**STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP
RULES AND REGULATIONS**

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STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP

RULES AND REGULATIONS

PREAMBLE

These Rules and Regulations are established by the Resort to protect the Resort Facilities and to promote the health, safety, welfare and enjoyment of the members, their families and guests and all other persons using the Resort Facilities. The Stratton Mountain Homeowner Membership is committed to providing all members and their guests with an enjoyable experience. To uphold these expectations, members and guests are encouraged to act in a manner consistent with good taste. The Resort may amend these Rules and Regulations from time to time in its sole discretion with or without notice.

GENERAL STRATTON MOUNTAIN HOMEOWNER MEMBERSHIP RULES

1. Members, their families and their guests shall abide by all rules and regulations of the Resort Facilities as they may be amended from time to time.
2. The Resort Facilities shall be open on the days and during the hours as may be established by the Resort. Areas of the Resort Facilities may also be closed for scheduled maintenance and repairs.
3. Programming will be permitted at the Resort Facilities only with the permission of the Resort.
4. Commercial advertisements shall not be posted or circulated in the Resort Facilities nor shall solicitations of any kind be made on the Resort Facilities or upon their stationery without the prior approval of the Resort. Other than as permitted in writing by the Resort, no petition shall be originated, solicited, circulated or posted on Resort Facility property.
5. Members shall not use the roster or list of members of the Resort Facilities for solicitation or commercial purposes or distribute the roster to anyone other than a member.
6. It is contrary to the Resort Facilities policy to have its facilities used for functions or fund raising efforts for the benefit of a political cause, except as specifically permitted by the Resort. The Resort Facilities shall not be used in connection with organized religious services or other activities except as may be approved by the Resort.
7. Members should not request special personal services from employees of the Resort who are on duty or the personal use of the Resort Facility's furnishings or equipment which are not ordinarily available for use by members.
8. Dogs or other pets (with the exception of those assisting persons with disabilities) are not permitted at the Resort Facilities, except with the permission of the Resort. Where dogs are permitted on the grounds, they must be on a leash.

Members are responsible for damage caused by an animal owned by the member or under the member's control.

9. All complaints, criticisms or suggestions of any kind relating to any of the operations of the Resort Facilities or its employees must be in writing, signed and addressed to the Resort Facility Manager, or to the attention of membership services.
10. Members and their guests may not abuse or harass any of the Resort Facilities employees, verbally or otherwise. All employees of the Resort Facilities are under the supervision of the Resort Facility Manager and no member or guest shall reprimand or discipline an employee, nor shall a member request an employee to leave the Resort Facilities for any reason. Any employee not rendering courteous and prompt service should be reported to the management of the Resort Facility immediately. Any member who is thought to be abusive or harassing to any employee will be brought to the attention of the Resort Facility Manager and is subject to immediate suspension from membership or use of the Facility.
11. No fireworks are permitted anywhere on Resort property or adjacent areas unless part of a fireworks exhibit organized and conducted by the Resort.
12. Firearms and all other weapons of any kind are not permitted on Resort property at any time. This is a zero tolerance policy. Any member, family member or guest associated with a member who is found to have any kind of weapon will have their membership privileges revoked immediately and will not be allowed to resubmit for membership.
13. Use of the Resort Facilities may be restricted or reserved from time to time by the Resort.
14. Violation of any of these rules or conduct in a manner prejudicial to the best interests of the Resort will subject the person in violation to disciplinary action by the Resort in accordance with these Rules and Regulations.
15. The personnel of the Resort will have full authority to enforce these Rules and Regulations and any infractions will be reported to the management of the Resort Facility.
16. In no event shall the Resort discriminate against any individual because of the individual's race, color, religion, sex, sexual orientation, ancestry, place of birth, national origin, age, physical or mental condition or marital status.

GENERAL MEMBERSHIP BILLING & ACCOUNTING PRACTICES

1. **Membership Accounts.** All members are required to have a valid credit card on file. Members that do not have a valid credit card on file will have their membership accounts placed on "hold" status and will be notified in writing, via mail.
2. **Hold Status:** Memberships that are on "hold" status will be denied Resort Facility access and membership charging privileges.

3. **Monthly Billing Cycle:** All membership accounts will be automatically billed on the 5th of every month for the previous month.
4. **Statement Request:** Members may request a detailed statement at anytime by calling Membership Services at 802-297-4039.
5. **Additional Options for Membership Account Payment:** Members may pay their accounts with cash, check or a different credit card than the one that the Club Facilities has on file, as long as they do so prior to the 5th of any month and only for the current statement billing cycle.
6. **Delinquent Accounts:** Membership accounts that are outstanding for more than 30 days will be put on "hold" status. Members will be notified in writing of any hold status by Club management.

MEMBERSHIP CHARGING PRIVILEGES

1. **Account Responsibility:** Stratton Mountain Homeowner Members are solely responsible for all charges they and/or their family, guests or visitors sign/charge to their membership account and Members shall not look to the Resort for reimbursement or relief of any such charges or assessments.
2. **Stratton Outlet Charging:** Payments charged to membership accounts at Stratton Mountain Outlets will be charged to the individual's membership accounts. Outlet charging will be handled in the same manner as all memberships. Resort charging only applies to Stratton Mountain Homeowners opting for the Full Membership.

MEMBERSHIP CARD

1. The Resort will issue a membership card to the member and the other members of his or her family who are eligible for membership privileges. Membership cards will include the member's name, Resort account number and category of membership. Membership cards will only be issued upon payment of dues by the member. Membership cards will not be issued to children under the age of ten or over the age of twenty-three. Members and their families must have their membership cards with them at all times while using the Resort. The Resort may change its membership card system at any time in its sole discretion.
2. A membership card may not be used by any person other than the person to whom it is issued. Membership cards are not transferable.
3. In order to protect members from improper charges, membership cards must be presented at the point of sale for all transactions.
4. Membership cards will be mailed to member at the address designated by the member or held for pick-up at the Membership Office as determined by the Resort.

5. In the event of a lost or stolen membership card, the Resort must be notified immediately. The member's Resort account will be canceled and the Resort will issue a new membership card number. Until notification of card loss or theft is received in writing by the Resort, the member shall be responsible for all charges placed on the account. A card replacement fee as determined by the Resort may be charged for lost or stolen membership cards or in any situation where the Resort account number is changed.
6. Each member may receive such identification decals and other insignia as the Resort may from time to time designate, and shall display such insignia as required by the Resort.

MEMBER DUES AND CHARGES, AND DELINQUENCY

1. Members' dues will be billed on a monthly basis unless otherwise determined by the Club Facilities.
2. A member is required to furnish the Resort Facilities with a valid approved credit or debit card issued by Master Card, Visa, or American Express, and authorize the Resort Facilities to charge dues, fees and charges to such credit or debit card. The member shall be obligated to keep a valid approved credit or debit card on file with the Resort Facilities at all times.
3. All applicable Resort Club membership discounts will only be applied to items charged to membership accounts and will be billed monthly.
4. All charges for purchases and services at the Resort Facilities shall be charged to the member's credit card issued by Master Card, Visa or American Express on file with the Resort Facilities. Membership dues will also be billed to the member's credit card or debit card. These dues, fees and charges shall be paid to the Resort Facilities by the credit or debit card company.
5. If a member fails to pay any Resort Facility account within (30) days of when it is first billed, the Resort Facilities shall have the right to suspend membership privileges in the Resort Facilities at any time until the delinquent account is paid in full and/or charge the member's credit card or bank account on file with the Resort Facilities for the amount owing.
6. If a payment in full, including any service charges and reinstatement fees owed by a member, is received prior to the Resort terminating a membership, the member making payment may be reinstated as a member in good standing in the sole discretion of the Resort.
7. When a membership is issued in the name of more than one person, each person shall be jointly and severally liable for all dues, fees and other charges and liabilities associated with the membership.
8. If the Resort account of any Member is delinquent, the Resort may at its option take whatever action it deems necessary for collection. If the Resort commences any legal action to collect any amount owed by any member or to enforce any other liability of any member to the Resort, and if judgment is obtained by the

Resort in whole or in part, the member shall also be liable for any and all costs and expenses of such legal action and reasonable attorneys' fees, including any fees required in connection with appellate proceedings.

9. In the event of a delinquent account, the ability to transfer a qualified property within the community within this program's guideline is restricted until all fees, charges and assessments from the time of delinquency are paid in full.
 - a. In the event that there is a Wait List established for either the Stratton Mountain Homeowner Membership Plan or an individual, the then "current" member would be placed on the proper Wait List.
10. Any account or any amount in an account that is delinquent in accordance with the terms of the Membership Plan will be subject to interest at the rate of one and one-half (1 1/2%) per month. Interest will continue to accrue on all delinquent amounts, fees and interest until all delinquent amounts are paid in full. The Resort in its sole discretion is entitled to offset any payments received during delinquency to recent charges incurred or to delinquent amounts, interest and/or Late Payment Fees.

A Late Payment Fee will also be assessed if the Resort has not received full and timely payment on any outstanding invoice as required under the Plan or on any other payment due and owing on the account. The Late Payment Fee will be assessed for each billing period where the account is not paid in full. Interest may accrue on any incurred but unpaid Late Payment Fees.

MAILING ADDRESSES

1. Each member shall be responsible for filing with the Resort Membership Office, in writing, preferably on a form provided by the Resort Facilities, his or her mailing address and any changes thereto, where the member wishes all notices and invoices of the Resort Facilities to be sent. A member shall be deemed to have received mailings from the Resort Facilities ten days after they have been mailed to the address on file with the Resort Facilities. In the absence of an address on file at the Resort Membership Office, and Resort Facilities mailing may, with the same effect described above, be addressed as the Resort Facility Manager may think is most likely to cause its prompt delivery.
2. The Resort must be notified in writing of any change of address. Failure to do so shall constitute a waiver of the right to receive Resort notices, bulletins and any other communications, and a violation of these Rules and Regulations.

MEMBERSHIP FEEDBACK

Complaints or suggestions concerning the management, service or operation of the Resort should be in writing, signed by the member and addressed to the Resort Facility Manager. Errors in billing charges should be directed to the attention of the Membership Services Department.

RESORT FACILITY SERVICE AND ACTIVITIES

The Resort provides a variety of social events in which all members are encouraged to participate. Outside special events may be scheduled from time to time at the discretion of the Resort.

RESIGNATION OF MEMBERSHIP

1. A member may resign membership by delivering written notice of resignation to the Resort Membership Office. A membership shall be deemed to have been resigned thirty (30) days after the date the Resort receives written notice of the member's resignation.
2. Notwithstanding any resignation, the member and his or her spouse shall remain liable for any amounts unpaid on the member's Resort account.

DISCIPLINE

1. Members are responsible for their own conduct and for the conduct of their family and guests. Any member whose conduct or whose family's or guest's conduct shall be deemed by the Resort in its sole discretion to be likely to endanger the welfare, safety, harmony or good reputation of the Resort or its members or is otherwise improper, disruptive or inappropriate, may be reprimanded, fined, suspended or expelled from the Resort Membership Plan and have all privileges associated with the membership suspended or terminated by the Resort. The Resort shall be the sole judge of what constitutes such conduct, but such conduct will include, without limitation: (i) failing to meet eligibility for membership, (ii) submitting false information on the Membership Agreement, (iii) allowing his or her membership card to be used by another person, (iv) failing to pay any amount owed to the Resort in a proper and timely manner, (v) failing to abide by the Rules and Regulations of the membership Plan as set forth herein and as established by the Resort from time to time, (vi) abusing or harassing Resort Facilities personnel or employees, (vii) illegal or immoral conduct on or off Resort Property or (viii) acting in a manner incompatible with the standard of conduct of the existing membership or which would likely injure the reputation or good will of the members or the Resort.
2. Any member accused of conduct subject to discipline shall be notified of the Resort's proposed disciplinary action and shall be given an opportunity to be heard by the Resort to explain why he or she should not be disciplined. If such member desires to be heard, the Resort shall set a time and date (preferably not less than ten days thereafter) for the meeting. The meeting shall be informal with others allowed to attend only at the permission and discretion of the Resort. While disciplinary action is being considered by the Resort, the member may be suspended from some or all privileges or may be entitled to enjoy the privileges of the Resort. Notwithstanding the foregoing, the Resort may, without notice and without a hearing, immediately suspend some or all privileges associated with a membership and/or, after notice, terminate a member for failure to pay in proper and timely manner dues, fees, or any other amounts owed to the Resort.

3. The Resort may restrict or suspend some or all of a member's, family member's and/or guest's Resort privileges. If the Resort determines that a member's conduct or the conduct of his or her family or guest merits discipline, the Resort may terminate the membership, suspend or restrict the member's membership privileges, or restrict the use privileges of the member or the member's family or guest. **No member, on account of any restriction or suspension, is entitled to any refund of any membership deposit, dues or any other fees.** During the restriction or suspension, dues and other charges shall continue to accrue and shall be paid in full prior to reinstatement as a member in good standing.
4. A disciplined member, family member or guest may have privileges reinstated, in whole or in part, subject to terms or conditions set by the Resort in its sole discretion.
5. Any member, family member or guest who violates the terms or conditions of any discipline or suspension is subject to having all privileges immediately revoked without further notice or opportunity to be heard.
6. Any membership which has been terminated hereunder shall be treated as a resigned membership and the member's membership deposit shall be returned to the member in the same manner as in the case of any other resigned membership.

LOSS OR DESTRUCTION OF PROPERTY OR INSTANCES OF PERSONAL INJURY

1. Each member as a condition of membership and each guest as a condition of invitation to the Resort assume sole responsibility for his or her property and personal well-being. **The Resort shall not be responsible for any loss or damage to any personal property used or stored on the Resort, whether in lockers or elsewhere, and as a condition and consideration for membership the member releases the Resort from any liability or damage to such property.** Any such personal property which may have been left in or on the Facilities for six months or more without payment of applicable storage fees may be sold by the Resort, with or without notice, at public or private sale, or may be otherwise disposed of, and the proceeds, if any, may be retained by the Resort.
2. No person shall remove from the room in which it is placed or from the Resort premises any property or furniture belonging to the Resort without proper written authorization. Every member of the Resort shall be liable for any property damage caused by the member, any guest or any family member. The cost of such damage shall be charged to the responsible member's Resort account.
3. Any member, family member, guest or other person who, in any manner, makes use of or accepts the use of any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the Resort, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the Resort, either on or off the Resort premises, shall do so at his or her own risk and by engaging in such activity acknowledges all risks inherent in that activity. The member and his or her family members and guests shall hold The Stratton Corporation (the "Company"), its affiliates, and their employees, officers, agents and representatives ["Indemnified Parties"] of the Resort harmless from any and all loss, cost, claim, injury, dam-

age, or liability sustained or incurred by him or her, resulting from the use of the Resort, or otherwise, a rising out of or incident to membership in the Resort and/or from any act or omission of any of the Indemnified Parties. Any member shall have, owe and perform the same obligation to the Indemnified Parties hereunder in respect to any such loss, cost, claim, injury, damage or liability sustained or incurred by any guest or family member.

4. Should any party bound by these Rules and Regulations bring suit against any of the Indemnified Parties in connection with any event operated, organized, arranged or sponsored by the Resort or any other claim or matter in connection with membership in the Resort, and fail to obtain judgment therein against any one or more of them, said party shall be liable to the prevailing Indemnified Parties for all costs and expenses incurred by them in the defense of such suit, including court costs and attorneys' fees and expenses through all appellate proceedings.

RESERVATIONS AND CANCELLATIONS

Reservations are required for all activities at the Resort and shall be accepted on a first-come first served basis with the appropriate personnel of the Resort. All event reservations will be confirmed at the time of making the reservation.

EMPLOYEE FUND

It is customary for the Resort to send a letter providing an opportunity for members to contribute a suggested contribution to an Employee Fund for all Resort employees. Payment for such contribution will be voluntary and will be included on the contributing member's statement. This Employee Fund provides the members with an opportunity to show their appreciation to Resort employees. Resort management shall be responsible for the distribution of these funds.

CHILDREN

1. Unless permitted by the Resort, children under 16 years of age are not allowed at the Resort Facilities unless accompanied and supervised by an adult.
2. Members are responsible for the conduct and safety of their children when enjoying the Resort Facilities.

ATTIRE

It is expected that members will choose to dress in a fashion befitting the surroundings and atmosphere provided in the setting of the Resort. It is also expected that members will advise their guests of the dress requirements. The Resort may publish dress requirements from time to time. Gentlemen and ladies are requested to dress in a fashion compatible with the appropriate occasion.

GUEST PRIVILEGES

1. Guest privileges may be extended under the rules established by the Resort from time to time. Although it is the intention of the Resort to accommodate guests without inconvenience to the members, the Resort reserves the right to place limitations on guest usage of the Resort from time to time. These limitations may include a limit on the number of guests that accompany a member on any given day, the number of times a particular person may be a guest of a member, and the number of times a member may bring guests to the Resort. The Resort reserves the right to establish member-only hours of operation. The Resort shall establish the rate of the daily guest fees, charges and the rules and regulations for use of the Resort by guests. Guest privileges may be denied, withdrawn or revoked at any time for reasons considered sufficient by the Resort, in its sole and absolute discretion.
2. All guests of members who are not accompanied by the member must present a prepaid guest pass and register at the Concierge desk upon arrival at the Resort Facilities.
3. All guests accompanied by the member must check in at the front desk and pay the appropriate guest fee.
4. A member hosting a guest shall be held responsible for the behavior of his or her guest and for any debts to the Resort Facilities incurred by the guest.

Please note: Immediate Family includes the member's spouse and their unmarried children under the age of 23, who are either living at home or are in school on a full-time basis. Extended Family includes the parents, adult children and grandchildren of the member and spouse.

PARKING

Stratton Corporation and the Resort Facilities are not responsible for any damage to attended and/or unattended vehicles. Furthermore, **the Member hereby releases and holds harmless the Resort from any and all vehicular liabilities associated with or in conjunction with the Resort Facilities or Mountain parking facilities.**

SMOKING

The entire Resort Facilities, including outside areas, is a non-smoking facility.

PETS/ANIMALS

Dogs or other pets (with the exception of those assisting persons with disabilities) are not permitted at the Resort. The Resort asks that members or guests of members with special needs contact management so the Resort Facilities may extend extra attention to such individuals to ensure that their needs are accommodated.

INHERENT RISKS, ASSUMPTION OF RISKS AND INDEMNIFICATION

The Resort reminds the member and all participating family members and guests and member acknowledges on behalf of himself/herself and, as duly authorized, on behalf of all family members and guests that the terms and conditions of participation in the Membership Plan and using the Resort Facility and resort properties includes that the member and all participating family members and guests acknowledge and assume inherent risks and that they accept assumption of risks with their participation in the Plan and all Plan activities and facilities, that they have agreed to indemnify and hold harmless the Resort and other Indemnified Parties, and that they have agreed to other terms and conditions all as more fully set forth, signed and acknowledged in the Membership Agreement and Application.