

SITE USE AGREEMENT

This SITE USE AGREEMENT ("**Agreement**") is made on July 5, 2013 ("**Effective Date**") between HEAVENLY VALLEY, LIMITED PARTNERSHIP, a Nevada limited partnership, d/b/a HEAVENLY® MOUNTAIN RESORT ("**HVLP**") and Kiwanis Club of Lake Tahoe, a California corporation ("**Organizer**").

BACKGROUND

A. HVLP controls Heavenly® Mountain Resort, located in Alpine and El Dorado Counties, California, and Douglas County, Nevada, ("**Resort**") under a Special Use Permit granted by the United States Department of Agriculture, Forest Service ("**Forest Service**").

B. Organizer desires to use certain portions of property located at the Resort ("**Premises**").

AGREEMENT

The parties agree:

1. SCOPE OF USE.

(a) Organizer may use the Premises for the purposes described on Exhibit A ("**Permitted Use**").

(b) Organizer may erect certain temporary structures as necessary or desirable ("**Facilities**") in connection with the Permitted Use.

(c) Organizer is specifically prohibited from selling or serving beer, wine or spirituous liquors, unless Organizer has separately contracted with HVLP food and beverage services. If applicable, HVLP or its affiliate will be responsible for providing, serving, dispensing, selling or otherwise distributing all alcoholic beverages on the Premises and will be responsible for controlling the Premises in accordance with applicable liquor laws. Organizer will be responsible for obtaining all required permits, licenses and/or approvals from the governing municipality in order to conduct business at the Facilities on the Premises.

2. SITE USE FEE; PAYMENT. Upon execution of this Agreement, Organizer will pay the site use fee ("**Site Use Fee**") set forth on Exhibit A, if any. In addition, unless otherwise agreed in writing by the parties, Organizer is responsible for all costs associated with Organizer's use of the Premises. If HVLP incurs any costs, HVLP will submit an invoice to Organizer, and Organizer will pay the invoice upon receipt. Any invoice not paid when due will accrue interest at the rate of 18% per annum from the date of invoice until the account is paid in full. Organizer will pay all costs and expenses HVLP may incur in connection with the collection of Organizer's delinquent account including reasonable attorneys' fees, court costs and agency fees.

3. TRADEMARKS. HVLP's trademarks are the sole property of HVLP or its subsidiaries and affiliates and Organizer does not have any right, title or interest in any of the trademarks. Organizer must not use any HVLP trademarks without obtaining prior written permission from HVLP. Any HVLP trademarks used by Organizer must be accompanied by adequate notification of HVLP's ownership including proper usage of the ™ and/or the ® symbols, as appropriate. Organizer acknowledges that (i) all of the HVLP trademarks have great value and good will; and (ii) if Organizer breaches this Section, injury to HVLP would be irreparable and injunctive relief to protect HVLP's interests would be appropriate, without limiting HVLP's other remedies allowed by law.

4. INSURANCE.

(a) Organizer must carry and maintain, at its sole cost, the following insurance policies with insurance companies with an AM Best Rating of no less than A- VII and on forms satisfactory to HVLP:

(i) Commercial general liability insurance in an occurrence format in an amount of \$2,000,000 per occurrence and \$4,000,000 in the aggregate, covering liability arising out of premises operations, personal and advertising injury, products-completed operations, contractual liability and independent contractors. This policy must not contain any participant or spectator exclusions.

(ii) If the Permitted Use includes Organizer's use of an auto on the Premises, Organizer must carry commercial automobile liability insurance with a limit of no less than \$2,000,000 combine single limit each accident for bodily injury and property damage covering "any auto" whether owned, non-owned, scheduled, leased, hired or other.

(iii) Workers' Compensation insurance in accordance with applicable law and Employers Liability insurance with a limit of no less than \$500,000 each accident for bodily injury, \$500,000 each employee for bodily injury by disease and \$500,000 policy limit for disease.

(b) Organizer's insurance required by subsections (i) and (ii) must be primary and non-contributory to any insurance held by HVLP or its affiliates. Except for Workers' Compensation, HVLP and the Forest Service must be named as additional insured under the policies. The policies must include a waiver of subrogation, and Organizer must provide HVLP a copy of the carrier notice of cancellation or notice of changes to policy conditions within five days after the notice is received. Organizer must provide HVLP with certificates of insurance evidencing the policies listed above at least 15 days prior to accessing the Premises for the Permitted Use. If Organizer engages any subcontractors in connection with this Agreement, Organizer must require the subcontractor to provide the insurance listed above.

5. INDEMNIFICATION. Organizer will indemnify HVLP, its employees, officers, directors, owners, affiliates, agents and assignees and each of their successors-in-interest (each, an "**Indemnified Party**") from all injuries, losses and liabilities in any way arising from Organizer's accessing of the Premises or Promoter's acts or omissions. Organizer releases and will indemnify each Indemnified Party from liability for any injuries and losses of Organizer or its employees, officers, directors, owners, affiliates, agents and assignees and each of their successors-in-interest in any way arising from this Agreement unless arising from an Indemnified Party's gross negligence or willful misconduct. Upon notice from an Indemnified Party claiming indemnity for a claim or threatened claim, and upon HVLP's written request, Organizer will assume defense of the claim and retain counsel reasonably satisfactory to Indemnified Party. Indemnified Party will cooperate as reasonably requested in the defense and any costs and expenses incurred by Indemnified Party will be reimbursed by Organizer. Indemnified Party may retain counsel and participate in any proceeding at its expense, unless a conflict of interest exists between the parties in which case at Organizer's expense. Organizer may not resolve the claim without Indemnified Party's consent. If Organizer does not assume defense of the claim, Indemnified Party may retain counsel of its choice at Organizer's expense and Indemnified Party will have control over the defense and authority to resolve the claim. This Section will survive any termination or expiration of this Agreement.

6. LICENSES, APPROVALS AND PERMITS. Unless otherwise agreed in writing by the parties, Organizer must obtain, at its own cost, all licenses or permits that may be required in connection with the Permitted Use.

7. TERMINATION.

(a) HVLP may terminate this Agreement upon seven days notice for any reason.

(b) If HVLP terminates this Agreement for convenience, Organizer will be entitled to a refund of any prepaid Site Use Fee.

8. EQUIPMENT. Organizer may use its own equipment in connection with the Permitted Use; provided, that Organizer will bear the burden of all misuse or wear and tear and risks of loss or damage to its equipment used in connection with this Agreement or brought onto the Premises for any purpose.

9. CANCELLATION FOR WEATHER. Promoter acknowledges that inclement, extreme or unseasonable weather may make conducting the Event impractical or impossible and that unseasonable weather in the days or weeks preceding the Event, or during the Event, may make it impractical or impossible for Heavenly to permit access to the Premises. Promoter acknowledges that Heavenly will have complete and sole discretion regarding whether or not to cancel or postpone the Event in case of inclement weather conditions.

10. GENERAL PROVISIONS.

(a) Publicity. Organizer may not issue a press release or make a public statement relating to the Permitted Use or this Agreement without the approval of HVLP.

(b) Compliance with Law. In performing its obligations under the Agreement, Organizer must comply with all applicable laws, rules and regulations and any HVLP policies in effect on the Premises.

(c) Authority. Each party represents that (i) it has the corporate power and authority to enter into and perform this Agreement; and (ii) execution or performance of this Agreement does not breach any other agreement.

(d) Force Majeure. Neither party will be liable for any failure or delay in performance under this Agreement to the extent caused by forces beyond that party's reasonable control, including natural disaster, fire, flood, unseasonable and extreme weather conditions, unforeseeable changes of government restrictions, acts of terror, wars, or third- party labor disputes, which makes performance impossible.

(e) Governing Law. This Agreement is governed by California law, without regard to its conflicts of laws principles.

(f) Jurisdiction and Venue. Exclusive jurisdiction and venue for any legal action under this Agreement is the El Dorado County California District Court or the U.S. District Court for the Eastern District of California.

(g) Jury Waiver. The parties waive their rights to trial by jury in any legal action under this Agreement.

(h) Remedies Cumulative. The rights and remedies in this Agreement are cumulative and are in addition to all rights and remedies available under law (unless waived in this Agreement). By exercising any right or remedy a party does not waive any other available right or remedy.

(i) Severability. If any part of this Agreement is held invalid in a legal proceeding, then the rest of the Agreement will remain valid.

(j) Attorneys' Fees. If a party substantially prevails in any legal action under this Agreement the non-prevailing party must pay the reasonable attorneys' fees, experts' fees, costs and expenses of the prevailing party.

(k) Notices. All notices under this Agreement must be in writing and delivered to the notice address below: (i) in person; (ii) by registered, express, or certified mail; (iii) by courier or messenger service; or (iv) by electronic mail with acknowledgement of receipt. Notice is deemed given on the date delivered or attempted but delivery is refused. Any party may change its notice address by following the requirements in this section.

If to HVLP: Heavenly Mountain Resort
225 Kingsbury Grade
P.O. Box 2180
Stateline, NV 89449
Attention: Karen Foster
E-mail: KS Foster@vailresorts.com

With a copy to: Vail Resorts Management Company
Attention: Legal Dept., Box I-88
390 Interlocken Crescent
Broomfield, Colorado 80021
Facsimile: 303.404.6422

If to Organizer: See Exhibit A

For Forest Service
Certificate of Insurance: Forest Service
Lake Tahoe Basin Management Unit
35 College Drive
South Lake Tahoe, CA 96150

(l) Survival. Any agreements, obligations or undertakings in this Agreement which by their terms must be performed or remain in effect following the termination or expiration of this Agreement will survive.

(m) Amendment. The parties may only alter this Agreement by written amendment signed by the parties.

(n) Further Assurances. If reasonably requested, any party will sign and deliver any document or take other action necessary to carry out the intent of or to perfect any of the rights granted in this Agreement.

(o) Time of the Essence. Time is of the essence with regard to all dates and time periods in this Agreement.

(p) Captions. The captions of each section are for reference only and do not affect the interpretation of this Agreement.

(q) No Presumption Against Drafter. This Agreement expresses the mutual intent of the parties. Each party has had the opportunity to consult with counsel. Any rule of construction that ambiguities will be resolved against the drafting party does not apply.

(r) Relationship of Parties. Nothing in this Agreement creates a partnership, joint venture, or similar relationship between the parties. Neither party may bind the other party or hold itself out as having authority to bind the other party.

(s) Third-Party Beneficiary. This Agreement is for the sole benefit of the parties and their successors and permitted assigns, and no other person or entity has any right under this Agreement except to the extent identified in this Agreement.

(t) Assignment; Successors. Organizer may not assign or delegate its rights or duties under this Agreement. This Agreement is binding on the successors and permitted assigns of either party.

(u) Entire Agreement. This Agreement contains the entire understanding between the parties relating to the subject described and supersedes all prior agreements, whether written or oral, relating to the same subject.

(v) Counterparts. This Agreement may be executed in counterparts and delivered by facsimile or other electronic method, which taken together form the Agreement and will be binding as if the original signatures are on one document.

The parties have executed this Agreement as of the Effective Date.

HEAVENLY VALLEY, LIMITED PARTNERSHIP
By its General Partner, VR Heavenly I, Inc.

Peter Sonntag, VP and General Manager
Heavenly Mountain Resort

ORGANIZER

By: Kwanis of Lake Tahoe
Name: Rick Benn
Title: President

EXHIBIT A

PERMITTED USE

Organizer: Kiwanis Club of Lake Tahoe

Address: P.O. Box 13364
South Lake Tahoe, CA 96151

Contact: Kristin Hunt

Phone: 530 541-4594

E-mail: grantkhttp@gmail.com

Date(s): 8/31/13 – 9/1/13

Detailed Description of the Premises (attach map of geographic location, if desired):

California Main Lodge lower parking lot

Organizer may use the Premises as follows:

Community fair to include booths with games, carnival rides, concession stands, various contests, petty zoo, pony rides.

Alcohol Service: None

Organizer's Additional Duties and Responsibilities:

- Provide security staff
- Provide "port a potty"
- Provide fencing
- Use its best efforts to enforce the Rule Guide, see attached Exhibit B.

Site Use Fee: No charge