

MAINTENANCE AND RENTAL MANAGEMENT AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____,2007, between **OCEANSIDE MARKETING CORPORATION LTD.** (the "Manager") and

Name:

Address:

Phone:

Facsimile:

(the "Owner").

WHEREAS, Owner is the owner of Unit #____ of Building # ____ situated in The Sands Ltd. Development at Grace Bay, Providenciales, Turks and Caicos Islands (the "Unit"); and

WHEREAS, Owner desires to make the Unit available for lease or rent under the management of Manager; and

WHEREAS, Manager is in the rental management business and is desirous of providing rental and management services for Owner.

IT IS HEREBY AGREED in consideration of the mutual covenants, conditions and terms contained herein as follows:

1.0 DEFINITION, TERM and TERMINATION

1.1 "Owner" shall mean the person or entity, whether one or more, registered with absolute title to the Unit at the Turks and Caicos Islands Government, Land Registry in Grand Turk, Turks and Caicos Islands.

1.2 This Agreement shall become effective on the day and year first above written and shall continue in full force and effect indefinitely until terminated as set forth herein.

1.3 Either party shall have the right to terminate this Agreement on not less than ninety (90) days prior written notice to the other party. Notwithstanding the foregoing, this Agreement may be terminated as follows:

- (a) If the Owner maintains a delinquent account for more than sixty (60) days after the last Owner's Statement Report (OSR) has been sent to the Owner, or is otherwise in breach of this Agreement, the Manager may terminate this Agreement upon ten (10) days written notice to the Owner.
- (b) In the event of a bona fide sale of the Unit or demolition of the building in which the Unit is located, this Agreement shall automatically terminate on the date of such sale or demolition.
- (c) If a petition in bankruptcy is filed by the Owner, or if Owner shall make an assignment for the benefit of creditors or take advantage of any insolvency act, or a foreclosure proceeding is pending against the Unit, Manager may terminate this Agreement upon ten (10) days written notice to the Owner.

- 1.4 If this Agreement is terminated for any reason, including if the Owner sells the Unit during the term hereof, or a foreclosure action is filed against the Unit, any advance reservation(s) of the Unit shall become the property of Manager to be placed in other available unit(s). Manager will use his best efforts to move any party with such reservation to like accommodation(s). If, however, comparable accommodation(s) are not available, Owner agrees to honor said reservation(s), or indemnify and hold Manager harmless from all expenses, costs and damages incurred by Manager or guests as a result of a refusal to honor said reservation(s).
- 1.5 Should Owner owe Manager any monies after termination, sale or foreclosure, Owner shall pay Manager and guarantees Manager payment for all monies owing within thirty (30) days after written demand from Manager.
- 1.6 Manager may, in its sole discretion, apply 100% of the adjusted gross unit rental (as later defined) to decrease any delinquent account or monies owed Manager before the termination of this Agreement. Without prejudice to any other right herein or remedy in law or in equity, Owner hereby agrees that Manager may require that up to Seven Hundred Fifty Dollars (\$750.00) be withheld from proceeds of the sale of the Unit, to be held in trust in a non-interest bearing account by Manager's representative for up to sixty (60) days and to be applied against any monies owed to Manager or any expenses that arise as a result of a reservation not being honored after termination of this Agreement or sale or foreclosure of the Unit as provided for above. After said sixty days Manager shall return the remainder to Owner with a statement indicating any deductions or offsets made.

2.0 MANAGER DUTIES

- 2.1 Manager is hereby exclusively retained for the purpose of arranging rentals and management of the Unit on the terms and conditions herein set forth. Nothing shall preclude the Owner, however, from using the Unit pursuant to the terms herein. Manager shall at all times be deemed to be an independent contractor and not an employee or servant of Owner nor shall Manager and Owner be deemed by the parties hereto or by any third party to be in a joint venture or partnership.
- 2.2 Manager shall set and advertise rates and rental policies under which Manager will offer the Unit for rental which in Manager's sole business judgment will optimize the rental potential of the Unit. Manager reserves the right to establish discounts or rent the Unit at less than the advertised rates when, in Manager's sole discretion, circumstances justify such a rate.
- 2.3 (a) It is understood that Manager may be the rental manager for other condominium units and rental homes that might be in rental competition with Owner, and that Manager will attempt to optimize the rental income from all of the rental properties under its rental management. Owner acknowledges that if a guest requests a particular location or condominium, the request shall be honored by Manager if available, and that accordingly reservations may not be distributed equally.
- (b) To insure fairness in allocating rental bookings rentals are, when possible, distributed on a rotating bases.
- (c) Owner acknowledges that the amount of use by Owner, Owner's family and/or Owner's guests may adversely affect Manager's opportunity to provide rentals of the Unit.
- (c) Owner acknowledges that Manager makes no guarantees, warranties or representations as to the number of rental nights or amount of rental income to be generated by the rental and/or management of the Unit under this Agreement.
- 2.4 (a) Manager shall inspect the interior of the Unit from time to time in order to determine the condition of the unit and make any repairs, replacements or the necessary actions with respect to the interior of the Unit. Owner hereby authorizes Manager, its agents and employees, to enter the Unit for such purposes and to perform any such maintenance and repair work as may be necessary, at the sole discretion of Manager, to keep the Unit suitable for occupancy, provided that Manager shall obtain approval of Owner for chargeable services in excess of Three Hundred Dollars (\$300.00 US) for any one item. Except as hereinafter provided, minor and/or routine maintenance shall be performed at the expense of Manager and shall generally include tasks which are normally performed by property management housemen or housekeepers. Maintenance services and/or materials which require skilled labor, trades people or subcontractors shall be secured by Manager on behalf of the Owner and billed to Owner. In addition, services or materials which result in permanent improvement to, or upgrading of, any material aspect or

feature to the Unit and are requested by Owner, shall be secured by Manager on behalf of the Owner and billed to Owner. Such services will be billed at hourly billing rates for skilled or semi-skilled employees of Manager, or at the actual invoice amount for outside contractors plus 10% for processing, whichever persons or entities are utilized. Costs, if any, incurred by Manager as a result of drafting bid specifications and soliciting bids will be borne by Owner. Manager's costs for supervising, and inspecting outside contractor's work for repairs shall be borne by Manager.

- (b) Should Manager discover a condition in the Unit which requires immediate attention in order to prevent damage or additional damage to the Unit, other units or to any common area, or to maintain necessary services to the occupants, Owner hereby authorizes Manager, its agents or employees to enter the Unit for the purpose of performing such maintenance, repair, or replacement work as may be necessary at the sole discretion of Manager, in which event there shall be no limit upon expenditures which Manager may undertake on behalf of and at the expense of Owner. Manager will use his best efforts to contact Owner within 24 hours of such an occurrence.
- 2.5
- (a) Manager shall make arrangements for the provision of electricity, water, telephone, cable TV and other services at the request and expense of the Owner.
 - (b) If Owner elects, Owner's bills for assessments and utilities with respect to the Unit shall be paid by Manager from funds which may be held by Manager on behalf of Owner or from funds paid by Owner. Manager retains the right to discontinue paying assessments and utilities should Owner maintain a delinquent account with Manager for more than sixty (60) days.
- 2.6
- Manager shall hire, supervise, and discharge its labor and employees as deemed necessary by the Manager, in its sole discretion, for the management and maintenance of the Unit.
- 2.7
- (a) Manager shall deliver and service the following at its expense: linen cleaning service (sheets, pillow cases, towels), soap, toilet and facial tissues and other such supplies that Manager deems appropriate, during any period of rental occupancy of the Unit. Exhibit B details such services, and when specified, costs will be charged to Owner.
 - (b) A Terry & Linen Package as described in Exhibit A will be provided by the Manager for the Unit at the request and expense of the Owner. Manager shall maintain the quantities of this initial package in the Unit and restock the Unit from time to time to ensure a complete inventory for all rental guests at the sole expense of the Owner.
- 2.8
- (a) Manager shall account for and disburse any rents due to Owner by the 20th day of the month following the end of each quarter of business. The Manager's fiscal year shall commence on November 1 and end on October 31. From the rents collected, the Manager shall first deduct the Manager's Fee (as later defined) and any other expenses chargeable to Owner such as, by way of illustration but not by way of limitation, past due debts, utility charges if any, and any fees and charges relating to the Unit or under this Agreement before any rental income is paid to Owner. If the rental income is not sufficient to pay all of Owner's charges, Owner shall pay the balance of any such outstanding charges as reflected on the OSR by the last day of the following month.
 - (b) All payments due from Owner not paid by the last day of the following month will carry an interest charge at a rate of eighteen per cent (18%) per annum, compounded monthly. In the event that Manager commences legal action against Owner for any amounts properly due to Manager by Owner pursuant to this Agreement, Owner shall be responsible for all costs, including but not limited to reasonable attorney's fees and costs and agrees that an encumbrance may be registered against title to the Unit to secure same.
 - (c) Manager shall maintain at Providenciales, Turks and Caicos Islands a system of office records, books and accounts concerning its rental operation. Any records and documents pertaining to guest lists, including names and addresses, guest charge statements and folios, and guest reservations and reservation cards with respect to past, present, or future rental of the Unit, or otherwise pertaining to guests, constitutes information belonging to Manager and shall not be made available or disclosed to the Owner. Records, revenues and expenditures excluding guest information as described in the previous sentence for the Unit for the previous two years shall be available for examination by Owner or authorized agents of Owner, at all reasonable business hours upon 48-hours written notice to Manager.

2.9 Owner agrees to carry personal property insurance in an amount Owner deems appropriate. Owner further agrees to carry comprehensive personal liability insurance for the Unit in the amount of \$250,000.00 or more per occurrence, naming the Manager as a co-insured. Owner agrees to provide Manager with a certificate of insurance evidencing such coverage.

2.10 Owner agrees that issuance of any keys to the Unit occupants shall be at Manager's discretion.

3.0 FEES

3.1 Manager shall receive in consideration for the services to be rendered under this Agreement, forty per cent (40%) of the adjusted gross unit rental (hereinafter referred to as the "Fee") and any other amounts as provided for herein. The adjusted gross unit rental shall mean the gross rental amount less commissions paid for reservation bookings.

4.0 ADVANCE DEPOSITS/OTHER AUTHORIZED WORK

4.1 Manager may, at its discretion, place advance rental deposits and earned rental income in an interest-bearing escrow account until disbursement, and shall be entitled to receive any interest earned thereon as further consideration under this Agreement.

4.2 It is further understood that Manager shall be entitled to additional consideration for services rendered by it beyond the scope of this Agreement, such as supervision of construction or refurbishing of the Unit, or other such major projects as negotiated with and authorized by Owner.

5.0 NOTICE

5.1 Provided Owner notifies Manager in writing at least ninety (90) days in advance of any intended use, and by July 1st for the Christmas period, Owner and/or Owner's guests may occupy the Unit at no rental fee. In the absence of this notice, Manager shall use its best efforts to make the Unit available for Owner's usage. Once Manager confirms, in writing, Owner's use of the Unit, Manager may not rent the Unit without Owner's written consent.

6.0 CLEANING AFTER OWNER USE

6.1 After use of the Unit by Owner or by Owner's guests who occupy the Unit free of charge, Owner shall be responsible to see that the Unit is returned for rental use in rentable condition according to the standards established by Manager. Manager shall be under no obligation to rent the Unit until the same has been accomplished. If Owner desires, Manager will provide cleaning service upon departure or during occupancy by Owner or Owner's guests at Manager's current standard charge for such service. Owner agrees that it shall be subject to a cleaning charge for checking out every time it uses the Units.

7.0 OWNER'S GUESTS SPECIAL USAGE

7.1 Owner may make the unit available to any Owner's guest, provided the notice of any such occupancy is delivered pursuant to the provisions hereof. With respect to occupancy by such guests, they must register with the Manager's front desk upon arrival. Owner will be billed for all expenses such as housekeeping, airport transfers, and welcome baskets by Manager at a cost determined by the Manager. Should Owner desire Manager to bill guests for these charges, such charges will be billed at time of check out. If rental fees are accepted by Owner for use of the unit by Owner's guests without Manager receiving forty percent (40%) of the rental fee, Manager may terminate this Agreement upon ten (10) days written notice.

7.2 Owner may refer guests to the Unit at the most recent published rates, or at a discounted rate to be determined by Owner. If such rental rate is less than sixty percent (60%) of the published rates, Manager will charge Owner or Owner's guests for housekeeping services provided during the stay, based on the current standard charge as provided for above. Use of the Unit by Owner or by Owner's guests shall not qualify as a commissionable referral under the terms of the Manager's Owner Rental

Referral Program set forth below.

8.0 OWNER REFERRALS

8.1 The Owner shall receive a commission for referring a booklet reservation that results in a paying room night occupancy for any rental property managed by Manager. In order to qualify for such a commission, Owner must request permission to participate in Manager's Owner Rental Referral Program in advance, and comply with Manager's terms thereafter.

9.0 ADVANCE RESERVATIONS

9.1 The Manager reserves the right to not confirm reservations for specific units at time of reservation except for Owner's or Owner's guest use.

9.2 Any other requests for specific units will be subject to existing reservations previously confirmed to occupants. Both Owner and Manager shall use their best efforts to avoid reservation conflicts, particularly when Owner has requested use of the Unit within 90 days of intended use and after July 1 for the Christmas holiday period, in which case the Owner shall be subject to confirmed reservation(s) and such reservation(s) shall be considered binding on Owner.

10.0 FURNITURE AND DECORATING STANDARDS

10.1 All furniture must meet minimum requirements as specified by Manager. Manager will, from time to time, require Owner, at Owner's expense, to replace furniture and/or decorations in the Unit in order to maintain same in a manner and condition appropriate to a high quality condominium resort. Types, colours and specifications of replacement furniture, furnishings, accessories and decorations for the Unit shall be subject to approval by Manager, provided such approval shall not be unreasonably withheld. It is the goal of Manager that all refurbishment is done to the current standard from time to time of new units by category, brought into the marketplace by The Sands Ltd. If Owner neglects to take or authorize action on required refurbishment with thirty (30) days of notification by Manager, Manager shall be authorized to terminate this Agreement or remove the Unit from the rental program until such time as the refurbishment has been completed by Owner. Manager provides, for the Owner's convenience only, a refurbishing department to assist in said refurbishing.

10.2 Owner understands that if Owner takes advantage of the goods and services of the refurbishing department, Owner shall enter into a separate agreement for those goods and services. Such agreement is a separate agreement and not related to this Condominium Maintenance and Rental Management Agreement. Said refurbishing services may be discontinued at any time by Manager at Manager's discretion. Owner is not obligated to use this service, however, Owner understands that all refurbishing items are subject to Manager's approval as provided for above.

10.3 In the event that the Owner elects to remodel or refurbish the Unit, they are required to notify the Manager in writing specifying the type of remodeling that will be done, and when it will be carried out. All access to Owner's Unit will be restricted to only those people approved by Owner. The hours within which work can be done in the unit will be dependent upon approval by Manager. i.e. 9:00 AM through 5:00 PM. During working hours, materials may be kept in a neat manner in the common areas. During non-working hours, all materials must be removed from the common areas. It is the responsibility of the Owner to clean or make arrangements for the cleaning of any common areas affected by the remodeling. This approval in policy will limit the exposure to our rental guests and other owners.

11.0 RIGHT TO SHOW UNIT

11.1 Manager shall have the right to show the Unit to prospective guests and to enter the Unit for any purposes set forth in this Agreement or as may be necessary to carry out the intent of this Agreement.

12.0 **RULES AND REGULATIONS**

12.1 Manager may, from time to time, introduce rules and regulations with respect to maximum number of occupants of the unit and activities which may be carried on in the Unit and such other reasonable rules and regulations as Manager may deem proper with respect to the Unit. Owner agrees, so long as this Agreement is in full force and effect, to abide by the same and shall instruct any Owner's guest or other persons renting the Unit through Owner that such rules are in full force and effect and must be obeyed by such persons.

12.2 Owner understands that The Sands Ltd. has a general No Pet Rule. No rental guests or Owner's guests may have household pets in the Unit. However, an Owner may have their own pets in their own Unit. Owner agrees that any complaints or loss of revenue caused by Owner's pets may result in that direct cost (money and/or cleaning of Units) or loss of revenue becoming a liability against the Owner. Owner also understands that the cleaning required to recondition the Unit for rental (check out clean) may be higher.

13.0 **CLEANING**

13.1 In order to provide the highest quality in rental services from season to season, the Manager, at its discretion, will perform one major cleaning and one minor cleaning during the year. These cleans will be about six (6) months apart and will be scheduled so as not to interfere with rental opportunities. Major cleaning shall include, but not be limited to general cleaning, tile, drapery and/or upholstery cleaning. All material and labor costs to perform the major clean will be borne by Owner. Owner understands and agrees that a major cleaning is necessary on an annual basis to maintain Unit in a first class rental condition. Owner further understands and agrees that Manager will arrange for cleaning of the draperies and upholstery at the expense of the Owner once per year and this may exceed the \$300 limit as outlined in Section 2D without Owner consent. If any more cleaning is necessary, Manager will contact Owner for his approval prior to cleaning except in the case of an emergency as provided for in Section 2D. The minor clean shall include, but not be limited to a complete general cleaning of the Unit at Manager's expense but shall not include draperies and upholstery cleaning unless specifically necessary, in which case the costs of the same shall be borne by Owner.

14.0 **PROMOTION**

14.1 Manager shall have exclusive use of the Unit with no compensation to the Owner for six (6) nights each fiscal year (beginning November 1 and ending October 31) that this Agreement is in effect for general promotion of The Sands Ltd. to the travel industry (not to be used for the promotion of the sale of condominium units), or for purposes deemed appropriate by the Manager, during any rental period except the Christmas season or when the total rental occupancy of all units managed by the Manager exceeds ninety percent (90%). Manager will only use the unit when no paying guest has reserved the Unit. Manager bears all housekeeping expenses including Welcome Basket and airport transfers in relation to these nights. The use of these nights by Manager is not subject to pro ration and any revenue generated therefrom is to be applied to cover the advertising or promotional costs associated with The Sands Ltd.

14.2 In addition an annual fee may be charged to the Owner. The amount of the fee is equal to two nights gross rental rate, to be based on the average of the then published regular winter and summer rates for minimum occupancy of Unit.

15.0 **SALE OF UNIT**

15.1 In the event the Unit is available for sale, Manager must be notified in writing of the listing of the unit and the identity of listing agent. If such notice is not received, Manager will not provide access to Unit for showing. Any real estate agent intending to show the Unit must notify and obtain permission from Manager before doing so. If the Unit is occupied, Manager shall make an effort to gain permission from rental guest to show the unit. If said guest is unavailable or denies access to the Unit, Manager will not permit access to the Unit until able to obtain the guest's permission or until the Unit becomes unoccupied. Manager shall release rental history information pertaining to the Unit only if prior written authorization has been received from Owner. If Owner shall sell the Unit during the term of this Agreement, this Agreement shall automatically be terminated on the

date of closing, subject to all covenants entered into by the Owner for monies due under this Agreement.

16.0 STORM PREPARATION

16.1 Owner authorizes Manager to reasonably prepare Unit for protection against major storm, and to perform a reasonable post-storm inspection.

17.0 RELEASE

17.1 Owner agrees that Manager shall not be held liable for any losses or damage done to Owner's Unit or Owner's personal property by the negligent, intentional or wanton acts of any occupant(s) thereof or third persons. While Manager shall not be held responsible for such losses, Manager shall make an effort to determine the parties responsible for such losses and collect damages on the Owner's behalf. Owner shall be responsible for insuring its interests, including its owner contents and furnishings.

17.2 Owner agrees to defend, indemnify, and hold harmless Manager, its owners, employees, agents affiliates, successors and assigns from any and all claims, suits, or liability for personal injury, including death to person(s) or damage to or loss of property arising directly or indirectly from the use or occupancy of the Unit by any person and/or Manager's management of the unit, excepting Manager's intentional or wanton acts.

18.0 PARTIES

18.1 This Agreement shall inure to the benefit of and constitute a binding obligation upon the parties hereto, their agents, heirs, and personal representatives. This Agreement shall constitute the entire agreement between the parties, and no variance or modification thereof shall be valid and enforceable except by supplemental agreement in writing executed by both parties.

18.2 Unless notified in writing to the contrary, the address and telephone number of Owner first above written are the correct address and telephone number of Owner and the same may be used for the purposes of any required, permitted or desirable correspondence, including the sending of payments, notices, OSR and other matters.

18.3 This Agreement shall be governed by and construed in accordance with the laws of the Turks and Caicos Islands. The parties hereto submit and attorn to the jurisdiction of the Courts of the Turks and Caicos Islands.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

OCEANSIDE MARKETING CORPORATION LTD.

Per: _____

Witness: _____

OWNER:

Per: _____

Witness: _____

Owners Name

Exhibit "A"

TERRY AND LINEN REPLACEMENT PROGRAM

	Studio	1 Bedroom	2 Bedroom	3 Bedroom
<u>Terry</u>				
(2 turns per bath)				
* Bath towels	8	8	16	24
Hand towels	8	8	16	24
Wash cloths	8	8	16	24
*Bath mats	2	2	4	6
(* not used in ½ bath)				
Cost	\$121.50	\$121.50	\$243.00	\$364.50
<u>Linen</u>				
(2 turns per bed)				
Top sheet	4	4	6	8
Bottom sheet	4	4	6	8
Pillow cases	8	8	12	16
*Pillow	4	4	6	8
*Pillow protector	4	4	6	8
*Mattress pad	2	2	3	4
*Blanket	2	2	3	4
(* 1 turn)				
Cost	\$321.00	\$321.00	\$481.50	\$642.00
<u>Kitchen</u>				
(2 turns per kit.)				
Dish cloths	2	2	2	2
Tea towels	4	4	4	4
Terry towels	4	4	4	4
Pot holders	4	4	4	4
Cost	<u>\$55.00</u>	<u>\$55.00</u>	<u>\$55.00</u>	<u>\$55.00</u>
Total Cost	\$497.50	\$497.50	\$779.50	\$1061.50

Oceanside Marketing is the owner of all terry and linen in inventory. Terry and linen in inventory is replaced on an as needed basis. The Owner purchases the use of terry and linen inventory for as long as the Unit is in Oceanside's Maintenance and Rental Management Agreement program. When the Unit is sold or is no longer part of the Maintenance and Rental Management program, use of Oceanside's terry and linen inventory is no longer available.

The above amounts are annual estimates based on expected costs. Costs may vary from budget. The Manager reserves the right to adjust the above charges from time to time as required at its discretion.

Exhibit “B”

HOUSEKEEPING EXPENSES

<u>Suite Type</u>	<u>Daily Rate</u>	<u>Check Out Rate</u>
Studio Suite	\$25.00	\$35.00
One Bedroom (less than 1,200 sq. ft.)	\$35.00	\$45.00
One Bedroom (greater than 1,200 sq. ft.)	\$35.00	\$45.00
Two Bedroom (less than 1,600 sq. ft.)	\$45.00	\$55.00
Two Bedroom (greater than 1,600 sq. ft.)	\$45.00	\$55.00
Three Bedroom (less than 2,000 sq. ft.)	\$60.00	\$70.00
Three Bedroom (greater than 2,000 sq. ft.)	\$65.00	\$75.00

Owners will be charged a “Check Out” clean at the end of every stay.
Owners will be charged for “Daily” cleaning which they have requested.

The Manager reserves the right to adjust the above charges from time to time at its discretion.