

EXHIBIT A

SCOPE OF SERVICES

Section 1. General

Capitalized terms used herein without specific definition shall have the meanings respectively ascribed thereto in the Agreement for Golf Course Management Services. RMS shall have exclusive responsibility and control over all areas and structures within the boundaries of Center. RMS's services shall include, but are not limited to, those described below and shall generally include normal supervisory management and operational services associated with public golf courses in Southwestern Ohio. RMS shall:

1. Operate Owner's facilities in accordance with first class standards of service comparable to other public golf courses in Southwestern Ohio and in conformance in all material respects with: (i) all applicable health, building and fire codes; (ii) all OSHA requirements, and (iii) all other municipal, state and federal reporting laws and license and permit requirements affecting Center. RMS shall promptly notify Owner upon the receipt of notice from any government entity of a violation of any applicable law, ordinance, regulation, statute or government requirement, permit, certificate or rule with respect to Center and provide Owner with RMS's plan to cure such violation or with evidence that the violation has been cured.
2. Use its commercially reasonable best efforts to maximize revenues and minimize expenses consistent with a safe, proper, competitive and efficient operation consistent with the budget.
3. Provide experienced and well-qualified on-site management to oversee all phases of Center operation.
4. Supervise all club house operations, including the sale of golf merchandise and food and beverage, pro-shop operations, golf cart storage operations and golf programs.
5. Establish and implement a grounds maintenance program and agronomic and horticultural operations to assure proper playing conditions.
6. Maintain in good operating condition and make, or cause to be made, all necessary and proper repairs to ordinary wear and tear and obsolescence excepted) (i) all Center structures, including but not limited to fences, cart paths, buildings, garages, and storage spaces, and (ii) all equipment, including, but not limited to, golf carts, vehicles, turf equipment, kitchen equipment and office equipment. RMS will establish and administer a preventative maintenance program for all golf carts, grounds maintenance equipment, restaurant equipment, computers and other Center equipment under its care. Such maintenance shall be performed no less frequently than that recommended by the manufacturer. Such maintenance shall be performed by RMS personnel or by approved contracted vendors. All preventative maintenance and related repairs shall be

documented and such documentation shall be retained on Center Property and subject to review by Owner during normal business hours. The Owner shall be provided with a list of all golf maintenance equipment, golf carts and kitchen equipment, including maintenance records and age. RMS shall make recommendations for all equipment replacements including costs and the basis for being replaced, including an analysis of the advantages and disadvantages of the purchase or lease of equipment.

7. Pay all of the salaries, wages, payroll taxes and benefits due and owing to and/or on account of all RMS employees associated with the management, operation and maintenance of Center, deduct and withhold from such employees' salaries all required taxes and other charges and make and file all payroll related reports as may be required by federal, state and local government agencies.
8. Determine the amount and frequency of purchases for all needed Center operating supplies and services, maintenance supplies and services, resale inventories and equipment and procure same as a Center Operating Expense in accordance with the Annual Budget in an economical manner.
9. Determine, acquire and supervise, in accordance with the approved Annual Budget, all vendor services necessary for the day-to-day function of Center.
10. If RMS becomes aware of the presence of any Hazardous Material in a quantity sufficient to require remediation or reporting under any Environmental Law in, on or under the Property or if RMS or Owner becomes subject to any order of any federal, state or local agency to investigate, remove, remediate, repair, close, detoxify, decontaminate or otherwise clean up the Property, RMS shall, at Owner's sole expense and approval, use all commercially reasonable efforts to carry out and complete any required investigation, removal, remediation, repair, closure, detoxification, decontamination or other cleanup of the Property; provided that such remediation activities shall be at RMS's expense if such activities are required as a direct consequence of Hazardous Material being present in, on or under the Property as a result of negligent actions undertaken by RMS.

Section 2. Personnel

1. RMS shall from time to time provide Owner with RMS's personnel policies and procedures then in effect.
2. All personnel shall be employees of RMS and not of Owner. RMS agrees to provide written notice to owner regarding its organizational chart and to notify Owner within thirty (30) days of any changes.
3. RMS will provide, at a minimum, the following personnel:
 - (a) General Manager

RMS shall, during the term of this Agreement, employ a qualified General Manager to supervise all operations and employees, who shall serve as RMS's

principal on-site representative responsible for carrying out RMS's obligations under this Agreement.

(b) Director of Operations

RMS shall employ a qualified Director of Operations, who is a PGA Class A Professional, to supervise all golf course related operations and employees. The Director of Operations shall be given a monthly car allowance as this employee is on call on a 24 hour, 7 day a week basis. This employee's automobile will be purchased or leased by the employee in his name and all automobile insurance, operating and maintenance expenses for this employee's automobile will be borne solely by the employee and will not be a Center Expense.

(c) Golf Professionals

RMS shall employ full-time Golf Professionals, at least one of whom shall be a PGA Class A Professional, and who are members of the Professional Golfers Association of America ("PGA").

(d) Director of Grounds and Maintenance

RMS shall employ a full time Director of Grounds and Maintenance who shall have a GCSAA Class A membership. The Director of Grounds Maintenance will be furnished the use of a Center owned automobile or truck for use both off and on Center Property as this employee is on call on a 24 hour, 7 day a week basis. Automobile insurance, operating and maintenance expenses for the vehicle furnished this employee will be a Center expense.

(e) Controller

RMS shall employ a Controller to oversee all financial operations and cost control systems at Center. All Center Expenses and Center Revenues will be recorded and controlled by RMS's Controller.

(f) Director of Food and Beverage

RMS shall employ a Director of Food and Beverage to oversee all Center food and beverage operations, including course snack shacks and beverage carts, all clubhouse restaurant and patio operations and all banquet, meeting, outing and special events.

(g) Other Personnel

RMS shall provide skilled permanent and seasonal staff as needed to provide for (i) the efficient operation of Center including golf course, pro-shop and restaurant operations, (ii) the conduct of marketing, accounting and other business activities of Center, (iii) agronomic and horticultural operations, (iv) the management and maintenance of Center equipment, including golf carts and all maintenance, turf,

restaurant and office equipment, and (v) the provision of maintenance and repair services for all Center structures and facilities.

4. RMS will (i) assume sole responsibility for the supervision, hiring and termination of Center employees, (ii) determine personnel requirements, recruitment schedules and compensation levels and (iii) establish job descriptions, performance appraisal procedures, employee benefit programs and employee operational and procedural manuals.
5. RMS will establish a Standard of Conduct for all of its employees. Such standards shall include, but shall not be limited to:
 - (a) All maintenance crewmembers will wear safety headgear, safety eye protection and safety hearing protection as appropriate to the job being performed in accordance with OSHA standards.
 - (b) Absolutely no consumption of alcoholic beverages during an employee's scheduled working hours, or any use of controlled substances at any time, will be permitted on the Center premises by any employee of RMS. Violation of this policy will be grounds for immediate dismissal.
 - (c) Employees of RMS who desire to play the golf course may do so at off peak hours and in accordance with guidelines governing such employee play furnished RMS by Owner, providing the employee has changed out of work clothes into appropriate attire, and follows all rules in place for other customers of Center.
 - (d) Carrying out RMS's philosophy that Center exists for the enjoyment of Center's customers. All RMS employees will treat all Center customers as guests and will make every reasonable effort to enhance each guest's general enjoyment of Center.
 - (e) Theft or willful destruction of any Center property, any property of a fellow employee or any property of a customer or guest or physical or verbal abuse of any supervisor, other employees, customers, or guests will be grounds for immediate dismissal.

Section 3. Accounting and Reporting

1. Business Plan. RMS shall develop and submit to Owner as part of the annual budget, as defined in Section 3.2, a business plan for Center (the "Business Plan"), as also defined in the Management Agreement which shall include (i) proposed marketing, sales, promotion, advertising, and public relations concepts for Center, (ii) a schedule of proposed fees, and operating and capital budgets for Center, and (iii) a description of the assumptions upon which the Business Plan is based. Owner shall give its comments and/or approval of the Business Plan as soon as practicable as part of the Owner's annual budget process. In the event of disapproval of any Business Plan (or any portion thereof), RMS shall continue operating Center pursuant to the terms of this Agreement until such time as Owner and RMS agree upon a replacement Business Plan. RMS shall

not be deemed to have made any guarantee or warranty in connection with the results of the operations or performance set forth in the Business Plan since the parties acknowledge that the Business Plan is intended to set forth objectives and goals based upon RMS's judgment and the facts and circumstances known by RMS at the time of preparation.

2. Annual Budget

Within thirty (30) days following the date Owner notifies RMS of the anticipated Effective Date of this Agreement, and on a date to be mutually agreed upon by Owner and RMS on an annual basis thereafter, RMS shall develop and prepare and submit to Owner an Annual Budget covering all aspects of the operation of Center. The Annual Budget shall be subject to Owner's review and approval, which shall not be unreasonably withheld, delayed or conditioned. In the event of disapproval of the Annual Budget by Owner, RMS shall continue operating Center pursuant to the Annual Budget then in effect, subject to increases in Center Expenses due to: (i) increases in Gross Center Revenues or (ii) other matters beyond the control of RMS, until such time as Owner and RMS agree upon an appropriate replacement budget.

Owner hereby acknowledges and recognizes the necessity of repairs, improvement and replacement of facilities at Center and other ordinary capital improvement or replacement items. RMS shall counsel and advise Owner on needs for facilities repair, improvement and replacement, and shall include such repair, improvements and replacement in the annual capital improvement plan that RMS will update each year in consultation with Owner, and subject to Owner's approval. Center shall budget annually a recommended amount for Capital Expenditures, the final approval and authorization of which shall be made solely by Owner.

Owner agrees that the Annual Budget is intended to be a reasonable estimate, and accordingly, RMS shall be entitled from time to time to revise the Annual Budget to cover any expenditures that were unanticipated at the time of preparation of the Annual Budget but are reasonable and necessary to carry out RMS's obligations contained in this Agreement, provided, however, that except as otherwise set forth in this Agreement, RMS shall be required to obtain Owner's prior written approval of any expenditures which would result in total expenditures exceeding the total Annual Budget appropriation for operating Center. Owner acknowledges that RMS makes no guarantee, warranty or representation of any nature whatsoever concerning or relating to (i) the Annual budget or (ii) the amounts of Gross Center Revenues or Center Expenses to be generated from or incurred in the operation of Center.

3. Annual Budget Content

The Annual Budget shall include a projected monthly and annual profit and loss statement broken down by operating month and reflecting:

- (a) Projected revenues by source, including, but not limited to, greens fees, cart rental fees, membership dues, club rental fees, merchandise sales, food and beverage sales, locker fees, interest income and miscellaneous income.
- (b) Projected line item expenses by operating department including, but not limited to, merchandise and food and beverage cost of goods sold, full time labor, seasonal labor, payroll taxes, employee benefits, worker's compensation, professional and outside services, utilities, income taxes, sales taxes, real property taxes, personal property taxes, printing, advertising, repairs and supplies.
- (c) Projected greens fee and cart pricing and revenues
- (d) Projected golf rounds by category.
- (e) A Capital Expenditure plan which will identify (i) Capital Expenditures required to replace and/or repair aging plant and equipment items; (ii) safety and loss prevention related capital expenditures which are necessary, in RMS' judgment, to protect plant, property, customers or employee; (iii) Capital Expenditures which will produce incremental revenue and profit accompanied by supporting return on investment projections and (iv) revenue and market protection related Capital Expenditures which, in RMS's judgment, are necessary to protect Center's market share and competitive position in the marketplace.

4. Reporting

RMS will have the following Accounting and Reporting responsibilities:

- (a) RMS shall establish and supervise an appropriate accounting and cost control system, supplies and personnel. Charts of accounts and all accounting systems shall be maintained in accordance with GAAP. RMS shall retain all financial and administrative records for a period of three (3) years after the expiration or termination of this Agreement, and shall permit owner or any of its representatives or auditors access to such records.
- (b) Daily accounting shall consist of:
 - (1) Daily processing of receipts and disbursements for goods and services.
 - (2) Maintenance of adequate books of accounts and other records reflecting the operations of the sale of golf services and programs, banquet facility, pro shop, and Golf Course Turf Operations, in accordance with GAAP.
- (c) Monthly Reports

RMS shall deliver to Owner on the 7th business day of each month the following monthly reports:

- (1) An income and expense statement detailing Center's results for the preceding calendar month and for the portion of the operating year ended on the last day of such preceding calendar month.
- (2) A balance sheet, cash flow statement and a statement of changes in financial position of Center, each in reasonable detail, for the preceding calendar month and for the portion of the operating year ended on the last day of such preceding calendar month.
- (3) A report detailing Center's actual expense to budgeted expense reflecting line item variances for the preceding calendar month and for the portion of the operating year ended on the last day of such preceding month, including explanations and any necessary corrective actions taken for line item expenditures exceeding budget estimates by more than five percent (5%). RMS may reallocate up to fifteen percent (15%) of any amount budgeted with respect to any one item in the Annual Budget to another item budgeted therein elsewhere, provided that the aggregate expenditures in the Annual Budget are unaffected.
- (4) A report detailing the number of rounds at the Center by category.

(d) Annual Statements

On or before the fifteenth (15th) day after the end of each year, RMS shall provide to Owner, or any persons designated by Owner, a balance sheet as of the end of such year, a profit and loss statement and statement of changes in financial position for such year.

(e) Special Reports

RMS shall:

- (1) Prepare additional special reports from time to time at the request of Owner to the extent such reports cover subject matters which are within the normal scope of RMS's services under this Agreement.
 - (2) Assist Owner, and any persons designated by Owner, in the preparation of an audited financial statement prepared by accountants and auditors designated by Owner.
- (f) **Record Retention and Inspection.** At any time during the term of this Agreement and for ninety (90) days following the termination of the Agreement, Owner shall have the right, after reasonable notice to RMS, to inspect the books, records, invoices, deposits, cancelled checks, or other financial data or transactions of Center at reasonable times and during normal business hours. Such right shall not extend to any inspection of records at RMS's corporate offices.

Section 4. Course Operation, Maintenance and Turf Standards

RMS shall establish and implement agronomic and horticultural operations to assure proper course maintenance and playing conditions and will maintain the course according to the following standards:

1. Greens

- (a) Greens will be kept consistent in speed, appearance and playability.
- (b) Mowing - A minimum of six days per week at a height of 1/8" – 7/32". Mowing height of collar or apron of green will be the same as height of cut for tees.
- (c) Cup locations will be changed on all greens daily during the active season. Cup location will be moved at least twenty (20) feet from the previous placement and will be determined by the weekly/daily cut placement plan. As a rule, six (6) cups will be set back, six (6) will be set middle and six (6) will be set front.
- (d) Ground crews will spend time daily to repair ball marks, divots or any other damaged turf on or near all greens.
- (e) All greens will receive aerification a minimum of two (2) times annually, or more frequently as dictated in RMS's reasonable business judgment by conditions.
- (f) All greens will be topdressed as needed to maintain a smooth putting surface and manage thatch. Topdressing will only be of 100% sand meeting the specifications for a USGA root zone.
- (g) Light vertical mowing/grooming of all greens will be performed as appropriate to smooth and true the putting surfaces.
- (h) Spiking of all greens will be performed as needed between aerifications to maintain water infiltration and algae control.
- (i) All greens will receive a complete fertilizer in a consistent manner to deliver 3 to 5 pounds of Nitrogen per year.
- (j) All greens will have appropriate fungicide applications to prevent and/or control fungal disease activity.
- (k) Pre-emergent herbicides will be used in the appropriate amounts and at appropriate times to prevent intrusion into turf areas of weeds difficult to eradicate.
- (l) All greens will be maintained virtually free of undesirable weedy plant types. When necessary, turf will be treated with plant protectants to protect turf grass health in accordance with the IPM philosophy. All plant protectant applications will be administered and recorded in material compliance with applicable federal and state laws.

- (m) All greens will be treated as necessary to prevent or halt insect damage. This shall be accomplished by using an integrated pest management philosophy.

2. Tees

- (a) All tees will be mowed at a height of .35" - .50" at least three times per week during growing season.
- (b) All worn areas on tees will be topdressed weekly, or more often if needed, to fill divots and level tee surface.
- (c) All tee areas will be overseeded annually, using a suitable species or blend.
- (d) Tee markers and all tee equipment will be moved daily for proper teeing and control of turf wear. Placement of tees will be done in conjunction with pin positions and per a weekly plan.
- (e) Tees will be kept weed free to an extent of at least 98% of the area by the proper and timely application of post-emergency herbicides.
- (f) All tees will be vertically mowed as necessary to control mat or thatch build-up or uneven growth.
- (g) All tees will receive core aeration a minimum of once per growing season, or more frequently as conditions dictate, in RMS's reasonable business judgment.
- (h) All tees will receive fertilizer at a rate, which promotes consistent, healthy growth and recuperation.

3. Fairways (All Areas of Play except Greens, Tees and Natural Growth Areas)

- (a) All fairways will be mowed at least three (3) times per week during growing season.
- (b) All fairways will receive core aeration a minimum of once per growing season, or as conditions dictate.
- (c) All fairways will be fertilized with a complete fertilizer per soil test results to healthy growth and recuperation.
- (d) All fairways will be vertically mowed as necessary to control mat or thatch build-up.
- (e) Undesirable weedy plant types, diseases and insects will be monitored and assessed regarding their affects on conditions. When necessary, fairways will be treated with plant protectants to protect turf grass health and vigor, in accordance

with the IPM philosophy. All plant protectant applications will be administered and recorded according to state laws.

- (f) Divots will be filled with sand to promote healing and playability of the surface. An appropriate (sand/seed/soil) mix may be used in this procedure.

4. Roughs (All turfed areas of play except greens, tees, fairways, and natural growth areas.)

- (a) All roughs will be mowed as necessary during the year to maintain a height between 2.5" to 3.5".
- (b) Fairway-to-tree line play areas will be aerated at least once per year.
- (c) Roughs will be fertilized as necessary to maintain turf vigor.
- (d) Weed Control will be performed as necessary to control weed establishment and to allow proper play.

5. Planters and beds (All areas planted with ornamental plants, not intended for golf play and having a definable border)

- (a) Planters and beds shall be maintained free of trash and debris such as paper, drinking cans, bottles, fallen limbs and leaves, etc.
- (b) Planters and beds shall be maintained free of weeds or grass whether by mechanical, manual or chemical means.
- (c) The plant material (trees, shrubbery and ground covering) shall be trimmed for protection from wind and insect damage and for appearance.

6. Trees (All trees within the property lines of the Golf Course)

- (a) Trees shall be staked as necessary until of sufficient size to stand unassisted. Stakes shall be removed as soon as possible.
- (b) All trees shall be properly pruned for protection from wind and pests, as well as for appearance and safety by using established arboricultural practices.
- (c) Large area mowers shall not be used within one (1) foot of the trunk of any tree.
- (d) All dead trees, for whatever cause, shall be removed, and replaced if weather conditions permit or during the period from November through March. Replacement shall be made with a tree of appropriate type and size whenever practically and economically feasible.

7. Irrigation

- (a) All heads, valves, control equipment, wiring and pipe including systems of pipes and pumps bringing water to center will be replaced and/or repaired as needed to maintain the proper operation of the entire golf course irrigation system, including, but not limited to, greens, tees, fairways, roughs and beds on an on-going basis.
- (b) The golf course shall be irrigated in amounts and at times as necessary to support proper growth of golf turf and associated landscaping including but not limited to trees, shrubs, and flowers.

8. Sand Traps

All sand traps shall be edged as necessary to maintain an appropriate lip, raked daily and filled with fresh sand as needed to maintain a minimum of 4” depth on slopes and in the bottom. Replacement sand will be of a dust-free type, suitable for trap use and compatible with the original course sand in appearance and playability.

9. Chemical Storage and Application.

All chemicals, pesticides and fungicides used in the maintenance of the course shall be stored in compliance in all material respects with all local, state and federal storage regulations. RMS shall require all employees who work with or apply fungicides, herbicides and insecticides to maintain a current certification and operator’s license as required by the Ohio Department of Agriculture and to comply with all EPA and OSHA safety standards.

10. Snow Removal

All Center roadways and parking lots will be kept clear of snow as needed to allow employee and customer ingress, egress and parking.

11. Golf Course Restrooms

Restrooms will be open and available at two (2) locations on the course (one on the north nine and one on the west nine) and will be checked at least twice daily and maintained in a manner so as to provide clean and sanitary facilities for the public. Soap, towels, toilet tissue, etc., shall be provided in adequate quantity at all times.

12. Records

RMS will keep true, accurate, and complete records of fertilizer, chemical and pesticide applications and make those records available for inspection by Owner for a minimum of three (3) years.

13. Operations

- (a) Hole signs with yardage, par, and other signs will be properly positioned.

- (b) Ball washers will be operational and kept full of solution.
- (c) Towels will be available at ball washers.
- (d) Benches will be adequate in number and well placed.
- (e) Trash containers will be available on the course and emptied at appropriate intervals.
- (f) Free drinking water will be available on the Grizzly course at seven (7) drinking fountains located adjacent to (1) Snack Shack #1, (2) #1 North green, (3) #7 North tee, (4) #9 North tee, (5) #3 West tee, (6) #5 West tee and (7) #7 West tee..
- (g) Cart paths will be maintained in a smooth and clean condition and repaired promptly as needed.
- (h) Rangers will be present on the course during peak periods to monitor appropriate conduct and dress and to monitor pace of play to prevent slow play.
- (i) Starters will be present on the course during peak periods to ensure an adequate pace of play and to verbally provide course rules and information to the customer.

Section 5. General Center Operation, Maintenance and Standards

1. General

- (a) Center entrance will be clearly visible and well landscaped.
- (b) Center parking lots will be kept clean and well maintained.
- (c) Designated handicapped parking spaces will be available.
- (d) Grounds and area surrounding clubhouse will be neatly groomed and landscaped.
- (e) All lakes, ponds and streams shall be maintained in a safe and sanitary manner and in good appearance through the application of appropriate aquatic vegetative controls.
- (f) All buildings shall be maintained in compliance in all material respects with fire and safety regulations.
- (g) All storage tanks above ground must comply with containment requirements.
- (h) Color Areas - various planting areas throughout the course will be cultivated, weeded, pruned and fertilized regularly, with at least two replanting programs for annuals scheduled yearly.
- (i) Trash and refuse shall be collected daily and removed from the property as necessary to ensure minimal problems from refuse odors, insects, etc.

- (j) Pest control will be routinely performed throughout Center on an on-going basis, in such a manner that pest populations are reduced and controlled, in a fashion consistent with applicable state laws.
- (k) Owner may give notice to RMS of any deficiencies in Center's operations or maintenance. RMS shall have thirty (30) days to cure such deficiency or to notify Owner that such deficiency is not curable within thirty (30) days. In the event such deficiency is not curable within thirty (30) days RMS shall provide Owner with documentation regarding its prompt and diligent efforts to cure such deficiency and an estimated date by which such deficiency shall be cured.

2. Structures

RMS shall maintain and keep in good repair (ordinary wear and tear and obsolescence excepted) at all times all structures at Center, including but not limited to fences, cart paths, buildings, garages, and storage spaces. Owner's representatives shall have unlimited access to inspect premises and facilities at any time. Owner reserves the right to enter upon the facilities for purposes of making emergency repairs.

3. Club House

(a) General

The following items shall be performed for all buildings daily:

- (1) All litter will be removed and walkways will be cleaned and kept free of spills and stains.
 - (2) Carpets will be kept spot-free and vacuumed.
 - (3) Parking lots will be cleaned and debris removed.
 - (4) Windows will be cleaned.
 - (5) Restrooms
- (b) Tile, toilet bowls, urinals and mirrors will be cleaned.
- (c) Soap and towel dispensers will be cleaned and filled
- (1) Trash receptacles will be cleaned and lined.
 - (2) Floors will be swept, wet mopped and dried.
- (d) Pro Shop
- (1) Pro-shop will be staffed with knowledgeable staff with helpful attitude and adequately stocked with attractively displayed merchandise including

gloves, hats, visors, shoes, apparel, clubs and balls with and prices clearly marked and competitively priced to other comparable area golf courses

- (2) Pro Shop staff will consistently greet customers and will present a neat, clean and professional appearance
- (3) Tee times will be promptly and efficiently scheduled.
- (4) A bag stand will be located near clubhouse for the drop off of clubs
- (5) Signs showing all prices for goods and services will be posted
- (6) Receipts will be given for all transactions.
- (7) Rules and regulations, including dress codes, will be attractively and prominently displayed
- (8) Information on promotions, leagues, lessons, etc., will be readily available
- (9) Scorecards and pencils will be readily available
- (10) Spike cleaners will be available at Pro Shop entrance.
- (11) An adequate number of pull carts and clubs will be available for rental.
- (12) The Pro Shop will provide a golf handicapping system that would provide customers with a USGA Certified Handicap that would allow customers to participate in USGA sanctioned tournaments nationwide

(e) Golf Carts

- (1) An adequate quantity of electric rental golf carts and pull carts will be available for rental by customers
- (2) Carts will be clean and charged
- (3) Carts will be undamaged (seats, body dents, etc.)
- (4) Carts will be are equipped with scorecards and pencils

(f) Golf Programs

Pro Shop personnel will offer special interest programs that will include, but will not be limited to, golf leagues, company outings, tournaments and clinics and programming for young golfers that will introduce them to the game and develop their golfing skills. Private lessons will offered for both for individuals and groups

(g) Restaurant Operations

- (1) The Courseview Restaurant, Jack's Patio, The Courseview Pavilion, course beverage carts and course snack shacks will all be operated in a sanitary manner in compliance in all material respects with all local and state health codes.
- (2) Food service staff will be courteous to customers at all times and will be in clean and neat uniforms with name tags.
- (3) Kitchen areas and equipment will be cleaned daily and all freezers and refrigerators will be set at correct temperatures at all times
- (4) Menus will be available to all customers with prices clearly stated.
- (5) Table tops will be cleaned as needed after each use and tables and chairs will be neatly arranged. Carpets and floors will be cleaned daily.
- (6) Condiments will be fresh and in clean containers.
- (7) RMS will develop food and beverage, menus, wine lists and food and beverage control systems for review and approval by Owner, such approval to not be unreasonably withheld or delayed.
- (8) RMS, as a Center Expense, shall conduct necessary training of personnel to insure full knowledge of the State of Ohio liquor laws as they apply to the serving of alcohol on Center premises, shall document such training and provide a copy of all training materials and a list of personnel who are trained to serve liquor to Owner on an annual basis.

(h) Licenses, Permits and Accreditation

RMS, as a Center Expense, shall apply for, obtain and maintain, in Owner's name (or if otherwise required by law, in RMS's name) all licenses, permits, and accreditations required in connection with the management and operation of Center. Owner will reasonably cooperate with RMS in applying for, obtaining and maintaining such licenses (including liquor licenses), permits and accreditations.

Section 6. Other

1. Any change in the physical characteristics of any area of Center, such as changes to the course exceeding 20 cubic yards in any single area, or the major modification of any Center structures, shall only be undertaken with the prior approval of Owner.
2. RMS shall work with the Owner to create positive publicity for Center, and will, upon request by Owner, recommend marketing programs linked to the overall marketing and publicity program of the Owner including, but not limited to, Center and other suggestions for use of Center for municipally and/or privately sponsored special events, festivals, exhibitions, displays or other public gatherings. A marketing plan shall be

included in the annual budget. With the prior approval of Owner, RMS shall indicate on the Center Premises and on all Center marketing materials that Center is owned by Owner and operated and managed by RMS on Owner's behalf.

3. Upon prior approval by Owner, RMS shall negotiate, consummate, enter into and perform Contracts and Agreements in the name of Owner, including those that RMS may deem necessary or advisable for the furnishing of all food, beverages, utilities, concessions, operating supplies, equipment and all other materials and services that RMS determines that are from time to time needed for the management and operation of Center.
4. RMS will not institute any legal action by or on behalf of Owner without the prior written consent of Owner.
5. In connection with any purchases made by RMS for the account of or on behalf of Owner, RMS may establish national accounts to secure the benefit of lower costs and that any resulting savings shall accrue to Owner. All trade discounts, rebates and refunds pertaining directly to purchases made for Center shall accrue to the benefit of Owner.
6. RMS warrants that with respect to all purchases and suppliers related to Center operations, RMS shall have no conflict of interest or self dealing with respect to same.
7. RMS shall follow Owners fixed asset process as prescribed by Owner's Finance Director. RMS will prepare appropriate fixed asset forms to accompany Owner purchase orders to purchase Owner defined capital items. In addition, RMS shall, in conjunction with Owner's Finance Department, track all deletions and transfers of Owner defined fixed assets.
8. RMS shall participate in and cooperate with Owner's year end inventory of supplies and materials.
9. RMS and Owner agree that Owner may elect to take an inventory of all equipment, materials, products and merchandise prior to commencement of this Agreement and that on the date of commencement of this Agreement, Owner and RMS shall execute a document of inventory and RMS shall accept same with the understanding that all property contained in the document of inventory and located on Center property is that of Owner and shall remain so and shall be the responsibility of RMS while said property is in its possession as part of this Agreement.
10. Owner and RMS agree that RMS will, on behalf of and as instructed by Owner, cause Center's Pro Shop personnel to honor requests for tee times and cart rentals for: (i) holders of VIP Passes ("VIP Pass Holders") issued by American Financial Group ("AFG"), and (ii) other persons designated by AFG from time to time ("AFG Designees"). AFG will have placed on deposit with Owner the sum of One Hundred Twenty-Five Thousand Dollars (\$125,000.00) ("The Fund") and RMS will cause Center's Pro Shop personnel to monthly: (i) record the number and associated value of rounds played and carts rented by AFG Designees and VIP Pass Holders, (ii) the balance remaining in The Fund after deducting the value of the cumulative greens fees and cart

rental fees utilized by VIP Pass Holders and AFG Designees, and (iii) furnish Owner and AFG a report of same at the end of each calendar month. RMS will additionally cause Center's Pro Shop personnel to notify both Owner and AFG in writing when the balance in The Fund falls below Twenty-Five Thousand Dollars (\$25,000).

11. As a Center Expense, RMS will engage the services of the United States Golf Association's Greens Section Department for the purpose of conducting semi-annual, on-site inspections and evaluations of Center's turf grass conditions and turf management practices. From time to time, the USGA may make recommendations for the management, care and maintenance of turf grass areas, including, but not limited to greens, fairways, tees and roughs, based on industry trends and regional and local weather and climate conditions that may vary from those contained in this Exhibit A. Increasing the mowing height of roughs to reduce labor expense and to make the course appearance more natural and ecologically and environmentally friendly is an example of a recent recommendation. RMS will share the USGA agronomist's report with Owner following each semi-annual visit and will consult with Owner prior to implementing any turf grass management practices and standards recommended by the USGA that vary from those set forth in this Exhibit A.

**AGREEMENT
FOR
GOLF COURSE MANAGEMENT SERVICES**

THIS AGREEMENT is made by and between The CITY OF MASON, OHIO, a political subdivision existing under the laws of the State of Ohio (“Owner”) and RECREATION MANAGEMENT SERVICES, INC., an Ohio corporation (“RMS”).

W I T N E S S E T H:

WHEREAS, Owner has acquired and now owns a public golf facility located in Mason, Ohio, which is more commonly known as The Golf Center At Kings Island (“Center”), consisting of approximately 209 acres of land together with all buildings, fixtures, personal property, intangible property, fixtures and machinery; furnishings and furniture and other equipment and improvements located thereon, or used in connection therewith in the operation of Center; and,

WHEREAS, Center includes (i) an eighteen (18) hole golf course commonly known as the “Grizzly Golf Course”, (ii) a four (4) hole “Academy Course”, (iii) a storage building for golf carts, (iv) a maintenance building, (v) a building used to host golf outings, weddings, parties banquets and meetings commonly known as the “Courseview Pavilion”, (vi) a clubhouse building containing: (A) a golf merchandise and pro shop; (B) a restaurant commonly known as the “Courseview Restaurant”; (C) administrative offices and business files; and (D) food and beverage and merchandise inventories, (vi) a outdoor food service patio and bar area commonly known as “Jack’s Patio”, (vii) three food service buildings on the Grizzly Golf course, two of which contain restrooms, (viii) a covered outdoor shelter for private functions, and (ix) all furnishings and equipment including all furniture, trade fixtures, apparatus, maintenance vehicles and equipment, golf carts, rental golf clubs and bags, ball washers, benches, uniforms, kitchen equipment, appliances, china, glassware, silverware, office equipment, operational manuals, computers, point of sale systems, copy machines facsimile machines, telephone systems (not including pay telephones), and other personal property used in or held in storage for use in the operation of Center, including all operating inventories as of the effective date of this Agreement (“Property”); and,

WHEREAS, the legal description of the Center is more fully described in Exhibit “A” which is attached hereto and incorporated herein and,

WHEREAS, Owner desires to engage RMS to operate and manage Center, all on the terms and conditions contained hereinafter; and,

WHEREAS, RMS desires to be so engaged, all on the terms and conditions contained hereinafter;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, Owner hereby retains, engages and appoints RMS as Owner's agent to supervise, manage, direct, and operate Center on behalf of Owner during the Initial Term of this Agreement, and any extensions, thereof, and RMS hereby accepts said appointment upon and subject to the terms and conditions contained herein.

Section 1. **Definitions**. As used in this Agreement, the following terms shall have the respective meanings indicated below:

(a) **Capital Expenditures**. "Capital Expenditure" means any course expense which qualifies under United States generally accepted accounting principles ("GAAP") as a capital expenditure. GAAP normally requires an expenditure which involves the purchase of an asset used in Center or an alteration, addition, improvement, repair, replacement, rebuilding or renovation to an asset used in Center, and which (i) has a useful life beyond one (1) year; or (ii) extends the useful life of an existing asset; and (iii) the cost or expense of which exceeds Five Thousand Dollars (\$5,000.00), to be capitalized and the cost to be depreciated over a certain term as determined by GAAP and applicable tax law.

(b) **Designated Representatives**.

(i) "Owner's Representative" means a person or persons designated from time to time by Owner to which RMS shall direct reports, questions and requests for action. Owner's Representative shall be designated by Owner and communicated in writing to RMS from time to time.

(ii) "RMS's Representative" means RMS' General Manager, or a person or persons that be designated by the General Manager from time to time, to which Owner shall direct questions and requests for information or action. The initial RMS Representative shall be James C. Ashworth.

(c) **Center Expenses**. "Center Expenses" means all costs and expenses incurred in the operation, management and maintenance of Center, including (a) all expenditures incurred by RMS in the performance of its obligations under this Agreement, including, but not limited to, the cost of insurance policies required to be carried by RMS under the terms of this Agreement, (b) all expenses specifically identified as "Center Expenses" in this Agreement; (c) all direct cost of labor and fertilizer and chemical application expenses associated with the Bruin Course, which expenses shall be separately estimated and recorded by RMS, to the best of its ability, and reported to Owner, excepting any rental or lease payments due to the owner of the Bruin course; and (d) all other expenses incurred by RMS in connection with this Agreement and the management, operation and maintenance of Center, which expenses were not reasonably anticipated by the parties or otherwise provided for in this Agreement and which such expenditures, if made by RMS on behalf of Owner, would be consistent with

expenses incurred by a party having the authority and responsibilities of a golf course manager. If, and to the extent that, Owner is not exempt from the collection and/or payment of sales or other taxes affecting operation of Center, RMS shall pay such taxes as Center Expenses and shall file all reports required by any governmental agency in connection with the collection and/or payment of such taxes. RMS shall not pay any sales or other taxes normally due as Center Expenses in the event and to the extent that Owner is eligible for tax exempt status on such expenditures.

(d) Gross Center Revenues. "Gross Center Revenues" means all revenues associated with or arising from the operation of Center, to the extent collected by RMS on behalf of Owner pursuant to this Agreement, including, but not limited to, green fees, electric cart rental fees, pull cart rental fees, merchandise sales, food and beverage sales, tournament, outing and event sales and fees, league fees, membership fees, sponsorship fees, sales of gift certificates redeemable for green fees, cart rentals, merchandise, ten percent (10%) of individual and five per cent (5%) of group golf lessons revenue realized by teaching golf professionals, food and beverage and all revenues associated with the Bruin course, if applicable RMS will maintain supporting point of sale reporting documentation that corroborates lesson rosters and receipt of lesson revenue and which may be reviewed by Owner upon Owner's request. The balance of the individual and group lesson revenue will be paid to the teaching professionals and none will be retained by RMS.

(e) Maintenance and Repairs. "Maintenance and repairs" means the continuous proper maintenance, repair and upkeep of Center, including, but not limited to, the Grizzly course, the Bruin course (if applicable), all structures and buildings, all irrigation systems, irrigation wells, turf on greens, tees, fairways and other public areas, furnishings and equipment, including all furniture, trade fixtures, apparatus, course maintenance vehicles and equipment, golf carts, rental golf clubs and bags, ball washers, benches, uniforms, kitchen equipment, appliances, office equipment, computers, point of sale systems, copy machines, facsimile machines, telephone systems (not including pay telephones), and all other property, both personal and real, used or used for storage for use in the operation of Center necessary, without limitation, to assure proper day-to-day operations of Center consistent with **EXHIBIT "A", SCOPE OF SERVICES AND STANDARDS**, attached hereto and incorporated herein.

(f) Operating Inventory. "Operating Inventory" means consumable items used in or held in storage for use in the operation of Center, including, but not limited to, score cards, pro shop merchandise, food and beverage inventory, kitchen supplies, paper and plastic ware, locker room and bathroom supplies, towels, fuel, cleaning materials, fertilizers, pesticides, seed, maintenance parts and supplies, office supplies and other similar items.

(g) Operating Year/Fiscal Year. "Operating Year/Fiscal Year" means a twelve (12) month period commencing on January 1 and continuing through to the following December 31.

(h) Payroll Expense. "Payroll Expense" means the direct wage and salary expense of RMS's permanent and seasonal employees and all payroll related overhead, including the expense of payments related to payroll processing services for RMS's permanent and seasonal employees, direct deposit charges for RMS's permanent employees, FICA, FUTA and Medicare taxes, State of Ohio unemployment taxes or insurance premia, worker's compensation insurance premium (excluding retroactive assessments), all other federal, state and municipal payroll related taxes borne by RMS and not by RMS's employees, and RMS's employee benefits and their cost of administration. RMS's employee benefits shall be identical to those benefits currently in effect for RMS's employees, including: (i) a retirement plan contribution by RMS equal to 5% of each eligible permanent employee's annual earnings; (ii) a contribution by RMS to each eligible permanent participating employee's 401K plan equal to 100% of the first 1% of the participating employee's salary deferral into the 401K Plan and 50% of the next 2% of the participating employee's salary deferral into the 401K Plan, (iii) the cost of each eligible permanent employee's short and long term disability insurance, life insurance and accidental death and dismemberment insurance in an amount equal to two (2) times each employee's annual earnings (subject to a minimum of \$250,000.00 and a maximum of \$500,000.00), (iv) 75% of the cost of each eligible permanent employee's medical, dental and vision insurance, and (v) a medical flexible spending plan. RMS' employees' eligibility for benefits is defined in RMS' then-applicable personnel policies and procedures to be furnished Owner. Any modifications to Payroll Expense are subject to the prior approval of Owner, such approval to not be unreasonably withheld or delayed

On the Effective Date of this Agreement, as defined herein, RMS shall furnish Owner with (i) an organizational chart in a form reasonably satisfactory to Owner which sets forth a list of all permanent, full-time employees which RMS will initially provide to carry out its duties, responsibilities and obligations to Owner contained herein and (ii) a list including the name, title and cumulative departmental and total annual salaries (the "Initial Base Payroll") for all permanent employees. The Initial Base Payroll amount will be included in the Annual Budget and any increase in the Initial Base Payroll will require prior consultation with, and approval of, Owner. The Initial Base Payroll does not include employee benefits or payroll taxes and represents the amount of wages subject to Medicare Tax Withholding that RMS will report to the federal government on each employee's W-2 Statement of Earnings.

RMS will also furnish Owner, for illustrative purposes only, a list of its anticipated seasonal employee positions and pay rates for the 2006 calendar year. RMS and Owner understand and agree that seasonal payroll is a variable expense and that budgeted and actual seasonal staffing levels, positions and pay rates will

vary from year to year depending on weather, level of business, reductions or increases in operating standards requested by Owner, and other economic and market conditions. Seasonal salaries and hours will be included in the Annual Budget and are subject to Owner's approval.

(i) Unanticipated Expenditures. "Unanticipated Expenditures" means unbudgeted, unanticipated emergency expenditures that were unforeseen at the time of preparation of the Annual Budget, and which are deemed commercially reasonable and necessary by RMS to (i) protect Owner's interest in Center; (ii) protect the safety of Center employees and customers; and (iii) avoid business interruption of Center. "Unanticipated Expenditures" shall be Center Expenses and may be made by RMS without Owner's prior authorization except that Unanticipated Expenditures aggregating more than \$15,000.00 per incident may not be made without Owner's prior approval; provided, that RMS shall use good faith efforts to minimize the amount of any Unanticipated Expenditures. RMS shall promptly notify Owner of the need for or incurrence of all Unanticipated Expenditures and obtain Owner's approval if it can be reasonably obtained. In the event that RMS determines that an emergency, as defined by owner consistent with its rules and regulations for an expenditure exceeding \$15,000 is required to protect Owner's interests in Center, RMS shall make a good faith and diligent effort to notify Owner and gain Owner's approval prior to making such expenditure. In order to facilitate RMS's efforts to notify Owner and gain Owner's approval in such instances, Owner shall at all times furnish RMS with the name and contact information of a representative of Owner who shall be available to RMS on a twenty-four (24) hour, seven (7) day a week basis

Section 2. **Scope of Services and Standards.**

During the Initial Term of this Agreement, and any extensions thereof, RMS shall use commercially reasonable efforts to perform any act that is necessary to operate and manage Center, subject to the terms and conditions contained herein, on behalf of and for the account of, and at the sole cost of Owner and RMS shall further, in a satisfactory and proper manner, provide the services set forth in **EXHIBIT "A", SCOPE OF SERVICES AND STANDARDS**, attached hereto, and incorporated herein..

Section 3. **Conformance to Owner's Accounting Control and Practices.**

(a) RMS acknowledges that Owner has established certain accounting and control policies and procedures ("Owner's Controls"), some of which Owner is subject to by law due to Owner's status as a political subdivision of the State of Ohio. RMS agrees to comply with Owner's Controls including those related to depository and expenditure matters. RMS specifically agrees to comply with Owner's polices regarding the use of purchase orders, emergency purchase orders and blanket purchase orders with respect to RMS's purchase of goods and services necessary for the operation of Center. RMS will cause all Center Expenses and Capital Expenditures approved by Owner to be invoiced directly to Owner and Owner agrees to pay such invoices in a timely manner. RMS

acknowledges and agrees that, with the exception of emergency expenditures as defined in Section 1.(i) of this Agreement, it shall notify Owner of any request for a single purchase/purpose of Fifteen Thousand Dollars (\$15,000.00) or higher, and the public bidding procedures of Owner shall be followed to procure such item or items.

(b) Owner acknowledges that RMS and Owner may find it necessary, in the course of the operation of Center by RMS, to periodically review Owner's Controls with respect to the purchase of goods and services by RMS necessary for the efficient and uninterrupted operation of Center by RMS on Owner's behalf. Specifically, Owner agrees to cooperate with RMS in establishing a cash fund to be maintained by RMS's Controller for the purchase of goods and services which can only be purchased or obtained on a cash basis, could not have been anticipated or for which the use of purchase orders, emergency purchase orders or blanket purchase orders is not applicable. Such cash expenditures include, but are not limited to, cash payments for emergency and unanticipated purchases from vendors who accept only cash payment. RMS agrees that in maintaining such cash funds, it will comply with all control, audit, reporting, documentation and replenishment procedures and requirements that are established by Owner's Finance Director concerning such funds and further agrees that the maintenance of such cash fund is subject to Owner's ongoing review and approval.

(c) RMS shall use commercially reasonable efforts to perform any act that is necessary to operate and manage Center during the term of this Agreement, subject to the terms and conditions herein. In fulfilling its operational and managerial responsibilities hereunder, RMS shall have all rights ordinarily accorded to a manager in the ordinary course of business including, without limitation, the collection of proceeds from the operation of Center. RMS shall not be obligated to advance any of its own funds to, or for the account of, Owner nor to incur any liability, unless Owner shall have furnished RMS with funds necessary for the full discharge thereof. However, if for any reason RMS shall have advanced funds in payment of any reasonable expense after prior notice to and approval by Owner in connection with the maintenance and operation of Center, Owner shall reimburse RMS within thirty (30) days of Owner's receipt of RMS's invoice for the full amount of such payments made by RMS. This provision for the advancement of funds shall be limited to expenditures of less than \$15,000.00

(d) Business Plan. On a date to be mutually agreed upon by RMS and Owner which takes into consideration the seasonal nature of Center's operation in a commercially reasonable manner and the requirements of the owner's finance director, RMS shall develop and submit to Owner as part of the annual budget, as defined in the Scope of Standards and Services, a business plan for Center (the "Business Plan"), which shall include (i) proposed marketing, sales, promotion, advertising, and public relations concepts for Center, (ii) a schedule of proposed fees, and operating and capital budgets for Center, and (iii) a description of the assumptions upon which the Business Plan is based. Owner shall give its

comments and/or approval of the Business Plan as soon as practicable as part of the Owner's annual budget process. In the event of disapproval of any Business Plan (or any portion thereof), RMS shall continue operating Center pursuant to the terms of this Agreement until such time as Owner and RMS agree upon a replacement Business Plan. RMS shall not be deemed to have made any guarantee or warranty in connection with the results of the operations or performance set forth in the Business Plan since the parties acknowledge that the Business Plan is intended to set forth objectives and goals based upon RMS's judgment and the facts and circumstances known by RMS at the time of preparation. RMS shall also establish a five year capital budget which shall be submitted to Owner with each annual budget.

(e) Owner and RMS hereby agree to cooperate with one another in a good faith and diligent manner to develop systems, procedures and controls that will maximize the efficiency of the Center operation as it relates to the daily payment and procurement of goods and services necessary for the efficient and uninterrupted operation of Center while providing Owner with the controls and reporting and accounting practices to which it is subject under the laws of the State of Ohio.

(f) Owner and RMS agree on the following procedures:

(i) All funds collected by RMS in connection with Center's operation shall be deposited into a depository account designated by Owner no later than 12:00 Noon on the first business day that is not a banking holiday following the collection of such funds. RMS shall provide Owner with a copy of each daily deposit slip. As a Center Expense, Owner will (i) provide transportation from Center to Owner's bank, or (ii) if directed by Owner, RMS will contract for such transportation for depository services, the terms and expense of any such contracted service to be approved by Owner.

(ii) RMS will maintain current and accurate records of cash receipts onsite, including cash register tapes and a summary of daily receipts which shall be available for inspection by Owner at any time.

(iii) RMS shall open a bank account with a local area bank designated by Owner and commercially reasonable and acceptable to RMS. The initial RMS bank account shall be opened at Fifth Third Bank – Mason Branch. RMS shall pay all of RMS's Payroll Expense from such bank account and shall deposit all Payroll Expense Funding by Owner into such bank account.

(iv) RMS will submit to Owner documentation for all RMS Payroll Expense due and payable no later than four (4) business days prior to the date such Payroll Expense is to be paid. Owner shall deposit the amount of the Payroll expense due to be paid by RMS (the "Payroll

Expense Funding”) into RMS’s bank account no later than the day prior to the date such payroll expense is to be paid

Section 4. **Insurance.**

(a) **General Liability Insurance.** RMS, as a Center Expense, shall procure and maintain at all times during the term of this Agreement from a reputable insurer admitted to write such policies in the State of Ohio general liability insurance in an amount not less than One Million Dollars (\$1,000,000.00) single limit per occurrence for liability for acts of RMS or its agents and/or employees. Owner shall be an additional named insured of such policy.

(b) **Vehicular Liability Insurance.** RMS, as a Center Expense, shall procure and maintain at all times during the term of this Agreement from a reputable insurer admitted to write such policies in the State of Ohio liability insurance in an amount not less than One Million Dollars (\$1,000,000.00) single limit per occurrence for vehicles used in connection with this Agreement. Owner shall be an additional named insured.

(c) **Liquor Liability Insurance.** RMS, as a Center Expense, shall procure and maintain at all times during the term of this Agreement Liquor Liability Insurance from a reputable insurer admitted to write such policies in the State of Ohio.

(d) **Worker’s Compensation Insurance.** RMS, as a Center Expense, shall procure and maintain at all times during the term of this Agreement State of Ohio Worker’s Compensation Insurance. RMS will file form U-9 with the Ohio Bureau of Workers Compensation (the “Bureau”) upon the execution of this Agreement, seeking the Bureau’s approval to succeed to the risk account of the former owner and operator of Center, Grizzly Golf Center, Inc., an Ohio corporation (“Grizzly”), together with any merit rating cost experience connected with Center and the former risk account of Grizzly.

(e) **Certificates of Insurance.** RMS shall retain the originals of such insurance policies and a copy or memorandum copy of a document evidencing such insurance coverage shall be furnished to Owner. RMS shall have included in such policies a notice of cancellation clause with notification being sent to Owner. Owner shall be promptly notified by RMS in the event of cancellation or any changes in such policies.

Section 5. **Independent Contractor.**

(a) RMS shall perform all work and services described herein as an independent contractor and not as an officer, agent or employee of Owner. Nothing herein shall be construed as creating a partnership or joint venture between Owner and RMS. No person performing any of the work or services described hereunder shall be considered an officer, agent or employee of Owner,

nor shall any such person be entitled to any benefits available or granted to employees of Owner.

(b) None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create, any relationship between the parties other than that of independent parties contracting with each other hereunder solely for the purpose of effecting the provisions of this Agreement.

(c) None of the parties hereto is an agent, employee, or representative of the other.

(d) None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create, any rights hereunder to third parties or other persons, or to increase the duties or responsibility of the parties to other persons; the sole purpose of this Agreement is to establish the relationships and the respective rights or duties of the parties hereto, each to the other.

Section 6. **Default, Cure, Remedies and Termination**

(a) Events of Default.

The occurrence of any one or more of the following events which is not cured in any applicable grace or notice and cure period shall constitute a default under this Agreement (hereinafter referred to as an "Event of Default"):

(i) RMS's or Owner's failure to pay any sums payable under this Agreement when and as the same shall become due and payable and such failure shall continue for a period of five (5) business days after written notice (specifying the item not paid) thereof from the other party to the defaulting party.

(ii) RMS's or Owner's failure to comply with any of the covenants, agreements, terms, or conditions contained in this Agreement and such failure shall continue for a period of thirty (30) days after written notice thereof from the other party to the defaulting party specifying in detail the nature of such failure. Notwithstanding the foregoing, in the event any failure cannot with due diligence be cured within such thirty (30) day period, if the defaulting party proceeds promptly and diligently to cure the same and thereafter diligently prosecutes the curing of such failure, the time within which the failure may be cured shall be extended for such period as may be necessary for the defaulting party to cure the failure.

(iii) If RMS or Owner (i) applies for or consents to the appointment of a receiver, trustee, or liquidator of itself or any of its property, (ii) is unable to pay its debts as they mature or admits in writing its inability to pay its debts as they mature, (iii) makes a general assignment for the benefit of creditors, (iv) is adjudicated as bankrupt or

insolvent, or (v) files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, or taking advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or admits the material allegations of a petition filed against it in any proceedings under any such law, or if any action shall be taken by said party for the purpose of effecting any of the foregoing.

(iv) An order, judgment, or decree is entered without the application, approval, or consent of either party by any court of competent jurisdiction approving a petition seeking reorganization of said party or appointing a receiver, trustee, or liquidator of said party, or of all or a substantial part of any of the assets of said party, and such order, judgment, or decree remains unstayed and in effect for a period of ninety (90) days from the date of entry thereof.

(b) Cure

(i) If, after the expiration of any applicable grace period or notice and cure period, RMS or Owner shall have failed to cure any default in the performance of any representation, covenant, or obligation on its part to be performed, then the other party may, at any time thereafter, without further notice, perform the same for the account and at the expense of the other party. Notwithstanding the above, in the case of an emergency, either party may, after notice to the other party, so reasonably perform in the other party's stead prior to the expiration of any applicable grace period or notice and cure period; provided, however, the other party shall not be deemed in default under this Agreement.

(ii) If, pursuant to this Article, either RMS or Owner at any time is compelled or elects (as permitted by the immediately preceding Section) (i) to pay any sum of money, (ii) to do any act which will require the payment of any sum of money, or (iii) to incur any expense (including reasonable attorneys' fees) in instituting, prosecuting, and/or defending any action or proceeding instituted by reason of the other party's failure to perform, as described in the immediately preceding Section, the sum or sums paid or payable by such party, shall be immediately due from the other upon receipt of a statement and reasonable documentation therefore.

(c) Owner's Remedies. Upon the occurrence of an Event of Default by RMS, Owner may:

(i) Seek specific performance of RMS's obligations or injunctive relief, as applicable;

(ii). Demand payment of all amounts due Owner under the terms of this Agreement and demand the payment of all costs, damages, expenses,

and reasonable attorneys' fees of Owner arising due to RMS's Event of Default;

(iii) Proceed to remedy the Event of Default, and in connection with such remedy, Owner may pay all reasonable expenses and employ counsel. All sums so expended or obligations incurred by Owner in connection therewith shall be paid by RMS to Owner, upon demand by Owner, and on failure of such reimbursement, Owner may, at Owner's option, deduct all costs and expenses incurred in connection with remedying the Event of Default from the next sums becoming due to RMS from Owner under the terms of this Agreement;

(iv) Terminate this Agreement by written notice of termination to RMS. Upon proper termination of this Agreement RMS shall surrender possession of the Property to Owner and transfer all contracts, licenses, unearned accounts receivable, furniture, fixtures, and equipment to Owner and assist in an orderly transfer of the operation to another management entity or Owner;

(v) No remedy granted to Owner is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy give hereunder or now or hereafter existing at law, in equity, or by statute. No delay or omission by Owner to exercise any right accruing upon an Event of Default shall impair Owner's exercise of any right or shall be construed to be a waiver of any Event of Default or acquiescence thereto.

(d) RMS Remedies

(i) Seek specific performance of Owner's obligations or injunctive relief, as applicable;

(ii) Demand payment of all amounts due RMS under the terms of this Agreement and demand the payment of all costs, damages, expenses, and reasonable attorney's fees of RMS due to Owner's Event of Default;

(iii) Proceed to remedy the Event of Default, and in connection with such remedy, RMS may pay all reasonable expenses and employ counsel. All sums so expended or obligations incurred by RMS in connection therewith shall be pain by Owner to RMS, upon demand by RMS, and on failure of such reimbursement, RMS may, at RMS's option, deduct all costs and expenses incurred in connection with remedying the E vent of Default from the next sums becoming due to Owner from RMS under the terms of this Agreement;

(iv) Terminate this Agreement by RMS written notice of termination to Owner.

(v) No remedy granted to RMS is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity, or by statute. No delay or omission by RMS to exercise any right accruing upon an Event of Default shall impair RMS's exercise of any right or shall be construed to be a waiver of any Event of Default or acquiescence thereto.

(e) Events of Termination

This Agreement shall terminate on the occurrence of any of the events set forth below:

(i) An Event of Default by RMS, and Owner sends to RMS a notice of termination for cause (after expiration of the applicable cure period);

(ii) An Event of Default by Owner, and RMS sends to Owner a notice of termination for cause (after expiration of the applicable cure period);

(iii) Both parties agree in writing to terminate this Agreement;

(iv) Upon the expiration or termination of this Agreement according to its terms; or

Section 7. Fees to RMS.

(a) Periodic Fixed Fees.

(i) Fixed Management Fee. RMS shall receive a Fixed Management Fee of Four Thousand Two Hundred Dollars (\$4,200.00) per month ("Fixed Management Fee"), or portion thereof, on a prorated basis, during the term of this Agreement, to be paid in advance, on or before the tenth day of each calendar month during the term of this Agreement.

(ii) Service Provider Fee. RMS shall receive a fee equal to the Payroll Expense, as defined herein in Section 1(h), of employees provided by RMS under the terms of this Management Agreement who have an ownership interest in RMS ("Service Provider Fee"). The Service Provider Fee shall be included as a portion of the payments Owner will make to RMS under the terms of this Agreement as reimbursement for Payroll Expense of RMS' permanent employees as part of the Annual Budget as defined herein. The Service Fee Provider Fee shall be (i) One Hundred Five Thousand Dollars (\$105,000.00) for the period commencing on the Effective Date of this Agreement (as defined herein) through December 31, 2007; (ii) One Hundred Ten Thousand Dollars (\$110,000.00) for the period January 1, 2008 through December 31, 2008; (iii) One Hundred Fifteen Thousand Dollars (\$115,000.00) for the period January 1, 2009 through December 31, 2009; (iv)

One Hundred Twenty Thousand Dollars (\$120,000.00) for the period January 1, 2010 through December 31, 2010; and (v) One Hundred Twenty-Five Thousand Dollars (\$125,000.00) for the period January 1, 2011 through December 31, 2011. The Service Provider Fee shall be paid as part of Owner's payments to RMS in accordance with Section 3.(f)(iv) of this Agreement.

(iii) The Fixed Management Fee and the Service Provider Fee shall both be considered a Course Expense and RMS shall include these fees in the Annual Budget.

(b) Variable Fees.

(i) Performance Fee. Owner will establish a fund of Thirty Thousand Dollars (\$30,000.00), some, all or none of which may be paid by Owner to RMS based solely upon Owner's evaluation of RMS's performance. The purpose of this fund is to motivate RMS to provide the highest possible levels of service to Center's customers and guests, as reflected in subjective factors such as cleanliness, personal attention, attractiveness and condition of facilities and condition of course, friendliness, helpfulness and courtesy of staff and overall customer perceptions of Center's operations.

(ii) To evaluate RMS's performance for the purpose of determining the amount of the Performance Fee to be paid RMS, Owner will engage both independent third party "secret shoppers", who are not employees and are not affiliated with Owner and other consultants which shall be industry recognized firms or individuals experienced in the evaluation of golf course operations and which shall have no interest or role in providing management services to other golf courses, who will make a series of visits to Center in each bi-monthly period of May/June, July/August and September/October. The evaluation criteria and objectives for the secret shopper program and outside consultant reviews will be reviewed with RMS by Owner, prior to visits by secret shoppers or outside consultants to Center and mutually agreed upon by RMS and Owner. Owner will award and distribute to RMS within thirty (30) days after the end of each bi-monthly period a portion of the Performance Fee Fund. The amount of each such distribution will be based on the percentage of "yes" or positive responses to the total number of questions listed on the evaluation form filled out by the secret shopper(s) or outside consultants. N/A responses will not count against the percentage of "yes" performances. Payment will be made to RMS based upon the following percentages:

<u>Percentage of "Yes" Responses</u>	<u>Performance Fee Payment</u>
95% - 100%	\$9,000 - \$10,000
90% - 95%	\$7,500 - \$9,000
85% - 90%	\$6,000 - \$7,500
80% - 85%	\$4,500 - \$6,000

Each increment of 1% within a range shall be valued at \$300. Performance Fee values shall increase by 3% at the beginning of each calendar year with the first increase effective January 1, 2008.

(iii) Owner will deliver to RMS, at the time of a Performance Fee Payment distribution, a written report indicating the basis for Owner's evaluation and setting forth the areas, if any, which Owner believes requires improvement as a result of completed secret shopper's evaluation forms.

Section 8. **Term**

(a) The Initial Term of this Agreement shall commence upon the Effective Date, as defined herein, and extend through December 31, 2011, unless sooner terminated as provided herein.

(b) This Agreement may be renewed for two (2) additional 36-month periods, upon the mutual agreement of each such renewal period to be mutually agreeable to both Owner and RMS and to be exercised by Owner and RMS in writing at least nine (9) months prior to the expiration of the current Agreement or any renewal thereof.

(c) If at any time during the term of this Agreement, or during the term of any renewal thereof, Owner decides that it wishes to sell Center to an unrelated third party, Owner will grant RMS a first right of negotiation to purchase the Center from Owner on terms and conditions mutually agreeable to both Owner and RMS. If RMS purchases Center from Owner, this Management Agreement and Owner's obligations contained therein will terminate on the date of closing of the purchase of Center by RMS.

Section 9. **Addresses for Notice.**

To Owner:

City of Mason
6000 Mason Montgomery Road
Mason, Ohio 45040
Attention: City Manager

With a required copy (which shall not constitute notice) to:

Wood & Lamping, LLP
600 Vine Street – Suite 2500
Cincinnati, Ohio 45202
Attention: Kenneth J. Schneider
Telephone: (513) 852-6021
Facsimile: (513) 852-6087

To RMS:

James C. Ashworth, President
Recreation Management Services, Inc.
3100 Fischer Road
Morrow, Ohio 45152

With a required copy (which shall not constitute notice) to:

Keating Muething & Klekamp PLL
Suite 1400
One East Fourth Street
Cincinnati, Ohio 45202
Attention: Edward E. Steiner, Esq.
Telephone: (513) 579-6468
Facsimile: (513) 579-6578

Section 10. **Notices.** All notices, demands, consents, statements, requests, or other communications hereunder, or required by law, shall be in writing, and shall be deemed properly delivered when and if: (a) personally delivered; (b) sent to the telecopier number listed herein (with oral telephonic confirmation of receipt); (c) delivered by overnight private courier service which in the ordinary course of business maintains a record of receipt of each of its deliveries; or (d) five (5) days after being mailed United States, mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the parties hereto and other persons, at their respective addresses set forth above or as they may hereafter specify by written notice delivered in accordance herewith.

A person receiving a notice which does not comply with the technical requirements for notice under this section may elect to waive any deficiencies and treat the notice as having been properly given.

Section 11. **Assignment.** This Agreement and all the terms and conditions hereof shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may assign or otherwise transfer this Agreement hereunder to any entity (other than one controlling, controlled by or under common control with the party deeming to assign or transfer this Agreement) without the prior written consent of the other party and any proposed assignment or other transfer without the other party's consent shall be null and void and of no legal force or effect. No such assignment shall relieve the assigning or transferring party of its primary liability under this Agreement.

Section 12. **Amendment.** This Agreement may be modified or amended only by a written agreement duly executed by the parties hereto or their representatives.

Section 13. **Entirety.** This Agreement and the Exhibits attached hereto contain the entire Agreement between the parties as to matters contained herein. Any

oral representations or modifications concerning this Agreement shall be of no force and effect.

Section 14. **Severability**. This Agreement shall be severable, if any part or parts of this Agreement shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, all remaining parts shall remain binding and in full force and effect.

Section 15. **Waiver**. This Agreement shall be construed in a manner that a waiver of any breach of any provision of this Agreement shall not constitute or operate as a waiver of any other breach of such provision or of any other provisions, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision.

Section 16. **Miscellaneous**.

(a) **Gender**. Words of any gender used in this Agreement shall be held and construed to include any other gender, any words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

(b) **Attorneys Fees**. If either party commences an action against the other to enforce any of the terms of this Agreement or because of the breach by either party of any of the terms hereof, the losing or defaulting party shall pay to the prevailing party its reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action. The term "prevailing party" means the party obtaining substantially the relief sought, whether by compromise, settlement or judgment.

(c) **Captions**. The captions in this Agreement are inserted only for the purpose of convenient reference and in no way define, limit or prescribe the scope or intent of this Agreement or any part hereof.

(d) **Construction**. No provisions of this Agreement shall be construed by any court or other judicial authority against any party hereto by reason of such party's being deemed to have drafted or structured such provisions.

(e) **Entire Agreement**. This Agreement (together with the Exhibits hereto) constitutes the entire contract between the parties hereto and supersedes all prior understandings, if any, there being no other oral or written promises, conditions, representations, understandings or terms of any kind as conditions or inducements to the execution hereof and none have been relied upon by either party. Any subsequent conditions, representations, warranties, or agreements shall not be valid and binding upon the parties unless in writing and signed by both parties.

(f) **Time of Essence**. Time is of the essence in this transaction.

(g) Original Document. This Agreement may be executed by both parties in counterparts, each of which shall be deemed an original, but all of such counterparts taken together shall constitute one and the same Agreement.

(h) Governing Law. This Agreement is delivered in the State of Ohio and is to be governed by and construed in accordance with the internal substantive laws of the State of Ohio. RMS and Owner hereby irrevocably consent to, and by execution of this Agreement, submit to the personal jurisdiction of the Court of Common Pleas of Warren County, Ohio and the United States District Court sitting in Cincinnati, Ohio for the purposes of any judicial proceedings which are instituted for the interpretation or enforcement of this Agreement.

(i) Compliance with Law. RMS shall (i) comply with all laws, ordinances, rules, or governmental regulations now or hereafter in force, or by order of any governmental or municipal power, department, agency, authority, or officer (collectively "Laws") in respect of the use, operation, maintenance, repair and restoration of Center, whether or not compliance therewith shall interfere with the use and enjoyment of Center; and (ii), except for those specifically deemed the obligation of Owner to procure, maintain and comply with all licenses and other authorizations required for any use of Center then being made, and for the proper installation, operation, and maintenance of Center or any part thereof.

(j) Other RMS Services. RMS shall be given a first right of negotiation, to manage other golf courses or recreational or entertainment facilities or complexes that Owner may acquire or construct during the term of this Agreement, on terms mutually agreeable to RMS and Owner.

(k) Final Payments. Upon termination of this agreement, all sums owed by either party to the other shall be paid within thirty (30) days of the effective date of such termination.

Section 17. Effective Date. This Agreement shall become effective upon the Closing of that certain Agreement Of Purchase And Sale, made as of the 11th day of July, 2006 between Grizzly Golf Center, Inc., an Ohio Corporation as Seller, and The City Of Mason, Ohio, a political subdivision existing under the laws of the State Of Ohio as Purchaser, ("Golf Course Purchase Agreement"), as said Closing is defined in Article 7 (CLOSING AND TRANSFER OF TITLE) of the Golf Course Purchase Agreement.

(Remainder of page intentionally blank; signature page follows)

IN WITNESS WHEREOF, the undersigned have hereunto set their respective hands as of the date and year first above written.

OWNER:

CITY OF MASON,
a political subdivision existing
under the laws of the State of Ohio

By: _____

Name:

Title:

RMS:

RECREATION MANAGEMENT SERVICES, INC.

By: _____

Name:

Title:

STATE OF OHIO)
 : SS
COUNTY OF WARREN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2006, by _____, _____ of The CITY OF MASON a political subdivision existing under the laws of the State of Ohio on behalf of such political subdivision.

Notary Public

STATE OF OHIO)
 : SS
COUNTY OF WARREN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2006, by _____, _____ of RECREATION MANAGEMENT SERVICES, INC., an Ohio corporation, on behalf of said corporation.

Notary Public