

CONFIDENTIAL TOUR OPERATOR

Between:

SPARKLING HILL RESORT

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AND

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This contract is valid for the following period: **January 1 – December 31, 2012**

THIS DOCUMENT WILL BE USED AND RELIED UPON IN THE PRODUCTION OF HOLIDAY BROCHURES AND FOR THE PRODUCTION OF CUSTOMER INFORMATION.

1. Facilities General Description:

Sparkling Hill is a premier international destination for extended wellness holidays. Sparkling Hill is nestled into a granite rock face on a ridge that has sweeping views of the Monashee Mountains and over Lake Okanagan. Sparkling Hill is the first resort in North America to incorporate Swarovski crystal elements into every aspect of its design with over 3.5M Crystals valued at over 10 million dollars. The resorts signature amenity is KurSpa - a 40,000 sq. ft. spa where guests are encouraged to explore a better level of health from walking on the acres of private trails, to dining on organic choices in the hotel restaurants and to experience over 100 therapies and treatments offered at the wellness resort.

KurSpa is European-inspired and provides transformative treatments and therapies with pure thermal water, Dead Sea salts, volcanic dust and essential oils of plants and flowers. Health consultations are available with our Naturopathic Physician that will design a treatment and nutrition plan for guests looking to take a comprehensive detoxification program. Popular in Europe and the first in North America, Sparkling Hill's Cold Sauna (-110C) is KurSpa's signature health treatment. The cold sauna provides a treatment called cryotherapy. KurSpa is a place of refined splendor, open and airy – an urban style and juxtaposed with the raw honest beauty of the landscape outside the floor to ceiling windows. With abundant natural light all around you, the atmosphere at KurSpa treatment and therapy rooms is uplifting and soothing; an oasis of calm and tranquility. KurSpa has become the iconic spa in North America, underlining the belief that wellness within radiates beauty, for your body and for your life.

The wellness hotel has 149 rooms. All rooms are open concept. Each room has a choice of 1 king or 2 queen beds. Floor-to-ceiling windows that open-up for fresh air. Free standing 2-person tub in front of the window. Bathroom with walk-through glass shower. Beautiful Swarovski crystal elements all through the room. Mini bar, crystal fireplace, wireless internet, desk, large screen TV, memory foam top mattresses, wardrobe, seating area in front of the window overlooking the lake or the mountains.

The three 1200 square foot Penthouses are luxurious 1 bedroom corner units with both lake and mountain view. Each penthouse has a separate living room, bed room and bathroom with private sauna, double shower and freestanding bath tub overlooking the lake

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2. **Location/Setting:** Mountain setting with lake view. Vernon, Okanagan, British Columbia, Canada

Getting to: Kelowna International Airport by road is 20 minutes

Getting to: Vancouver International Airport by road is 5 hours and by Air 1 hour from Kelowna

International Airport to Vancouver International Airport

From: the city of Vernon, BC on Highway 97 approximately 10 kilometers

From: the city of Kelowna, BC on Highway 97 approximately 30 kilometers

3. **Actual Age of Establishment/Building :** 1 year
4. **Furnishings/Themes:** Luxury European Inspired Hotel and 40,000 sq. ft. KurSpa
5. **Specific Customer Suitability:** Couples, Seniors, Single Adults, Active Adults
6. **Property information:**

Number of Buildings: 1

Number of Elevators: 5

Number of rooms: 149 Rooms and 3 Penthouses

Total number of rooms per category:

Room Type	Area (m2)	Number of Rooms			
	Total	King	Double/Queen	Double King	Total Rooms
Standard (ground or 1 st Floor)	42	37	15		52
Superior (2 nd Floor)	42	28	20		48
Deluxe (3 rd Floor)	42	28	21	2	49
Penthouse	111		1		3
Total Rooms		93	57	2	152

Minimum/Maximum room occupancy: 4 Persons

Handicapped accessible rooms: 4

Wheelchair access to all public areas: Yes

Connecting rooms: 0

Non-smoking rooms: All rooms are non-smoking

Maximum age for children staying free in parent's room: Children 11 years old and under stay for free when sharing the room with an adult over 18 years old.

7. **In-room Facilities:**

- Window wall that opens
- Room Climate Control
- Mini bar
- Telephone
- In-room Safe Box
- Flat Screen Color TV
- Crystal fireplace
- Seating Area
- Internet Access
- Bath Amenities – Scales
- Bathrobe - Slippers
- Towels
- Hair Dryer

8. **On-site Facilities:**

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Dining Outlets Name	Outlet	Seating	Features	Timing
PeakFine	Restaurant	180	Full hot Breakfast Buffet A la Cart Lunch & Dinner (local, fresh, in-season food)	07:00 – 10:00 11:00 – 21:00
Barrique & Java	Coffee & Wine Bar	50	European and North American Pastries and local Tapas	08:00 – 24:00
Gernot's	Private Dining Room	30	Dining a la cart with executive chef present and appointed waiters	On request only

Banquet & meeting rooms

Meeting Facilities Location	Dimension W x L x H /m	Ceiling Height	Area (sqm)	U-shape	Class-room	Theatre	Cocktail/Banquet
Austria Ballroom	12.5 x 20	5	250	50	70	225	180
Wattens	14.4 x 7.6	5	101	24	30	75	50
Salzburg	14 x 8.1	5	114	24	30	105	50
Vienna	8.2 x 6.7	5	55	16	16	50	32
Biberwier	4 x 8.5	2.4	36	12 Boardroom style only			

KurSpa:

40,000 sq., ft. with 48 treatment rooms

- 7 unique aromatherapy and Steam and Sauna rooms
- Experience Showers
- Aroma Therapy pods
- indoor pool with underwater music and light
- Large (22 people) Hot pool
- Outdoor infinity pool (open year round)
- Kneipp Water Walkway
- Cold Sauna (-110 degrees C / -166 F)
- Tea and Serenity Relaxation Rooms
- Keiser-equipped Fitness Studio
- Movement Studio (Yoga, Pilates)
- 8 Fango rooms
- 6 Specialty bathing rooms
- 10 Massage rooms
- Power Plate

About Sparkling Hill Resort and KurSpa Policy

Journey into whole body health and wellness at Sparkling Hill Resort's European inspired KurSpa - a luxury spa facility focused on the mature adults' health and wellness with over 100 available treatments. Our team of dedicated professionals will offer personal service with the utmost attention to detail through European-inspired and transformative treatments and therapies such as pure thermal water, Dead Sea salts, volcanic dust and essential oils of plants and flowers. With an abundance of natural light all

around you, the atmosphere in KurSpa's treatment and therapy rooms is at once uplifting and soothing; an oasis of calm and tranquility. We respectfully request that all guests keep noise to a minimum; cellular

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phones and other electronic devices are not allowed so that we can ensure all guests enjoy the peaceful sanctuary of KurSpa. KurSpa is an adult-only experience and available to men and women over the age of 16 years.

While KurSpa is adult-only, Sparkling Hill Resort is family friendly, yet it is not family oriented. Children visiting the resort should be accompanied by an adult at all times and should be well mannered.

9. Activities:

Hiking – 12 kilometers of guided nature hikes including pole walking at the resort (inquire with KurSpa); mountain hiking is close by

Golf – 1 minute from the resort is neighboring prestigious Predator Ridge Golf Resort and over 80 courses in the area

Wine Touring – A variety of award winning wineries in the Okanagan Valley approx. 195 with the closest one to the resort 20 minutes; winery tours available

Wildlife Viewing & Bird Watching - Over 120 species of birds in the region

Cross-country and Alpine Skiing - at Silver Star Mountain Resort

Heli-Skiing – on-site providers are Eagle Pass Heli-skiing (helicopter pad at the resort)

Water sports (6 lakes in the area: motor boat, canoe and kayak rental, water ski, wake board)

Many local farms and orchards in the area with u-pick possibilities

City tours (Kelowna, Vernon)

Tour to Rocky Mountains possible: 5 hours by vehicle to Banff

Terms and Conditions

1. FIT Room Rates

All room rates are NET, non-commissionable, in Canadian dollars and per room, per night, single or double occupancy and subject to applicable taxes (currently 12% HST and 2% Municipal Hotel Tax). See APPENDIX "A". All room rates are guaranteed to be at least 20% below the applicable rack rates. These rates apply to all FIT bookings made by Tour Operators. All unsold Tour Operator FIT Allotment of inventory will be released to the hotel by the specific release date on the space inventory contract unless other arrangements have been made. Cancellations received within 72 hours prior to 4pm on your day of arrival for all accommodation bookings including no-shows are subject to a cancellation penalty of one (1) night's room and tax (no penalty on meals). All confirmed rooms are guaranteed for late arrival by Tour Operators. No rooms are to be released or relocated without prior written approval from Tour Operators. The Tour Operator is to send to the Resort a daily booking report unless other arrangements have been agreed to. It is the Tour Operator's responsibility to send to the Resort a FIT Booking Report and Group rooming list prior to allotment release date or the arrival date for accommodation. Rooming lists serve to communicate the details of reservations and a release of any unsold space.

2. Meals. All meals are to include the following specifications:

Full Hot Breakfast: Included in room rate for single and double occupancy only.

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Half Board (choice of 2-course lunch or dinner). Add per room: 2012 \$80.00 and 2013 \$85.00. All rates in Canadian dollars, exclusive of tax

Full Board (2-course lunch and dinner). Add per room: 2012 \$160.00 and in 2013 \$170.00. All rates in Canadian dollars, exclusive of tax

Additional person charge (12 and over): Per night charge. Maximum 2 additional people in room. Additional person rate \$50 includes breakfast; Half Board \$90 and Full Board \$130 in 2012; Half Board \$92.50 and Full Board \$135 in 2013.

3. Group Agreement

The Tour Operator will request Group space as it is required.

4. Deposit and Payment Procedures

No deposits will be required by the hotel or forwarded to Tour Operators for any pre-blocked FIT inventory. Payment terms for Tour Operator bookings are flexible and may be on a direct bill basis or paid by credit card in advance (see Appendix A). If required, a credit application will be completed and returned for direct billing. For direct bill, full payment will be forwarded by Tour Operators upon receipt of the Tour Operators vouchers. The Hotel will collect these vouchers from each individual booking or from one of the Tour Operators Directors or their representative if requested by the Tour Operator. Tour Operator agrees to remit payment as specified in Appendix A. Individuals are responsible for their own incidental charges. Tour Operators will not be responsible for payment of incidental charges incurred by any passengers.

5. Liability and Conditions of Service

In accepting the booking, the Hotel guarantees its contractual services for the entire duration of the contract period. In particular, the Hotel assumes responsibility for flawless and impassable operation (accommodations, meals, service, and general facilities). Should any construction work take place at or near the property or should any of the amenities or services offered at the hotel become temporarily or permanently unavailable and this proves likely to affect the enjoyment of the client's stay, the supplier is to inform the Tour Operator immediately in writing via fax. The Hotel also guarantees that it has and will at all times maintain all appropriate insurance policies, including public liability insurance, with a reputable insurance company and/or companies to cover any liabilities of the Hotel arising out of the provision of service and/or products.

The Hotel agrees to indemnify and keep fully and effectively indemnified Tour Operators from and against any actions, proceedings, losses, claims, charges, damages, or liabilities incurred by or assessed against Tour Operators arising out of or as a consequence of or in connection with the provision of services by the Hotel or Tour Operator's customers regardless of the jurisdiction in which such actions, proceedings, losses, costs, claims, charges, damages, or liabilities arise.

6. Confidentiality

All terms and conditions of the agreements are confidential between Tour Operators and Hotel and details cannot be revealed to passengers, clients, or any third party. Note: This is a general agreement between a supplier and tour operator, subject to an annual pre-order of rooms and mechanisms for ordering and releasing rooms which were pre-ordered.

TO RATES 2012

Low Season Jan 1 - Mar 31 Nov 1 - Dec 31	Rack		Tour Ops/FIT	
			20% discount	
	Sun-Thu	Fri+Sat+LW	all days	
Mountain				
Standard	210	230	168	
Superior	230	250	184	
Deluxe	250	270	200	
Lake				
Standard	230	250	184	
Superior	250	270	200	
Deluxe	270	290	216	
Penthouses				
Enzian	560	580	448	
Edelweiss	610	630	488	
Arnika	660	680	528	

Mid Season Apr 1 - June 30 Sept. 1 - Oct. 31	Rack		Tour Ops/FIT	
			20% discount	
	Sun-Thu	Fri+Sat+LW	all days	
Mountain				
Standard	275	295	220	
Superior	295	315	236	
Deluxe	315	335	252	
Lake				
Standard	295	315	236	
Superior	315	335	252	
Deluxe	335	355	268	
Penthouses				
Enzian	625	645	500	
Edelweiss	675	695	540	
Arnika	725	745	580	

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High Season July 1 - August 31	Rack		Tour Ops/FIT 20% discount	
	Sun-Thu	Fri+Sat+LW	all days	
Mountain				
Standard	330	350	264	
Superior	350	370	280	
Deluxe	370	390	296	
Lake				
Standard	350	370	280	
Superior	370	390	296	
Deluxe	390	410	312	
Penthouses				
Enzian	680	700	544	
Edelweiss	730	750	584	
Arnika	780	800	624	

Long Weekends: April 06 -09: **Easter** --- May 19-21: **Victoria Day** --- October 5-8: **Thanks Giving** --- December 27-31: **Christmas Surcharge of \$75.00/night**

July 1: **Canada Day** --- August 3-Aug 6: **BC Day** --- September 1-3: **Labour Day**

Black Out dates for Tour Ops/RTOs is December 27-31
Rates are exclusive of 2% Municipal Hotel Tax and 12% HST Tax.

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Rates:

- Rates are confidential and should not be published at any time or disclosed to a third party for any reason or purpose, including on-line agents.
- Rates must be packaged and are extended on the understanding that the Hotel will be featured in promotional brochures both pictorially and editorially.
- Rates quoted are applicable only to Tour Operator Programs of below 10 rooms. Rates are not applicable for Incentive, Corporate Meetings, Trade Delegations and Convention Groups.
- Late check-out and early check-in is subject to availability and must be confirmed with the hotel prior to arrival.

Guest's complementary benefits:

- Full hot breakfast for 2 in PeakFine Restaurant
- Exclusive use of the 7 unique steam rooms and saunas, indoor pool with underwater music and lights, hot pool and outdoor infinity pool, Kneipp waterway, Tea & Serenity rooms and Fitness Studio;
- Valet underground parking;
- Wireless in-room internet (plus use of the public PC's in the lobby);

Description of the complimentary steam rooms

Hotel guests have the exclusive use of the 7 steam rooms and saunas. All steam rooms and saunas have different themes, temperature and humidity. Swarovski crystals are beautifully incorporated in the design: Rose steam room, Crystal steam room, Salt Cave; Aqua meditation, Herbal sauna, Panorama sauna, Classic sauna and the Igloo.

Allocations

FIT rooms are free sale and based on availability at time of booking.

Check in time: 4 pm

Check out time: 11 am

Reservations

All reservations need to be made by fax: 1.250.275.1610 or email: reservations@sparklinghill.com

Payment policy

Pre-payment for the FIT reservations held is required 14 days prior to arrival of the guests. To guarantee reservations, payment in full of room + tax and any other agreed to services must be made with a valid Company credit card or bank transfer. Individuals will be asked to provide a credit card at time of arrival for incidentals.

Reseller Agreement

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BC Golf Guide company agrees to facilitate and fulfill Sparkling Hill Resort golf package inquiries and bookings and as a result will sell and process customer payments, and in addition agrees to pay a travel agent commission of 10% on travel agency bookings. Sparkling Hill Resort will receive a copy of all customer inquiries, and customer and travel agency contact information will be provided to Sparkling Hill Resort on a weekly basis. BC Golf Guide will not offer or sell Kelowna or Vernon competitive accommodation partners as an alternative to staying at Sparkling Hill Resort.

Cancellation policy

We require 72 hours' notice prior to 4 pm on your day of arrival for all accommodation bookings. For cancellations made within the restrictions of this policy, one night room and tax will be charged.

ACCEPTANCE

To confirm the arrangement, please provide a signed copy of this agreement to the Sparkling Hill Resort sales department no later than December 16, 2011.

On behalf of the Sparkling Hill Resort

Signature:

Name: Wendy Patriquin

Title: Sales & Marketing Manager

Date: December 13, 2011

On behalf of BC Golf Guide

Signature: 

Name: Ross Marrington

Title: President

Date: Dec 13/2011

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