

- d. Utility service charges, including without limitation, providing electricity, fuel, water and sewer services, directly related to the said recreational facilities;
- e. Chemicals, janitorial supplies and equipment relating directly to the maintenance and operation of the said recreational facilities;
- f. Food, beverage, party and entertainment expenses directly related to the said recreational facilities;
- g. License fees, real and personal property taxes, and other governmental levies and assessments and taxes directly related to the recreational facilities; and
- h. Such other reasonable direct costs and expenses as are customarily associated with the use, maintenance and operation of similar facilities.

5. Method of Payments. At the end of each calendar quarter, each Owner or his or its respective managing agent, or designated representative shall prepare a statement of operating income and loss (the "Operating Statement") for such calendar quarter regarding the recreational facilities located on his or its project. The Operating Statement shall be prepared in accordance with generally accepted accounting principles and certified as correct by an officer or partner of the Owner or of its managing agent acting on behalf of each Owner. In the event the Operating Statement shows a pre-tax operating profit, excluding general administrative and overhead expenses and depreciation expenses from such computation, the operating profit shall belong to the Owner of the project in which such facility is located, and such Owner shall not be entitled to any contribution from the other Owner or Owners of property covered by this Agreement. In the event any such operating statements shall show a pre-tax operating loss, excluding general administrative and overhead expenses and depreciation from the computation thereof, then the Owner of the project in which such recreational facilities are located shall be entitled to contribution from the other Owner or Owners according to the fractional share formula set forth in Section 3 hereinabove. Accordingly, in the event of such an operating

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