

Sample Vendor Contract for Resort Guest Services

CONTRACT

The date of this Contract is _____. The parties to this Contract are:

Smugglers' Notch Management Company, Ltd.
4323 Vermont Route 108 South
Smugglers' Notch, VT 05464-9537

("Smugglers"); and

(the "Vendor").

Recitals

- A. Smugglers' operates the Smugglers' Notch Resort.
- B. This Contract provides services to be provided to guests at the Smugglers' Notch Resort (the "Resort").

Promises and Covenants

1. Term. This agreement will begin on _____ and shall end on _____ (the "Term"), but in no event shall the Term exceed three years. Smugglers' reserves the right to conduct an annual review and/or revision of rates and policies as deemed necessary by its representatives.

2. Vendor Guidelines.

(a) Addendum. The Addendum hereto must be signed by Smugglers' Vendor Supervisor and the Vendor at the beginning of each season in which services are to be provided. The Addendum is a part of this Contract.

- (i) The Addendum will specify the content and schedule for the program which the Vendor will provide at the Resort.

(Example: to provide one hour long snowmobile tours in to Smugglers' Notch Pass including snowmobile operating instruction, safety cautions, professional guides at the front and back of the tour and a brief discussion of the history of Smugglers' Notch Pass. Tours will run daily at 5, 6, 7, and 8 pm, weather permitting. Sign-Up deadline is one hour prior to each tour time.)

- (ii) The Addendum will also specify the start and end dates for the period of time in which the Vendor agrees to provide services.

(Example: Beginning as soon after the start of The Resort's Winter season as snow permits, until snow conditions no longer allow for snowmobile travel).

- (iii) The Vendor Agreement will also specify rates to be charged to guests for the Vendor's services (see example below) as well as the procedures for billing and payment.
(Example: Snowmobile tour rates are \$55.00 plus sales tax for a single adult or adult plus youth 12 and under; \$80.00 plus sales tax for a double adult or adult plus youth 13 and over; \$25.00 for a single person tow behind or ride with the guide.)

(b) *One Guest Minimum and Level of Service Provided.* The Vendor shall provide a level of guest service that complies with Smugglers' "Core Philosophies of Guest of One," "We Want You Back," "L.A.S.T." and "Continual Improvement." Specifically;

- (i) The Vendor shall conduct his/her activity with a **one guest minimum**. If one guest is signed up by the sign-up deadline for the Vendor's activity, that activity will not be cancelled, except in the event of extreme emergency (as defined in the Addendum) or weather conditions that cause the activity to be unsafe.
- (ii) Determination of unsafe weather conditions will be made jointly between the Vendor and the Vendor Supervisor, with the input of the Activities Director, and/or the Safety Coordinator and/or the Director of Resort Services
- (iii) The Vendor, along with the Vendor Supervisor, will choose a satisfactory enrollment deadline for each offering of the program . **If no guests have signed up by the chosen deadline the Vendor may cancel an activity.** The Vendor must call in at or just past the deadline, prior to the activity, to learn if any guests are scheduled for that activity.
- (iv) The Vendor will not be paid by Smugglers' for service to any guest if
 - (A) the vendor lowers the level of service as described in the Addendum, or
 - (B) the Vendor reschedules the guest from the original sign-up time without the approval of the Vendor Supervisor, or
 - (C) the Vendor provides a service other than the one agreed to by the guest (as understood by the purchase of the service).

(c) *Quality.*

- (i) The Vendor shall conduct his/her activity in such a way that guest satisfaction is commensurate with Smugglers' quality ratings goals.
- (ii) Smugglers' may, in its discretion, cancel or re-negotiate the term of this Contract in the event a Vendor's "How Do You Like Us?" scores are below the required 95 percent rating for a period of more than three consecutive weeks or more than five times in a season.

(d) *Vendor in Good Standing.*

- (i) In order to qualify to provide services to Smugglers' guests, the Vendor must comply with the standards, in effect from time to time, of Smugglers' Preferred and Approved Vendor Program, this program which currently requires:
 - (A) \$2 Million in aggregate liability insurance

- (B) \$500,000 in automotive insurance (recommended)
 - (C) Workers' compensation coverage as required by the State of Vermont
- (ii) Smugglers' must be named as co-insured on Vendor's liability insurance policies and worker's compensation policy. Proof of current insurance and worker's compensation must be submitted to the Vendor Supervisor at the Resort prior to commencement of services during the Term.
 - (iii) The Vendor shall comply with the insurance requirements prior to the opening day of the season (defined as the commencement of programming for retail guests). The Vendor will be notified in writing prior to the opening day of the season (as set by Smugglers') that the Vendor is not in compliance with the above requirements.
 - (iv) Certificates of insurance must be submitted within 24 hours of expiration of annual renewal date showing that the insurance has been continued.
 - (v) If the Vendor is not in compliance with these requirements by the opening day of the season in which the services are to be provided, the Vendor will forfeit his/her right to provide services until such time as he/she comes in to compliance.
 - (vi) Smugglers' may, in its discretion, substitute other providers of the Vendor's services if the Vendor fail to meet the requirements of the Preferred or Approved Vendor Program as in effect from time to time. If Smugglers' does so, it may engage alternate supplier(s), for a period of not more than 30 days, in order to allow the Vendor to comply with the requirements. If the Vendor is not in compliance with the Preferred and Approved Vendor Program within the 30-day period, Smugglers' may, in its discretion, cancel this Contract.
 - (viii) Smugglers' Safety Coordinator, Director of Resort Services, Activities Director and Vendor Supervisor will determine whether the Vendor complies with the a Vendor's Preferred and Approved Vendor compliance status.
- (e) *Safety.*
- (i) The Vendor shall meet the following requirements for safety training:
 - (A) completion of the ten hour OSHA Certification course (as determined necessary by the Safety Coordinator and Director of Resort Services)
 - (B) Completion of the Activities Department Basic 11 Safety Training Program once per calendar year. (Must be completed by the Vendor and key employees assigned by the Vendor to operate his/her services).
 - (C) Additional safety trainings as determined by the Safety Coordinator and Director of Resort Services to be necessary to the Vendor's safe operation of his/her program.
 - (D) The Vendor shall maintain an EMR of (PVS) .10 to 1.10 or (AVS) 1.11 to 1.4 or, if the Vendor's business that is too small to have an EMR the Vendor shall submit proof from his/her worker's compensation insurer describing loss history for the immediate three years. The Resort's Safety Coordinator, Director of Resort Services, Activities Director and Vendor Supervisor will