



NEW CONSTRUCTION COMMITMENT AGREEMENT

This Agreement is by and between Kampgrounds of America, Inc. of Billings, Montana (“KOA”) and _____, of _____ (“APPLICANT”).

WITNESSETH

Whereas, KOA and APPLICANT have entered into discussions regarding building of a campground located at _____.

Whereas, the parties desire to agree to certain understandings regarding the Franchise Agreement that will form the basis of the relationship in the event the APPLICANT elects to proceed with the application process to become a Franchisee in the KOA system.

The parties agree as follows:

1. The total amount due will be \$30,000 payable as follows:
 - A. The initial refundable \$30,000 is payable with the signing of this New Construction Commitment Agreement along with the submission of a Franchise Application.
 - B. In the event the APPLICANT’S Franchise Application is not accepted by KOA prior to site visit and preparation of KOA’s development plan, or if zoning approval is not granted, the full \$30,000 will be refunded.
 - C. If the Franchise Application is accepted by KOA, an initial land/site review will be prepared after a KOA representative visits the campground. After the site call, if KOA does not accept the site or if APPLICANT elects not to proceed, \$25,000 will be returned to APPLICANT.
 - D. After receipt of the total Franchise Fee of \$30,000 and receipt of the signed Franchise Agreement, KOA will prepare a development plan to scale for the property that includes site detail plans. A topographical map with 2’ to 5’ elevation intervals must be provided to KOA by APPLICANT before a development plan is completed by KOA. In the event zoning approval is not granted within six months after development plan is prepared and received by applicant, \$10,000 is refundable with development plan returned to KOA.
 - E. No other amounts will be refunded and no other conditions will qualify APPLICANT for a refund other than those stated above.

2. Franchise Agreement, including exclusive territory map, will be consistent with the model Franchise Agreement (series “V1”).

19. This New Construction Commitment Agreement is a temporary document that bridges the time between the franchise application and a fully executed “V-1” Franchise Agreement. It is effective until thirty (30) days after the initial land/site review.

APPLICANTS

KAMPGROUPS OF AMERICA, INC.

(Signature)

By: _____

(Signature)

Name: Chris Fairlee

Title: Vice President, System Development