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UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Return to:
C T Corporation System
UCC Division
111 Eighth Avenue - 13th Fl.
New York, NY 10011

5095546-12K

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
Heavenly Valley Limited Partnership

OR 1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
c/o American Skiing Company P.O. Box 450 Bethel Maine 04217 USA

1d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION 1f. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL ID #, if any
88-0266125 Limited Partnership Nevada NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR 2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any
 NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
Fleet National Bank, as Administrative Agent

OR 3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
111 Westminster Street Providence RI 02903 USA

4. This FINANCING STATEMENT covers the following collateral:
See Annex I attached hereto and made a part hereof.

Filed with: Douglas County, Nevada

08719

5. ALTERNATIVE DESIGNATION (if applicable): LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable) 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (OPTIONAL FEE) All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA

0533846
BK0202PG0386

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME

Heavenly Valley Limited Partnership

OR 9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME

OR 11b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

11c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

11d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 11e. TYPE OF ORGANIZATION 11f. JURISDICTION OF ORGANIZATION 11g. ORGANIZATIONAL ID #, if any NONE

12. ADDITIONAL SECURED PARTY'S or ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME

OR 12b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

12c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

13. This FINANCING STATEMENT covers timber to be cut or as-extracted collateral, or is filed as a fixture filing. 16. Additional collateral description:

14. Description of real estate:
See Exhibit A attached hereto and made a part hereof.

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

17. Check only if applicable and check only one box.

Debtor is a Trust or Trustee acting with respect to property held in trust or Decedent's Estate

18. Check only if applicable and check only one box.

Debtor is a TRANSMITTING UTILITY

Filed in connection with a Manufactured-Home Transaction — effective 30 years

Filed in connection with a Public-Finance Transaction — effective 30 years

ANNEX I

ATTACHED TO AND MADE A PART OF
UNIFORM COMMERCIAL CODE ("UCC") FINANCING STATEMENT

DEBTOR: HEAVENLY VALLEY LIMITED PARTNERSHIP
c/o American Skiing Company
P.O. Box 450
Bethel, Maine 04217

SECURED PARTY: FLEET NATIONAL BANK, as Administrative Agent
111 Westminster Street
Providence, Rhode Island 02903

All of Debtor's right, title, interest and estates, however arising whether now owned or hereafter acquired to the extent that the following constitutes collateral wherever located in the State in which this financing statement has been filed (hereinafter collectively referred to as the "**Property**"):

(a) All plots, pieces or parcels of real estate located in Douglas County, Nevada, more particularly described in Exhibit A attached hereto (the "**Land**");

(b) All buildings, structures, parking areas, landscaping, and other improvements of every nature now or hereafter situated, erected or placed on the Land or appurtenant thereto, including, without limitation, all plumbing, electrical, heating, ventilating, air conditioning, and all other building components, (the "**Improvements**"), and all materials intended for construction, reconstruction, alteration and repairs of the Improvements All plots, pieces or parcels of real estate located in Douglas County, now or hereafter erected, all of which materials shall be deemed to be included within the Improvements immediately upon the delivery thereof to the Land;

(c) All easements, rights of way, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, wells, snowmaking and water rights, ditches, reservoirs, air rights and development rights, mineral rights, lateral supports, foundations and drainage, all estates, rights, interest, reversions, remainders, tenements, hereditaments and appurtenances of any nature whatsoever located on, under, above or pertaining to the Land or Improvements;

(d) All licenses, operating agreements, condominium rights, waters, water courses, water and flowage rights and powers, stock in water companies, minerals and soil, plants, and standing and fallen timber and other emblements now or hereafter located on the Land or under or above same, and all other appurtenances whatsoever belonging or relating to said Land or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Debtor and the reversion and reversions, remainder and remainders, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of the Debtor of, in and to the same;

(e) All fixtures, machinery, equipment, furniture, inventory, building supplies, ski lifts, snowmaking equipment, appliances and other articles of personal property and all other fixtures and equipment now or hereafter owned by Debtor and located in, on or about, or used or intended to be used with or in connection with the Land or the Improvements, whether installed in such a way as to become a part thereof or not, including all additions, improvements, betterments, renewals and replacements of any of the foregoing, whether now owned or hereafter acquired by Debtor (the **"Personal Property"**);

(f) All present and future leases, tenancies, occupancies and licenses, whether written or oral, of the Land, the Improvements, the Personal Property and the Intangible Property, or any combination or part thereof (the **"Rental Leases"**), and all income, revenues, receipts, rents, issues, royalties, profits, rent rolls, security deposits and other benefits of the Land, the Improvements, the Personal Property and the Intangible Property, from time to time accruing, and all payments under the Rental Leases (the **"Revenues"**);

(g) All right, title and interest of Debtor in and to all policies of insurance, licenses, franchises, development rights, snowmaking and water rights, permits, leases, approvals, service and maintenance contracts, property management agreements, equipment leases, tradenames, trademarks, servicemarks, computer programs, information and data, logos, goodwill, accounts, chattel paper and general intangibles as defined in the Uniform Commercial Code as enacted in the State of Nevada, which in any way now or hereafter belong, relate or appertain to the Land, the Improvements or the Personal Property or any part thereof, all whether now owned or hereafter acquired by Debtor, including, without limitation, all condemnation payments, insurance proceeds, accounts and escrow funds and all other property of Debtor deposited with Beneficiary or held by Beneficiary pursuant to the Credit Agreement or the Lender Agreements (the **"Intangible Property"**);

(h) All the right, title, interest of Debtor in and to all engineering, survey and architectural specifications, plans and data, all other records, plans and specifications relating to the Improvements on the Land and Personal Property (hereinafter collectively referred to as the **"Plans"**);

(i) All judgments, awards of damages and settlements hereafter made as a result or in lieu of any taking of the Property under the power of eminent domain, or for any damage to the Property (the **"Awards"**);

(j) If any portion of the Property is or hereafter becomes subject to a Declaration of Condominium, all special rights, powers and privileges of Debtor, including any rights as declarant under such Declaration of Condominium (the **"Condominium Rights"**); and

(k) All proceeds, products, substitutions and accessions of the foregoing of every type, all whether now owned or hereafter acquired.

Capitalized terms used but not otherwise defined herein shall have the following meanings (such meanings to be equally applicable to the singular and plural forms thereof):

“American Ski” means American Skiing Company, a Delaware corporation.

“Agent” shall mean BankBoston, N.A., in its capacity as agent for the Lenders, and its successors in that capacity.

“Borrowers” shall mean American Ski and other borrowers from time to time party to the Credit Agreement.

“Credit Agreement” shall mean that certain Amended, Restated, Consolidated Credit Agreement dated as of October 12, 1999 and as amended by that certain Second Amendment to the Amended, Restated and Consolidated Credit Agreement and Third Amendment to the Amended, Restated and Consolidated Credit Agreement, together with any and all other restatements, renewals, amendments, modifications, consolidations and extensions thereof.

“Existing Letter of Credit” shall mean the Letters of Credit described as such on Schedule 2.16 to the Credit Agreement hereto and issued by the Issuing Bank.

“Guaranty Agreements” shall mean the Amended and Restated Guaranty Agreements from each of the Guarantors in favor of the Agent and the Lenders.

“Guarantors” shall mean each of AJT, Inc. and WVSAL, Inc.

“Indemnity Agreements” the Amended and Restated Hazardous Materials Indemnification Agreements of even date herewith from each Borrower to the Agent.

“Leases” shall mean all leases and other agreements under which the Borrowers have rights to use or occupy any real property.

“Lender Agreements” shall mean the Credit Agreement, the Term Notes, the Revolving Credit Notes, the Swing Line Note, the Guaranty Agreements, the Indemnity Agreements, the Security Agreements, the Otten Subordination Agreement, the applications and reimbursement agreements relating to the Existing Letters of Credit and any other present or future agreement from time to time entered into between American Ski or any of its Restricted Subsidiaries and the Agent or any Lender (except for any such agreement which specifically provides in writing that it is not a Lender Agreement), each as from time to time amended or supplemented, and all statements, reports and certificates delivered by American Ski or any of its Restricted Subsidiaries to the Agent or any Lender in connection therewith.

“Lenders” shall mean (a) initially, each lender listed on the signature pages to the Credit Agreement, (b) any other Person who becomes a Successor Lender in accordance with the terms of Section 12.2 of the Credit Agreement and (c) the successors and assigns of such Lenders or Successor Lender.

“Otten Subordination Agreement” shall mean the Subordination Agreement of even date herewith by and among American Ski, Leslie B. Otten and the Agent.

“Person” shall mean an individual, corporation, partnership, joint venture, association, estate, joint stock company, trust, organization, business, or a government or agency or political subdivision thereof.

“Restricted Subsidiaries” shall mean all Subsidiaries of American Ski, or other specified parent, other than Unrestricted Subsidiaries of American Ski or such other specified parent.

“Revolving Credit Notes” shall mean the Amended, Restated and Consolidated Revolving Credit Notes executed by the Borrowers, jointly and severally, in favor of each Revolving Credit Lender to evidence the Revolving Credit Advances to be made by the Revolving Credit Lenders as identified in the Credit Agreement from time to time hereunder.

“Security Agreements” shall mean:

(a) The Amended, Restated and Consolidated Security Agreements of even date herewith from American Ski and each of its Restricted Subsidiaries to the Agent by which American Ski and each of its Restricted Subsidiaries has granted to the Agent, in order to secure the Lender Obligations, a security interest in substantially all of its assets.

(b) The Amended and Restated and Consolidated Security Agreements of even date herewith from the Guarantors to the Agent by which each of the Guarantors has granted to the Agent, in order to secure the Lender Obligations, a security interest in substantially all of its assets.

(c) The Amended, Restated and Consolidated Fee and Leasehold Mortgage, Assignment of Leases and Rents, Financing Statement and Security Agreements of even date herewith (the **“Mortgages”**) from each Borrower that owns any real property to the Agent to secure the Lender Obligations.

(d) The Amended, Restated and Consolidated Collateral Assignments of Leases and Rents (the **“Collateral Assignments of Leases”**) from each Borrower that leases any real property, with respect to all Leases, to the Agent to secure the Lender Obligations.

(e) The Amended, Restated and Consolidated Assignments in Trust (the **“Assignments in Trust”**), from certain Borrowers to the Agent to secure the Lender Obligations.

(f) The Amended, Restated and Consolidated Assignment of Trademarks of even date herewith (the **“Trademark Security Agreements”**) from each Borrower to the Agent to secure the Lender Obligations.

(g) The Amended, Restated and Consolidated Assignments of Licenses, Contracts and Permits of even date herewith (the "Assignments of Licenses") from each Borrower to the Agent to secure the Lender Obligations.

(h) The Amended, Restated and Consolidated Stock Pledge Agreements (the "Stock Pledges") pledging to the Agent the collateral described therein (excluding stock of Unrestricted Subsidiaries) to secure the obligations described therein.

(i) All other Security Agreements, pledge agreements, mortgages, assignments and other instruments by which American Ski or any Restricted Subsidiary grants or pledges to the Agent a lien on, security interest in, or pledge or mortgage or assignment of any of its assets.

"Subsidiary" shall mean any Person of which American Ski or any Restricted Subsidiary or other specified parent shall now or hereafter at the time own, directly or indirectly through one or more Subsidiaries or otherwise, sufficient voting stock (or other beneficial interest) to entitle it to elect at least a majority of the board of directors or trustees or similar managing body.

"Swing Line Note" shall mean the Amended, Restated and Consolidated Swing Line Note executed by the Borrowers, jointly and severally, in favor of the Swing Line Lender (as identified in the Credit Agreement) to evidence the Swing Line Loans (as defined in Section 2.18 of the Credit Agreement) to be made by the Swing Line Lender from time to time hereunder.

"Term Loan Lenders" shall mean those Lenders so identified in the Credit Agreement.

"Term Loan Notes" shall mean the Amended, Restated and Consolidated Term Loan Notes executed by the Borrowers, jointly and severally, in favor of each Term Loan Lender to evidence the Term Loans.

"Term Loans" shall mean the term loans made by the Term Loan Lenders to the Borrowers pursuant to Section 2.4 of the Credit Agreement.

"Unrestricted Subsidiaries" shall mean Killington West, Ltd., a California corporation, Mountain Water Company, a Vermont corporation, Grand Summit Resort Properties, Inc., a Maine corporation, American Skiing Company Resort Properties, Inc., a Maine corporation, The Canyons Resort Properties, Inc., a Maine corporation, Steamboat Resort Properties, Inc., a Maine corporation, Heavenly Properties, Inc., a Maine corporation, Sugarloaf Resort Properties, Inc., a Maine corporation, Killington Resort Properties, Inc., a Maine corporation, Mount Snow Resort Properties, Inc., a Maine corporation, Sugarbush Resort Properties, Inc., a Maine corporation, Sunday River Resort Properties, Inc., a Maine corporation, Attitash Resort Properties, Inc., a Maine corporation, S-K-I Insurance Company, a Vermont corporation, Club Sugarbush, a Vermont corporation, Uplands Water Company, a Vermont corporation, Orlando Resort Corporation, a Delaware corporation, Walton Pond Apartments, a Delaware Corporation, ASC Transportation, Inc., a New Hampshire corporation, ASC Leasing, Inc., a Maine

corporation, Heavenly Resort Properties, LLC, a Nevada limited liability company, Blunder Bay Development Company, a Maine corporation, Grand Summit Resort Hotel Sales, Inc., a Maine corporation and such other Subsidiaries, other than a Borrower or a Guarantor, as may from time to time be designated by American Ski as an Unrestricted Subsidiary and as are reasonably acceptable to the Agent.

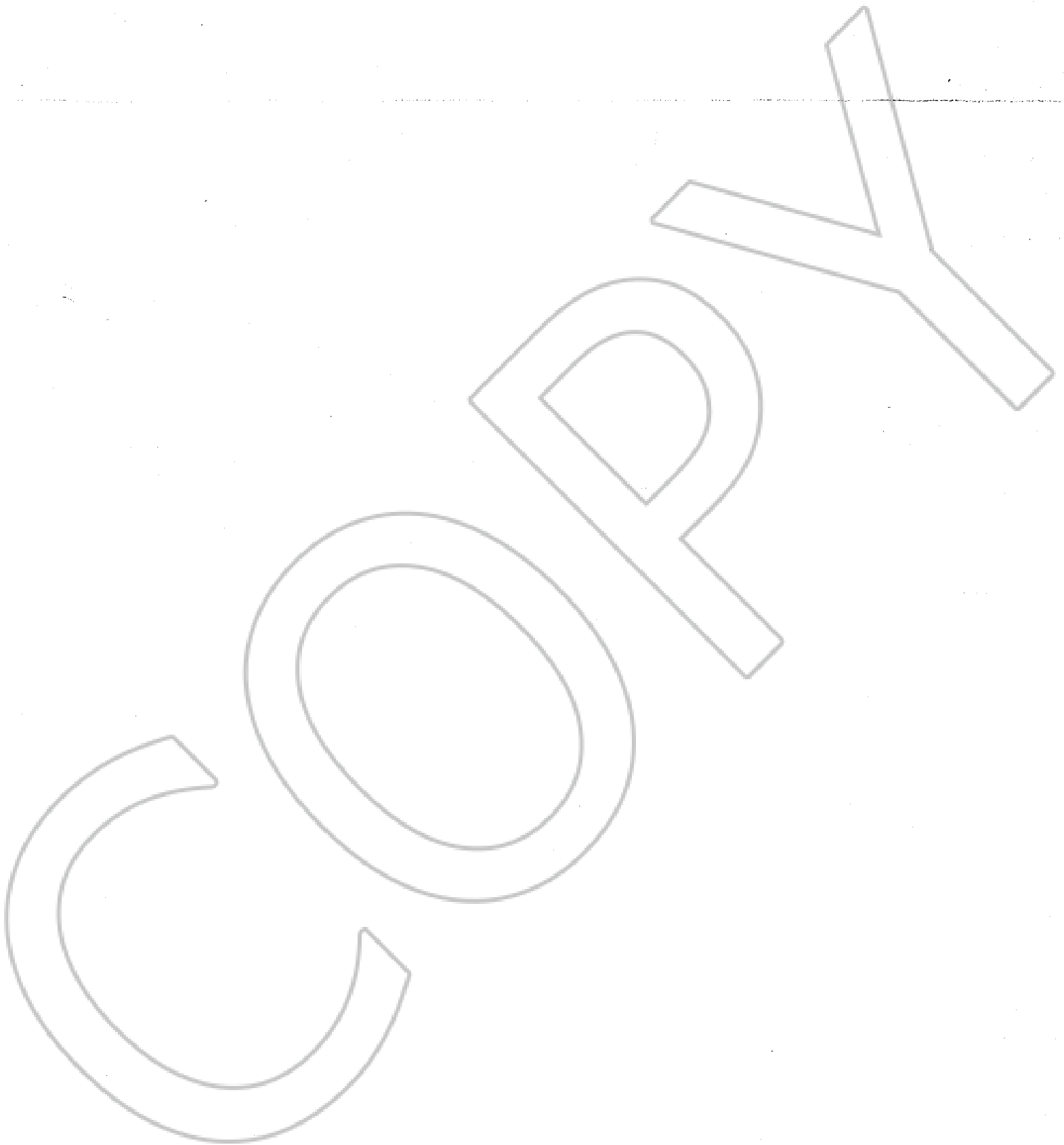


EXHIBIT A

[See Attached Legal Description]

COPY

EXHIBIT A

Legal Description of the Real Property

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

PARCEL 1:

All that portion of Section 30, Township 13 North, Range 19 East, M.D.B.&M., more particularly described as follows:

Beginning at a point which bears South 22°53'48" West 2196.47 feet from the Northeast corner of said Section 30: thence South 31°23'10" West 1138.29 feet; thence North 58°36'37", West 447.33 feet, thence North 69°53'40" East 37.48 feet; thence along a tangent curve to the left with a radius of 420.00 feet, a central angle of 08°01'30" and an arc length of 58.83 feet; thence North 61°52'10" East 143.98 feet; thence along a tangent curve to the left with a radius of 520.00 feet, a central angle of 14°04'13" and an arc length of 127.70 feet; thence North 47°47'57" East 142.90 feet; thence along a tangent curve to the left with a radius of 120.00 feet, a central angle of 28°37'46" and an arc length of 59.96 feet; thence North 19°10'11" East 73.41 feet; thence along a tangent curve to the right with a radius of 130.00 feet, a central angle of 20°57'28" and an arc length of 47.55 feet; thence North 40°07'39" East 47.70 feet; thence along a tangent curve to the left with a radius of 370.00 feet, a central angle of 25°56'59" and an arc length of 167.58; thence North 14°10'40" East 50.73 feet; thence along a tangent curve to the right with a radius of 70.00 feet, a central angle of 41°10'14" and an arc length of 50.30 feet; thence North 55°20'54" East 15.98 feet; thence along a tangent curve to the left with a radius of 170.00 feet, a central angle of 46°21'12" and an arc length of 137.53 feet; thence North 08°59'42" East 49.04 feet; thence South 58°36'37" East 268.88 feet to the True Point of Beginning.

A.P.N. 42-010-02

PARCEL 2:

Together with an exclusive snow stacking and right of way easement further described as follows:

BEGINNING at Point "C" as shown on the Fifth Amended Map of Tahoe Village Unit No. 3, said point lying on the Easterly right-of-way of Quaking Aspen Drive, said point also being the POINT OF BEGINNING; thence from the POINT OF BEGINNING along the Easterly right-of-way of Quaking Aspen Drive, South 9°11'24" West 123 feet, more or less, to the Northerly right-of-way of Ridge Road; thence along the Northerly right-of-way of Ridge Road 172 feet, more or less; thence North 12°45'27" East 130 feet, more or less, to a point on the Southerly right-of-way of Galaxy Way; thence bearing Northwesterly along the Southern right-of-way of Galaxy Way 120 feet more or less; thence bearing Northwesterly 70 feet to the POINT OF BEGINNING.

PARCEL 3:

Together with a ski run easement described as follows:

A parcel of land 250 feet in width situate in the Northwest $\frac{1}{4}$ and the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30, Township 13 North, Range 19 East, M.D.B.&M., located Northerly of and adjacent to the Northerly line of the U.S. Forest Boundary which is the East/West centerline of the Southeast $\frac{1}{4}$ of Section 30; beginning at a point 1,000 feet Easterly of the North/South centerline of Section 30 and continuing 500 feet Easterly along the U.S. Forest Boundary.

PARCEL 4:

Together with a ski facilities easement described as follows:

A parcel of land situate in Section 30, Township 13 North, Range 19 East, M.D.B.&M., being more particularly described as follows:

BEGINNING at Point "N" as shown on the Record of Survey filed as Document No. 64394 on February 22, 1973, Douglas County, Nevada; thence South $05^{\circ}26'45''$ East 427.65 feet; thence South $09^{\circ}56'03''$ West 161.74 feet; thence South $00^{\circ}21'10''$ West 210.90 feet; thence South $39^{\circ}34'28''$ West 179.98 feet; thence South $11^{\circ}23'29''$ West 123.43 feet; thence South $53^{\circ}04'47''$ West 183.19 feet to the Southerly terminus of this easement description, excepting therefrom that portion being within Quaking Aspen Lane Right-of-Way.

PARCEL 5:

Together with a ski facilities easement described as follows:

A parcel of land situate in Section 30, Township 13 North, Range 19 East, M.D.B.&M., being more particularly described as follows:

COMMENCING at Point "N" as shown on the Record of Survey filed as Document 64394 on February 22, 1973, Official Records, Douglas County, Nevada; thence South $10^{\circ}23'30''$ East 352.48 feet to the True Point of Beginning; thence South $00^{\circ}11'42''$ West 936.49 feet; to a point on the Boundary between U.S. Forest Service and Tahoe Village Unit No. 3; thence along said boundary South $89^{\circ}51'46''$ West 835.73 feet and North $00^{\circ}11'42''$ East 745.65 feet to a point on the Southeasterly right-of-way line of Quaking Aspen Lane, Tahoe Village Unit No. 1; thence along said right-of-way line the following courses;

North $47^{\circ}58'26''$ East 214.40 feet; thence along a curve to the left, having a central angle of $18^{\circ}23'04''$ and a radius of 580 feet, a distance of 186.10 feet; thence along a curve to the right, having a central angle of $40^{\circ}30'00''$ and a radius of 280 feet, a distance of 197.92 feet; thence North $69^{\circ}53'40''$ East 33.19 feet; thence leaving said right-of-way line South $58^{\circ}36'37''$ West 447.33 feet to the True Point of Beginning.

COPY

REQUESTED BY
CT Corporation Sys
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2002 FEB -1 AM 11:49

LINDA SLATER
RECORDER

\$ 40⁰⁰ PAID KJ DEPUTY

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