



**TALISKER CLUB**  
DEER VALLEY\*

# **TALISKER CLUB MEMBERSHIP PLAN**

**Dated: October 21, 2005**

## **TALISKER CLUB MEMBERSHIP PLAN**

This Talisker Club Membership Plan ("**Plan**") describes the membership at Talisker Club (the "**Club**") located in Wasatch County and Summit County, Utah. This Plan, together with: (i) the Club Rules and Regulations (the "**Rules and Regulations**") published annually, (ii) the Turnover Agreement and (iii) the Membership Application and Agreement (the "**Application**") (collectively, including the Plan, the "**Membership Documents**") set forth the rights, privileges and responsibilities associated with membership in the Club.

### **CLUB FACILITIES**

#### **Ownership and Operation of Club Facilities**

Talisker Club, LLC, a Delaware limited liability company (together with its successors and assigns, "**Company**") has been formed to own, develop and operate the Club Facilities as hereinafter defined and to provide related services in connection with such Club Facilities. Any right, power or privilege given to or retained by the Company, or the Club, may be exercised by the Company or the Company's designees, at any time, or from time to time. The development and operation of the Club Facilities and all licenses and privileges granted pursuant to this Plan may be subject to financing with liens securing such financing.

#### **Description of Club Facilities**

The Club facilities (collectively, the "**Club Facilities**") will include the following:

##### Tuhaye Facilities:

- An 18-hole championship golf course designed by Masters and British Open Champion Mark O'Meara (the "**Signature Course**") which is located within the residential community located in Wasatch County and Summit County, Utah known as "Tuhaye" ("**Tuhaye**"). The number of active dues paying Club memberships issued with golf privileges on the Signature Course will not exceed 445 memberships unless additional golf facilities are made available to the Members as hereinafter provided.
- Practice facilities include a driving range with target greens, a short game area with practice bunkers and a practice putting green.
- A series of club buildings located in the Tuhaye community (collectively, "**Tuhaye Park**"). These will include a spa and fitness facility with a swimming pool, golf pro shop, golf locker rooms, members' activity center, children's center and pool, and dining facilities.
- A 9-hole par-three golf course .
- Two tennis courts.

### Mountain Facilities:

- A members' ski clubhouse to be built near the Deer Crest Gondola or at such other location on Deer Valley Ski Mountain, as determined by the Company. The clubhouse will include a members' lounge, parking, ski storage, and ski equipment lockers for Members.
- Subject to obtaining all final approvals and permits, a mountain club facility to be located near Deer Valley Ski Mountain on a portion of the property known as Bonanza. The facility will include equestrian facilities and areas for members to gather when participating in back country activities such as hiking, biking, camping, fishing, and cross- country skiing.
- A members' clubhouse in the Village at Empire Pass. This ski in/ski out clubhouse will include a members' lounge and bar, children's center, members' activities center, fitness facility, hot tubs and heated pool.
- A members' ski-in ski-out restaurant, bar and lounge facility will be located along the ski runs on Deer Valley Mountain. Members will have exclusive use of the facility during the winter ski season at times that the ski lifts are operating.

### **Club Services and Programs**

It is the goal of the Club to provide its Members a premier experience in their use and enjoyment of the Club Facilities. The Club staff will coordinate recreational and educational programs and services, for both adults and children. The costs for participation in some programs and services will be included in the annual club dues, while others may require an additional fee. The Club may enter into agreements with third parties who will provide members an opportunity to experience many recreational activities available in the area.

### **Additional Club Facilities and Withdrawal of Club Facilities**

In addition to the Club Facilities described above, the Company may, in its sole discretion, construct, acquire or otherwise add additional facilities as it determines appropriate from time to time which may become part of the Club Facilities. If any additional Club facilities are added to the facilities to which Members have access, such facilities shall thereafter become part of the Club Facilities. For example, the Company is currently negotiating the acquisition of boating facilities and a fly-fishing camp that may become part of the Club Facilities. The Club is also negotiating an agreement providing for access for members to a spa that would be located in a luxury hotel. The Company may also withdraw facilities from the Club Facilities in the event that such facilities are being underutilized by the members as determined by the Company.

### **Construction of Club Facilities**

The Club Facilities are scheduled to be constructed in phases as follows:

- The Signature Course and related practice facilities are completed and available for use by Members with golf privileges.

- Phase I of Tuhaye Park will contain the spa and fitness center and pool, some of the dining facilities, member's activity center and the children's center. The construction of Phase I is scheduled to be completed by spring of 2007. Construction of Phase II will include additional dining facilities, golf pro shop and locker areas, and the tennis courts. Construction of Phase II will begin in the summer following the date that the 250<sup>th</sup> platted lot at Tuhaye is sold and closed by the master developer of Tuhaye, or its' successors or assigns, and is planned for completion approximately 24 months thereafter.
- Construction of the 9-hole par-three course will begin in the summer following the date that the 250<sup>th</sup> platted lot at Tuhaye is sold and closed by the Master Developer of Tuhaye, or its' successors or assigns, and is planned for completion approximately 24 months thereafter.
- The construction of the clubhouse facility in the Village at Empire Pass has commenced and is scheduled for completion during the 2006-2007 ski season.
- The members' ski facility near the Deer Crest Gondola is scheduled for construction commencement in 2006 and for completion during the 2007-2008 ski season.
- The members' ski-in ski-out restaurant at Deer Valley will be built in phases with the first phase scheduled for construction commencement in 2007 and for completion in 2009.
- Subject to obtaining all final governmental approvals and permits, the mountain club facility is scheduled for construction commencement within 12 months following the receipt of such approvals and permits and for completion within 18 months thereafter.

In addition to, but not in lieu of the foregoing, the construction of the Club Facilities, and any all phases thereof, is also subject to the risks of unanticipated delays, and obtaining the necessary final, non-discretionary governmental approvals and permits, if any. These factors may include, among others, delays in zoning, land use and other regulatory approvals, strikes, adverse weather, construction disputes, material shortages, delays in transportation of materials and shortages in available labor.

## **MEMBERSHIP CATEGORIES AND PRIVILEGES**

### **Categories of Club Memberships**

The Club currently offers only one primary category of membership to purchasers of property within communities designated by the Company (individually a "**Talisker Designated Community**" and collectively, the "**Talisker Designated Communities**"). The membership entitles the member to use of all of the Club Facilities and services except as limited by this Plan. The Company may also issue special categories of membership known as Honorary Memberships, Executive Memberships, Interval Ownership Memberships, Provisional

Memberships, and Limited Use Memberships as described below.

### **Description of Membership Privileges**

Each person who acquires a Club membership and his or her immediate family, as hereinafter defined, will be entitled to use the Club Facilities in accordance with his or her category of membership and the terms and conditions of this Plan and the Rules and Regulations. A person who is issued a Club membership in any category of membership in the Club which may be established from time to time is herein referred to as a "**Member**".

### **Use of Golf Facilities by Members**

The Company may grant certain purchasers of real estate in a Talisker Designated Community the option to exclude golf privileges and Tuhaye Park facilities' privileges from their membership. This option to exclude golf and Tuhaye Park privileges is not offered to owners of real estate within Tuhaye.

### **Limited Access Memberships**

The Company reserves the right to issue limited access memberships ("**Limited Access Memberships**") which would entitle the Member to use of certain designated Club Facilities. Limited Access Memberships will be subject to the limits on the maximum number of Club memberships.

### **Provisional Memberships**

A purchaser of a new home site or residence in a Talisker Designated Community who has executed a contract for the purchase of such home site or residence but has not closed such purchase, can become a provisional member ("**Provisional Members**") by submitting a fully completed Application to the Club and payment of the applicable membership deposit and dues. Subject to the Club's acceptance of the applicant's Application, a Provisional Member will become a Member upon the closing of the purchase of the lot or new home in the Talisker Designated Community. If a Provisional Member fails to close on the purchase of a lot or new residence in a Talisker Designated Community on the date specified in the applicable real estate contract, the Company will have the right at any time thereafter to recall such Provisional Membership. If such membership is recalled, the Company will return the membership deposit to the person or entity who made the payment to the Company subject to the payment of the then current reissuance fee charged by the Company. Any dues paid will be prorated from the date the provisional membership became effective to the date the membership is recalled and any refund due will be paid by the Club.

### **Honorary Memberships**

The Company may issue up to ten (10) honorary memberships ("**Honorary Memberships**") at any given time to persons selected by the Company at Company's sole discretion on such terms and conditions that the Company elects. Honorary Memberships shall not count against any limits on the number of Memberships and will be non-transferable.

Honorary Members will not be obligated to pay the membership deposit or annual dues and shall have the same privileges to use the Club Facilities as other Members. In the event of the resignation by an Honorary Member, the recall by Company of an Honorary Membership, or the death of an Honorary Member, the Company, may reissue such Honorary Membership.

### **Interval Memberships**

Some residences in Talisker Designated Communities may be conveyed as Interval, Fractional or Private Residence Club ownership structures that allow multiple persons to own intervals of time for the use of the residence. The Company may issue up to 50 memberships that will be designated for use by the owners of up to 50 separate interval ownership residences (“**Interval Ownership Memberships**”). Each person who owns an interest in these interval ownership residences may have membership privileges in the Club only while they are occupying the residence. Each Interval Ownership Membership which is associated with a particular interval ownership residence, shall count as one membership toward the total number of memberships as provided for in this Plan. Interval Ownership Memberships will provide access to such Club Facilities as may be designated by the Company.

### **Executive Memberships**

The Company may issue up to twenty (20) executive memberships (“**Executive Memberships**”) at any given time to management level persons of the Company as designated by the Company. Executive Memberships will not count against any limits on the number of Members or Club memberships, will be non-transferable and will not pay any membership deposits. Ten (10) of the Executive Members will have the same privileges and pay the same dues as other Members. The other ten (10) Executive Members will be subject to certain use restrictions as determined by the Club. These Executive Members will pay reduced dues commensurate with their restricted privileges as determined by the Company in the Company's sole discretion. In the event of the resignation by an Executive Member of their Executive Membership, the recall by the Company of an Executive Membership, or the death of an Executive Member, the Company, may reissue such Executive Membership.

### **Number of Memberships in the Club**

Subject to the provisions of this Plan, prior to a Turnover Event as described in this Plan, the total number of active dues paying Members, entitled to the use of any particular Club facility or amenity included within the Club Facilities will not exceed 1,350 unless the Club determines that an increase in such number will not materially impact the members access or use of such facilities provided, however, the total number of active dues paying Members with golf privileges shall not exceed 445 subject to the increase of such 445 limit by an additional 445 Members with golf privileges for each additional 18 regulation holes of golf that are added to the Club Facilities and further subject to the provisions concerning increases in the number of active Members with golf privileges in lieu of use by Lodging Guests set forth herein. By way of example, in the event that, in addition to the Signature Course, another 18 regulation holes of golf are added to the Club Facilities so that the Club Facilities include 36 regulation holes of golf, the total number of active dues paying memberships with golf privileges shall not exceed 890, subject to possible increase in accordance with the provisions of the following paragraph.

Following the completion of thirty-six regulation holes of golf that are part of the Club Facilities, in the event that at any time thereafter only nine (9) regulation holes of golf are then added to Club Facilities instead of eighteen (18) regulation holes of golf, the maximum number of active Members with golf privileges can be increased by 222.

The Company anticipates the construction of a second eighteen (18) regulation hole golf course (the "**Second Course**") to allow for play by guests of lodging facilities located within Talisker Designated Communities. During the construction of the Second Course Lodging Guests, as defined in the section entitled "**Lodging Guests**", will have access to the Signature Course providing there are no more than 390 members with golf privileges. Once the Second Course is completed, subject to the vote described in the section entitled "**Lodging Guests**", Lodging Guests will no longer have access to the Signature Course. The Company is reserving 25% of the annual tee times on the Second Course on a permanent basis for Lodging Guests subject to the following rights of the Company:

Should the Company elect not to utilize any 5% increment of the 25% of annual pre-reserved tee times permanently reserved for use of the Second Course by Lodging Guests, as described under the section in this Plan entitled "**Lodging Guests**", the Company may elect to increase the number of active dues paying Members with golf privileges above 890 by an additional 25 memberships in exchange for each 5% of the 25% of the annual tee times on the Second Course permanently reserved for Lodging Guests which are removed by the Company from the pool of tee times available to Lodging Guests whether on a permanent or temporary basis. Should the Company desire to restore to the pool of tee times available to Lodging Guests any 5% increment previously removed from the pool of Lodging Guest tee times in exchange for additional memberships, it may do so when the then number of active dues paying Members with golf privileges is equal to or less than the maximum number of active dues paying Members with golf privileges which would then be permitted if such 5% increment were, once again, included in the total percentage of annual tee times reserved for Lodging Guests' use. The rights of the Company to remove and restore increments of the permanent Lodging Guests tee times is not restricted in time nor in the number of times either of such rights may be exercised.

The Company retains and reserves the right to provide additional Club facilities from time to time and to thus increase the number of memberships as a result of increasing facilities. The Company retains the right to reissue any membership in the Club which has been recalled, in which the member has resigned or if such Club membership has become inactive.

### **Right to Establish, Modify, Suspend or Discontinue Membership Categories**

Prior to a Turnover Event, the Company has the sole right, power, and authority to establish, modify and discontinue further issuance of any and all Club membership categories from time to time as the Company may determine, in Company's sole discretion. The Company may, at any time, and from time to time, in Company's sole discretion, prescribe or modify membership fees, membership deposits, reissuance fees, dues, privileges and restrictions applicable to each membership category subject only to: (i) the limits on the number of memberships as set forth in this Plan and (ii) the obligation to repay the Membership Deposits in accordance with the Membership Documents.

## **FAMILY AND GUEST PRIVILEGES**

### **Use of Club Facilities by Immediate Family**

The immediate family of a member will be entitled to use the Club Facilities subject to the then current Rules and Regulations. A member's immediate family will include the member's spouse and their children, under the age of 25.

### **Use of Club Facilities by Extended Family**

The extended family of a member may use the Club Facilities of the member upon payment of fees as established by the Club in accordance with the then current Rules and Regulations. The extended family shall include the parents, grandchildren and the children, who are 25 or older, of the member and his or her spouse and their spouses. The Club may modify or terminate this privilege and establish such rules with respect thereto as it may determine.

### **Privileges for Individual Living with Member**

An unmarried member living together with another individual in the same household as a family unit may designate the other individual on a membership year basis to use the Club Facilities as an immediate family member. The Club reserves the right to establish rules relating to the designation of such individual as it deems appropriate.

## **OTHER USE PRIVILEGES**

### **Guest Privileges**

Members may invite guests to use the Club facilities upon payment of the applicable guest charges. Guest use shall be in compliance with the Rules and Regulations of the Club, published periodically which may include, without limitation, restrictions on the number of times a particular guest may use all or a portion of the Club Facilities during each membership year, the total number of guests a member can sponsor during any membership year or portion thereof and a requirement that guests of a member be accompanied by the member and to limit guest privileges when the Club determines it is in the best interests of the Club. The member will be responsible for the payment of charges incurred but not paid by his or her guests, including any applicable guest fees established by the Club from time to time. Members will also be responsible for the deportment of their guests.

### **Reciprocity**

The Company reserves the right to enter into reciprocal use agreements providing for the use of other facilities. Such agreements may be entered into with entities that have facilities and service levels that are comparable to those of the Club as determined by the Company. The agreements will provide that Club members will have limited use rights to the facilities and services of other facilities in exchange for those facilities' designees limited use right to certain facilities of the Club. Any use of the Club facilities by reciprocal users will not count toward any limits on the number of dues paying Club memberships.

## **Right To Promotional and Other Use of Club Facilities**

The Company and its designees reserve the right to hold promotional and/or special events at the Club Facilities from time to time, and to promote the Club in advertisements and promotional materials by making reference to the Club and the availability of memberships in the Club. The Company also reserves the right to hold charitable events and functions at the Club including the use of the Club Facilities which use may be exclusive, from time to time. The persons designated by the Company may include, without limitation, persons who are employees or affiliates of the Company, persons who are involved in special events held at the Club, persons involved in tournaments and other events sanctioned by either a PGA or USGA affiliate and persons who are prospective purchasers of Club memberships and residences or home sites in Talisker Designated Communities.

## **Lodging Guests**

Upon the commencement of construction of the Second Course and thereafter until the first to occur: (a) there are 390 active dues-paying Members with golf privileges in the Club, or (b) the Second Course has been completed and is opened for daily play, the Company may allow Lodging Guests to reserve up to 25% of the annual tee times on the Signature Course, including a limited number of shotgun starts. For the purposes of play on the Signature Course, "**Lodging Guests**" are defined as lodging guests staying in one or more hotels or similar lodging facilities located in Talisker Designated Communities, and the designees of the owners, operators or managers of such facilities.

In the event that the Second Course is built, the Company retains and reserves the right to allow Lodging Guests to play golf on the Second Course and to use all facilities used or constructed in connection therewith. For the purposes of play on the Second Course, "**Lodging Guests**" are defined as: (a) lodging guests staying in one or more hotels or similar lodging facilities, as determined by Company in Company's sole discretion and (b) the designees of the owners, operators or managers of such lodging facilities (collectively, the "**Lodging Parties**"). After the Second Course is built and becomes part of the Golf Facilities and if the Company desires to allow Lodging Guests use of the Signature Course, prior to such Lodging Guests being permitted such access, the Company must obtain the affirmative vote of 51% or more of the then active dues paying Members with golf privileges who cast votes in such election in favor of Lodging Guests being permitted such access to the Signature Course. The terms and conditions of the golf facility access agreements (the "**Access Agreements**") between the Company and the Lodging Parties shall include restrictions in the use of Club Facilities by Lodging Guests as determined by Company including the following:

- Subject to the rights of the Company to reduce and restore Lodging Guest reserved tee times as described in the section of this Plan entitled "**Number of Memberships In Club**", the tee times pre-reserved for Lodging Guest access to the Second Course will be limited as determined by the then number of active memberships with golf privileges as follows:

# of Active Memberships With Golf Privileges	Percent of Annual Pre-Reserved Tee-Times for Lodging Guests – Second Course
0 to 499	75%
500 to 574	65%
575 to 649	55%
650 to 724	45%
725 to 799	35%
800 or more	25%

- A limited number of "Shotgun Starts" will be allowed for Lodging Guests groups. On shotgun start days, Member play on the Second Course may also be by "Shotgun Start."
- Lodging Guests will have full access to all facilities at the Second Course.
- A golf academy and/or practice facilities may be located at the Second Course. Members and Lodging Guests will have access to such facilities.
- The terms, conditions and provisions of this Plan related to Lodging Guest use and the Access Agreements regarding the right to use of and access to the Second Course by Lodging Guests will be a covenant running with the land and shall survive a Turnover Event and any other transfer, sale, lease of the Club Facilities. The Company shall be entitled to record one or more documents in the real property records of the county or counties in which the Second Course is located in connection with the Lodging Guests access set forth in this Plan and the Access Agreements.

### **Lessee Privileges**

A member who leases his or her residence in a Talisker Designated Community, pursuant to a bonafide lease, for a period of at least six months, may designate the lessee of his or her residence as the beneficial user of the membership, subject to the approval of the Club. The lessee must submit an Application for Lessee Privileges, must be approved by the Club, and must pay the required administrative fee established by the Club from time to time. During the period when a lessee is the designated user of the membership, the lessor member will not have any membership privileges but will continue to be obligated to pay dues with respect to the membership. The member will be responsible for the deportment of the lessee and for all charges incurred by the lessee which are not paid within the customary billing and collection procedures of the Club.

## **OFFERING OF MEMBERSHIPS**

### **Membership by Invitation Only**

All memberships in the Club are by invitation only, subject to the then current availability of memberships. Club membership will be offered to such purchasers of a residence or home site in communities developed by Talisker as well as to such other persons as the Company determines from time to time. All memberships in the Club will be issued in the name of one individual with Club privileges extended to the member's immediate family in compliance with this Plan and the then current Rules and Regulations of the Club.

### **Application for Membership**

To apply for membership, an applicant must complete and sign the then current form of the application as provided by the Company ("**Application**"). The applicant must then mail or deliver the completed and signed Application along with the amount of applicable Membership Deposit required to the Club office.

### **Review of Application for Membership**

The Company has the right, but not the obligation, to approve all applicants applying for membership prior to their becoming admitted as members of the Club. After receiving the Application, the Company will determine if the applicant has satisfied the relevant conditions of membership. The Company will consider all applications for membership without regard to race, religion, gender, age, national origin, marital status or physical disability. If the applicant has satisfied the conditions for membership, as determined solely by the Company, the applicant will be notified in writing that the Application has been acted upon favorably. In the event the Application has not been acted upon favorably, the applicant, or the entity who paid the Membership Deposit for Applicant, will receive a refund of any Membership Deposit amounts previously paid without interest.

### **Purchasers of a Residence or Home Site**

Purchasers of a residence or home site in a Talisker Designated Community will have a period of time as determined by the Company to apply for a Club membership subject to the then current availability of Club memberships. The Company makes no guarantee or representation that a Club membership will subsequently be available to any purchaser of a residence or home site who does not apply within the prescribed time period or that the Membership Deposit required will not have increased should he or she choose to apply at a later date. The number of Club memberships may be limited and, if available, will generally be issued on a first-come, first-served basis. There is no representation or warranty by the Company to any purchaser of a residence or home site in a Talisker Designated Community, that Club memberships will continue in the future to be offered or available. In the event of the sale of a residence or home site in a Talisker Designated Community in which the seller thereof is a Club member in good standing, the new purchaser of such property shall have the right to apply for the same category of Club membership subject to the payment by such purchaser of the then current amount of the Membership Deposit for such category. If the new purchaser of such residence properly applies for Club membership within the time period specified by the Club, subject to the review and

approval by Company of such Application and applicant, such new purchaser shall be entitled to Club membership, provided the seller of the property is resigning that membership. Purchasers of a residence or home site from a resigning member are only entitled to membership use rights equal to the rights of the resigning Member. The purchaser of a residence or a home site in a Talisker Designated Community may also apply for membership prior to the date of the closing of such property in accordance with such procedures as may be established by the Club.

### **Purchasers of Multiple Residences or Home Sites**

If a person purchases two or more residences or home sites in a Talisker Designated Community, such person may apply for a Club membership for each residence or home site provided that the full membership deposit and annual dues are paid for each property. If the purchaser of multiple residences or home sites designates a separate individual on the deed to the additional residence or home site at the time of purchase, the designated individual may apply for a Club membership. If a person purchases two or more contiguous lots and combines them, but constructs only one residence, such person may apply for only one Club membership.

### **Multiple Owners of Property**

In the event two or more persons, other than spouses or significant dependents, own a residence or home site in a Talisker Designated Community, only one owner is eligible to apply for the corresponding Club membership. However, until the membership of the Club has reached full capacity in accordance with the applicable limits, the Company may, in its discretion, allow one or more of the other owners to become a Member or Members under the provision that the additional memberships could be recalled when the Club membership is at full capacity in accordance with the applicable limits on a last-in first-out basis.

### **Reserved Memberships**

All of the unissued memberships in the Club will be reserved by the Company in its sole discretion. Subject to the terms of this Plan, the Company may not be compelled to issue a reserved membership. The Club may issue a reserved membership to any person whom the Company, in its sole discretion, determines from time to time.

### **Membership Waiting Lists**

If memberships in any category are not available, the Company may establish, at Company's sole discretion, a waiting list for memberships of those eligible persons who have notified the Company in writing of their desire to apply for such membership.

## **MEMBERSHIP DEPOSIT**

### **Membership Deposit Required for Memberships**

Each applicant approved for membership in the Club will be required to pay (or to have paid by others) to the Company a membership deposit (the "**Membership Deposit**") in United States dollars, plus all applicable taxes thereon, at the time the Application is submitted to the Company, in the amount set forth in the Application. The amount of the required Membership

Deposit will be determined by the Company, from time to time, in its sole discretion and the full amount of the applicable Membership Deposit shall be paid at the time of the submission by the prospective member of their Application for Club membership. The membership deposit may be paid by another party on behalf of the prospective member. Upon approval by the Company of an applicant for Club membership and upon the prompt payment of the required dues, the membership will be activated. If the prospective member who is approved for membership does not activate the membership within the time period designated by the Club, the Membership Deposit will be forfeited to the Company.

### **Membership Reissuance Fee**

The Company will be entitled to collect a fee (the "**Reissuance Fee**") in connection with the reissuance of any Club membership resigned by a Member. The amount of the Reissuance Fee will be determined by the Company from time to time and will be reflected on the Application of the Member. The Reissuance Fee will be deducted by the Company from the Membership Deposit refund due the resigning member if not separately paid. No member will have the right to participate in any appreciation in the value or cost of a membership in the Club.

### **Refund of Membership Deposit**

The Membership Deposit originally paid by a Member or any portion of such not previously refunded will be refunded, without interest, and subject to the payment to the Company of the Reissuance Fee, upon the occurrence of any one of the following and in the following percentages:

- (a) One Hundred percent (100%) at the end of a thirty (30) year period from the date of membership issuance by the Company, unless previously refunded to the member;
- (b) Eighty percent (80%) within thirty (30) days after a member's resigned membership has been reissued by the Company;
- (c) Eighty percent (80%) within one hundred eighty (180) days of receipt by the Company of a copy of the former member's death certificate and request for refund of the Membership Deposit by the member's spouse or executor of the member's estate; or
- (d) One Hundred percent (100%) within thirty (30) days of termination or recall of a membership by the Company.

### **Member May Continue Membership**

A Member who maintains a membership in the Club in continuous good standing for 30 years from the date of issuance by the Company may elect, during the 30-day period following the due date for payment of his or her original Membership Deposit refund, to continue his or her membership privileges for so long as such Member continuously pays the applicable membership dues, fees and charges and otherwise complies with the requirements of

membership in the Club. A member, who elects to continue his or her membership at the end of the 30-year period, will have their initial Membership Deposit deemed to have been fully repaid to such member and then paid to the Club as a new Membership Deposit in the same amount as the initial Membership Deposit. A new obligation by the Company to repay the new Membership Deposit shall be deemed to be established 30 years from the date that such member elects to renew their membership in the Club. Any such renewed Club membership will not be counted toward any cap or limit on the total number of members, by category, type, or otherwise in the Club.

### **Tax Consequences of Club Membership.**

The Club, the Company, their affiliates and all their legal representatives, agents and employees, make no representations and express no opinions of any type or nature regarding the federal, state or local tax consequences of a membership or with respect to any Membership Deposits, dues, fees or charges paid to the Company. All persons who become members are subject to all applicable taxes and similar charges and tax laws, as the same may be amended from time to time. Accordingly, members and prospective members should consult with their own tax advisors with respect to the federal, state and local tax consequences of a Club membership and with respect to Membership Deposits, dues, fees or charges paid to the Company and any other matters or items related thereto.

## **DUES, FEES AND CHARGES**

### **Dues, Fees and Charges**

The Club will determine the amount of dues, fees and charges to be payable by members each year. Dues shall be paid annually in advance, or on such other intervals as determined by the Club from time to time. The amount of dues, fees and other charges is subject to change from time to time by the Club, subject to the limits on the increases to the dues set forth in this Plan.

### **Dues Increase Limit**

Commencing on the date that all of the Club Facilities listed in this Plan have been completed and are ready for use by members of the Club, annual increases in dues will be limited to the greater of the following: (i) eight percent (8%) per each year of the then current annual dues calculated by compounding or (ii) the annual percentage increase reflected in the most recently published Consumer Price Index (as hereinafter defined) applied against the prior year's dues amount provided, however, dues may be increased in any year by a greater amount as determined by a qualified independent third-party chosen by the Company in the event that the Company determines that the increase which would result from the application of the provisions of (i) or (ii) above would be inadequate to meet the expenses and objectives of the Club. The qualified independent third-party will make such determination based on the projected total Club operating costs, depreciation, reserves and the payment of a management fee to the Company equal to an amount within the range of management fees then being paid for the quality management of equivalent properties with equivalent facilities, membership and operations. For purposes hereof, the "**Consumer Price Index**" shall mean the Consumer Price Index for Urban

Wage Earners and Clerical Works, United States city average, all items 1982-84 = 100), or any successor thereto as promulgated by the Bureau of Labor Statistics of the United States Department of Labor. In the event that such Consumer Price Index (or such successor index) is not available, a reliable governmental or other non-partisan publication evaluating information used in determining the Consumer Price Index shall be used.

### **Payment of Dues by Resigning Member**

A resigning Member is obligated to pay the dues, fees and charges associated with the resigned membership and may continue to have Club privileges until the reissuance of the resigned membership by the Company or the expiration of twelve (12) months following the effective date of the resigning member's resignation, whichever occurs first, subject to the provisions of this Plan regarding waiting lists. At the sole discretion of the Club, if the resigning Member's membership has not been reissued at the expiration of twelve (12) months following the effective date of resignation, and the resigning member wishes to continue to have Club privileges, the Club has the option to allow the resigning Member to continue to have Club privileges until such time as the resigning member's membership has been reissued, so long as the resigning Member timely pays all dues, fees and charges incurred at the Club and faithfully observes the obligations of the member under the Membership Documents or until the Company or Club discontinues Club privileges for such membership.

## **OPERATING AND CAPITAL ASSESSMENTS**

### **No Assessments against Members**

With the exception of Membership Deposits, dues, fees, taxes, service charges and other charges as the Club may establish from time to time, until such time, if ever, of conversion of the Club ownership to an equity, member-owned Club (an "**Equity Conversion**"), Members will not be subject to capital or operating assessments related to the costs and expenses of constructing or operating the Club Facilities. The Club's operating budget may include a reserve for maintenance, repairs and replacements and this shall not be considered an assessment. The Company can, at any time, make improvements to the Club Facilities at Company's expense. Prior to the occurrence of an Equity Conversion, the Company will be responsible for all deficits and will be entitled to retain any profits from the operation and ownership of the Club Facilities.

### **Club Membership Year**

The Club's membership year will constitute the twelve (12) month period commencing January 1 and ending December 31, unless otherwise established by the Company.

### **Operating and Capital Assessments after Equity Conversion**

If an Equity Conversion occurs, the Company shall have no future obligation for operating expenses, capital improvements or repairs or any other costs or expenses incurred or arising after the date of the transfer of the ownership of the Club Facilities (the "**Turnover Date**") from the Company to an ownership group composed of members of the Club (the "**Equity Club**"). After the Turnover Date the Equity Club will be liable and responsible for all capital expenditures and all costs incurred in the operation of the Club Facilities and shall

determine the need for dues increases, establishment of reserves or sinking funds, borrowing or assessments of members.

## **TERMINATION OF MEMBERSHIP**

### **Memberships Non-Transferable**

All memberships in the Club are non-transferable.

### **Resignation of Club Membership by Sale of Property**

A membership in the Club may, at Company's option, be deemed automatically resigned upon the closing of the sale by the member of that member's residence or home site in the Talisker Designated Community for which the membership in the Club is held. In the event that the Company exercises the option to have a membership deemed automatically resigned, such resigned membership will be reissued to the purchaser of the resigned member's residence or home site in the applicable Talisker Designated Community in accordance with the terms and conditions of the Membership Documents upon closing of the sale and proper and timely application for Club membership by such purchaser and Club's approval of such Application. The purchaser of the residence or home site shall only be entitled to the membership type and use rights that the original owner and member has in place at the time of sale.

If the subsequent purchaser of the member's residence or home site in a Talisker Designated Community elects not to apply for Club membership, the selling member's membership, may, at Company's option, be deemed to have been voluntarily resigned and will be placed on a resigned members wait list (the "**Resigned Members' Wait List**").

### **Resignation of Club Membership at Election of Member**

A member may elect to voluntarily resign his or her membership by giving the appropriate written notice to the Company addressed to the Club. Such resignation will become effective on the 30<sup>th</sup> day following the day on which the Company receives the written notice of resignation and can be withdrawn only at the discretion of the Company. In addition, a member will be deemed to have elected to voluntarily resign membership in the Club by failing to timely pay the Equity Membership Contribution upon conversion of the Club to an equity member-owned club. If a member resigns from the Club and the membership is not reissued to a purchaser of the member's residence or home site in a Talisker Designated Community, the member's resigned membership will be placed on the Resigned Members' Wait List for the appropriate membership category to be reissued by the Company on a first-resigned, first-reissued basis as follows:

- (a) So long as the Company holds available for issuance a membership or memberships in the Club in a category of membership, the Company will reissue one (1) resigned membership from the corresponding waiting list for that category of membership after issuance of three (3) memberships held by the Company available for issuance in that category of membership in the Club.

- (b) In the event the Company does not hold a membership available for issuance in a category of membership in the Club, the Company will reissue a resigned membership from the corresponding waiting list for each new membership issued in that category of membership in the Club until such time as the Company again holds a membership or memberships available for issuance in that category of membership in the Club.
- (c) Upon reissuance of a resigned membership by the Company, the new member will pay the Membership Deposit in effect at the time the resigned membership is issued to a new member by the Company and a thirty (30) year term for the repayment of the Membership Deposit without interest will begin on the date of issuance to the new member.

In the event that the resigning member's name is on a waiting list and such member desires to have their name removed from the Resigned Members' Wait List such membership will be removed from the waiting list only in the sole discretion of the Company who may also require that such resigning member pay to the Company a reinstatement fee (the "**Reinstatement Fee**") in such amount as Company may, from time to time, determine as a condition to such removal from the resigned members waiting list.

### **Prorated Dues and Fees upon Reissuance of Membership**

If a membership is reissued during a membership year, the resigned member shall be entitled to a refund of a pro rata portion of any dues and other fees paid in advance and for which services have not been rendered or product supplied based on a 360-day calendar year.

### **In The Event of Member's Death**

Upon the death of a member, the balance of the membership term will pass to the surviving legal spouse, or other person recognized by applicable law as having the same rights as a lawful spouse (a "**Significant Person**") if any, without any additional Membership Deposit required. If the surviving legal spouse or Significant Person does not wish to continue membership privileges, then he or she may resign from the Club, subject to the payment of the then current amount of the Reissuance Fee, upon submitting a copy of the death certificate of the former member to the Club within one hundred eighty (180) days following the member's death. If there is no surviving spouse, or Significant Person, the membership shall be deemed automatically resigned. Beyond the prescribed one hundred eighty (180) day notification period, the legal spouse will be designated as the member and will be subject to the membership resignation policies of the Club.

### **Termination of Membership at Company's Election**

In the event of a termination of any Club membership at the Company's sole election and not as a result of the sale of the member's residence or home site in a Talisker Designated Community, death of the member, divorce or separation of the member or by resignation, or as a result of the violation of this Plan, the Rules and Regulations or any policies of the Club, the Company shall repurchase the terminated member's membership by refund to the terminated

member of the original amount of the Membership Deposit paid by such former member, without interest, within thirty (30) days of the date of such termination but less any amount previously paid to the member as refund of the Membership Deposit. In the event of the termination of any Club membership as a result of the violation of this Plan, any Rules and Regulations or any policies of the Club, as determined by Club, the Company shall repurchase the terminated member's membership by refund to the terminated member of the amount specified in their Application of the original amount of the Membership Deposit paid by such former member, without interest, within thirty (30) days of the date of such termination but less any amount previously paid to the member as refund of the Membership Deposit.

### **Legal Separation or Divorce**

In the event of the divorce or separation of spouses having membership privileges, the membership, including all of its rights and benefits, will vest in the spouse who is awarded the property which is situated in a Talisker Designated Community by an agreement of separation or a decree of divorce. Until the award of the membership and written notice thereof is provided to the Company, both spouses will be jointly and severally liable for all dues and charges and may both continue to enjoy membership privileges so long as such amounts are timely paid. The Company reserves the right, in its sole discretion, not to transfer the membership to either spouse if the Company, in its sole discretion, is unable to determine the person who is lawfully entitled to receive the membership. In the case of divorce, if the Company has been unable to determine which spouse is legally entitled to the membership within six months after the date of the divorce decree, the membership shall automatically be deemed resigned and will be placed on the resigned membership waiting list to be reissued.

## **ACKNOWLEDGEMENT BY PROSPECTIVE MEMBERS OF MEMBERS LIMITED RIGHTS**

### **Member's Acknowledgement**

Membership issuance by the Company provides the member with a non-exclusive revocable limited license to use the Club Facilities in accordance with the Membership Documents as they may be amended or modified, from time to time, by the Company. A membership in the Club is not an investment in the Club, the Company or the Club Facilities and does not give a member a vested or prescriptive right or easement to use the Club Facilities. A membership in the Club does not provide or grant a member, or anyone who has access to the Club Facilities through such member's membership any equity or ownership interest or any other property interest in the Club, the Company or any of the Club Facilities or any additional Club property. The Company reserves the right to (i) reduce the thirty (30) year repayment term of the Membership Deposits paid by members, (ii) to reserve memberships, to submit for a vote by the Members the conversion of the ownership of the Club into an equity member owned Club without any obligation by Company to have such a vote, (iii) subject to the limits on the number of memberships set forth in this Plan, to make changes in the terms and conditions of membership or in the Club Facilities available for use by members and (iv) to sell, lease or otherwise dispose of the Club Facilities and Club property.

In the event of a sale of the Club Facilities, save and except for an Equity Conversion the terms of which will be governed by the Turnover Agreement and as may be amended ("**Turnover Agreement**") the buyer of the Club Facilities will take title subject to: (i) the terms and provisions of the then existing Membership Documents and (ii) the obligation to repay Membership Deposits. If the Club Facilities are sold, the members will look solely to the new owner of the Club Facilities for repayment of the applicable Membership Deposits and the seller of the Club Facilities will be automatically released from all liability for the repayment of the Membership Deposits. In addition, if the Club Facilities are sold, the members will look solely to the new owner with respect to the management, operation and maintenance of the Club Facilities, Club property and any additional Club facilities, and the performance of all obligations of the Club or the Company under any Membership Documents.

### **Membership May Not be Pledged or Transferred**

A member may not directly or indirectly, voluntarily or involuntarily, pledge, assign, encumber, hypothecate or otherwise transfer a membership by sale, gift or otherwise except specifically hereinafter provided to the Company and any attempted action in contravention of this restriction will be invalid, null and void and of no force or effect. A membership may be pledged to the extent the lien or security interest is incurred through a third-party lender as a result of obtaining the membership privileges in connection with the purchase of a lot or residence in a Talisker Designated Community. In the event of a membership deposit for a membership is included as part of the purchase price for a home site or residence in a Talisker Designated Community and the purchase price is financed by a third-party lender, the Club: (i) will agree in writing, if required, to notify the lender if the membership is terminated and (ii) will agree in writing, if required, that the membership deposit will not be refunded to the member without the prior approval of the lender holding the lien or security interest.

### **Rights of Members Governed Only by Membership Documents**

If approved for membership in the Club, each member and his or her immediate family, and their guests agree to be bound by the terms and conditions of the Membership Documents, as they may be amended from time to time by the Company.

## **CLUB OPERATIONS**

### **Management and Operation of the Club**

The Company will own the Club Facilities and as a result, the Company is responsible for the governance and administration of the Club Facilities and will control the management and affairs of the Club Facilities and the Club. The Company also reserves the right to: (i) engage one or more management companies or other companies, entities or persons, to manage and operate the Club Facilities and (ii) to lease all or any portions of the Club Facilities to such companies, entities or persons, if at any time, or from time to time, Company elects to do so at Company's sole discretion so long as the rights of the members set forth in this Plan with respect to use of and access to the Club Facilities is not unreasonably impaired or modified.

## **Club Governance**

Prior to the date, if ever, that conversion of the Club to an equity member-owned Club occurs, the Club will be governed solely by the Company in Company's sole discretion. If the Club is converted to an equity member-owned Club, it is anticipated, subject to modification by the then current owner of the Club Facilities, that the Club will thereafter be governed by a board of directors (the "**Board of Directors**") who will be elected by a vote of the Club equity membership to act as representatives of the members.

## **Advisory Board of Governors**

The Club will appoint an advisory board of governors (the "**Board of Governors**") comprised of members whose purpose includes fostering good relations between the members and the Club, providing the Club with input on programs, plans and activities of the Club, and suggestions regarding the Club's policies and rules and regulations. The management of the Club will meet with the Board of Governors on a periodic basis to discuss the operation of the Club Facilities. The Board of Governors shall have no duty or power to negotiate or otherwise act on behalf of the Club, the Company, its management or the members of the Club, and shall serve only in an advisory capacity. The management of the Club will have the final authority on all matters concerning the Club Facilities and the members of the Club.

## **POSSIBLE EQUITY CONVERSION TO A MEMBER-OWNED CLUB**

### **Possible Equity Conversion**

At any time during the period of time beginning on the date of the official opening of the Signature Course for first use by Members and ending ten (10) years following the date of the official opening of the Signature Course for first use by Members with golf privileges and provided that there are then at least currently three hundred (300) active dues paying Members with golf privileges in the Club in good standing, the Company has the option, but not the obligation ("**Company's Option**"), to call for vote of the Members who are the holders of such memberships as to whether they desire to convert the ownership of the Club to a member-owned private Club. In the event that Company exercises Company's Option, the approval of the exercise of the Company's Option shall require an affirmative vote in favor ("**Affirmative Conversion Vote**") of conversion Club to a private member-owned Club of 50.01% or more of the then active members of the Club required to make an Equity Membership Contribution, as described below, upon the occurrence of an Affirmative Conversion Vote. Nothing in this section may be construed to prevent the Company or any successor or assign at any time from selling, leasing, exchanging, conveying or transferring the Club and any of the Club Facilities to any person or entity and upon any terms or conditions that the Company or its successors or assigns may elect subject only to the obligation of the purchaser, lessee or transferee to assume the obligations of the Company or its successor or assign under the then current Membership Documents.

## **PUT OPTION FOR SALE OF CLUB FACILITIES TO MEMBERS**

In the event that the Club has not previously been converted to an equity member-owned club, commencing on the date which is ten (10) years following the date of the official opening

of the Signature Course for use by members and continuing thereafter, the Company may at the Company's sole discretion but shall never have any obligation to do so, provide notice to the members of its intent to transfer title to the then existing Club Facilities to the members or an entity established for the purposes of conversion of the ownership of the Club to an equity member-owned club (the "**Put Option**"). If the Company should elect to exercise the Put Option the Company shall have the unilateral right and option, at the Company's sole discretion to convert the ownership of the Club into an equity member-owned Club and to transfer title to the Club Facilities to the members in accordance with the terms of the Turnover Agreement. The Put Option may be exercised by Company by the delivery of written notice of the exercise of such option by the Company to the then current members. Neither the Company nor any successor or assign shall ever have any obligation to exercise the Put Option and no member may or shall rely upon any oral representation to the contrary. Nothing in this section may be construed to prevent the Company or any successor or assign at any time from selling, leasing, exchanging, conveying or transferring the Club and any of the Club Facilities to any person or entity of any kind and upon any terms or conditions that the Company or its successors or assigns may elect subject only to the obligation of the purchaser, lessee or transferee to assume the obligations of the Company or its successor or assign under the then current Membership Documents.

## **PROVISIONS REGARDING PUT OPTION AND EQUITY CONVERSION**

### **Turnover Agreement**

In the event of the occurrence of either of the following (a "**Turnover Event**"): (a) an Affirmative Conversion Vote, **or** (b) the Company sends notice to the members of the exercise by Company of the Put Option, within fifteen (15) days following the occurrence of a Turnover Event, the Club's members will elect a board of directors or trustees composed of Members upon such terms as the Member's deem appropriate and as required by law (the "**Member Board**") to: (a) act on behalf of the members in dealings with the Company with respect to the implementation of the Turnover Agreement and (b) cause a member entity to be formed (the "**Member Entity**") so that there is a legal entity in existence to perform the obligations of members under the Turnover Agreement.

### **Equity Membership Contribution in the Event of an Affirmative Conversion Vote**

If the Club is converted to an equity member-owned Club through an Affirmative Conversion Vote, each member in the Club, excluding, Honorary Members, Executive Members and any other category or type of Club membership established by Club from time to time that do not require the payment of any Membership Deposit, will each be obligated to pay a fee of Ten Thousand Dollars (\$10,000.00) payable to the Company ("**Equity Membership Contribution**") as a equity purchase payment to convert such membership to an equity membership in the Club in accordance with the Turnover Agreement. Each member required to make an Equity Membership Contribution will be required to convert from a non-equity membership in the Club to an equity membership in the Member Entity within sixty (60) days from the date equity memberships are first offered, as set forth in the Turnover Agreement. The membership for each member required to make an who fails to convert to an equity membership in the new Member Entity formed to acquire the Club Facilities will be treated as resigning their

Club membership at the expiration of the applicable 60-day period. In the event that the Club is converted to an equity member-owned Club through an Affirmative Conversion Vote, upon compliance with the requirements of the provisions of this Plan and the Turnover Agreement by the Member Entity, the Company shall transfer title to the Club Facilities free of mortgage liens or deed of trust liens unless created by the Member Entity.

### **Termination of Obligation to Refund Membership Deposits**

The conversion of the Club to an equity member-owned through the occurrence of a Turnover Event or otherwise, will end and automatically satisfy the Company's obligation to refund or repay Membership Deposits to any Member, as provided in this Plan and in the Turnover Agreement.

### **Continued Right to Sell Club Memberships**

In the event the Club is converted to an equity Club, it is anticipated that the member-elected Member Board will be responsible for governing the equity Club. Following the conversion of the Club to an equity Club, the Company will continue to be entitled to promote and sell all then unissued memberships and all memberships resigned by virtue of the failure of a member to make the Equity Membership Contribution as full-equity memberships in the equity Club and receive all the proceeds from the sale thereof including, but not limited to, Membership Deposits and reissuance fees. The equity Club and its Member Board will not offer membership in the Club to purchasers of residences or home sites in a Talisker Designated Community other than through those issued by the Company until such time as Company has issued all memberships in the Club that it holds in the category appropriate for such purchaser. The equity Club and its Member Board shall not create any category of membership which has the same or similar attributes or privileges as an existing category of membership for which the Company holds unissued memberships. The Company agrees to issue memberships that it holds in any category of membership upon payment of the then required Membership Deposit for such category and upon application approved by the equity Club or; to allow the equity Club to issue the membership if the Company does not desire to issue a membership in such category for which it still holds unissued memberships.

### **No Discrimination Against Company Issued Memberships**

Membership approval of any prospective equity member desiring to purchase one of the Company's equity memberships will not be unreasonably withheld by the equity Club or its ownership and no member purchasing a Company issued membership after a Turnover Event will be discriminated against as to membership privileges nor relegated to any category of membership or access use different than those for all other members in the same category of membership in the Club. Any unsold equity memberships held by the Company will not be subject to any assessments or dues prior to the date of the issuance by the Company of each such individual membership to a subsequent purchaser. The Club and its Member Board will continue to observe the right of a second or subsequent purchaser of a residence or home site in a Talisker Designated Community to purchase a membership in the same category equal to that held by that purchaser's seller and will take no action to discriminate against or relegate any such

purchaser to an inferior status in the Club or an inferior status to any other equal membership category and class.

**UNILATERAL RIGHT TO SELL, LEASE, PLEDGE AND ENCUMBER THE CLUB  
FACILITIES AND CLUB ASSETS**

Company and any owner of fee title to the Club Facilities and Club assets, if different than the Company (whether one or more, the "**Fee Owner**"), retain and have the unilateral right and option at any time to sell or lease the Club Facilities and Club assets, or any portion thereof, to any person or entity as determined by: (i) the Company, in Company's sole discretion, or (ii) the Fee Owner, if applicable, in the Fee Owner's sole discretion. Neither Company nor Fee Owner has any obligation or duty of any type or nature to offer to sell or lease the Club Facilities and Club assets to any Member or group of Members of the Club. Upon the written assumption by a purchaser or lessee of the Club or Club Facilities of the obligations of Company under the Membership Documents, the Company and selling or leasing Fee Owner, will be automatically released from any and all liability of any nature whatsoever under the Club Documents including, but not limited to, the obligation for the repayment of any Membership Deposits. No joinder, consent or acknowledgement by any Member of the Club is required for the full and final release of Company and Fee Owner from any and all such obligations. In the event of the sale or lease by Company of the Club Facilities, Club Assets or any portion thereof, the Company will continue to be entitled to promote and sell all remaining unissued memberships in the Club and receive all the proceeds from the sale thereof including, but not limited to, Membership Deposits.

**GENERAL PROVISIONS**

**No Recording**

**In no event or circumstance will any Member, any Member Entity or any other person, party or entity record this Plan or any summary or memorandum thereof in any real property records of any county in the state of Utah without the express prior written approval of Company.**

**Rely Only on the Information in This Plan**

**No person has been authorized to give or provide information or make any representation not contained within this Plan and the documents referenced. Representations made by any source regardless of affiliation which are not contained within this Plan may not be relied upon as having been authorized by the Company or the Club. In the event of a conflict between the terms of this Plan, the Rules and Regulations and the Membership Application with any other printed materials issued by the Company, the Club or any other source, the Plan, the Rules and Regulations and the Membership Application shall govern and constitute the actual representations of the Company and the Club.**

## **Memberships are for Recreational Purposes Only**

**Memberships in the Club are offered exclusively for the purpose of permitting members use of the Club facilities for the purposes stated within the Plan, the Rules and Regulations and the Membership Application. Under no circumstances should membership in the Club be viewed as an investment and no member should expect to derive any economic profit from holding membership in the Club at any time. No federal or state authority has passed upon or endorsed the merits of this Plan or membership in the Club.**

## **Amendment**

**This Plan may be amended or modified at any time by Company, in Company's sole discretion subject only to: (i) the limits on the number of memberships as set forth in this Plan and (ii) the obligation to repay the Membership Deposits in accordance with the Membership Documents.**

## **Club Office Available**

Any questions regarding this Plan or the membership opportunities available at the Club, should be directed to the Club office.

**Dated:** October 21, 2005