

FREDERICA GOLF CLUB



MEMBERSHIP PLAN

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MEMBERSHIP PLAN OVERVIEW

MISSION STATEMENT

It is our desire and intent to provide members and their guests a premier golf club experience and environment at Frederica Golf Club. Practices and policies will be established by the Club which are designed to promote a quality golf experience for all members, and superior club and golf course operations.

MEMBERSHIP OPPORTUNITY

This Membership Plan describes the membership opportunities in Frederica Golf Club (the "Club"). The Club is a private golf club, located in St. Simons Island, Georgia, featuring exceptional golf, tennis, swimming, fitness, boating, fishing and social facilities.

MEMBERSHIP CATEGORIES

The Club offers the following primary categories of membership:

- Regular Golf Membership;
- Limited Golf Membership; and
- National Golf Membership.

The use privileges associated with each category of membership are more fully described in this Membership Plan.

SPECIAL MEMBERSHIP BENEFITS

In addition to exceptional Club Facilities and an extensive array of programs and activities for members and their families, membership in the Club offers a number of attractive benefits. A brief description of some of these current benefits follows and they are described in greater detail in this Membership Plan:

- **Exclusivity.** Membership is by invitation only.
- **Refundable Membership Deposit.** An amount equal to 100% of the membership deposit will be refunded to the member 30 years after the date the membership is issued by the Club if the membership is not resigned and reissued within 30 years. If the membership is resigned and reissued before 30 years, an amount equal to the membership deposit, less a transfer fee as set forth in the member's Membership Agreement, will be refunded upon resignation and reissuance of the membership by the Club to a new member.

- **Immediate Family Privileges for Those Who Qualify.** Founder, Legacy, Limited Golf and National Golf Members include immediate family privileges as described herein and not vertical family privileges as described below. These members' immediate family, including his or her spouse or any person designated as a member's significant other and their unmarried children, under the age of 25 who are living at home, attending school on a full-time basis or serving in the military are entitled to membership privileges without having to pay additional membership dues.
- **Vertical Family Privileges for Those Who Qualify.** Regular Golf and Social Members include vertical family privileges. National Golf Members who pay additional dues will also be entitled to vertical family privileges. These members' vertical family includes his or her spouse or any person designated as a member's significant other and their children, parents, grandparents, grandchildren, and great-grandchildren and the spouses or significant others of such family members, who do not own or reside in a residence or homesite within 100 miles of the Club are entitled to use privileges while they are on property with or without the member on site.
- **Resigned Memberships Reissued Prior to Membership Sell-Out for Those Who Qualify.** Resigned Regular Golf, Limited Golf, National Golf and Social Members do not have to wait until all new memberships in the Club have been issued before their membership is reissued and they receive a refund for their membership deposit as set forth herein. Every fourth membership issued within a category will be a resigned membership from the waiting list.
- **Transferability of Memberships for Those Who Qualify.** Regular Golf, Limited Golf and Social Memberships are transferable through the Club to the subsequent qualified and approved purchaser of a member's residence or homesite in the Community as provided herein.
- **Transfer of Membership During Life and Upon Death for Those Who Qualify.** Regular Golf, Limited Golf, National Golf and Social Members can request the transfer of their membership through the Club to their adult child or grandchild or the membership can be transferred to his or her spouse or adult child or grandchild upon their death as described herein.
- **No Assessments.** Members are not subject to either operating or capital assessments.
- **Club Newsletter.** Members will receive a periodic newsletter containing information about events and activities at the Club and other items of interest.
- **Website.** The Club's website located at www.fredericagolfclub.com provides members with access to important up to date club information.
- **Members Only Website.** Members will receive a user name and password to access the member's only website. In addition to the member newsletter, the

member website is used as a resource of information. Members can log on and view details about upcoming events and activities, staff profiles, facility photos and descriptions, tournament results, club event photos for downloading and much more.

The "Community" consists of the Frederica Township residential community as set forth in the Community association's documents and such other residential communities designated by the Club.

CAREFULLY REVIEW ALL MEMBERSHIP DOCUMENTS

Every person who desires to obtain a membership, or owns or purchases a residence or homesite within the Community should carefully read this Membership Plan and all of the referenced documents and should seek professional advice to evaluate these documents.

RELY ONLY ON INFORMATION IN THIS MEMBERSHIP PLAN

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS MEMBERSHIP PLAN AND THE REFERENCED DOCUMENTS AND, IF GIVEN OR MADE, SUCH INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB. IN THE EVENT OF A CONFLICT BETWEEN THE TERMS OF MEMBERSHIP CONTAINED IN THE MEMBERSHIP PLAN, RULES AND REGULATIONS AND MEMBERSHIP AGREEMENT AND OTHER PRINTED MATERIALS, THE MEMBERSHIP PLAN, RULES AND REGULATIONS AND MEMBERSHIP AGREEMENT SHALL GOVERN.

MEMBERSHIPS ARE OFFERED ONLY FOR RECREATIONAL PURPOSES

MEMBERSHIPS AT THE CLUB ARE BEING OFFERED EXCLUSIVELY FOR THE PURPOSE OF PERMITTING MEMBERS THE RECREATIONAL USE OF THE CLUB FACILITIES. MEMBERSHIPS SHOULD NOT BE VIEWED AS AN INVESTMENT AND NO MEMBER SHOULD EXPECT TO DERIVE ANY ECONOMIC PROFITS FROM MEMBERSHIP AT THE CLUB.

NO FEDERAL OR STATE AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS MEMBERSHIP PLAN.

MEMBERSHIP BY INVITATION

Membership shall be by invitation only. A candidate for membership must submit a Membership Candidate Information Statement to the Club. Upon review by the Club, an invitation may be issued to the candidate. The candidate who is invited for membership must mail or deliver to the Membership Director at the Club a fully completed and signed Membership Agreement and a check in U.S. funds for the amount of the required membership deposit and eligibility fee, if applicable.

MEMBERSHIP DIRECTOR AVAILABLE TO ANSWER QUESTIONS

All inquiries regarding membership in the Club or this Membership Plan and referenced documents should be directed to the Membership Director at: 100 Pike's Bluff Drive, St. Simons Island, GA 31522 or by calling 912-434-5036.

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Amended October 2019

MEMBERSHIP FEATURES AND FACILITIES

INTRODUCTION

This Membership Plan, the Rules and Regulations and the Membership Agreement, set forth the rights and privileges of membership in the Club.

CLUB FACILITIES

Members, their families and guests will enjoy the following exceptional Club Facilities:

- 18-hole Tom Fazio golf course;
- Golf Learning Center including driving range and practice putting greens;
- Clubhouse featuring the Tabby Room for fine dining, the Pub for casual dining, a private dining room, complete pro shop and men's and women's locker rooms;
- Tennis Courts;
- Boathouse featuring event space, Club boats and tackle room providing access to Frederica Lake; and
- Swimming pool and Fitness Center.

ADDITIONAL CLUB FACILITIES

The Club may at any time, in its sole and absolute discretion, expand the Club Facilities or add additional facilities either on or off-site, as it determines appropriate from time to time, including additional golf facilities. If additional facilities are added to the Club Facilities or the Club Facilities are expanded, the number of memberships issued in the Club may be increased.

The Club may at any time, in its sole and absolute discretion, allow all members to use the additional Club Facilities, increase dues for all members or certain categories of membership to reflect usage of the additional Club Facilities, or give members the option to use the Club Facilities upon payment of additional membership dues.

OWNERSHIP AND OPERATION OF CLUB FACILITIES

Frederica Hospitality Group, LLC and Frederica Club Amenities LLC, Georgia limited liability companies (collectively, the "Company"), doing business as Frederica Golf Club, own and operate the Club Facilities.

MEMBERSHIP CATEGORIES AND PRIVILEGES

CATEGORIES OF MEMBERSHIP

The Club is offering a limited number of memberships in the following primary categories of membership:

- Regular Golf Memberships;
- Limited Golf Memberships; and
- National Golf Memberships.

The Club previously issued Social Memberships, which may be reissued to the subsequent purchaser of the Social Member's residence or homesite in the Community pursuant to the "Transfer Upon Sale of Residence or Homesite" provision in this Membership Plan. Social Memberships are described in the "Other Memberships and Use Privileges" provision in this Membership Plan.

Certain persons enrolled in the Club during the Initial Offering Period (as defined herein) and will be known and recognized as either Founder Members or Legacy Members, as further described along with other memberships and use privileges in the "Other Memberships and Use Privileges" provision in this Membership Plan. Memberships held by owners of residences or homesites in the Community are non-recallable, while memberships held by non-owners of residences or homesites in the Community are recallable as provided hereinafter.

REGULAR GOLF MEMBERSHIP

Regular Golf Members may use all of the golf, tennis, swimming, fitness, boating, fishing and social facilities of the Club. Regular Golf Members will not be required to pay greens fees or court fees for use of the golf and tennis facilities, but will be required to pay certain fees as outlined in the Schedule of Dues, Fees and Charges. Regular Golf Memberships include vertical family privileges as discussed herein.

LIMITED GOLF MEMBERSHIP

Limited Golf Members may use all of the golf, tennis, swimming, fitness, boating, fishing and social facilities of the Club. Limited Golf Members may play golf 30 days each membership year, including rounds played by immediate family members, but excluding rounds played by guests. Unused golf rounds do not roll over to the next year. Limited Golf Members may not play additional rounds as a guest of another member. Limited Golf Members will not be required to pay greens fees or court fees for use of the golf and tennis facilities, but will be required to pay certain fees as outlined in the Schedule of Dues, Fees and Charges. Limited Golf Memberships include restricted immediate family privileges as discussed herein. Limited Golf Members may use the golf practice facilities only when playing a round of golf.

NATIONAL GOLF MEMBERSHIP

National Golf Members are non-residents who do not own or lease property or reside for more than 45 days per calendar year within 100 miles of the Club. National Golf Members may use all of the golf, tennis, swimming, fitness, boating, fishing and social facilities of the Club. National Golf Members will not be required to pay greens fees or court fees for use of the golf and tennis facilities, but will be required to pay certain fees as outlined in the Schedule of Dues, Fees and Charges. National Golf Memberships include restricted immediate family privileges as discussed herein; and, may pay additional dues for vertical family privileges. In order for a National Member's family members to be eligible for vertical family privileges, the family member may not own or lease property or reside for more than 45 days per calendar year within 100 miles of the Club.

A National Golf Member who desires to upgrade to Regular Golf Membership will be required to pay to the Club the difference between the membership deposit then charged for Regular Golf Membership and the membership deposit previously paid by the member for National Golf Membership in accordance with the "Upgrade and Downgrade of Membership" section of this Membership Plan.

ADVANCE SIGN-UP NOT REQUIRED

It is the intention of the Club to have no tee time reservation policy. Members will be welcome to play without having to make a tee time, although advance sign-up is recommended. However, in the event the Club finds it necessary in order to provide for the utmost playing pleasure for all our members, the Club reserves the right to establish or amend tee time policies at any time in its sole and absolute discretion.

RULES AND POLICIES

In order to enhance the recreational and social pleasure of members and their guests, the Club reserves the right to establish or modify rules, regulations, policies, guidelines, or systems governing access or reservation of the Club Facilities.

UPGRADE AND DOWNGRADE OF MEMBERSHIP

Members may upgrade to a higher category of membership at any time if such category of membership is then available or downgrade to a lower category of membership if such category of membership is then available. In order to upgrade, the member shall pay to the Club the difference between the membership deposit then charged for the higher category of membership and the membership deposit previously paid by the member for the lower category of membership. Notwithstanding the foregoing, Founder and Legacy Members who desire to upgrade to Regular Golf Membership will be required to pay the then current Regular Golf membership deposit. Upon a downgrade, the member will receive a refund of the membership deposit for the higher category of membership when the Club reissues the higher category of membership to a new member after resignation and reissuance of the lower category of membership. A

downgrade shall be effective at the beginning of the membership year following a downgrade request.

A Limited Golf Member who is no longer eligible for Limited Golf Membership (i.e. primary residence moves to within 100 miles of the Club) is required to upgrade to Regular Golf Membership in accordance with this provision, within 90 days of his or her primary residence being within 100 miles of the Club.

NUMBER OF MEMBERSHIPS

LIMIT ON NUMBER OF MEMBERSHIPS

The maximum number of memberships in each category is limited as determined in the sole and absolute discretion of the Club. The Club will monitor the member experience and may at any time, in its sole and absolute discretion, further limit the number of memberships available in any category of membership as the Club determines appropriate from time to time.

FAMILY AND GUEST PRIVILEGES

IMMEDIATE FAMILY PRIVILEGES

Certain membership categories, such as Founder, Legacy, Limited Golf and National Golf Members include restricted immediate family privileges. Immediate family will be entitled to use the Club Facilities on the same basis as the member and will include the member's spouse or any person designated as a member's significant other and their unmarried children under the age of 25 who are living at home, attending school on a full-time basis or serving in the military.

VERTICAL FAMILY PRIVILEGES

Certain membership categories, such as Regular Golf and Social Memberships include vertical family privileges. National Golf Members who pay additional dues will also be entitled to vertical family privileges. A vertical membership allows membership privileges for the member's spouse or any person designated as a member's significant other and their children, parents, grandparents, grandchildren, and great-grandchildren and the spouses or significant others of such family members, who do not own or reside in a residence or homesite within the Community. All the privileges and benefits of a membership will be attributed to these individuals while they are on property with or without the member on site. Family members other than spouse or significant other may play in member tournaments only on a space available basis. The Club reserves the right to modify or restrict privileges of family members and to establish such rules with respect thereto as it may determine from time to time.

Upon transfer of membership to the member's spouse or significant other upon the member's death in accordance with the Club Membership Plan, the vertical membership privileges will continue. Certain memberships do not include vertical membership

privileges and instead include restricted immediate family privileges as discussed herein.

PRIVILEGES FOR INDIVIDUAL LIVING WITH MEMBER

An unmarried member living together with another individual in the same household as a family unit on a permanent basis may designate the other individual on a membership year basis to use the Club Facilities as a family member. The member and the designated user shall be individually and jointly responsible for the payment of all charges and fees incurred by the designated user. The Club reserves the right to establish such fees and other rules and require the member and designated user to submit such information and forms as the Club deems appropriate.

GUEST PRIVILEGES

Members may have guests use the Club Facilities in accordance with the member's category of membership and the Rules and Regulations of the Club and the Club's guest policies. The Club may limit the number of guests and the number of times a particular guest may use the Club Facilities during each membership year. The member will be responsible for the payment of charges incurred but not paid by his or her guests including any applicable daily guest fees established by the Club from time to time. Members will also be responsible for the deportment of their guests.

PRIMARY PLAYING TIMES

Although each membership has family and guest privileges, the Club may establish primary playing times during which family and/or guest play may be restricted to better handle golf play during primary playing times. The Club may designate times when only members and their spouses may play or when guests or family may not play golf, notwithstanding any provision herein. Members of the vertical family or immediate family (depending on the member's membership category) will have the same golf privileges as the member and spouse during all times except primary playing times.

OFFERING OF MEMBERSHIPS

INVITATION ONLY MEMBERSHIP

Membership is by invitation only. The determination of whether a membership candidate will be invited for membership shall be made by the Club at any time in its sole and absolute discretion. Limited Golf Memberships may be offered only to persons, including both persons who own residences and homesites in the Community and persons who do not, whose primary residence (i.e. qualify for homestead exemption for property tax purposes) is outside 100 miles from the Club. National Golf Memberships may be offered only to persons who do not own or lease property or reside for more than 45 days per calendar year within 100 miles of the Club.

INITIAL OFFERING PERIOD FOR PREVIOUS CLUB MEMBERS

For a period starting March 1, 2019 and ending April 5, 2019 (hereinafter referred to as the "Initial Offering Period"), persons who were members of the previous club that was terminated, had the opportunity during the Initial Offering Period to enroll in the Club and pay the required membership deposit. Certain persons who were members in good standing as of February 28, 2019 and who were members before March 1, 2018 had the opportunity to enroll in the Club as Founder or Legacy Members as described hereinafter and did not have to pay a new membership deposit or eligibility fee to become a member of the Club during the Initial Offering Period. Founder and Legacy Memberships were only available during the Initial Offering Period. Founder and Legacy Members who desire to upgrade to Regular Golf Membership will be required to pay the then current Regular Golf membership deposit; and the future purchasers of their residences or homesites who apply for Regular Golf Membership will be required to pay the then current Regular Golf membership deposit and eligibility fee.

Existing owners of residences or homesites in the Community who are not Club members as of April 6, 2019 and the future purchasers of their residences or homesites in the Community will be required to pay the non-refundable eligibility fee as discussed herein, in addition to the required membership deposit, in order to acquire a membership if invited and approved for membership.

RESERVED MEMBERSHIPS

All of the unissued memberships will be reserved by the Club and will not be considered to be available memberships in the Club. The Club may not be compelled to sell a reserved membership. The Club may issue a reserved membership to any person which the Club determines appropriate at any time, in its sole and absolute discretion, from time to time, including persons who do not own a residence or homesite in the Community. Initial purchasers of residences or homesites in the Community from the Declarant (as defined under the Community association's documents) or its designated builders are automatically invited to apply for membership in the Club.

PURCHASERS OF RESIDENCES OR HOMESITES

Each initial purchaser of a residence or homesite in the Community who has been approved may at any time within 120 days from the date of his or her closing on the residence or homesite from the Declarant or its designated builders acquire a non-recallable membership in the Club, provided the Club has a membership available for issuance and pay the required membership deposit. Each purchaser of a residence or homesite from a member of the Club in good standing who is invited and has been approved may at any time within 60 days of the closing on the residence or homesite from a member of the Club in good standing acquire a non-recallable membership in the Club, provided the Club has a membership available for issuance and pay the required membership deposit. The number of memberships in each category is limited and available memberships in each category will generally be issued on a first-come, first-served basis. Any initial purchaser who has been invited and approved, but does not

acquire a membership within 120 days from the date of his or her closing on the residence or homesite may apply for a membership at a later date only if one is available and not otherwise reserved by the Club, and only upon payment of the membership deposit and eligibility fee in effect at the time the membership is acquired.

OWNERSHIP OF A RESIDENCE OR HOMESITE DOES NOT GIVE ANY VESTED RIGHT OR EASEMENT, PRESCRIPTIVE OR OTHERWISE, TO USE THE CLUB FACILITIES, OR TO ACQUIRE A MEMBERSHIP IN THE CLUB AND DOES NOT GRANT ANY OWNERSHIP OR MEMBERSHIP INTEREST IN THE CLUB OR THE CLUB FACILITIES.

MEMBERSHIP PRIVILEGES PRIOR TO CLOSING

The Club may allow the initial purchaser of a residence or homesite in the Community to use the Club Facilities as a member prior to the closing on his or her residence or homesite. The person will be required to pay the applicable membership deposit, dues, fees and other charges established by the Club from time to time. In the event the purchaser does not timely close on the residence or homesite, the Club may terminate the membership privileges by returning to the person the membership deposit and the unused portion of any dues, fees and charges paid by the person in advance for the remainder of the membership year. In this event, a membership will thereafter be made available to the person only in the discretion of the Club.

OWNERSHIP OF MULTIPLE RESIDENCES OR HOMESITES

If a person acquires two or more residences or homesites in the Community, the purchaser should apply for a membership for each residence or homesite for which membership privileges are desired. If the person does not acquire a membership for each residence or homesite, the Club will not guarantee that a membership will be available for the residence or homesite at a later date. Persons who acquire two or more contiguous lots but who construct only one residence may desire only one membership. If a membership is not acquired for the contiguous lot and the contiguous lot is subsequently sold, then the purchaser of the contiguous lot must be approved to acquire a membership if the purchaser is to be permitted to use the Club Facilities and upon payment of the required membership deposit and eligibility fee. The purchaser of the contiguous lot will be able to acquire a membership only if one is available and not reserved and the purchaser has been invited for membership.

Notwithstanding the foregoing, the Club may in its sole discretion enter into agreements with members with multiple residences and homesites for reservation of memberships for their additional homesites on such terms and conditions as determined by the Club from time to time, in which case memberships will be made available for the purchasers of such additional homesites.

MULTIPLE OWNERS OF A RESIDENCE OR HOMESITE

In the event a residence or homesite in the Community is owned by more than one person (other than spouses), it is anticipated that only one Regular Golf Membership will be reserved for the initial purchaser of each residence or homesite from the

Declarant or its designated builders. The Club may or may not make additional Regular Golf Memberships available to additional owners in its discretion. Each additional owner of the residence or homesite must be approved to acquire a membership in order to use the Club Facilities. Only one membership can be transferred through the Club to the subsequent qualified and approved purchaser of the residence or homesite in the Community, as provided hereafter. Therefore, there is no guarantee that the additional membership(s) once resigned, will be reissued.

MEMBERSHIP DEPOSIT AND ELIGIBILITY FEE

AMOUNTS REQUIRED TO ACQUIRE MEMBERSHIP

Each person who has been approved to acquire a membership will be required to pay a membership deposit determined by the Club from time to time and a non-refundable eligibility fee, if applicable. The Club may waive all or a portion of the membership deposit required for a membership in its sole discretion. Membership deposits are not transferable, except as specifically provided in this Membership Plan, and are refundable only in accordance with this Membership Plan, the Rules and Regulations of the Club and each member's Membership Agreement.

If an owner of a residence or homesite in the Community does not acquire a membership within 120 days of the closing on the residence or homesite from the Declarant or its designated builders or acquire a membership from a member of the Club in good standing within 60 days of the closing on the residence or homesite, the owner or a future purchaser of the residence or homesite who is approved for membership in the Club will be required to pay, in addition to the membership deposit, a non-refundable eligibility fee in an amount determined by the Club from time to time.

REFUND OF MEMBERSHIP DEPOSIT

An amount equal to 100% of the membership deposit paid by a member will be refunded, without interest, by the Club to the member 30 years after the date the membership is issued by the Club if the membership is not resigned and reissued within 30 years.

An amount equal to the membership deposit paid by a member, less a transfer fee as set forth in the member's Membership Agreement, will be refunded, without interest, by the Club to the member within 30 days after the reissuance of the resigned membership by the Club to a new member in accordance with the "Transfer of Membership" provision in this Membership Plan, if the membership is resigned and reissued less than 30 years after the member enrolls in the Club.

The Club's obligation to refund the membership deposit to the member shall be evidenced by the Membership Agreement. Upon the reissuance of a resigned membership to a new member, a new 30-year period for the refund of the membership deposit begins on the date the membership is reissued. The difference between the

amount paid by the new member and the amount refunded to the resigning member will be retained by the Club.

In the event a dispute arises between two or more parties as to who is entitled to the refund of the membership deposit, the Club at any time in its sole and absolute discretion may file an interpleader action or similar type action and thereby deposit the refund amount into the registry of a court of competent jurisdiction for the court to determine who is entitled to the refund without recourse to the Club. The Club shall be entitled to reimbursement of reasonable attorneys' fees and costs for filing such interpleader action.

MEMBER MAY CONTINUE MEMBERSHIP AT END OF THIRTY YEARS

The membership shall terminate 30 years from the acceptance of the Member's Membership Agreement by the Club. The membership deposit shall be refunded to the member in accordance with the Membership Agreement. At the end of the 30-year period, provided memberships are then being offered and the member is in good standing, the member will have a right of first refusal for 30 days from the termination date to notify the Club of his or her election to purchase a new membership and pay the membership deposit of the same amount which was previously paid by the member. If the member does not acquire a new membership within this 30-day period, the Club may issue the new membership to such persons as it deems appropriate from time to time. If the member purchases a new membership before the end of the 30-day period and thereafter resigns the membership, the Club will refund the membership deposit to the Member within 30 days of the resignation.

DEDUCTION OF AMOUNTS OWED TO CLUB

The Club will deduct from any amount to be repaid to the member any amount which the member owes the Club, including any credit provided to the resigned member as set forth in the resigned member's Membership Agreement.

TAX CONSEQUENCES OF ACQUIRING MEMBERSHIP

The Club makes no representations and expresses no opinions regarding the federal, state or local income tax consequences of acquiring a membership or with respect to any membership deposits paid to the Club. All persons acquire their membership subject to all applicable tax laws, as the same may be amended from time to time. Accordingly, members should consult with their own tax advisors with respect to the tax consequences of any membership deposits.

TRANSFER OF MEMBERSHIP

TRANSFER OF MEMBERSHIP THROUGH CLUB

Certain membership categories are transferable as discussed in this section. A Regular Golf, Limited Golf, National Golf or Social Member may resign his or her membership

and arrange for the Club to reissue the membership as discussed hereinafter. Founder and Legacy Members may resign their memberships as provided herein, but these memberships will not be reissued. Should a member desire to resign from the Club, the member shall be required to give written notice to the Club. Resignation of a membership is irrevocable, unless otherwise determined by the Club. A member may not transfer or sell his or her membership to any person or entity.

TRANSFER UPON SALE OF RESIDENCE OR HOMESITE

A Regular Golf, Limited Golf or Social Member who resigns from the Club upon the sale of his or her residence or homesite in the Community may arrange for the Club to sell a new membership to the subsequent qualified and approved purchaser of the residence or homesite regardless of whether all of the memberships in that category have been issued and regardless of whether there are any resigned memberships on the waiting list. The subsequent, qualified and approved purchaser will be required to submit a Membership Candidate Information Statement and will be subject to the approval of the Club. The Club will expeditiously review the Membership Candidate Information Statement and make a determination after receipt of all requested information by the Club, whether or not to invite the subsequent qualified and approved purchaser for membership. The Club has no obligation to invite a subsequent qualified and approved purchaser for membership. If invited for membership, the subsequent qualified and approved purchaser shall submit a Membership Agreement and shall pay the membership deposit which is then in effect.

The subsequent purchaser may acquire a Social Membership only if he or she is purchasing a Social Member's residence or homesite. If the subsequent purchaser of a Social Member's residence or homesite does not acquire a Social Membership within 60 days of the closing and the Social Member does not resign, the existing Social Membership will be deemed resigned and be placed on the resigned Limited Golf Membership waiting list for reissuance as a Limited Golf Membership.

A subsequent purchaser may acquire a Limited Golf Membership only if he or she is eligible for the Limited Golf Membership.

In the event the subsequent qualified and approved purchaser of a Regular Golf, Limited Golf, or Social Member's residence or homesite in the Community elects a category of membership which requires the payment of a membership deposit less than that paid by the resigning member, then the resigning member may elect to either (i) place his or her resigned membership on the waiting list, or (ii) receive the amount of the membership deposit paid by the subsequent qualified and approved purchaser of his or her residence or homesite in the Community in full satisfaction of any amounts due.

TRANSFER THROUGH WAITING LIST

A resigned Regular Golf, Limited Golf, National Golf or Social Membership will be placed on a waiting list and will be reissued on a first-resigned, first-reissued basis (except as set forth in the "Transfer of Membership Upon Death of Member" section

below) as follows, unless the member arranges for the subsequent qualified and approved purchaser of his or her residence or homesite in the Community to acquire his or her Regular Golf, Limited Golf or Social Membership:

- (a) Prior to the initial sale of all memberships within a membership category, every fourth membership issued in that category (1 in 4) will be a resigned membership from the waiting list, provided there is a resigned membership on the waiting list. The other three memberships sold will be from the Club's unissued memberships. This procedure allows the reissuance of resigned memberships prior to the issuance of all memberships in the Club.
- (b) After the initial sale of all memberships within a membership category, each membership sold in that category will be a resigned membership from the waiting list.

Resigned Limited Golf Memberships and Social Memberships will be placed on the same waiting list for reissuance as Limited Golf Memberships.

A member must be current with his or her dues obligation in order to be placed and remain on the reissuance waiting list, unless the Club determines otherwise.

A membership shall not be deemed issued for purposes of the 1 in 4 reissuance provision until a new member has signed a Membership Agreement and paid the membership deposit in full unless otherwise determined by the Club.

The pace of reissuance of resigned memberships depends on the pace of membership sales. There is no guarantee nor does the Club make any representations regarding the length of time for any resigned membership to be reissued or a resigned member to receive a refund of his or her membership deposit less the transfer fee, if any.

If the Club at any time in its sole and absolute discretion accelerates the reissuance of resigned memberships, such acceleration is for a limited time period, as determined in the sole and absolute discretion of the Club, and shall not be construed as a permanent change in the reissuance provision and cannot be relied on in the future.

TRANSFER TO NEW RESIDENCE OR HOMESITE WITHIN COMMUNITY

If a Regular Golf, Limited Golf or Social Member sells his or her residence or homesite within the Community and purchases another residence or homesite within the Community, the member may continue his or her membership; but the availability of a membership for the invited and approved purchaser of the member's residence or homesite depends on whether there is an available membership associated with the new residence or homesite being purchased by the member as follows:

- (a) If the member purchases a residence or homesite from the Declarant or its designated builders, the purchaser of the member's residence or homesite in the Community, if approved, can then acquire a reserved membership for the then current membership deposit from the Club.

- (b) If the member purchases a residence or homesite from a Regular Golf, Limited Golf or Social member who resigns his or her membership upon the sale of the residence or homesite, the purchaser of the first member's residence or homesite in the Community can then acquire through the Club the resigned membership (subject to eligibility requirements in the case of a Limited Golf Membership) for the then current membership deposit, subject to submission of proper forms from both the member moving within the Community and the resigning member.
- (c) If the member purchases a residence or homesite from an owner who is not a member or is a Founder or Legacy Member, and the purchasing member takes his or her membership with him or her to the new residence or homesite. The purchaser of the members' residence or homesite can acquire a membership only if available and not reserved upon payment of the then current membership deposit and eligibility fee, applicable.

The sale of the member's residence or homesite and purchase of another residence or homesite in the Community, must occur within 30 days of each other, unless otherwise determined by the Club at any time in its sole and absolute discretion, to be eligible for transfer of membership pursuant to this section.

SALE OF RESIDENCE OR HOMESITE IN COMMUNITY

If a member, who owns a residence or homesite in the Community, sells his or her residence or homesite in the Community, does not resign from the Club and does not acquire another residence or homesite in the Community, the Club may recall the membership at any time in its sole and absolute discretion. If the membership is recalled, the member will be entitled to a refund of the membership deposit paid to enroll in the Club, if any, within 30 days after the membership is recalled.

REPURCHASE OF MEMBERSHIPS UNDER OTHER CIRCUMSTANCES

The Club is not obligated to repurchase a membership under any circumstances, other than the circumstances specifically described in this Membership Plan. The Club may at any time, in its sole and absolute discretion, repurchase any membership, which is not being transferred to the subsequent qualified and approved purchaser of the resigning member's residence in the Community by repaying to the resigned member the amount to which the member is entitled upon reissuance of the membership, if any, or on such other terms agreed to by the Club and the member. If the Club repurchases any membership pursuant to this provision, no other member shall have the right to compel the Club to repurchase his or her membership on such basis or any other basis. Any membership so purchased shall be added to the Club's reserved memberships.

TRANSFER OF MEMBERSHIP DURING MEMBER'S LIFETIME

A Regular Golf, Limited Golf, National Golf or Social Member can request the transfer of his or her membership to an adult child or grandchild who is approved for membership in the Club without the payment of any additional membership deposit. Only one

transfer of the Regular Golf, Limited Golf, National Golf or Social Membership to an adult child or grandchild shall be permitted. In order to effectuate a transfer to an adult child or grandchild, the member shall resign the membership and the Club shall pay to the member the membership deposit previously paid by the member for the membership. The adult child or grandchild will then purchase the membership from the Club at the same membership deposit which was previously paid by the member. A new 30-year period for the refund of the membership deposit shall commence for the adult child or grandchild. The transfer of the membership to an adult child or grandchild shall not be subject to any waiting lists.

TRANSFER OF MEMBERSHIP UPON DEATH OF MEMBER

Upon the death of a member, the surviving spouse, if any, may elect to: (i) continue the membership privileges without having to pay any additional membership deposit; (ii) resign the membership; or (iii) if a Regular Golf, Limited Golf, National Golf or Social Member, designate one adult child or grandchild to acquire the membership, subject to qualification and the approval of the adult child or grandchild for membership in the Club, by giving written notice to the Club within 60 days after the death of the member. Failure of the surviving spouse to elect one of said alternatives within the prescribed time period shall be deemed an election to continue the membership privileges. If there is no surviving spouse, the Regular Golf, Limited Golf, National Golf or Social Member may designate one adult child or grandchild to acquire the membership after the member's death, subject to qualification and the approval of the adult child or grandchild for membership in the Club, by delivering to the Club before the member's death written notarized notice to the Club setting forth the name of the adult child or grandchild. If there is no surviving spouse and the deceased Regular Golf, Limited Golf, National Golf or Social Member has not designated one adult child or grandchild to acquire the membership after the member's death, the adult children of the Regular Golf, Limited Golf, National Golf or Social Member may designate one adult child or grandchild to acquire the membership, subject to qualification and the approval of the Club. In the event there is no surviving spouse, or the surviving spouse does not desire to continue membership privileges or the adult children do not designate one adult child or grandchild within 60 days after the death of the member or there is no adult child or grandchild who wants to continue membership privileges or who is approved for membership in the Club, the membership will be deemed resigned, will be placed at the top of the resigned membership waiting list behind only memberships of other deceased members previously placed on the waiting list, and will be reissued by the Club on the same basis as any other resigned membership, whereupon the membership deposit paid for the membership will be refunded to the estate of the deceased member.

Only one transfer of the Regular Golf, Limited Golf, National Golf or Social Membership to an adult child or grandchild shall be permitted. In order to effectuate a transfer to an adult child or grandchild, the member's estate or surviving spouse, as the case may be, shall resign the membership and the Club shall repay the deceased member's estate the membership deposit previously paid by the deceased member. The deceased member's adult child or grandchild will then repurchase the deceased member's membership from the Club upon payment of the membership deposit previously paid by the deceased

member. A new 30-year period for the refund of the membership deposit shall commence for the adult child or grandchild. The transfer of the membership to an approved adult child or grandchild shall not be subject to any waiting lists.

Upon transfer of a Regular Golf, National Golf, if the additional dues are being paid, or Social Membership to the member's spouse or significant other upon the member's death in accordance with the Club Membership Plan, the vertical membership privileges will continue. Certain members do not receive vertical membership privileges and instead receive immediate family privileges as discussed herein.

LEGAL SEPARATION OR DIVORCE

In the event a member is legally separated or divorced from his or her spouse, title to the membership, including all rights and benefits to the holder thereof, shall remain in the member's name. In the event a final, non-appealable order of a court having jurisdiction awards the membership to the member's spouse, the membership shall be deemed resigned and placed on the waiting list to be reissued. The membership will be reissued by the Club on the same basis as any other resigned membership. Upon reissuance of the membership, the spouse shall be entitled to the refund of the membership deposit unless a court order directs otherwise. The member shall be required to give written notice to the Club of a divorce or legal separation. The member may continue to use the Club Facilities and shall remain responsible for the payment of all dues, fees and charges associated with the membership until the membership is reissued or the end of the membership year. In the case of legal separation, the member may in his or her discretion restrict use of the Club Facilities by family members designated by the member.

DUES 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 payable on a quarterly basis on or before the first day of each quarter, unless otherwise determined by the Club from time to time. The current dues, fees and charges for use of the Club Facilities are indicated on the Schedule of Dues, Fees and Charges. The amount of dues, fees and other charges is subject to change from time to time by the Club. Payment of dues by members is a continuing obligation of membership which is not suspended due to the closure of any or all of the Club Facilities which result from acts of God, natural disasters, pestilence, weather, fires, the need to replace turf and landscaping on the Club property due to disease or other unanticipated cause, requirements imposed by governmental authorities and any events beyond the reasonable control of the Club.

NO ASSESSMENTS AGAINST MEMBERS

Members will only pay membership dues, fees and other charges established from time to time. Members will not be subject to any liability for capital or operating assessments

for the costs and expenses of ownership or operation of the Club or the Club Facilities unless and until the Club is converted to an equity club. The Company will pay all operating deficits incurred in the operation of the Club Facilities and will retain all operating revenues resulting from operation of the Club Facilities. Annual increases in dues shall not be deemed an assessment for purposes of this provision. The Club operating budget and the calculation of the dues may include a reserve for capital replacements and improvements and this shall not be deemed an assessment for purposes of this provision.

The Company will be responsible for all deficits, and will be entitled to retain all profits from the operation of the Club.

MEMBERSHIP YEAR

The Club's membership year will constitute the 12-month period commencing January 1 and ending December 31, unless otherwise established by the Club from time to time.

PAYMENT OF DUES BY RESIGNED MEMBER

A resigned member shall be obligated to continue to pay dues, fees and other charges associated with the resigned membership until the earlier of: (i) the reissuance of the membership by the Club, or (ii) 12 months after the resignation occurs. A resigned member shall be permitted to use the Club Facilities as long as the dues, fees and other charges continue to be paid by the resigned member. In the event that there are any amounts owing to the Club by a resigned member which are past due, the Club reserves the right to move the resigned membership to the bottom of the reissuance waiting list until such amounts have been paid in full.

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 for which services have yet to be rendered.

ACKNOWLEDGMENT OF MEMBERSHIP RIGHTS

MEMBERS' ACKNOWLEDGMENT

Membership in the Club permits the member to use the Club Facilities in accordance with this Membership Plan and the Rules and Regulations. Membership in the Club is not an investment in the Company or the Club Facilities and does not give a member a vested or prescriptive right or easement to use the Club Facilities. Membership in the Club does not provide a member with an equity or ownership interest or any other property interest in the Company or the Club Facilities. A member only acquires a revocable license to use the Club Facilities in accordance with the terms and conditions of the Membership Plan and Rules and Regulations, as the same may be amended from time to time, and the Membership Agreement.

The Club reserves the right at any time, in its sole and absolute discretion, to terminate or modify this Membership Plan and Rules and Regulations, to reserve memberships, to sell, lease or otherwise dispose of the Club Facilities in any manner whatsoever and to any person whomsoever, to add, create a new, issue, modify or terminate any type, category or class of membership, to recall any membership held by a non-owner of a residence or homesite in the Community at any time for any or no reason whatsoever, to discontinue operation of any or all of the Club Facilities, to convert the Club into a member-owned club, and to make any other changes in the terms and conditions of membership or in the Club Facilities available for use by members. Notwithstanding anything to the contrary, the Club may not change the following two provisions retroactively for members of the Club as of the effective date of the proposed change to such provision: (i) the provision for a member's right to a refund of his or her membership deposit, and (ii) the provision for a member to arrange for the membership to be transferred by the Club to the subsequent qualified and approved purchaser of his or her residence or homesite in the Community in accordance with the "Transfer of Membership" section of this Membership Plan.

In the event of termination of the Membership Plan, termination of a person's category of membership, recall of a membership held by a non-owner of a residence or homesite in the Community or the discontinuance of operation of all or substantially all of the Club Facilities, the Club will refund the membership deposit to the affected member(s) within 30 days. In the event that the Club Facilities are sold and the buyer assumes liability for the repayment of the appropriate membership deposit as provided in the Membership Agreement, the member shall look solely to the new owner for repayment of the membership deposit and the seller of the Club Facilities shall be released from all liability for the repayment thereof. In the event of a sale of the Club Facilities, the buyer shall take title subject to the terms and provisions of the then existing Membership Plan.

Where this Membership Plan refers to the Club taking action or having certain rights, the Company or its designees shall take such action and have such rights.

NO PLEDGE OF MEMBERSHIPS

A member may not pledge or hypothecate the membership except to the extent the lien or security interest is incurred as a result of obtaining the membership privileges.

MEMBERSHIP AGREEMENT

INVITATION FOR MEMBERSHIP

Membership is by invitation only. The determination of whether an individual will be invited for membership shall be made by the Club at any time in its sole and absolute discretion.

MEMBERSHIP PROCESS

Prospective members must submit a Membership Candidate Information Statement. The Club will then decide whether to issue an invitation to membership. An individual who has been invited for membership must mail or deliver to the Membership Director at the Club a fully completed and signed Membership Agreement and a check in U.S. funds for the amount of the required membership deposit and eligibility fee, if applicable.

RIGHTS GOVERNED BY MEMBERSHIP PLAN

The members of the Club agree to be bound by the terms and conditions of this Membership Plan and the Rules and Regulations of the Club, as amended from time to time, and irrevocably agree to fully substitute the membership privileges acquired pursuant to this Membership Plan and Rules and Regulations for any present or prior rights in or use of the Club Facilities.

OTHER MEMBERSHIPS AND USE PRIVILEGES

FOUNDER MEMBERSHIPS

During the Initial Offering Period, the Club offered "Founder Memberships" to persons who had been Founder Members in good standing of the previous Club. These memberships do not include Vertical Family Privileges, transferability, or refundability and are on such terms and conditions as set forth in the Founder Member's Membership Agreement. Founder Golf Members will pay the same dues and have the same use privileges as Regular Golf Members. Founder Social Members will pay the same dues and have the same use privileges as Social Members. Founder Memberships include restricted immediate family privileges, which include the spouse or significant other of the member and the unmarried children of the member and spouse or significant other age 25 and younger living at home, attending school on a full-time basis or in the military.

LEGACY MEMBERSHIPS

During the Initial Offering Period, the Club offered "Legacy Memberships" to persons who had been Charter and Resident Members in good standing of the previous Club. These memberships do not include Vertical Family Privileges, transferability or refundability and are on such terms and conditions as set forth in the Legacy Member's Membership Agreement. Legacy Golf Members will pay the same dues and have the same use privileges as Regular Golf Members. Legacy Social Members will pay the same dues and have the same use privileges as Social Members. Legacy Memberships include restricted immediate family privileges, which include the spouse or significant other of the member and the unmarried children of the member and spouse or significant other age 25 and younger living at home, attending school on a full-time basis or in the military. Legacy Memberships sunset on December 31, 2024.

JUNIOR GOLF MEMBERSHIPS

The Club may issue a limited number of Junior Golf Memberships in the Club to such persons as the Club determines appropriate from time to time. These Junior Golf Memberships will be available on such terms and conditions as the Club determines appropriate and will not count toward any membership limit. Junior Golf Members have the same privileges as Regular Golf Members, but will pay reduced membership deposits and lower annual dues as determined by the Club from time to time until they reach the age of 45.

SOCIAL MEMBERSHIP

The Club no longer offers Social Membership. Social Members may use all of the tennis, swimming, fitness, boating, fishing and social facilities of the Club. Social Members may use the golf facilities only when playing a round of golf as a guest of a Golf Member, subject to a limit of three times per membership year. Social Memberships include vertical family privileges as discussed herein.

HONORARY MEMBERSHIPS

The Club may issue a limited number of Honorary Memberships in the Club to such persons as the Club determines appropriate from time to time. These Honorary Memberships will be in addition to all other memberships and will be available on such terms and conditions and afford such privileges as the Club determines.

RECIPROCAL PRIVILEGES

The Club may at any time, in its sole and absolute discretion, enter into reciprocal use privileges and access agreements with other clubs for their members, as the Club determines appropriate from time to time.

NON-MEMBER PLAY

The Club will permit golf play and use of designated Club Facilities by non-members, on such terms and conditions as the Club determines appropriate.

RENTAL GUESTS

The Club will allow renters of the Club Cottages to use the Club Facilities on such terms and conditions as it shall determine. Rental guests shall be obligated to pay applicable fees and charges for use of the Club Facilities as established by the Club from time to time. The Club may reserve tee times for use by rental guests.

PROMOTIONAL USE AND TOURNAMENT OR GROUP PLAY

The Club will have the right to designate other persons who will not count toward membership limits, including, without limitation, officers, directors, partners, shareholders, employees and designees of the Company and its affiliates and their

guests to use the Club Facilities upon such terms and conditions as may be determined from time to time by the Club. The Club will also have the right to permit prospective members and purchasers of residences or homesites in the Community to use the Club Facilities on such terms and conditions as may be determined from time to time by the Club. The Club reserves the right at any time, in its sole and absolute discretion, to restrict or to otherwise reserve in advance the Club Facilities for maintenance, tournament or group play, outings and other special events from time to time.

CLUB OPERATIONS

MANAGEMENT AND OPERATION

The Company owns the Club Facilities and will manage and operate the Club Facilities. As a result, the Company is solely responsible for the government and administration of the Club Facilities and the Club and will have the exclusive authority to accept members, set dues and charges, establish rules and regulations and control the management and affairs of the Club Facilities and the Club. The Club reserves the right to engage a professional management company to operate the Club Facilities.

ADVISORY COMMITTEE

The Club will establish an Advisory Committee comprised of members whose purpose includes fostering good relations between the members and management of the Club, providing the Club with input on programs, plans and activities of the Club, and advising on the Club's policies and rules and regulations. The Company shall appoint the members of the Advisory Committee for such terms as determined by the Company, and may remove any member of the Advisory Committee at any time in its sole and absolute discretion. The management of the Club shall meet with the Advisory Committee on a periodic basis to discuss the operation of the Club Facilities. The Advisory Committee shall have no duty or power to negotiate or otherwise act on behalf of the Club, its management or the members of the Club, and shall serve only in an advisory capacity. The owners of the Club will have the final authority on all matters concerning the Club Facilities and the members of the Club.

GENERAL PROVISIONS

PROTECTION OF MEMBERSHIP PRIVILEGES

In the event that the Company ever sells the Club Facilities, it will disclose the existence of this Membership Plan to the purchaser and will require the purchaser to acquire title to the Club Facilities subject to the terms and conditions of this Membership Plan, as amended from time to time.