



CLUB MEMBERSHIP PLAN

LAST UPDATED: OCTOBER 2020

INTRODUCTION TO THE THE OPPORTUNITY TO BECOME MEMBERS IN SEVEN SUMMITS LODGE

MEMBERSHIP OPPORTUNITY

This Club Membership Plan offers persons an opportunity to acquire a non-equity Membership in Seven Summits Lodge (the “**Club**”). The Club is located among the residential communities developed or to be developed within the boundaries of the Trilogy at Tehaleh Community (the “**Community**”).

CLUB FACILITIES

The Club Facilities include the following:

- A clubhouse facility, including grounds, a fitness center, an indoor swimming pool, meeting rooms, dining areas, function rooms, and parking areas; and
- Pickleball courts and walking trail

CATEGORIES OF MEMBERSHIP

The following categories of Membership are currently offered by the Club:

- Community Membership
- Invitational Membership
- Dining Membership
- Honorary Membership
- Any and all current, discontinued and future Membership categories collectively and individually referred to as “**Memberships**”

Each category of Membership will entitle the Member to use the Club Facilities in accordance with the terms and conditions of this Club Membership Plan. Ancillary memberships may also be made available from time to time as provided in this Club Membership Plan. The Club may add or discontinue categories of Membership from time to time.

FOLLOW THESE PROCEDURES TO APPLY FOR MEMBERSHIP PRIVILEGES

Persons who desire to obtain a Membership should mail or deliver to the Club a completed and signed Membership Application (“**Membership Application**”).

MEMBERSHIP OFFICE AVAILABLE TO ANSWER INQUIRIES

Should you have any questions concerning this Club Membership Plan or the Membership opportunities available in the Club, please contact the Membership Office.

RELY ONLY ON INFORMATION IN THE MEMBERSHIP PACKAGE

THIS MEMBERSHIP PACKAGE INCLUDES THE INTRODUCTION, GENERAL DESCRIPTION OF CLUB MEMBERSHIP PLAN, THE CLUB MEMBERSHIP FEE SCHEDULES AND PRIVILEGES FOR THE CURRENT MEMBERSHIP YEAR, THE CLUB MEMBERSHIP PLAN SUMMARY, THE CLUB'S MEMBERSHIP APPLICATION AND THE CLUB RULES & REGULATIONS.

NO PERSON HAS BEEN AUTHORIZED BY THE CLUB TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION NOT CONTAINED IN THIS MEMBERSHIP PACKAGE AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB. IN THE EVENT OF A CONFLICT AMONG THE DOCUMENTS CONTAINED IN THE MEMBERSHIP PACKAGE, AND OTHER PRINTED MATERIALS OR ORAL REPRESENTATIONS, THE GENERAL DESCRIPTION OF CLUB MEMBERSHIP PLAN SHALL GOVERN AND CONTROL.

MEMBERSHIPS IN THE CLUB ARE PROVIDED ONLY FOR RECREATIONAL PURPOSES

MEMBERSHIPS AT THE CLUB ARE BEING PROVIDED EXCLUSIVELY FOR THE PURPOSE OF PERMITTING PERSONS RECEIVING A MEMBERSHIP TO OBTAIN ACCESS TO LIMITED RECREATIONAL USE OF THE CLUB FACILITIES. MEMBERSHIPS SHOULD NOT BE VIEWED OR ACQUIRED AS AN INVESTMENT AND NO PERSON PURCHASING A MEMBERSHIP SHOULD EXPECT TO DERIVE ANY ECONOMIC PROFITS, FINANCIAL BENEFITS OR OTHER TANGIBLE OR INTANGIBLE BENEFIT FROM MEMBERSHIP IN THE CLUB. THE CLUB IS OWNED AND OPERATED PRIVATELY. MEMBERSHIP IN THE CLUB DOES NOT CONVEY ANY INTEREST, OWNERSHIP, EQUITY OR PROPERTY RIGHTS. MEMBERSHIP DOES NOT CONVEY ANY VOTING RIGHTS, ANY MANAGEMENT RIGHTS, OR ANY VESTED INTEREST OR RIGHTS IN THE CLUB, THE CLUB OWNER, THE CLUB MANAGER, THE CLUB MEMBERSHIP PLAN OR THE CLUB FACILITIES.

MAKE YOUR OWN EVALUATION OF THE MERITS OF BECOMING A MEMBER

NO FEDERAL, STATE OR GOVERNMENTAL AUTHORITY AND NO INDEPENDENT CLUB INDUSTRY REVIEWER HAS PASSED UPON OR ENDORSED THE MERITS OF THIS CLUB MEMBERSHIP PLAN.

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GENERAL DESCRIPTION OF CLUB MEMBERSHIP PLAN

THE CLUB WILL IMPLEMENT THIS CLUB MEMBERSHIP PLAN

The Club Owner proposes to implement this Club Membership Plan for the issuance of non-equity Memberships, pursuant to which Members, Sub-Members, and their respective families and guests, and non-Members are permitted to use the Club Facilities as described below.

DESCRIPTION OF THE CLUB FACILITIES

The Club Facilities include the following:

- A clubhouse facility, including grounds, a fitness center, an indoor swimming pool, meeting rooms, dining areas, function rooms, and parking areas; and
- Pickleball courts and walking trail

All the Club Facilities are subject to the Club obtaining the necessary governmental approvals and permits. THE CLUB FACILITIES ARE SUBJECT TO CHANGE AT ANY TIME AT THE CLUB OWNER'S SOLE AND ABSOLUTE DISCRETION.

OWNERSHIP OF THE CLUB FACILITIES

THE CLUB FACILITIES ARE PRIVATELY OWNED BY THE CLUB OWNER. MEMBERSHIP IN THE CLUB DOES NOT CONVEY ANY INTEREST, OWNERSHIP, EQUITY OR PROPERTY RIGHTS IN THE CLUB OR CLUB FACILITIES. MEMBERSHIP DOES NOT CONVEY ANY VOTING RIGHTS, ANY MANAGEMENT RIGHTS, OR ANY VESTED INTEREST OR RIGHTS IN THE CLUB, THE CLUB OWNER, THE CLUB MANAGER, AND THE PROVISIONS OF THE CLUB MEMBERSHIP PLAN OR THE CLUB FACILITIES.

DESCRIPTION OF MEMBERSHIP

CATEGORIES OF MEMBERSHIP OFFERED IN THE CLUB

The following categories of Membership are currently offered by the Club:

- Community Membership
- Invitational Membership
- Dining Membership
- Honorary Membership
- Any and all current, discontinued and future Membership categories collectively and individually referred to as "**Memberships**"

Each Membership in the Club is a non-equity Membership and will not entitle the Member to any equity or ownership interest in the Club or the Club Facilities, will not entitle any Member the right to vote on any Club matters, and will not grant any Member vested rights in the Club or Club Facilities. The Memberships offered by the Club are limited non-exclusive licenses providing limited use of the Club Facilities pursuant to the terms of the Club Membership Plan. Ancillary memberships may also be made available from time to time as provided in this Club Membership Plan. The Club may add or discontinue Membership categories from time to time.

DESCRIPTION OF MEMBERSHIP PRIVILEGES

Each person who acquires a Membership or Sub-Membership in the Club is entitled, during the duration of the Membership, to use the Club Facilities in accordance with his or her category of Membership, the terms and conditions of this Club Membership Plan and the then applicable Club Membership Fee Schedules. The Club reserves the right in its sole and absolute discretion and without prior notice to modify the Club Membership Fee Schedules at any time and from time to time. The Club may issue Memberships in the following categories, each having special privileges and benefits, which may be modified by the Club Owner in its sole and absolute discretion at any time and from time to time. The Membership privileges currently associated with each category of Membership in the Club is as follows:

COMMUNITY MEMBERSHIP

Each person who acquires a Community Membership in the Club ("**Community Member**") and Sub-Members under the Community Membership is entitled to the Special Provisions as outlined in Exhibit "A", as amended from time to time.

INVITATIONAL MEMBERSHIP

Each person who acquires an Invitational Membership in the Club ("**Invitational Members**") shall be entitled to the Special Provisions as outlined in Exhibit "B", as amended from time to time.

DINING MEMBERSHIP

Each person who acquires a Dining Membership in the Club ("**Dining Member**") is entitled to the Special Provisions as outlined in Exhibit "C", as amended from time to time.

HONORARY MEMBERSHIP

Each person who acquires an Honorary Membership in the Club ("**Honorary Member**") is entitled to the Special Provisions as outlined in Exhibit "D," as amended from time to time.

THE CLUB MAY ESTABLISH RULES AND REGULATIONS REGARDING USE OF THE CLUB FACILITIES

In order to match the changing needs and desires of the Club, the Club Owner reserves the right, in its sole and absolute discretion, at any time and from time to time, to modify or change the existing categories of Membership, add additional Membership categories, modify Membership privileges, modify advance sign-up privileges, the right to use the Club Facilities and the guest privileges and adopt and amend from time to time rules, regulations, policies, guidelines, or systems governing use of, access to or reservation of the Club Facilities and Member relations. The Club Owner reserves the right to make exceptions to or grant waivers from any provisions of the Rules and Regulations based on hardship or other reason as the Club Owner determines in its discretion, provided such exceptions or waivers shall not act as precedent for other Member's requests or provide any vested rights to a Member to the same exception or waiver.

LIMIT ON THE NUMBER OF MEMBERSHIPS

The Club Owner intends to limit the total number of Memberships permitted to be issued in the Club and to limit the total number of Memberships permitted to be issued in each category. The initial limits for each category of Membership are set forth in Exhibits A-D. These limits shall be determined and amended by the Club from time to time, and at any time, in its sole and absolute discretion.

FAMILY PRIVILEGES

USE OF THE CLUB FACILITIES BY FAMILY MEMBERS

A Member's or Sub-Member's Immediate Family Members and Extended Family Members may use the Club Facilities in accordance with the Member's or Sub-Member's category of Membership upon payment of defined fees.

GUEST PRIVILEGES

USE OF THE CLUB FACILITIES BY A GUEST OF A MEMBER

Members and Sub-Members are entitled to have accompanied and unaccompanied guests use the Club Facilities in accordance with the Member's or Sub-Member's category of Membership and the Rules and Regulations of the Club. The Club may limit the number of guests and the number of times a guest may use the Club Facilities during each Membership year. The Member or Sub-Member is responsible for the payment of charges incurred but not paid by his or her guests within the customary billing and collection procedures of the Club,

including any applicable daily guest fees established by the Club from time to time. Members and Sub-Members are responsible for the conduct and deportment of their guests and any losses, damages and liabilities caused or resulting from the conduct and deportment of their guests.

CLUB INITIATION FEE

CLUB INITIATION FEE REQUIRED TO ACQUIRE A MEMBERSHIP

Each person/entity that acquires a Membership or Sub-Membership in the Club must pay a Club Initiation Fee to the Club in the amount in effect at the time of issuance of the Membership in accordance with the Member's or Sub-Member's category of Membership. The Club will determine the amount of the required Club Initiation Fee from time to time. The Club may from time to time in its discretion provide certain Membership applicants options for payment of Club Initiation Fees, which options may be revised or discontinued without notice. Not all Membership applicants may be eligible for such payment options.

TAX CONSEQUENCES OF ACQUIRING A MEMBERSHIP IN THE CLUB

The Club makes no representations and expresses no opinions regarding the federal, state or local income tax consequences of acquiring a Membership or Sub-Membership or with respect to any Club Initiation Fees, dues and charges paid to the Club. All Members or Sub-Membership are subject to all applicable tax laws, as the same may be amended from time to time. Accordingly, Members and Sub-Members should consult with their own tax advisors with respect to the tax consequences of any Club Initiation Fees, dues and charges paid to the Club.

ISSUANCE OF MEMBERSHIPS

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MEMBERSHIPS WILL BE MADE AVAILABLE FOR ACQUISITION TO SUCH PERSONS/ENTITIES AS THE CLUB DETERMINES APPROPRIATE FROM TIME TO TIME. THE CLUB MAY, IN ITS SOLE AND ABSOLUTE DISCRETION, LIMIT THE NUMBER OF MEMBERSHIPS AVAILABLE IN THE CLUB OR IN ANY CATEGORY OF MEMBERSHIP AS THE CLUB DETERMINES APPROPRIATE FROM TIME TO TIME. ACCORDINGLY, A PERSON'S ABILITY TO ACQUIRE A MEMBERSHIP SHALL BE SUBJECT TO THE CLUB'S SOLE AND ABSOLUTE DISCRETION AND AVAILABILITY FROM TIME TO TIME.

RESERVED MEMBERSHIPS

ALL OF THE UN-ISSUED 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 ISSUE A RESERVED MEMBERSHIP. THE CLUB MAY ISSUE A RESERVED MEMBERSHIP TO ANY PERSON/ENTITY WHOM THE CLUB, IN ITS SOLE AND ABSOLUTE DISCRETION, DETERMINES APPROPRIATE FROM TIME TO TIME.

USE OF MEMBERSHIP PRIVILEGES PRIOR TO CLOSING ON PROPERTY PURCHASE

The Club Owner may, in its sole and absolute discretion, allow a contract purchaser of a residential unit or lot in the Community to temporarily enjoy membership privileges prior to the closing on his or her residential unit or lot, provided such contract purchaser has made application to the Club for a membership and has been approved for membership by the Club. Prior to such use, the person may be required to pay such temporary Membership dues, fees and other charges established by the Club Owner from time to time for contract purchasers. In the event the contract purchaser does not close on the residential unit or lot, the Club Owner will terminate the temporary membership privileges and may, but shall not be obligated to, return to the person any unused portion of any dues and charges paid by the person in advance. In the event the contract purchaser closes on the residential unit or lot, the contract purchaser shall complete all membership application requirements within 90 days of closing on the residential unit or lot.

RESIGNATION & RE-ISSUANCE OF DINING AND INVITATIONAL MEMBERSHIPS

Dining Memberships and Invitational Memberships may be resigned at any time. No refund of any Initiation Fee or pre-paid dues will be provided to a Dining Member or Invitational Member choosing to resign. Dining Members and Invitational Members may be provided access to the Club for the period for which dues have been paid and the Member account is in good standing.

TRANSFER OF MEMBERSHIP UPON THE MEMBER'S DEATH

Upon the death of a Member without a spouse or legal partner having Membership privileges, the Member, and the Member's Estate, the Trustee of a Member's Trust, or other legal successor or representative authorized to act on behalf of the deceased Member, as applicable (collectively, the "Member's Representative") and the request will be handled as provided under "Resignation & Re-Issuance of Memberships" above.

Upon the death of a Member with a spouse or legal partner having Membership privileges, the spouse or legal partner having Membership privileges may elect, by giving written notice to the Club within sixty (60) days after the date of death to transfer the Membership to the spouse or legal partner without having to pay any additional Club Initiation Fee, and the Member's Representative shall be deemed to have consented to such election and transfer of Membership without the requirement of payment by the Club to Member's Representative under "Resignation And Re-Issuance of Memberships" above. If no written election is received by the Club within sixty (60) days, the Member and the Member's Representative shall be deemed to have submitted a written request for resignation as of the date of death, in which event the request will be handled as provided under "Resignation & Re-Issuance of Memberships" above.

Upon the simultaneous death of a Member and a spouse or legal partner having Membership privileges, the Member and the Member's Representative shall be deemed to have submitted a written request for resignation as of the date of death, in which event the request will be handled as provided under "Resignation & Re-Issuance of Memberships" above.

Except as expressly set forth above, a Membership and Membership privileges shall not transfer or be assigned by automatic operation of law, inheritance, devise or otherwise to any third party, Including a Member's children, upon death of a Member.

Notwithstanding the date of death of a Member, Annual Dues for the Membership shall be due and owing for the Club year in which the Member's death occurs without proration or refund.

The Club Membership Plan and Community Membership shall apply to Sub-Members to the extent Sub-Membership Rights are affected upon the death of a Sub-Member.

SEPARATION, DIVORCE AND REMARRIAGE

In the event that spouses or legal partners having Membership privileges are separated or divorced by order of a court or legally enforceable separation agreement, retention of the Membership will be held by the spouse or legal partner who is awarded the Membership in the court order or separation agreement, and said spouse or legal partner shall then be deemed the Member in connection with that Membership, with the other spouse or legal partner then not having any Membership privileges or any other rights with respect to the Membership. In the event the court order or separation agreement does not award Membership to one or the other spouse or legal partner, then the Membership shall be terminated, and neither spouse or legal partner shall have any rights with respect to the Membership, nor shall either spouse or legal partner be entitled to refund of the Club Initiation Fee, Member Charges or Special Use Fees.

The above notwithstanding, the Club Owner reserves the right, in its sole and absolute discretion, not to transfer the Membership if the Club Owner, in its sole and absolute discretion, is uncertain as to which spouse or legal partner is lawfully entitled to the Membership, in which event the Club Owner may determine that the Membership is terminated as provided above, or may determine to maintain the status quo until legal entitlement can be resolved to the satisfaction of the Club Owner. Until a determination is made by the Club Owner, each spouse or legal partner is responsible, jointly and severally, for the payment of all Member Charges and Special Use Fees in connection with the Membership, and both are eligible to use and enjoy the Club Facilities in accordance with their Membership privileges so long as all Member Charges and Special Use Fees are paid and current for the Membership. The Club Owner retains the right, in its sole and absolute discretion, to grant temporary exceptions to the above Membership privilege provisions during the pendency of legal entitlement determination.

If the Club Owner, in its sole and absolute discretion, is still uncertain as to which spouse or legal partner is legally entitled to the Membership after six months from the date of written notice to the Club Owner of the separation or divorce, the Club Owner may deem and determine that the Member has voluntarily submitted a request for resignation.

If a Member remarries or obtains a new legal partner, the Member must notify the Club of such change within 90 days of taking up residence. No guest privileges are available to such spouse or legal partner until notification is made. If the new spouse is already a member of the Club, then one Membership may be submitted for resignation.

The above provisions shall not apply to Sub-Members, whose rights are set forth in the Community Membership Agreement.

MEMBERSHIP MAY NOT BE PLEDGED EXCEPT FOR PURCHASE MONEY OBLIGATIONS

A Member and Sub-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, which shall require the prior written consent of the Club.

ACKNOWLEDGMENT OF MEMBERSHIP RIGHTS

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MEMBERSHIP IN THE CLUB PERMITS THE MEMBER AND SUB-MEMBER THE LIMITED RIGHT TO USE THE CLUB FACILITIES IN ACCORDANCE WITH THIS CLUB MEMBERSHIP PLAN. MEMBERSHIP IN THE CLUB IS NOT AN INVESTMENT IN THE CLUB OR ITS FACILITIES AND DOES NOT PROVIDE THE MEMBER OR SUB-MEMBER WITH EQUITY OR OWNERSHIP INTEREST OR ANY VESTED OR PRESCRIPTIVE RIGHT OR EASEMENT IN OR TO USE THE CLUB OR ITS FACILITIES. MEMBERS AND SUB-MEMBERS WILL NOT BE ENTITLED TO VOTE OR PARTICIPATE IN THE MANAGEMENT OF THE CLUB. EACH MEMBER APPROVED FOR MEMBERSHIP IN THE CLUB, AND EACH SUB-MEMBER, AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS CLUB MEMBERSHIP PLAN AND IRREVOCABLY AGREES TO FULLY SUBSTITUTE THE MEMBERSHIP PRIVILEGES ACQUIRED PURSUANT TO THIS CLUB MEMBERSHIP PLAN, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, FOR ANY PRESENT OR PRIOR RIGHTS IN OR TO USE THE CLUB FACILITIES. THE CLUB RESERVES THE RIGHT, IN ITS SOLE AND ABSOLUTE DISCRETION, TO RESERVE MEMBERSHIPS, TO TERMINATE OR MODIFY THIS CLUB MEMBERSHIP PLAN, TO DISCONTINUE OPERATION OF ANY OR ALL OF THE CLUB FACILITIES, TO ADD OR DELETE CLUB PROPERTIES, TO ISSUE OR TERMINATE ANY CATEGORY OF MEMBERSHIP, TO INCREASE OR DECREASE THE NUMBER OF MEMBERSHIPS IN THE CLUB, TO CONVERT THE CLUB INTO A MEMBER-OWNED CLUB, AND TO MAKE ANY OTHER CHANGES IN THE TERMS AND CONDITIONS OF THE MEMBERSHIP OR THE CLUB FACILITIES AVAILABLE FOR USE BY MEMBERS AND SUB-MEMBERS.

DISCIPLINE

Members and Sub-Members are responsible for their own conduct and for the conduct of their Immediate Family Members, Extended Family members and guests. Any Member or Sub-Member whose conduct or whose family's or guest's conduct shall be deemed by the Club to be likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members or otherwise improper, may be reprimanded, fined, suspended or have its Membership or Sub-Membership terminated. The Club shall be the sole judge of what constitutes improper conduct, but will include without limitation: (i) failure to meet eligibility for Membership, (ii) submitting false information on the Membership Application, (iii) allowing his or her Membership card to be used by a non-Member, (iv) failure to pay the required Member Charges or Special Use Fees or any outstanding balance on the Member's Club account in a proper and timely manner, (v) failure to abide by the Rules and Regulations as set forth herein and as established by the Club from time to time, (vi) harassing or abusing other Members, Immediate Family Members, Extended Family Members, guests, Club

personnel, employees or vendors, or (vii) acting in a manner incompatible with the standard of conduct of the existing Membership or in a manner which would likely injure the reputation of the Members or the Club.

Any Member accused of improper conduct shall be notified of such proposed action and shall be given an opportunity to be heard by the Club to show cause why he or she should not be disciplined. If such Member desires to be heard, the Club shall set a time and date (not less than ten days thereafter) for such hearing. Notwithstanding the foregoing, the Club may, without notice and without a hearing, immediately suspend a Member's use privileges and terminate a Member for failure to pay in a proper and timely manner Member Charges, Special Use Fees or any other amounts owed to the Club.

The Club may restrict or suspend a Member, Sub-Member and/or Immediate Family Member, and/or Extended Family Member and/or guests from some or all of the privileges of the Club for such period as the Club deems appropriate. Dues and other obligations shall accrue during such suspension and shall be paid in full before reinstatement of full privileges. No Member or Sub-Member may on account of any restriction, suspension or termination for disciplinary reasons be entitled to any refund of any Club Initiation Fee, Member Charges, Special Use Fees or any other fees or charges.

MEMBERSHIP

A MEMBERSHIP APPLICATION MUST BE MAILED OR DELIVERED TO THE CLUB

Each person who desires a Membership in the Club must mail or deliver to the Club a fully completed and signed Membership Application. The exception would be Community Sub-Members, who will instead complete an Enrollment Form.

REVIEW OF MEMBERSHIP APPLICATION

The Club shall determine from time to time in its sole discretion the Club Memberships that may be available for application by a prospective member. Each person who applies for a Membership in the Club (except for Community Sub-Members) is subject to the approval of the Club. After receiving the Membership Application, the Club will determine whether the applicant has satisfied the relevant conditions of Membership as determined by the Club in its sole and absolute discretion. The Club shall determine, in its sole and absolute discretion, all questions concerning admission and eligibility. Specific decisions shall not be taken as precedent that direct or limit future decisions.

The Club shall not discriminate in any manner against any Member, Immediate Family Member, Extended Family member or guest of a Member, or prospective Member because of any bias prohibited by law. However, the Club may decide on an individual basis what Membership categories may be made available for application by a prospective member. The Club reserves the right to make exceptions to or grant waivers from any provisions of the Membership Application process based on hardship or other reason as the Club deems reasonable, provided such exceptions or waivers shall not act as precedent for other Member's applications or provide any vested rights to a Member or prospective member to the same exception or waiver.

Upon acceptance to Membership, the Club will complete a Membership Orientation with the accepted Members including the signing of all Membership Documents applicable to the Membership category. In the event the Membership Application is not acted upon favorably, the applicant will receive a refund, without interest, of one hundred percent of any Club Initiation Fee paid by the applicant to the Club less a Membership processing fee, and all of the applicant's rights and privileges to use the Club Facilities will cease immediately.

Each Member acquiring a Membership under the Club Membership Plan and each Sub-Member acquiring Sub-Membership Rights under a Community Membership agrees to be bound by the terms and conditions of the Club Membership Plan, as amended from time to time by the Club in its sole and absolute discretion without the requirement of previous notice by the Club. No Member or Sub-Member has any vested contract or property rights under the Club Membership Plan or any other representation, whether oral or written.

MULTIPLE OWNERS, TRUST OR ENTITIES HOLDING TITLE TO RESIDENCES

For the purposes of an applicant for Club Membership meeting the resident only availability requirements for a Club Membership:

(a) if a residence is titled in the name of multiple owners, any of the multiple owners that actually reside in the residence may be deemed to own a residence in the Community for purposes of applying for Membership, provided however, that no more than such four (4) multiple owners may apply for individual resident only Memberships; if, for any reason, one of the multiple owners ceases to meet the above residency requirements, that person shall no longer be deemed to own a residence for purposes of availability of a resident only Membership.

(b) if a residence is titled in the name of a corporation, partnership or limited liability company and all of the outstanding stock, partnership interests, or membership interests of such entity is owned by a single person and that person actually resides in the residence, that person may be deemed to own a residence for purposes of applying for a resident only Membership; if, for any reason, that person ceases to meet the above entity ownership or actual residency requirements, that person shall no longer be deemed to own a residence for purposes of availability of a resident only Membership.

(c) if a residence is held in a trust, the terms of which provide that the person applying for the resident only Membership has the right of exclusive possession and use of such residence and that person actually resides in the residence, that person may be deemed to own a residence for purposes of applying for a resident only Membership. If, for any reason, that person ceases to have the right of exclusive possession and use of that residence, that person shall no longer be deemed to own a residence. If a trust terminates during the lifetime of a person whose residence is in the trust, and if that person, pursuant to a written lease or other agreement with the beneficiaries or trustee of the trust, continue to have the right of exclusive possession and use of the residence after the termination of the trust, that person shall be deemed to qualify as owning a residence for purposes of availability of a resident only Membership.

Any person who desires to utilize the deemed resident provisions above, shall submit to the Club (i) a copy of the deed to the residence, (ii) a copy of the relevant provisions of the entity governing documents meeting the above requirements in sufficient detail to enable the Club

to determine whether the requirements and conditions of this section have been met or an attorney's written statement, satisfactory to the Club, that the requirements and conditions of this section have been fulfilled, and (iii) such other documents, information and attorney's statements or opinions as the Club, in its discretion, may request. If the Club, in its discretion, obtains any advice or assistance in reviewing such submissions, the expense thereof shall be reimbursed to the Club by the applicant.

MEMBERSHIPS IN MULTIPLE NAMES

The Club, in its discretion, may permit a membership to be held jointly or in multiple names. If a Membership is jointly owned or held, the joint owners shall, upon acceptance for Membership, designate one of the joint owners who shall have the exclusive power to exercise, or direct the exercise of, all privileges attendant to the membership and shall be deemed the Member for purposes of this Membership Plan. The identity of the primary designated Member may not be changed during the term of Membership, unless otherwise contemplated herein. The Club may rely upon the direction of the primary designated Member on all matters related to the membership and may disregard any other or contrary directions related to the membership. Upon death of the designated joint owner Member, the non-designated joint owners shall not succeed to the rights of the deceased Member or have any rights to or ownership in the Membership, except to the extent of a spouse or legal partner with Membership privileges as provided under "Transfer of Membership upon the Member's Death" above.

If a Membership in Multiple Names desires Club access for designees beyond the primary designated Member, an additional three designees may be offered the right to use the Club and its amenities. To be considered as an additional designee, the individual must meet the requirements set forth in the "Multiple Owners" section of the Membership Plan. Additional dues requirements per designee will be equal to no less than three (3) months of each calendar year and will be determined from time to time at the discretion of the Club Owner. Dues, fee, and charges may be arranged to be paid directly by the individual designees, however any non-payment responsibility will be held jointly and severally with the primary designated Member. All agreements regarding Memberships in Multiple Names will be reviewed by the Club on an annual basis, and may be adjusted at the discretion of the Club Owner.

The above provisions may apply to Sub-Members at the discretion of the Club, whose rights are set forth in the Community Membership Agreement.

DUES, FEES AND CHARGES

THE MEMBERSHIP YEAR OF THE CLUB IS JANUARY 1 TO DECEMBER 31

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

CLUB MEMBERSHIP FEE SCHEDULES

The Club will determine, from time to time, the amount of Annual Dues and other fees and charges, including food and beverage minimums, tipping charges, valet charges, and other charges applicable to all Members in a Membership category (collectively, "**Member**

Charges") to be paid by Members each year. The Club may also determine, from time to time, Member discounts and benefits (collectively, "**Benefits**") available to any Membership category. The Club reserves the right to establish different Member Charges and Benefits for each Membership category based on different methodologies in the Club's sole and absolute discretion, provided that the Member Charges and Benefits for a Membership category shall not act as precedent for other Members in other Membership categories or provide any vested rights to a Member or prospective Member to the same Member Charges or Benefits amounts or methodologies. Member Charges and Benefits shall be set forth in the Club Membership Fee Schedules published by the Club, which are subject to change by the Club from time to time without prior notice. All Member Charges and Benefits are subject to payment of applicable sales tax.

If a Member, Sub-Member, or their respective Immediate Family Members, Extended Family Member or guests do anything which increases the cost of maintaining or operating the Club, or cause damage to any part of the Club Property, Club Owner may levy additional Member Charges against the Member or Sub-Member in the amount necessary to pay such increased cost or repair such damage.

Club Owner will determine, from time to time, specific service and/or use fees and charges ("**Special Use Fees**"), for which one or more Members or Sub-Member (but less than all Members or Sub-Members) are subject, including food and beverage charges, equipment and merchandise charges, locker rentals, pickleball court fees, use of special services, rental of facilities, catering, and tickets for shows, special events, or performances held in the Club Facilities, and the use of vending machines, video arcade machines and entertainment devices. Special Use Fees shall be payable at such time or time(s) as determined by Club Owner. For those programs or events, if any, for which tickets are sold, Club Owner shall adopt such Rules and Regulations as to entitlement of the tickets as Club Owner deems necessary. All Special Use Fees are subject to payment of applicable sales tax. The Special Use Fees shall be set forth in the Club Membership Fee Schedules published by the Club, which are subject to change by the Club from time to time without prior notice.

ANNUAL DUES ARE PAYABLE ON AN ANNUAL BASIS

Annual Dues shall be due and payable on or before the beginning of the Membership year. Monthly, quarterly or other installment payment options may be made available at the sole and absolute discretion of the Club, with all such payments due prior to the first day of the applicable month and subject to an administrative fee. The Club reserves the right to establish different Annual Dues for each Membership category based on different methodologies in the Club's sole and absolute discretion, provided that the Annual Dues for a Membership category shall not act as precedent for other Members in other Membership categories or provide any vested rights to a Member or prospective member to the same Annual Dues amount or methodology. The failure of any Member to pay Annual Dues or any other Member Charges or Special Use Fees within the prescribed period shall constitute grounds for disciplinary action and exercise of available legal remedies by the Club.

MEMBERS MUST MAINTAIN A CHECKING ACCOUNT AND VALID CREDIT CARD ON FILE

The Club utilizes the automated clearing house (ACH) system electronic debit transfers for payment of all Members' and Sub-Members' Dues, Charges and Special Use Fees, and each Member and Sub-Member by accepting a Membership or Sub-Membership authorizes such

billing by the Club pursuant to the ACH System rules. Notwithstanding such authorization, each Member and Sub-Member remains responsible for payment to the Club of all dues, fees and charges, and that the Club has no duty or obligation to utilize my listed checking account for payment. All Members and Sub-Members shall be required to provide and maintain with the Club a valid checking account and credit card which the Club may keep on file for the payment of Dues, Charges, or Special Use Fees. Members may be provided the option to pay charges in another manner, but the payment of such in no way changes the requirement to maintain a valid account and card on file.

TAXES

Members and Sub-Members shall pay all applicable sales, use or similar taxes and transfer fees and charges now or hereafter imposed on the Club Initiation Fees, Member Charges, Special Use Fees, and other applicable fees and charges to Club Owner. All such applicable sales, use or similar taxes and transfer fees and charges shall be included in the charges billed to the Members by Club Owner.

MEMBERSHIP CARDS MAY BE ISSUED FOR USE OF THE CLUB FACILITIES AND SERVICES

To preserve a proper Club atmosphere for the Members and to protect the integrity of Members' rights, the Club may determine to issue Membership cards to the Members and Sub-Members. At such time, access to the Club Facilities will require use of a Membership card. All Membership card charges will be invoiced to and payable by the Members and Sub-Members monthly. Membership cards do not confer any contract rights on a Member, but are solely an indication of Membership.

CLUB OPERATIONS

MANAGEMENT AND CONTROL OF THE CLUB

The Club shall be under the complete supervision and control of Club Owner unless the Club Owner appoints a third party as Club Manager, in which event Club Manager shall have such supervision and control rights as granted by Club Owner to Club Manager. The Club Owner may terminate any or all Club Memberships in its sole and absolute discretion without cause at any time and from time to time. Upon termination of a Membership by the Club, and subject to the Club Provisions with respect to the Community Membership of the Association, the Club shall refund, without interest, the Club Initiation Fee paid by the Member to the Club and a pro rata portion of any pre-paid Member Charges; except in the event of a disciplinary termination or termination for failure to pay outstanding obligations to the Club, in which event no refund of any kind will be paid to the Member.

BOARD OF GOVERNORS

The Club may, but is not obligated to, establish an advisory Board of Governors whose purpose includes fostering good relations between the Members and the Club, providing the Members with input on programs, plans and activities of the Club, and advising on the Club's policies and Rules and Regulations. The Board of Governors 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 to the Club. The Club will have the final authority

on all matters concerning the Club Facilities and the Members of the Club. The Club may abolish the advisory Board of Governors from time to time, in its discretion.

ADVISORY COMMITTEES

The Club may, but is not obligated to, establish Advisory Committees. Each of these committees will consist of Members of the Club who will be appointed by the Club and who may be removed by the Club. These committees may meet on a regular basis to provide Member input into activities, events and programs related to their areas of interest. No other committees or associations may be established unless designated by the Club. Committees will have no duty or power to act on behalf of the Club, its management or the Members and Sub-Members of the Club and **shall serve only in an advisory capacity to the Club**. The Club will have the final authority on all matters concerning the Club Facilities and the Members and Sub-Members of the Club.

OPERATING AND CAPITAL ASSESSMENTS

NO OPERATING OR CAPITAL ASSESSMENTS

Members will not be subject to any operating or capital assessments. Except for Club Initiation Fees, Member Charges, Special Use Fees, late fees, taxes, interest and penalties, and other fees and charges identified in this Club Membership Plan, Members will not be subject to assessment for the costs of operating the Club Facilities. In addition, Members will not be subject to any capital assessment for the costs of constructing the Club Facilities. The Company is responsible for all operations of the Club, and is entitled to retain all surplus revenues and profits from the operation of the Club.

Club Owner shall have no duty to account to the Members for any Club Initiation Fees, Member Charges or Special Use Fees, which shall be the sole property of Club Owner.

TRANSFER OF CLUB OR CLUB FACILITIES

SALE TO THIRD PARTY

The Club Owner may sell, encumber, transfer or convey the Club or any or all the Club Facilities to any person or entity in its sole and absolute discretion at any time, and from time to time (the “**Third Party Transfer**”). A Third-Party Transfer shall not require the consent or approval of any Club Member.

SALE TO AFFILIATES OF CLUB

The Club Owner may sell or otherwise transfer the Club or any of the Club Facilities to any one or more of its affiliates at its sole and absolute discretion at any time (an “**Affiliate Transfer**”). An Affiliate Transfer shall not require the consent or approval of any Club Member. The affiliates of the Club shall include any of Club’s owners, and their successors, assigns, partners, directors, officers, employees and shareholders.

TERMINATION RIGHTS OF CLUB OWNER; INTERRUPTION OF SERVICE

The Club Owner, and its successors and assigns, may terminate the Club Membership Plan and/or may terminate or recall any or all Club Memberships in its sole and absolute discretion at any time and from time to time. Upon termination of the Club Membership Plan, the Club Owner shall refund to the then existing Club Members the Club Initiation Fees paid by the Club Members to the Club, without interest, together with a pro rata portion of any pre-paid Member Charges and Special Use Fees paid to the Club. Except as provided above with respect to termination for disciplinary reasons or failure to pay outstanding debts to the Club, upon termination or recall of a Club Membership, the Club Owner shall refund to the then existing Club Member the Club Initiation Fee paid by the Club Member to the Club, without interest, together with a pro rata portion of any pre-paid Member Charges and Special Use Fees paid to the Club.

The Club Owner shall not be liable for, from and against, and the Members and Sub-Members assume all risks that may occur by reason of, any condition or occurrence, Including damage to the Club Facilities on account of casualty, water or the bursting or leaking of any pipes or waste water about the Club Property, or from any act of negligence of any other person or entity, or fire, or tornado, or other act of God, or from any cause whatsoever. No Member shall be entitled to terminate the Club Membership Plan and there shall be no abatement in payment of Member Charges during casualty or reconstruction unless substantially all portions of the Club Facilities are not available for use during casualty or reconstruction. In that event, Member Charges with respect to use of the unavailable Club Facilities will be abated for any time such Club Facilities are not available for use after the initial sixty (60) days of closure.

OTHER MEMBERSHIPS AND PRIVILEGES IN THE CLUB

HONORARY MEMBERSHIPS

The Club Owner may issue Honorary Memberships to such persons and entities as the Club Owner determines appropriate from time to time. All such Memberships will be in addition to all other Memberships and will be available on such individualized terms and conditions as may be determined by the Club Owner from time to time.

RECIPROCAL CLUB PRIVILEGES

The Club Owner may determine from time to time to provide reciprocal Club use rights to members of other clubs and organizations, Including affiliated Trilogy club and community members ("**Reciprocal Guests**"). Such reciprocal use rights shall be on such terms and conditions as may be determined by the Club from time to time, and may be withdrawn at any time without notice to the Club Members.

NON-MEMBER USE

The Club Owner may permit the public, Reciprocal Guests and corporate groups ("**Non-Members**") to use the Club Facilities on such terms and conditions as the Club Owner determines appropriate. The Club Owner may permit charitable events, social events and corporate outings on the Club Facilities from time to time. The Club Owner reserves the right to eliminate or restrict use of the Club Facilities by Non-Members in its sole and absolute discretion.

THE CLUB OWNER MAY USE THE CLUB FACILITIES FOR MARKETING AND PROMOTIONAL PURPOSES

The Club Owner will have the right to designate other persons, including officers, directors, partners, employees, vendors and designees of the Club 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 Owner. The Club Owner will also have the right to permit developers or prospective purchasers of residential units or lots in the Community to use the Club Facilities on such terms and conditions as may be determined from time to time by the Club Owner. The Club Owner reserves the right, in its sole and absolute discretion, to restrict or otherwise reserve in advance the Club Facilities for maintenance, Non-Member use, tournament, charitable events, social events, corporate outings and other special events from time to time.

THE CLUB OWNER MAY USE THE CLUB FACILITIES FOR COMMERCIAL BUSINESS PURPOSES

It is anticipated that portions of the Club Property may include retail and commercial space ("**Commercial Space**") as Club Owner may deem appropriate in Club Owner's sole and absolute discretion. Club Owner may permit Members to access any Commercial Space located within the Club Property at Club Owner's sole and absolute discretion. Club Owner may grant leases, franchises, licenses or concessions to commercial concerns on all or part of the Club Property including the Commercial Space ("**Commercial User**"). Club Owner shall have no duty to account to the Members or Sub-Members for any rents, fees or payments from Commercial User(s) or other third parties for the right to occupy and/or lease such Commercial Space; all of such rents, fees and payments, if any, shall be the sole property of Club Owner and shall not offset or reduce the Member Charges or Special Use Fees payable by Members except as may be provided in the Club Provisions.

INTERPRETATIONS/QUESTIONS

In the event that there is any ambiguity or question (collectively, a "**Query**") regarding, resulting from, arising out of or in way related to the Club, Membership in the Club, use of Club Facilities, Club operations, the provisions of the Club Membership Plan, the Club Provisions, Rules and Regulations, or any portion of the Membership Package, such Query shall first be submitted to the Club Owner for resolution. If the Club Owner, in its sole and absolute discretion, obtains legal, tax or accounting advice or assistance in (i) replying to a Query or (ii) in reviewing any documentation, legal opinion or other information submitted to the Club Owner by or on behalf of a Member or Sub-Member, the Member or Sub-Member shall reimburse the Club for its expense in obtaining such advice or assistance. Before obtaining any such advice or assistance, the Club Owner shall notify the Member of its intention to do so, and the Member and Sub-Member shall not be obligated to reimburse the Club Owner for its expense thereof if the Member or Sub-Member, within fifteen days after the Club's notification, withdraws his/her request for an interpretation or exception or withdraws any documentation, legal opinion or other information submitted to the Club Owner. Club Owner's interpretation of the Club Membership Plan, Club Provisions, Rules and Regulations, and any portion of the Membership Package and its resolution of any Query shall be conclusive and binding on the Members and Sub-Members. Therefore, and in order to ensure that the Members and Sub-Members abide by Club Owner's determination, in the event that any Member or Sub-Member disputes the Club Owner's interpretation and resolution and thereafter initiates a dispute resolution proceeding as provided below, such Member or Sub-Member shall bear all legal expenses of both the Member or Sub-Member and the Club Owner, including all attorney's fees, paraprofessional fees and costs at trial and upon

appeal, regardless of the outcome of such proceedings or which party prevails. If Washington law would determine that this provision is unenforceable or would require a reciprocal application for a prevailing party, then, in that event, each party to a dispute will bear its own attorney's fees, paraprofessional fees and costs. To maintain the harmony of the Club and enjoyment of the Club by all Members and Sub-Members not submitting a Claim, the Club Owner and each Member and Sub-Member agree that neither will bring a class action against the other or any other action on behalf of or against any other Member or Sub-Member not submitting a claim.

MANDATORY DISPUTE RESOLUTION

Any controversy, dispute, or claim (collectively "**Dispute**") regarding, resulting from, arising out of or in way related to the Club, Membership in the Club, use of Club Facilities, Club operations, the provisions of the Club Membership Plan and Rules and Regulations, any portion of the Membership Package, or the Club Owner's response to a Query, shall be governed by the mandatory dispute resolution procedures set forth below.

Notice. In the event that Club Owner or a Member, Sub-Member or Non-Member has a Dispute, it shall notify the applicable party (the "**Notified Party**") in writing of the claim, which writing shall describe the nature of the claim and any proposed remedy (the "**Dispute Notice**").

Preliminary Meeting. Within a reasonable period after receipt of the Dispute Notice, which period shall not exceed sixty (60) days, the Notified Party and the claimant shall meet at the Club Facilities to discuss the Dispute. The parties shall negotiate to resolve the Dispute.

Mediation. If the parties to the Dispute fail to resolve the Dispute by negotiation within ninety (90) days after delivery of the Dispute Notice, the matter shall be submitted to mediation pursuant to the Mediation Rules of the American Arbitration Association applicable to Club disputes (except as such procedures are modified by these provisions or such other mediation service selected by the Notified Party). The claimant who delivered the Dispute Notice shall have until one hundred twenty (120) days after the date of delivery of the Dispute Notice to submit the Dispute to mediation. If the claimant who delivered the Dispute Notice fails to timely submit the Dispute to mediation, then the Dispute of the Person who delivered the Dispute Notice shall be deemed waived and abandoned and all applicable parties shall be relieved and released from any and all liability relating to the Dispute. No person shall serve as a mediator in any dispute in which the person has any financial or personal interest in the result of the mediation, except by the written consent of all parties. Prior to accepting any appointment, the prospective mediator shall disclose any circumstances likely to create a presumption of bias or to prevent a prompt commencement of the mediation process. No litigation or other action shall be commenced against the Notified Party or any applicable party without complying with the procedures described above.

(i) **Position Memoranda; Pre-Mediation Conference.** Within ten (10) days of the selection of the mediator, each party shall submit a brief memorandum setting forth its position with regard to the issues that need to be resolved. The mediator shall have the right to schedule a pre-mediation conference and all parties shall attend unless otherwise agreed. The mediation shall be commenced within ten (10) days following the submittal of the memoranda and shall be concluded within fifteen (15) days from the commencement of the mediation unless the

parties mutually agree to extend the mediation period. The mediation shall be held in the Club Facilities or such other place as is mutually acceptable by the parties.

(ii) Conduct of Mediation. The mediator has discretion to conduct the mediation in the manner in which the mediator believes is most appropriate for reaching a settlement of the Dispute, consistent with the mediation rules applicable to the Dispute. The mediator is authorized to conduct joint and separate meetings with the parties and to make oral and written recommendations for settlement. Whenever necessary, the mediator may also obtain expert advice concerning technical aspects of the Dispute, provided the parties agree and assume the expenses of obtaining such advice. The mediator does not have the authority to impose a settlement on the parties.

(iii) Exclusion Agreement. Any admissions, offers of compromise or settlement negotiations or communications at the mediation shall be excluded in any subsequent dispute resolution forum.

(iv) Parties Permitted at Sessions. Persons other than the parties, the representatives and the mediator may attend mediation sessions only with the permission of both parties and the consent of the mediator. Confidential information disclosed to a mediator by the parties or by witnesses in the course of the mediation shall be confidential. There shall be no stenographic record of the mediation process.

(v) Mediation Expenses. All expenses of the mediation, including the fees and costs charged by the mediator and the expenses of any witnesses or the cost of any proof or expert advice produced at the direct request of the mediator, shall be borne equally by the parties unless they agree otherwise. Each party to the mediation shall bear its own attorneys' fees and costs in connection with such mediation.

Arbitration. Should mediation not be successful in resolving any Dispute, then the claimant who delivered the Dispute Notice shall have ninety (90) days after the date of termination of the mediation to submit the Dispute to binding arbitration. If timely submitted, such Dispute shall be resolved by binding arbitration in accordance with the Arbitration Rules of the American Arbitration Association applicable to Club disputes. If the claimant who delivered the Dispute Notice fails to timely submit the claim to arbitration within the ninety (90) day period, then the Dispute of the claimant who delivered the Dispute Notice shall be deemed waived and abandoned and all applicable parties shall be relieved and released from any and all liability relating to the Dispute. A claimant with any Dispute may only submit such Dispute in arbitration on such Person's own behalf. No claimant may submit a Dispute in arbitration as a representative or member of a class and no Dispute may be arbitrated as a class action. All parties and any claimant submitting a Claim Notice (collectively, the "**Bound Parties**"), agree that all Disputes that are not resolved by negotiation or mediation shall be resolved exclusively by arbitration conducted in accordance with this subsection, and waive the right to have the Dispute resolved by a court, including the right to file or participate in a legal action as the representative or member of a class or in any other representative capacity. The parties shall cooperate in good faith to attempt to cause all necessary and appropriate parties to be included in the arbitration proceeding. Except as provided in this subsection, the arbitrator shall have the authority to try all issues, whether of fact or law.

(i) Place. The proceedings shall be heard in the Club Facilities.

(ii) Arbitrator. A single arbitrator shall be selected in accordance with the rules of the American Arbitration Association from panels maintained by the Association with experience in relevant club matters. The arbitrator shall not have any relationship to the parties or interest in the Project. The parties to the Dispute shall meet to select the arbitrator within ten (10) days after service of the demand for arbitration on all respondents named therein.

(iii) Commencement and Timing of Proceeding. The arbitrator shall promptly commence the proceeding at the earliest convenient date in light of all of the facts and circumstances and shall conduct the proceeding without undue delay.

(iv) Pre-hearing Conferences. The arbitrator may require one or more pre-hearing conferences.

(v) Discovery. The parties shall be entitled only to limited discovery, consisting of the exchange between the parties of only the following matters: (a) witness lists; (b) expert witness designations; (c) expert witness reports; (d) exhibits; (e) a maximum of two depositions per party, and (g) hearing briefs. Any other discovery shall be permitted by the arbitrator upon a showing of extenuating circumstances with the direction to the arbitrator that the granting of additional discovery is discouraged by the parties. The arbitrator shall oversee discovery and may enforce all discovery orders in the same manner as any trial court judge.

(vi) Motions. The arbitrator shall have the power to hear and dispose of motions, including motions to dismiss, motions for judgment on the pleadings and summary judgment motions, in the same manner as a trial court judge, except the arbitrator shall also have the power to adjudicate summarily issues of fact or law including the availability of remedies, whether or not the issue adjudicated could dispose of an entire cause of action or defense.

(vii) Arbitration Award. Unless otherwise agreed by the parties, the arbitrator shall render a written arbitration award within thirty (30) days after conclusion of the arbitration hearing. The arbitrator's award may be enforced in a Washington court as provided for under Washington law governing enforcement of awards as is applicable in the jurisdiction in which the arbitration is held, or, as applicable, pursuant to the Federal Arbitration Act (Title 9 of the United States Code).

(viii) Arbitration Expenses. All expenses of the arbitration, including the fees and costs charged by the arbitrator and the expenses of any witnesses or the cost of any proof or expert advice produced at the direct request of the arbitrator, shall be borne equally by the parties unless they agree otherwise. Each party to the arbitration shall bear its own attorneys' fees and costs in connection with such arbitration.

ASSUMPTION OF RISK AND INDEMNIFICATION

EACH MEMBER, SUB-MEMBER, IMMEDIATE FAMILY MEMBER, EXTENDED FAMILY MEMBER AND GUEST, RECIPROCAL GUEST AND NON-MEMBER AGREES (COLLECTIVELY, "INDEMNIFYING PARTIES"), TO THE GREATEST EXTENT PROVIDED BY LAW, TO INDEMNIFY AND HOLD HARMLESS CLUB OWNER AND CLUB MANAGER, THEIR RESPECTIVE OFFICERS, PARTNERS, OWNERS, AGENTS, EMPLOYEES, AFFILIATES, DIRECTORS AND ATTORNEYS, AND CLUB COMMITTEE MEMBERS (COLLECTIVELY, "INDEMNIFIED PARTIES") FOR, FROM AND AGAINST ALL ACTIONS,

INJURY, CLAIMS, LOSS, LIABILITY, DAMAGES, COSTS AND EXPENSES OF ANY KIND OR NATURE WHATSOEVER ("**LOSSES**") INCURRED BY OR ASSERTED AGAINST ANY OF THE INDEMNIFIED PARTIES FROM AND AFTER THE DATE HEREOF, WHETHER DIRECT, INDIRECT, OR CONSEQUENTIAL, AS A RESULT OF, ARISING OUT OF, OR IN ANY WAY RELATED TO MEMBERSHIP IN THE CLUB, THE USE OF THE CLUB AND CLUB FACILITIES BY THE INDEMNIFYING PARTIES, THE USE OF THE CLUB BY THIRD PARTIES, IMMEDIATE FAMILY MEMBERS, EXTENDED FAMILY MEMBERS AND THEIR GUESTS, OR THE INTERPRETATION OF THE CLUB PROVISIONS, THE CLUB MEMBERSHIP PLAN, THE RULES AND REGULATIONS AND/OR ANY PORTION OF THE CLUB MEMBERSHIP PACKAGE, AND/OR FOR, FROM AND AGAINST ANY ACT OR OMISSION OF THE CLUB OR OF ANY OF THE INDEMNIFIED PARTIES, BUT EXCLUDING, AS TO ANY INDEMNIFIED PARTY, LOSSES CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTY. LOSSES SHALL INCLUDE THE DEDUCTIBLE PAYABLE UNDER ANY OF THE CLUB'S INSURANCE POLICIES.

IN ADDITION TO AND NOT IN LIMITATION OF THE FOREGOING, EACH OF THE INDEMNIFYING PARTIES WHO, IN ANY MANNER, MAKES USE OF OR ACCEPTS THE USE OF ANY APPARATUS, APPLIANCE, FACILITY, PRIVILEGE OR SERVICE WHATSOEVER OWNED, LEASED, LICENSED OR OPERATED BY THE CLUB, INCLUDING THE USE OF GOLF CARTS, OR WHO ENGAGES IN ANY CONTEST, GAME, FUNCTION, EXERCISE, COMPETITION, CLASS, SPA SERVICE, OR OTHER ACTIVITY OR SERVICE OPERATED, ARRANGED OR SPONSORED BY THE CLUB, EITHER ON OR OFF OF THE CLUB FACILITIES (COLLECTIVELY, "**CLUB ACTIVITIES**"), SHALL DO SO AT THEIR OWN RISK. EACH OF THE INDEMNIFYING PARTIES SHALL HOLD HARMLESS EACH OF THE INDEMNIFIED PARTIES FROM ANY AND ALL LOSSES, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, AS A RESULT OF, ARISING OUT OF, OR IN ANY WAY RELATED TO CLUB ACTIVITIES.

THE TERMS OF THIS SECTION SHALL SURVIVE TERMINATION OF THE CLUB MEMBERSHIP PLAN, THE CLUB PROVISIONS AND MEMBERSHIP IN THE CLUB.

DEFINITIONS

In addition to the terms defined elsewhere in this Club Membership Plan, the following terms shall have the meanings specified below:

"**Annual Dues**" shall mean the annual dues paid by a Member to Club Owner for the purpose of obtaining access to limited recreational use of the Club Facilities.

"**Association**" shall mean Whitman Community Association, Inc., its successors and assigns, the property owners association governing the Community.

"**Club**" shall mean the Club Property, subject to additions and deletions made by Club Owner from time to time as provided in the Club Plan. The Club may be comprised of one or more parcels of land, which may or may not be connected or adjacent to one another.

"**Club Facilities**" shall mean the improvements and tangible and intangible personal property which Club Owner shall actually have constructed and/or made available to Members pursuant to the Club Plan. THE CLUB FACILITIES ARE SUBJECT TO CHANGE AT ANY TIME AT CLUB OWNER'S SOLE AND ABSOLUTE DISCRETION.

“Club Initiation Fees” shall mean the fees to be paid by the Members to the Club to enable the Members to acquire Memberships from the Club.

“Club Manager” shall mean the entity operating and managing the Club, at any time, together with its officers, owners, members, employees and agents. The Club Owner or any of its affiliates may be Club Manager. The Club Owner reserves the right to designate the Club Manager in Club Owner’s sole and absolute discretion.

“Club Membership” or **“Membership”** shall mean the non-exclusive license rights provided to a Member pursuant to the Club Membership Plan.

“Club Membership Plan”, **“Membership Plan”**, or **“Club Plan”** shall mean the Club Membership Plan, together with all amendments and modifications thereto as made by Club Owner from time to time in its discretion.

“Club Owner” shall mean the owner of the Club Property and any of its designees, successors and assigns who receive a written assignment of all or some of the rights of Club Owner hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Club Owner but may exercise such rights of Club Owner specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Club Owner may change from time to time (i.e., the Club Owner may sell the Club Property to a third party). Notwithstanding that Club Owner and the Declarant may be the same party, affiliates or related parties from time to time, each Member acknowledges that Club Owner and the Declarant shall not be considered being one and the same party, and neither of them shall be considered the agent or partner of the other. At all times, Club Owner and Declarant shall be considered separate and viewed in their separate capacities. No act or failure to act by Declarant(s) shall at any time be considered an act of Club Owner and shall not serve as the basis for any excuse, justification, waiver or indulgence to the Members with regard to their prompt, full, complete and continuous performance of their obligations and covenants hereunder.

“Club Property” shall mean the Club Real Property and the Club Facilities.

“Club Real Property” shall initially mean the real property described on Exhibit F attached hereto and made a part hereof. THE CLUB REAL PROPERTY IS SUBJECT TO CHANGE AT ANY TIME AT CLUB OWNER’S SOLE AND ABSOLUTE DISCRETION. Club Property shall include any real property designated by Club Owner as part of the Club Property by amendment to the Club Membership Plan, which amendment shall not require the approval or consent of the Members.

“Community” shall have the meaning set forth in the Declaration.

“Community Membership Agreement” shall mean the Membership Agreement entered into between the Club and the Association.

“Declarant” shall mean SH AA Tehaleh, LLC.

“Declaration” shall mean that certain Declaration of Covenants, Conditions and Restrictions for Whitman Community Association, recorded in the Public Records, as it shall be amended or modified or supplemented from time to time.

“Domestic Partner” shall mean a cohabitating adult in a romantic relationship with the Member.

“Extended Family Members” shall mean parents; children of the Member or Sub-Member, children of the spouse of the Member or Sub-Member, children of the domestic partner of the Member or Sub-Member, or any children of a person otherwise qualifying as an Immediate Family Member; grandparents and grandchildren of the Member or Sub-Member and spouse, and the spouses of such extended family members; and siblings of the Immediate Family Member(s).

“Founders Member” is a term used to refer to a Sub-Member under a Community Membership Agreement that signed a purchase sales agreement on or before August 1, 2014. Privileges are equal to that of a sub-community member.

“Immediate Family Members” shall mean the spouse or Domestic Partner of the Member or Sub-Member. If a Member or Sub-Member is unmarried, the Member or Sub-Member may designate one other person who is living with such Sub-Member on a permanent basis in the Residential Unit as an Immediate Family Member.

“Including” shall mean including, but not limited to.

“Member” shall mean each person or entity that Club Owner issues Club Memberships to from time to time, on such terms and conditions as determined in the sole and absolute discretion of Club Owner.

“Membership” shall include the Member and the Member’s Immediate Family Member.

“Public Records” shall mean the Official Records of Pierce County Auditor, Pierce County, Washington.

“Resident Member” is a term used to refer to a Sub-Member under a Community Membership Agreement that became a member of the Association acquiring the Community Membership after August 1, 2014.

“Sub-Member” shall mean each owner or member of a property owners’ association entity which holds a Community Membership.

“Sub-Membership Rights” shall mean non-exclusive license rights deriving from the Association’s Community Membership which provides for each Sub-Member to utilize the Club Facilities as provided in the Club Membership Plan and the Community Membership. Sub-Members shall have no rights independent of the sub-rights provided under the Community Membership.

EXHIBIT "A"

Special Provisions Pertaining to Community Members

PRIVILEGES OF COMMUNITY MEMBERS

A Community Membership includes Sub-Membership use rights for every owner in the Community and member of the Community Association. The Community Membership privileges shall be set forth in the Community Membership Agreement and shall provide non-exclusive license rights for every owner in the Community and member of the Association, together with such additional privileges as may be granted by Club Owner from time to time.

MEMBERS CHARGES FOR COMMUNITY MEMBERS

The Association's Community Member Club Initiation Fees and Member Charges shall be determined as set forth in the Community Membership Agreement. Additional Community Memberships, if issued by the Club Owner, shall be treated in substantially the same manner as set forth for the Community Association in the Club Plan.

LIMITS ON SUB- MEMBERS

There is no current limit on Community Memberships or the number of Sub-Members. The currently anticipated number of Sub-Members is approximately (850) Sub-Members.

INDEMNITY/WAIVER AND RELEASE OF CLUB OWNER

Sub-Members, Immediate Family Member and guest of the same agree to accept any and all risks of injury sustained using the Club Facilities or while involved in any event or activity incident to Sub-Membership in the Club. Each Sub-Member shall execute a waiver, indemnity and release for Club Owner in the form provided by Club Owner. The Association acknowledges that the execution of such waiver, indemnity and release by a Sub-Member is a pre-condition for the Sub-Member exercising its Sub-membership rights. Notwithstanding anything in the Club Plan to the contrary, the Association shall not be liable for any Sub-Member's indemnification obligation to Club Owner under this Section.

The provisions included on this Exhibit are part of the Club Membership Plan. Community Members and Sub-Members should consult the body of the Club Membership Plan and the Club Provisions, in addition to this Exhibit for the terms and conditions of Membership in the Club.

EXHIBIT "B"

Special Provisions Pertaining to Invitational Members

PRIVILEGES OF INVITATIONAL MEMBERSHIP

An Invitational Membership shall entitle the Member to use all of the Club Facilities in a fashion roughly equivalent to a Sub-Member of a Community Membership.

AVAILABILITY

Invitational Memberships are available only to persons who are not Sub-Members under a Community Membership.

PAYMENT OF ANNUAL DUES

Invitational Members shall pay dues as determined by the Club from time to time.

INITIATION FEES

Invitational Members shall pay a non-refundable Initiation Fee as determined by the Club from time to time.

REFUND

Invitational Members shall not be eligible to receive an Initiation Fee refund.

LIMITS ON INTERNATIONAL MEMBERSHIPS

The initial limit on Invitational Memberships is 25 members.

The provisions included on this Exhibit are part of the Club Membership Plan. Invitational Members should consult the body of the Club Membership Plan in addition to this Exhibit for the terms and conditions of Membership in the Club.

EXHIBIT "C"

Special Provisions Pertaining to Dining Members

PRIVILEGES OF DINING MEMBERSHIP

A Dining Membership shall entitle the Member to use the dining facilities at the Club and the ability to reserve Club function facilities for social events.

AVAILABILITY

Dining Memberships are available to any person other than a Sub-Member under a Community Membership.

INITIATION FEES

Dining Members shall pay an annual fee as determined by the Club from time to time.

LIMITS ON DINING MEMBERSHIPS

The total of Dining Memberships and active Community Sub-Memberships is expected to be roughly one thousand memberships, subject to adjustment from time to time based on usage.

The provisions included on this Exhibit are part of the Club Membership Plan. Dining Members should consult the body of the Club Membership Plan in addition to this Exhibit for the terms and conditions of Membership in the Club.

EXHIBIT "D"

Special Provisions Pertaining to Honorary Members

PRIVILEGES OF HONORARY MEMBERSHIP

The Privileges for each Honorary Membership shall be set forth by the Club in a Terms and Conditions Addendum on a member by member basis, which Privileges may be revised by the Club in its discretion from time to time. The Terms and Conditions Addendum may vary for each Honorary Membership.

INITIATION FEE

As determined by the Club

ANNUAL DUES

As determined by the Club

AVAILABILITY

Honorary Memberships may be issued to any person or position at the Club's discretion.

REVOCATION/ RESIGNATION

The Club may revoke the Honorary Membership at any time. Upon revocation or resignation, an Honorary Member shall not be entitled to any payment from the Club.

LIMITS ON HONORARY MEMBERSHIPS

The initial limit on Honorary Memberships is 20 members.

The provisions included on this Exhibit are part of the Club Membership Plan. Honorary Members should consult the body of the Club Membership Plan in addition to this Exhibit for the terms and conditions of Membership in the Club.

EXHIBIT "E"

CLUB MEMBERSHIP FEE SCHEDULE

Initiation Fees

The Community Membership Initiation Fee is currently \$7,500.

The Dining Membership Initiation Fee is currently \$150 annually, of which \$25 is provided as a dining credit in the restaurant.

Annual Dues

The Community Membership Annual Dues are currently \$2,107; these dues are collected monthly at \$176/month.

Fitness Class & Private Training Fees

Participating Members may be charged fees for instructional classes including yoga, Pilates, spin, and the like. Participating Members may be charged fees for private training.

Food & Beverage Minimum

The Club may, but does not expect to implement, a food & beverage minimum.

Guest Fees

Guest use fees for those not included in the Membership are defined below:

Guest Rate One - Extended family*

- \$5 daily pass
- \$25 weekly pass
- \$75 monthly pass

Guest Rate Two - All other guests**

- \$10 daily pass
- \$50 weekly pass
- \$175 monthly pass

Guest rates include privileges for the guest, spouse, and children 17 years of age and younger.

** Extended Family members age 9 & younger are not required to pay guest fees, though access may be limited at times*

***Non-family children age 4 & younger are not required to pay guest fees, though access may be limited at times*

Guest fees may either be billed by the Club on the monthly statement or purchased upon consumption by the member or guest.

Guest fees are required for use of all courts and fitness areas, including the pools, locker room, or any of the fitness studios. All other areas of the Club are considered to be accessible by accompanied guests because they either are not space-restricted or they require a purchase (example being the restaurant).

ALL FEES, CHARGES AND DUES ARE SUBJECT TO CHANGE AT ANY TIME AND FROM TIME TO TIME IN ACCORDANCE WITH THE CLUB MEMBERSHIP PLAN.

EXHIBIT "F"

LEGAL DESCRIPTION OF THE INITIAL CLUB REAL PROPERTY

Tract "P" of that Plat Alteration of Tract A and Tract P, Whitman at Cascadia, recorded in Pierce County under Document Number 201311085006