BAY CREEK RESORT & CLUB

MEMBERSHIP PLAN

April '24

BAY CREEK RESORT & CLUB

MEMBERSHIP PLAN OVERVIEW

MEMBERSHIP OPPORTUNITY

This Membership Plan describes the membership opportunities in Bay Creek Resort & Club (the "Club"). The Club is a resort club, located in the Bay Creek at Cape Charles residential community in Cape Charles, Virginia featuring exceptional golf, fitness, beach, racquet, resort and social facilities.

COMMUNITY

The existing Bay Creek at Cape Charles residential community consists of those residences and homesites that are subject to Declaration of Covenants, Conditions and Restrictions for Bay Creek at Cape Charles ("Existing Community Declaration"), dated February 1, 2000, as amended (the "Existing Community"). The new Bay Creek II residential community (the "New Community") will consist of those residences and homesites in the Bay Creek project that are not subject to the Existing Community Declaration, and shall be subject to covenants and restrictions to be recorded in the public records ("New Community Declaration"). The Existing Community and the New Community are collectively referred to as the "Community."

MEMBERSHIP CATEGORIES

The Club offers the following categories of membership: Golf Membership and Sports Membership. The use privileges associated with each category of membership are more fully described in this Membership Plan.

In order to ensure a stable source of revenue for the Club and further the sustainability and long-term success of the Club, which is an integral part of the Community, each owner of a residence or homesite in the New Community pursuant to the New Community Declaration is required to acquire and maintain at least a Sports Membership. In addition, if an owner of a residence or homesite in the Existing Community executes a Membership Covenant ("Membership Covenant"), such owner and each future owner of the residence or homesite is also required to acquire and maintain at least a Sports Membership. Residences and Homesites that are subject to the New Community Declaration or a Membership Covenant are referred to as "Required Membership Properties." Members who acquire Required Membership Properties are referred to as "Required Membership Members"; all other members are referred to as "Non-Required Membership Members."

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 currently offers a number of attractive benefits. A brief description of some of these benefits follows and they are described in greater detail in this Membership Plan:

- **Refundable and Non-Refundable Joining Fee Options**. Members have an option to pay either a refundable membership deposit or non-refundable initiation fee (which is less than the refundable membership deposit) to acquire the membership. In the case of a refundable membership, the membership deposit actually paid for a membership will be refunded after resignation and reissuance of the membership (less a 20% transfer fee for memberships acquired after January 1, 2020).

- **Family Privileges**. Membership includes family privileges. In the case of Required Membership Members, membership includes the member, his or her spouse (or Significant Other as defined herein) and their children regardless of age, and their parents, grandchildren and grandparents (and the spouses or Significant Others of such family members) who do not own or lease a residence within 20 miles of the Community. Other memberships include the member, his or her spouse or Significant Other and their unmarried children under the age of 25 who are living at home, attending school on a full-time basis or in the military.

- **Resigned Refundable Memberships Reissued Prior to Membership Sell-Out**. Resigned members (who paid a refundable membership deposit) do not have to wait until all new memberships in the Club have been issued before their membership is reissued and they receive their refund. Every fourth membership issued within a category will be a resigned membership from the waiting list.

- **Transferability of Memberships**. Memberships are transferable through the Club to the subsequent purchaser of a member's residence or homesite in the Community.

- **No Assessments**. Members are not subject to either operating or capital assessments.

- **Legacy Transfer**. Members can request the transfer of their membership through the Club.

- **Inheritability**. Upon the death of a member, the membership can be transferred to his or her spouse, adult child or other relative.

- **Lessee Privileges**. Lessees of a member's residence in the Community may enjoy guest privileges in the Club.

- **Bay Creek Mobile App**. Members may maximize their overall Club experience and stay connected by utilizing the Club's Mobile App, allowing members to access the latest Club information, view the current calendar of programs and special events, menu offerings, schedule tee times, sign-up for fitness classes/events and more. The Bay Creek App is available for download from the Apple App Store and Google Plan Store.

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.

APPLICATION PROCEDURE

Each person who desires to become a member must mail or deliver to the Membership Office a fully completed and signed Membership Agreement, along with a check for the required membership deposit or initiation fee. In the event the Application is not acted upon favorably, the membership deposit or initiation fee will be fully refunded, without interest.

Provisions for application and approval of membership do not apply to purchasers of Required Membership Properties who acquire Sports Memberships, unless otherwise determined by the Club.

MEMBERSHIP OFFICE AVAILABLE TO ANSWER QUESTIONS

All inquiries regarding membership in the Club or this Membership Plan and referenced documents should be directed to the Membership Office at: Bay Creek Resort & Club, 1 Clubhouse Way, Cape Charles, VA 23310 or by calling (757) 331-8702. You may also call or visit the Golf Clubhouse. No appointment is necessary.

TABLE OF CONTENTS

MEMBERSHIP FEATURES AND FACILITIES **1**

Introduction 1
Club Facilities 1
Construction of Club Facilities 1
Additional Club Facilities 2
Ownership and Operation of Club Facilities 2

MEMBERSHIP CATEGORIES AND PRIVILEGES **2**

Categories of Membership 2
Golf Membership 2
Sports Membership 3
Rules and Policies 3
Upgrade of Membership 3
Downgrade of Membership 3

NUMBER OF MEMBERSHIPS **3**

FAMILY AND GUEST PRIVILEGES **4**

Vertical Family Privileges for Required Membership Members 4
Immediate Family Privileges for Non-Required Membership Members 4
Privileges for Individual Living with Member 4
Extended Family Privileges for Non-Required Membership Members 4
Guest Privileges 5

LESSEE PRIVILEGES **5**

OFFERING OF MEMBERSHIPS **5**

Offering of Memberships 5
Membership Requirement for Certain Property Owners 5
Reserved Memberships 6
Special Limited Offering to Non-Member Owners 6
Initial Purchasers of Residences or Homesites 6
Membership Privileges Prior to Closing 7
Ownership of Multiple Residences or Homesites 7
Waiting List 7
Multiple Owners of Property 7
Membership Held in Name of Legal Entity 8

MEMBERSHIP DEPOSIT AND INITIATION FEE **8**

Membership Deposit or Initiation Fee Required to Acquire Membership 8
Eligibility Fee Required in Certain Cases 8
Refund of Membership Deposit 9

Member May Continue Refundable Membership at End of Thirty Years 9
Deduction of Amounts Owed to Club 9
Tax Consequences of Acquiring Membership 9

TRANSFER OF MEMBERSHIP 10

Transfer of Membership through Club 10
Transfer Upon Sale of Residence or Homesite 10
Transfer of Refundable Membership Through Waiting List 10
Transfer to New Property Within Community 11
Sale of Residence or Homesite in Community 11
Repurchase of Memberships Under Other Circumstances 12
Transfer During Member's Lifetime 12
Transfer of Membership Upon Death of Member 12
Legal Separation or Divorce 13

DUES AND CHARGES 13

Dues, Fees And Charges 13
No Assessments Against Members 13
Membership Year 14
Payment of Dues by Resigned Member 14

ACKNOWLEDGMENT OF MEMBERSHIP RIGHTS 14

Members' Acknowledgment 14
No Pledge of Memberships 15

MEMBERSHIP AGREEMENT 15

Application Procedure 15
Review of Membership Agreement 15
Rights Governed by Membership Plan 15

OTHER MEMBERSHIPS AND USE PRIVILEGES 16

National Memberships 16
Recallable Memberships 16
Company Memberships 16
Honorary Memberships 16
Reciprocal Privileges 16
Non-Member Play 16
Resort and Rental Guests 17
Promotional Use and Tournament or Group Play 17

CLUB OPERATIONS 17

Management and Operation 17
Advisory Board 17

GENERAL PROVISIONS 18

Protection of Membership Privileges 18

Amended and Restated April 2024

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 Arnold Palmer Signature golf course & 9-hole Jack Nicklaus Signature golf course**. These courses have been designed with tee placements that will be a challenge to the low-handicapper while creating an enjoyable golfing experience for all levels of players. The golf courses at Bay Creek Resort & Club are the focal point of the Club and the Bay Creek at Cape Charles Community as they wind through the residential neighborhoods and villages.

- **Golf practice facilities**. An outstanding practice facility including a driving range, a practice chipping area, and a putting green is located adjacent to the Golf Clubhouse.

- **Golf Clubhouse**. The Golf Clubhouse includes the Coach House Tavern and the Golf Pro Shop. A dining room/event space and day locker rooms are planned.

- **The Bay Creek Life Center**. The Bay Creek Life Center (formerly called the "beach club") includes two outdoor pools, a children's aquatic play area, a state of the art fitness facility overlooking the pools. A kid's camp facility and additional facilities are planned.

- **BaseCamp.** BaseCamp is a place where expeditions start and end. For Bay Creek, BaseCamp will be that and much more as it will be the primary means by which members connect with the stunning natural world that surrounds them. BaseCamp is designed as a special place where you never stop learning, exploring and experiencing. BaseCamp connects you to nature, to food, to art, to all things that nourish the soul. Situated in a pristine forest on the banks of Old Plantation Creek, its Nature Center will be the launching point for all of BaseCamp's multi- generational learning and recreational activities. BaseCamp's programming includes: (i) kayaks and standup paddleboards; (ii) the Nature, Art & Nutrition Center; and (iii) trail systems throughout the property.

- **Racquet Facilities**. Racquet facilities are planned to include six pickleball courts and two tennis courts.

CONSTRUCTION OF CLUB FACILITIES

The golf facilities, Golf Clubhouse and Bay Creek Life Center are completed. Renovations to such facilities as described in the "Club Facilities" section above are

anticipated to be completed by 2025 and will be subject to obtaining the necessary approvals and permits, as well as delays due to severe weather or unforeseen casualty.

ADDITIONAL CLUB FACILITIES

The Club may, in its sole 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.

The Club may, in its discretion, allow all members to use the additional Club Facilities, increase dues for all members or certain categories of membership to pay the additional costs associated with the additional Club Facilities, or give members the option to use the Club Facilities upon payment of an additional membership deposit, initiation fee and/or additional membership dues.

OWNERSHIP AND OPERATION OF CLUB FACILITIES

Bay Creek Resort, LLC, a Virginia limited liability company (the "Company"), doing business as Bay Creek Resort & Club, owns and operates the Club Facilities. The Company has engaged Troon Golf to handle the day-to-day operations of the Club. 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.

MEMBERSHIP CATEGORIES AND PRIVILEGES

CATEGORIES OF MEMBERSHIP

The Club is offering memberships in the following categories: Golf Memberships and Sports Memberships.

The Club may offer certain other memberships and use privileges as described in the "Other Memberships and Use Privileges" provision in this Membership Plan.

GOLF MEMBERSHIP

Golf Members will be entitled to use all of the golf, fitness, racquet, resort and social facilities of the Club subject to the Club's Rules and Regulations and upon payment of the appropriate charges.

Golf Members shall receive unlimited green fees at no charge on the golf courses, but will be required to pay golf cart fees. Golf Members will be entitled to reserve golf starting times 21 days in advance. Golf Members will receive complimentary use of the golf practice facilities and will be eligible for all tournaments hosted by the Club for members, and have restricted walking privileges.

SPORTS MEMBERSHIP

Sports Members will be entitled to use all of the golf, fitness, racquet, resort and social facilities of the Club subject to the Club's Rules and Regulations and upon payment of the appropriate charges, except that the Club may restrict the time of day during which Sports Members may play golf from time to time. Sports Members may play golf upon payment of a preferred green fee and full cart fee. Sports Members may not play golf as a guest of a member. Sports Members will be entitled to reserve golf starting times four days in advance and complimentary use of the golf practice facilities.

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 OF MEMBERSHIP

Members may upgrade to a higher category of membership if the higher category of membership is then available and not reserved. In order to upgrade, the member shall pay to the Club the difference between the membership deposit or initiation fee then charged for the higher category of membership and the membership deposit previously paid by the member for membership. In addition, if the member was required to pay an eligibility fee to acquire the membership, the member will be required to also pay the difference between the then current eligibility fee for the higher category of membership and the eligibility fee previously paid by the member. A refundable Sports Member who wants to upgrade to non-refundable Golf Membership shall be required to waive his or her right to a membership deposit refund.

DOWNGRADE OF MEMBERSHIP

Downgrades of membership will not be permitted for Non-Required Membership Members except in cases of hardship as verified in writing and approved by the Club.

A Golf Member who owns a Required Membership Property may downgrade to Sports Member one time, effective on the first day of the next membership year. The downgrading member will not be required to pay a membership deposit or initiation fee for Sports Membership, and shall not be entitled to any refund of the membership deposit or initiation fee paid for the Golf Membership. If the Golf Membership is refundable, the Golf Membership shall not be deemed resigned as a result of the downgrade, but shall be deemed resigned when the member thereafter resigns the Sports Membership.

NUMBER OF MEMBERSHIPS

There is currently no limit on the number of Golf Memberships or Sports Memberships. The Club may, in its sole discretion, limit the number of memberships available in any category of membership as the Club determines appropriate from time to time.

FAMILY AND GUEST PRIVILEGES

VERTICAL FAMILY PRIVILEGES FOR REQUIRED MEMBERSHIP MEMBERS

The "vertical family" of a Required Membership Member may use the Club Facilities the same as the member. "Vertical family" includes the member's spouse (or Significant Other) and their children regardless of age, and their parents, grandchildren and grandparents (and the spouses or Significant Others of such family members), who do not own or lease a residence within 20 miles of the Community unless the vertical family member co-owns a residence in the Community with the member. Use of the Club Facilities by vertical family (other than immediate family members) is subject to the Club's rules, regulations and policies and submission by the family members of such forms and information as required by the Club. The Club reserves the right to waive the 20 mile restriction on a case by case basis, in its sole and absolute discretion.

IMMEDIATE FAMILY PRIVILEGES FOR NON-REQUIRED MEMBERSHIP MEMBERS

In the case of a Non-Required Membership, a member's immediate family will be entitled to use the Club Facilities on the same basis as the member. A member's immediate family will include the member's spouse or 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.

Golf Members and Sports Members were allowed to pay an individual level of dues prior to January 2020. Those Golf Members and Sports Members who paid individual level of dues for the 2018 to 2019 membership year may continue to pay individual level of dues. If such a member pays the individual level of dues, his or her immediate family members will not have membership privileges but may use the Club Facilities as guests of the member, subject to the Club's Rules and Regulations and policies concerning guest usage. If such a member pays regular dues (instead of individual level of dues) in any membership year, they shall not be permitted to pay only individual level of dues thereafter.

PRIVILEGES FOR INDIVIDUAL LIVING WITH MEMBER

An unmarried member living together with an unmarried individual in the same household as a family unit may designate the other individual on a membership year basis ("Significant Other") to use the Club Facilities to the same extent as a spouse. The member and the designated Significant Other 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 Significant Other to submit such information as the Club deems appropriate.

EXTENDED FAMILY PRIVILEGES FOR NON-REQUIRED MEMBERSHIP MEMBERS

Non-Required Membership Members also have extended family privileges. Such member's extended family will be permitted to use the Club Facilities in accordance with the member's category of membership upon payment of preferred fees. The

extended family shall include the parents, adult children who do not fall within the definition of immediate family, grandparents, and grandchildren of the member and spouse or Significant Other and the spouses or Significant Others of such family members. The Club may modify or terminate this privilege and establish such rules with respect thereto as it may determine from time to time. If a Golf Member is paying the individual level of dues, his or her extended family members may use the Club Facilities as guests of the member, subject to restrictions that may be placed on guest usage.

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.

LESSEE PRIVILEGES

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

OFFERING OF MEMBERSHIPS

OFFERING OF MEMBERSHIPS

Memberships will be offered to initial purchasers of residences or homesites in the Community, and such other persons as the Club determines appropriate.

MEMBERSHIP REQUIREMENT FOR CERTAIN PROPERTY OWNERS

The New Community Declaration requires each owner of a residence or homesite in the New Community to acquire and maintain at least a Sports Membership in the Club. Therefore, each initial and resale purchaser of a residence or homesite in the New Community must submit a Membership Agreement and pay the required membership deposit or initiation fee on or before the closing on the residence or homesite. In addition, if an owner of a residence or homesite in the Existing Community executes a

Membership Covenant, such owner and each future owner of the residence or homesite is also required to acquire and maintain at least a Sports Membership. Residences and Homesites that are subject to the New Community Declaration or a Membership Covenant are referred to as "Required Membership Properties." Members who acquire Required Membership Properties are referred to as "Required Membership Members"; all other members are referred to as "Non-Required Membership Members."

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, except Sports Memberships shall be made available to Required Memberships to Required Membership Properties. The Club may issue a reserved membership to any person who the Club, in its sole discretion, determines appropriate from time to time, including persons who do not own a residence or homesite in the Community.

SPECIAL LIMITED OFFERING TO NON-MEMBER OWNERS

The Club plans to offer Golf Memberships and Sports Memberships to owners of residences and homesites in the Existing Community who are not Club members ("Existing Non-Member Owners") during a to be scheduled limited offering period in 2020 ("Special Offering"), on preferred terms to be set forth in their Membership Agreements. If an Existing Non-Member Owner who does not acquire at least a Sports Membership during the Special Offering or his or her subsequent property purchaser desires a Club membership thereafter, he or she may acquire the Club membership only if available and not reserved, and only upon payment of the then current membership deposit and initiation fee, plus the then current eligibility fee, as described in the "Eligibility Fee Required in Certain Circumstances" section of this Membership Plan.

INITIAL PURCHASERS OF RESIDENCES OR HOMESITES

Each initial purchaser of a Required Membership Property is required to acquire at least a Sports Membership at the closing of purchase of the Required Membership Property pursuant to the New Community Declaration and may apply for a Golf Membership prior to the closing. If an initial purchaser does not acquire at least a Sports Membership prior to the closing, the Club shall have such rights and remedies as set forth in the New Community Declaration, including obtaining a court order mandating that the purchaser acquire a Club Membership. In addition, an initial purchaser who does not acquire at least a Sports Membership prior to closing desires a Club membership thereafter, he or she shall be required to pay the then current membership deposit and initiation fee, plus the then current eligibility fee, to acquire the membership. Any initial purchaser who does not apply for a Golf Membership prior to the closing may apply for a Golf Membership at a later date only if one is available and not otherwise reserved by the Club. 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 or initiation fee, 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 or initiation fee 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 can acquire a membership for each residence or homesite for which membership privileges are desired, and is required to acquire a membership for each Required Membership Property. 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 acquire a membership if the purchaser is to be permitted to use the Club Facilities. 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 approved for membership. The Club reserves the right to implement in its sole and absolute discretion an inactive dues program for additional homesites owned by a member on such terms and conditions determined by the Club and may modify or terminate such program.

WAITING LIST

If memberships are not available, the Club will establish a waiting list of those persons who have notified the Club in writing of their desire to purchase a membership. Property owners in the Community will have priority over non-property owners to acquire any available memberships.

MULTIPLE OWNERS OF PROPERTY

In the event a residence or homesite is owned by more than one person (other than spouses), it is anticipated that only one Golf Membership will be reserved for the initial purchaser of each residence or homesite as long as Golf Memberships are available. A member may arrange for up to three additional owners of the member's residence in the Community ("Additional Owners") to have privileges in the same or lower category of

membership as the member, subject to approval of the additional owner by the Club, upon payment of 100% of dues applicable to such category by each such additional owner.

MEMBERSHIP HELD IN NAME OF LEGAL ENTITY

For the convenience of members, a membership may be held in the name of a corporation, partnership, trust or other form of multiple ownership (collectively, the "entity"). The entity must designate one or more individuals who will have the right to use the membership. The designated individual or family may be changed with the permission of the Club. The entity may designate up to four users, but each designated individual or family must pay the required dues, fees and charges. The primary user must pay full dues. The Club currently charges additional users 100% of full dues if the entity owns a residence or homesite in the Community. Each designated user must submit a Membership Agreement and will be subject to the approval of the Club. The designated user(s) must be a bona fide significant member, partner or shareholder of the entity, or a beneficiary, trustee or settlor of the entity if the membership is held in the name of a trust, and must pay the required dues, fees and charges. The Club may adopt rules and policies regarding the designation of users and require the entity and designated users to provide information and documentation to verify eligibility for membership and designated user privileges.

MEMBERSHIP DEPOSIT AND INITIATION FEE

MEMBERSHIP DEPOSIT OR INITIATION FEE REQUIRED TO ACQUIRE MEMBERSHIP

Golf Memberships and Sports Memberships may be issued as either "Refundable Memberships" or a "Non-Refundable Memberships."

Each person who desires to acquire a Refundable Membership will be required to pay a membership deposit determined by the Club from time to time. 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 the Membership Agreement.

Each person who desires to acquire a Non-Refundable Membership will be required to pay an initiation fee determined by the Club from time to time. Initiation fees for Non-Refundable Memberships will not be refunded to the member, whether after resignation, death, 30 years after the date the membership is issued by the Club, or otherwise.

ELIGIBILITY FEE REQUIRED IN CERTAIN CASES

The following persons shall be required to pay an eligibility fee in addition to a membership deposit or initiation fee in order to acquire a Club membership, in an amount established by the Club from time to time: (i) an owner of a residence or homesite in the Community who fails to acquire at least a Sports Membership during the time period when one is made available to him or her, whether an Existing Non-

Member Owner during the Special Offering, an initial property purchaser prior to closing on the residence or homesite purchase, or the subsequent purchaser from a member during the 30 day period following the closing of the purchase; (ii) an owner of a residence or homesite in the Community who acquired a Club membership but failed to maintain the Club membership in good standing; and (iii) the subsequent purchaser or transferee of a residence or homesite in the Community from an owner who is not a Club member.

REFUND OF MEMBERSHIP DEPOSIT

The membership deposit paid by a member for a Refundable Membership will be refunded, without interest, by the Club to the member, less a 20% transfer fee in the case of memberships acquired after January 1, 2020, 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.

The membership deposit paid by a member for a Refundable Membership 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 member does not resign within 30 years.

The Club's obligation to the member shall be evidenced by the Membership Agreement or Membership Application. Upon the reissuance of a resigned Refundable 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.

MEMBER MAY CONTINUE REFUNDABLE MEMBERSHIP AT END OF THIRTY YEARS

A member who continues to hold a Refundable Membership for 30 years will receive a refund of the membership deposit previously paid by the member at the end of 30 years, will continue to enjoy membership privileges and will continue to pay the applicable membership dues, fees and charges until the member resigns. Any member who has already received the 30-year refund will not be counted toward any cap or limits on the total number of members or the number of members in any category.

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.

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 or initiation fees 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 or initiation fees.

TRANSFER OF MEMBERSHIP

TRANSFER OF MEMBERSHIP THROUGH CLUB

A member may resign his or her membership and arrange for the Club to reissue the membership, except that a member who owns a Required Membership Property may not resign the membership, but a Golf Member who owns a Required Membership Property may downgrade to Sports Membership in accordance with the "Downgrade of Membership" section of this Membership Plan. 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 except as specifically provided in this Membership Plan.

TRANSFER UPON SALE OF RESIDENCE OR HOMESITE

A 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 reissue his or her membership to the subsequent purchaser of his or her residence or homesite in the Community 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 purchaser desiring the resigned membership will be required to submit a Membership Agreement, pay the then current membership deposit or initiation fee, and be subject to the approval of the Club. The subsequent purchaser must acquire the membership within 30 days of the real estate closing. If the subsequent purchaser fails to acquire the membership during such 30 day period and thereafter desires to acquire a membership, he or she may acquire a membership only if available and not reserved, and only upon payment of the then current membership deposit and initiation fee, plus the then current eligibility fee.

A member who owns a Required Membership Property is required to arrange for the purchaser of the Required Membership Property to acquire at least a Sports Membership.

TRANSFER OF REFUNDABLE MEMBERSHIP THROUGH WAITING LIST

A resigned Refundable Membership will be placed on a waiting list and will be reissued on a first-resigned, first-reissued basis as follows, unless the member arranges for the subsequent purchaser of his or her residence or homesite in the Community to acquire his or her membership:

(a) As long as the Club is offering unissued memberships in a membership category, every fourth membership issued in that category (1 in 4), whether a Refundable or Non-Refundable Membership, 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) During such period when the Club is not offering unissued memberships in a membership category, each membership sold in that category, whether a Refundable or Non-Refundable Membership, will be a resigned membership from the waiting list.

Memberships issued to Existing Non-Member Owners during the Special Offering will not count as membership sales for purpose of resigned membership reissuance pursuant to this section.

An upgrade of membership shall not count as a sale of a membership in the upgraded category and a downgrade of membership shall not count as a sale of a membership in the downgraded category for purposes of resigned membership reissuance pursuant to this section.

TRANSFER TO NEW PROPERTY WITHIN COMMUNITY

If a member sells his or her residence or homesite within the Community, and purchases another residence or homesite within the Community, he or she may continue that membership regardless of the identity of the seller of the new residence or homesite. However, the availability of a membership for the purchaser of the member's residence or homesite shall be determined as follows:

(a) If the member purchases a residence or homesite from the Company or one of its approved builders or other designees, the purchaser of the member's property in the Community can then apply for a reserved membership for the then current membership deposit or initiation fee from the Club.

(b) If the member purchases a residence or homesite from another member who resigns his or her membership upon the sale of the residence or homesite, the purchaser of the first member's property in the Community can then acquire through the Club the resigned membership for the then current membership deposit or initiation fee, 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 a property owner who is not a member, the purchasing member may take his or her membership with him or her to the new residence or homesite; however, the purchaser of the members' property can acquire a membership only if available and not reserved.

SALE OF RESIDENCE OR HOMESITE IN COMMUNITY

If a member 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 discretion. If a Refundable

Membership is recalled, the member will be entitled to a refund of the membership deposit paid to join the Club, less a 20% transfer fee in the case of a membership acquired after January 1, 2020, 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, in its sole discretion, repurchase a resigned membership, which is not being transferred to the subsequent purchaser of the resigning member's residence in the Community, on terms agreed to by the Club and the member. Any membership so purchased shall be added to the Club's reserved memberships.

TRANSFER DURING MEMBER'S LIFETIME

A member can request the transfer of his or her membership to an adult child, grandchild or another relative who is approved for membership in the Club. If the member owns a Required Membership Property, the member may transfer the membership to the transferee child, grandchild or relative only if the transferee relative acquires the Required Membership Property. The adult child, grandchild or other person to whom a membership is to be transferred under this provision must first complete a Membership Agreement and be approved by the Club. In the case of a Refundable Membership, a new 30-year period for the refund of the membership deposit shall commence for the person to whom the membership is transferred. The transfer of the membership shall not be subject to any waiting lists.

TRANSFER OF MEMBERSHIP UPON DEATH OF MEMBER

Upon the death of a member, the membership will be transferred to the member's surviving spouse without the payment of any additional membership deposit or initiation fee. If there is no surviving spouse or the surviving spouse does not desire to continue the membership, the membership will be deemed to have been resigned, and will be reissued by the Club on the same basis as any other resigned membership.

As an exception to the general rule, a member has a one-time only right to pass the membership on to one adult child or other relative upon the member's death, subject to approval of the adult child or relative for membership by 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 relative. In the event the member exercises the right to pass the membership to an adult child or relative, the deceased member's estate shall resign the membership to the Club. In the case of a Refundable Membership, a new 30-year period for repayment of the membership deposit shall commence. The transfer of the membership shall not be subject to any waiting lists.

If the deceased member owned a Required Membership Property, the transfer of membership to a spouse, adult child or other relative shall be permitted pursuant to this section only if the spouse, child or relative acquires the Required Membership Property.

LEGAL SEPARATION OR DIVORCE

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

DUES AND CHARGES

DUES, FEES AND CHARGES

The Club will determine the amount of dues, fees and charges to be payable by members and Additional Owners each year. Dues shall be payable on a monthly or annual basis, 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.

The Club currently offers Golf Members whose primary residence must be at 100 miles or more from the Community an out-of-town dues level. The Club reserves the right to end the out-of-town dues level.

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. 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. Dues may only be increased once per year unless a new facility is opened during the year. 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.

MEMBERSHIP YEAR

The Club's membership year will constitute the twelve-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 Refundable Membership to the bottom of the reissuance waiting list until such amounts have been paid in full.

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 the Rules and Regulations, as the same may be amended from time to time, and the Membership Agreement. All rights and privileges of members under this Membership Plan, the Rules and Regulations and the Membership Agreement, are subordinate to the lien of any mortgage encumbering the Club Facilities from time to time.

The Club reserves the right, in its sole discretion, to terminate or modify this Membership Plan and the 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, issue, modify or terminate any type, category or class of membership, 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 retroactively (i) the provision for refund of the membership deposit, and (ii) the provision for a member to arrange for the membership to be transferred by the Club to the subsequent purchaser of his or her residence or homesite 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, or the discontinuance of operation of all or substantially all of the Club Facilities, the Club will refund the membership deposit, less a 20% transfer fee in the case of a membership acquired after January 1, 2020, to the affected members within 30 days, but shall not be required to refund non-refundable initiation fees. 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.

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

APPLICATION PROCEDURE

Each person who desires to become a member must mail or deliver to the Club a fully completed and signed Membership Agreement, along with a check for the required membership deposit.

REVIEW OF MEMBERSHIP AGREEMENT

All applicants desiring a membership must be approved by the Club. The Club may require an interview with Club management or their designee, and/or other designees of the Club. After receiving the Membership Agreement, the Club will determine whether the applicant has satisfied the relevant conditions of membership in its sole discretion. In the event the Membership Agreement is not acted upon favorably, the applicant will receive a refund of any amount previously paid, without interest.

Provisions for application and approval of membership do not apply to owners of Required Membership Properties who acquire Sports Memberships, unless otherwise determined by the Club.

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 the Rules and Regulations for any present or prior rights in or to use of the Club Facilities.

OTHER MEMBERSHIPS AND USE PRIVILEGES

NATIONAL MEMBERSHIPS

The Club is not currently offering, but reserves the right to issue National Memberships to persons who do not own or lease property within 20 miles of the Club on such terms and conditions as determined by the Club from time to time in its sole and absolute discretion.

RECALLABLE MEMBERSHIPS

The Club is not currently offering, but reserves the right to offer recallable, annual and short-term memberships to persons who do not own a residence or homesite in the Community on such terms and conditions as determined by the Club from time to time.

COMPANY MEMBERSHIPS

The Club may issue up to 15 Company Memberships in the Club to such persons as the Club determines appropriate from time to time. These Company Memberships will be available on such terms and conditions as the Club determines appropriate and will not count toward any membership limit. Company Members have the same privileges as Golf Members and will not pay membership deposits, initiation fees, dues or green fees or court fees, but will pay cart fees and for goods and services purchased at the Club. Company Members will not be obligated to pay dues unless the Club is ever converted into an equity, member-owned club.

HONORARY MEMBERSHIPS

The Club may issue up to ten 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, in its sole discretion, enter into reciprocal use privileges and access agreements with other clubs and resorts, 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. The Club may reserve tee times for non-members. The Club reserves the right to sponsor corporate outings and tournaments and continue to have resort guest play and promotional use.

RESORT AND RENTAL GUESTS

The Club will permit guests of Bay Creek Resort and members' rental guests staying in the Community to use the Club Facilities upon payment of access fees and on such terms and conditions as the Club determines appropriate. The Club reserves the right to eliminate or restrict use of the Club Facilities by Resort and rental guests in its sole discretion. The Club may, from time to time, allocate certain tee times for Resort and rental guests only. The Club may enter into arrangements with rental management companies for preferred access fees and benefits for their 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 and offer membership privileges to such persons 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, 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 and operates 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 also reserves the right to engage a professional management company to operate the Club Facilities and may delegate its authority to such management company. The Company has engaged Troon Golf to handle the day-to-day operations of the Club.

ADVISORY BOARD

The Club may establish an Advisory Board 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 Board for such terms as determined by the Company, and may remove any member of the Advisory Board at any time in its sole and absolute discretion. The Advisory Board 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 management of the Club will have the final authority

on all matters concerning the Club Facilities and the members of the Club. The Club may in its sole discretion appoint other advisory committees for such purposes and for such period as it determines in its sole and absolute discretion.

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. Furthermore, the Company will disclose the Membership Plan to any prospective lender, and will request recognition by the prospective lender of the Membership Plan.