

# **Cedar Point Country Club**

## **MEMBERSHIP PLAN**

**Effective as of August 1st, 2011**

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## SUMMARY

Cedar Point Country Club, LLC, a Virginia limited liability company (“the Club”), was organized to operate a private athletic and social club for the promotion and encouragement of, and the provision of facilities for, golf, tennis, croquet, and swimming and other similar activities by its members. Friends of Cedar Point Country Club, LLC (“Friends”) is the owner and sole member of Cedar Point Country Club, LLC.

Effective August 1st, 2011, the Club prepared and approved this Membership Plan (this “Plan” or this “Membership Plan”) for the purpose of defining the Club’s membership categories, establishing the rights, privileges and obligations pertaining to each of the membership categories and establishing the manner in which the Club will operate and conduct its business. Subject to the restrictions specifically set forth in this Plan, Friends has the right to modify or amend this Plan at any time.

Memberships are offered exclusively for the purpose of permitting members and their guests to use the Club and its facilities. A prospective member should not view a membership as an investment or otherwise expect to derive economic benefits from such membership. Members of the Club have a right to use the facilities of the Club, but have no ownership interest in the Club or in Friends by virtue of their membership in the Club.

No federal or state authority has passed upon or endorsed the merits of this Membership Plan. The Club believes that this Plan, and the exhibits, fairly and accurately present all material information relating to membership in the Club.

**NO PERSON IS AUTHORIZED TO MAKE ANY REPRESENTATION OR TO PROVIDE ANY INFORMATION IN REGARD TO THE CLUB CONTRARY OR IN ADDITION TO THE INFORMATION CONTAINED IN THIS MEMBERSHIP PLAN.**

## **MEMBERSHIP PLAN**

### **ARTICLE 1 GENERAL**

#### Section 1.1 Definitions.

The definitions for certain terms used in this Membership Plan have the meanings noted below:

- (1) “Board” means the Board of Directors of the Club, which shall be identical to the Board of Directors of Friends.
- (2) “Club” shall have the meaning set forth in the Summary.
- (3) “Facilities” shall have the meaning set forth in Section 2.1.
- (4) “Friends” shall have the meaning set forth in the Summary.
- (5) “Member” means the holder of a membership in the Club.
- (6) “Membership Fee” shall have the meaning set forth in Section 3.3.
- (7) “Membership Plan” means this Membership Plan, as amended from time to time.
- (8) “Plan” means this Membership Plan, as amended from time to time.
- (9) “Rules and Regulations” means the rules and regulations for the control and operation of the Club and its facilities and for the conduct and attire required of Members while using the Club, as amended from time to time.

### **ARTICLE 2 DESCRIPTION OF FACILITIES**

#### Section 2.1 Club Facilities.

The recreational facilities of the Club include the following and such other facilities as the Club may make available from time to time for use by Members (collectively, the “Facilities”):

- 18-hole golf course of approximately 7,100 yards and a 9-hole Par 3 course, together with all related practice facilities;
- Clubhouse facilities containing dining and grill rooms and men's and women's locker rooms;
- Tennis facilities;

- Pool facilities;
- Croquet facilities; and
- Ancillary structures to accommodate the Facilities.

### **ARTICLE 3 MEMBERSHIPS**

#### Section 3.1 General.

Membership in the Club shall be evidenced by a membership application and agreement signed by the Member and the Club indicating approval of the applicant for membership. All memberships are subject to, and all Members are bound by, the terms and conditions of this Plan and the Rules and Regulations of the Club. Membership in the Club allows the Member to use the Club and the Facilities in accordance with privileges and restrictions of the Member's particular membership category, as defined in Section 3.2. Membership in the Club only entitles the Member to exercise the privileges of membership and does not confer any ownership or voting privileges in connection with the governance or operation of the Club or Friends.

#### Section 3.2 Membership Categories.

The membership of the Club will consist of the membership categories set forth in this Section 3.2 and such other categories as the Club may establish from time to time in accordance with this Plan.

All Memberships are Family Memberships allowing for full Club usage by the following members of a Member's family:

- Spouse of the Member (if membership is not jointly owned);
- Co-habiting partner of the Member, which shall mean the sharing of the same residence by the Member and the co-habiting partner for greater than one (1) year;
- Child who has not attained the age of twenty-one (21);
- Child who is a full time student under the age of twenty-six (26);
- Child who is serving in the military, on active duty, under the age of twenty-six (26).

The following shall constitute the golf membership categories of the Club that provide full access to the Club facilities including the 18-hole championship golf course, 9-hole par 3 course, tennis, pool, and dining facilities. Membership dues do not include fees for cart rental, range plan, handicap program, locker rental or other charges accrued for the use of other amenities of the Club. Indoor tennis court fees will be charged either by the hour or via the seasonal fee:

(a) Golf.

Dues of \$400 per month. Consists of those golf members between the ages of 40 and 74.

(b) Corporate Golf.

Dues of \$400 per month. Must have at least four corporate members to qualify for the corporate structure.

(c) Intermediate Golf.

Dues of \$300 per month. Consists of those golf members between the ages of 35 and 39.

(d) Junior Golf.

Dues of \$200 per month. Consists of those golf members between the ages of 21 and 34.

(e) Senior Golf.

Dues of \$300 per month. Consists of those golf members 75 years old and above.

The following shall constitute the non-golf membership categories of the Club that provide access to tennis, croquet, swimming, and dining. A driving range / Par 3 course package is available to these members for an annual fee of \$300, which may be paid annually or in monthly installments. Indoor tennis court fees will be charged either by the hour or via a seasonal fee.

(f) Social.

Dues of \$70 per month. Consists of those members 21 years of age or older.

(g) Life.

No monthly dues. Consists of those legacy members who entered into a "Life Member" agreement with Cedar Point Club, Inc.

(h) Non-Resident.

Dues of \$80 per month. Consists of those members 21 years of age or older whose primary residence is outside a 50 mile radius of the Club. Non-resident members may play golf at 75% of the posted guest rate.

Section 3.3 Membership Fees.

The fee for the purchase of any membership described above shall be known as the membership fee (the "Membership Fee") and shall be paid to the Club. The Membership Fee shall be paid at the time a candidate for membership submits his or her application to the Club. The Membership Fees for all membership categories shall be established from time to time by

the Club. Membership Fees may be financed based upon terms and conditions as the Club may determine from time to time. In the event a candidate for membership fails to gain approval for membership, the Membership Fee shall be refunded to the candidate.

Section 3.4 Control of Membership Categories.

The number of memberships issued in any category and the privileges accorded each category will be determined by the Club, and the Club has the authority to establish, modify or close any category of membership and any sub-category within any category as the Club from time to time may determine, in its sole discretion, to be in the best interest of the Club. The Club may from time to time, in its sole discretion, prescribe or modify Membership Fees, dues, periodic economic incentives, and privileges, limitations and restrictions applicable to each category of membership.

**ARTICLE 4**  
**MEMBERSHIP SELECTION**

Section 4.1 Membership Committee.

The Club shall select a Membership Committee in accordance with Section 5.4(b) to act from time to time. The proceedings of the Membership Committee shall be confidential. No person failing to gain approval shall again be considered for membership until after the expiration of one (1) year from the time of such action.

Section 4.2 Membership by Invitation.

Membership in the Club is by invitation only. Candidates for memberships must be sponsored by one (1) Member in good standing who must complete the nomination form and submit it with a personal letter of endorsement and support for the candidate and those members of the candidate's family who will, if such candidate is admitted to membership, be entitled to the use of the Club and the Facilities. Since membership in the Club is based on personal relationships, all letters of endorsement should demonstrate the writer's personal knowledge of the candidate's character, sportsmanship, financial responsibility, and compatibility with the membership. Each nomination must be seconded in writing by at least two (2) additional Members in good standing who are personally acquainted with the nominee and each of whom must sign the nomination form indicating whether the Member is personally acquainted with the members of the candidate's family who will, if such candidate is admitted to membership, be entitled to the use of the Club and the Facilities. Each seconding Member must submit a personal letter of endorsement in favor of the candidate addressed to the Membership Committee. All endorsement letters will be held in strict confidence.

Section 4.3 Screening of Applicants.

The name and address of each person who has been nominated and properly seconded in accordance with Section 4.2, and the proposed category of membership, together with the names of the nominating and seconding members, shall be promptly posted on the bulletin board of the Club, and the written nomination form and letters of endorsement shall be promptly delivered to the Membership Committee.

Section 4.4 Admission.

Following the posting of the candidate's information on the bulletin board of the Club for a period of at least seven (7) days, the Club shall approve or deny the applicant's admission to the Club. Upon admission to the Club, the applicant's membership shall become effective on the first day of the month following admission.

Section 4.5 Waiver.

The Club may from time to time waive one or more of the provisions or requirements of the admissions process.

Section 4.6 Discrimination.

Invitations shall be extended without regard to age, race, national origin, sex, religion, sexual preference, or physical disability.

## **ARTICLE 5 COMMITTEES**

Section 5.1 Authority; Duties.

For the better operation of the Club, the Board shall appoint Members to the committees defined in Section 5.4 and such other committees as the Board may deem advisable for investigating and reporting on any matter or issue affecting the Club. The Board may remove any member of any committee at any time, with or without cause. Any action taken by a committee shall be subject to review, modification and reversal by Friends as the sole owner of the Club.

Section 5.2 Quorum.

A majority of the members of a committee shall constitute a quorum and the vote of a majority of the members present at a meeting at which a quorum is present shall carry any question considered at a meeting of the committee.

Section 5.3 Action without a Meeting.

A committee may act by majority written consent without a meeting.

Section 5.4 Committees.

The following shall constitute the standing committees of the Club:

(a) Golf & Greens Committee.

The Golf & Greens Committee shall be responsible for developing and overseeing golf policies and a schedule of golf activities and tournaments. This committee shall recommend a budget for golf operations to the Finance & Personnel Committee annually. The committee shall be responsible for developing and overseeing policies regarding the golf course conditions and

utilization and recommend a budget for golf course maintenance, including capital needs, to the Finance & Personnel Committee annually.

(b) Membership, Marketing & Development Committee.

The Membership, Marketing & Development Committee shall recommend policies, procedures, and strategies for enhancing the membership in the Club both numerically and qualitatively. The Committee shall review each application for admission of membership and make recommendations to the Board accordingly. This committee shall recommend a budget for membership marketing to the Finance & Personnel Committee annually.

(c) Finance & Personnel Committee.

The Finance & Personnel Committee shall have responsibility for overseeing the financial operations of the Club including the development and recommendation of an annual operating budget and an annual capital budget. The committee shall also oversee all Club management personnel and recommend any changes to the Board as necessary.

(d) Food & Beverage Committee.

The Food & Beverage Committee shall have responsibility for overseeing the “back of the house” aspects of the restaurant operation including menu offerings, pricing, inventory control, and kitchen staffing. The Committee will oversee the day to day operations of the kitchen generally. In conjunction with the Service & Décor Committee, this committee shall recommend a budget for all aspects of the food and beverage operations to the Finance & Personnel Committee annually.

(e) Service & Decor Committee.

The Service & Decor Committee shall have responsibility for overseeing the “front of the house” aspects of the restaurant operation including the dining room, grill room, patio, and beverage cart. The Committee shall also oversee all wait staff hiring and training as well as general décor and interior design of the Clubhouse. In conjunction with the Food & Beverage Committee, this committee shall recommend a budget for all aspects of the food and beverage operations to the Finance & Personnel Committee annually.

(f) Entertainment & Activities Committee.

The Entertainment & Activities Committee shall be responsible for developing and implementing the Club’s social calendar of events as well as overseeing the tennis, pool, and croquet operations. This committee shall recommend a budget for the tennis, pool, and croquet operations to the Finance & Personnel Committee annually.

(g) Facilities & Long Term Planning Committee.

The Facilities & Long Term Planning Committee shall have responsibility for overseeing the general upkeep and maintenance of all facilities including the clubhouse, pool, tennis facility,

maintenance facility, and wee hut. The committee shall recommend a budget for facilities to the Finance & Personnel Committee annually. This committee shall also coordinate all improvements, expansions, contractions and development of properties and make recommendations to the Board accordingly. The committee shall prepare a five year plan for the Club, review the plan annually with the Board, prepare recommended revisions, and present the plan to the Board for consideration of adoption.

## **ARTICLE 6 TRANSFER AND RESIGNATION**

### Section 6.1 Memberships Nontransferable.

All memberships are personal and are not transferable. Any transfer or attempted transfer of a membership shall be void and shall not confer upon the transferee any of the privileges of a Member.

### Section 6.2 Resignation from Membership.

Any Member may resign from the Club at any time by giving written notice of resignation to The Club. Members having submitted a notice of resignation remain liable for all dues and charges accrued up to the effective date of resignation even if the Facilities have not been used by the Member. Unless the Member is establishing his or her primary residence outside a 50 mile radius of the Club or the Member is active military on deployment, a resigned Member will still be subject to all remaining dues and charges as agreed upon as part of the membership agreement.

### Section 6.3 Separation and Divorce.

All memberships in the Club are Family Memberships and are jointly owned by the Member and his or her spouse. In the event of separation or divorce, each spouse shall have the right to retain separate memberships in the Club without having to apply for membership in the same manner as a new applicant. If the Club experiences any discord regarding use of the Club or payment of the account of the Member during separation or prior to a final divorce, the Club may suspend the membership in its discretion until the divorce is final.

### Section 6.4 Death of Member.

All memberships shall continue upon the death of the Member provided that the Member is survived by a spouse entitled to use the Facilities. The surviving spouse shall have the option to remain a Member at any membership category. In the event of an unmarried Member's death, the heirs, successors, assigns, and estate of the Member shall be liable, to the extent permitted by law, for any dues accrued and charges incurred up until the date of the Member's death.

**ARTICLE 7**  
**GENERAL CONDITIONS OF MEMBERSHIP**

Section 7.1 Rules and Regulations.

The Club may establish and amend the Rules and Regulations. They shall become effective immediately upon the posting of a copy thereof, together with any amendment thereto, in a conspicuous place at the Club or upon the mailing of the Rules and Regulations, together with any amendment thereto, to the Members. The provisions of this Plan shall control in the event of any conflict or inconsistency between this Plan and the Rules and Regulations.

Section 7.2 Liability for Injuries.

In consideration of the privileges described in this Plan, each Member and each person using the facilities, equipment and amenities of the Club through a Member's membership, expressly agrees that (i) all use of the Club's facilities, equipment and amenities is undertaken at the sole risk of the user, and the Club and Friends shall not be liable for any injuries or damages to any Member or other persons; and (ii) the Club, Friends and their affiliates, officers, directors, owners, agents and employees shall not be subject to and are hereby released and forever discharged from any claims or demands whatsoever, including, without any limitation, those claims or demands resulting from acts or omissions of active or passive negligence on the part of the Club, Friends, and their affiliates, officers, directors, shareholders, partners, agents or employees.

Section 7.3 Personal Property.

Due to the number of guests and other persons granted access to the Club, the Club cannot guarantee the security of personal property. Therefore, each Member and each person using the facilities, equipment and amenities of the Club is required to take precautions against theft and not encourage theft by failing to properly secure all articles of personal property. In consideration of the privileges described in this Plan, each Member and each person using the Facilities agrees the Club and Friends are not responsible or liable for articles damaged, lost or stolen in or about the Club, or left in lockers, or for loss or damage to any property, including, but not limited to, automobiles and the contents thereof. Any storage facilities or lockers provided at the Club are offered as a convenience to Members and others, and the Club and Friends do not represent or warrant that the lockers or storage facilities are safe and secure, nor does it guarantee that any items placed therein are or will be secure.

Section 7.4 Availability of Facilities.

The obligation to pay dues is not dependent on the availability of all the Facilities or the frequency of use. Repair and maintenance of Facilities and/or other occurrences may make it necessary for the Club to change hours of use or restrict the use of the Facilities or to close the Club temporarily. The Club will not reduce or suspend dues during the time when the Facilities, in whole or in part, are not available.

**ARTICLE 8**  
**FINANCIAL OBLIGATIONS**

Section 8.1 Dues.

Each Member shall pay monthly, in advance, the requisite membership dues established by The Club from time to time.

Section 8.2 Personal Liability.

Each Member shall be personally liable for payment of all of the membership dues payable in connection with the Member's membership. A schedule of membership dues shall be maintained in the Club's business office. Each Member shall also be liable for any charges which that Member, or any guest of that Member, incurs with regard to any products purchased from or services rendered by the Club.

Section 8.3 Late Charges and Interest.

Any Member who does not pay the fees, dues or charges of the Club when said sums are due, may be assessed a late charge by the Club in an amount not to exceed five percent (5%) of the total amount past due. In addition, any amounts not paid when due shall bear interest at the lesser of the rate of eighteen percent (18%) per annum or the highest rate allowed by applicable law, from the date they are due until the date of payment. Members shall be required to keep an active and valid credit card on file with the Club and authorizes the Club to charge such card for all fees, dues and charges greater than sixty (60) days past due.

Section 8.4 Legal Fees and Costs.

If the Club or Friends incur any costs or legal fees in their efforts to collect any fees, dues, charges, late charges, or interest, or in enforcing or defending its rights under this Plan or otherwise, then the Member shall also be liable to pay such costs and legal fees.

Section 8.5 Other Rights.

The Club and Friends, or their agents or assigns, shall have the right to institute such legal remedies against any Member for collection of any fees, dues, assessments, charges, late charges, interest, legal fees or costs as they deem appropriate. The remedies provided herein are not exclusive and the Club and Friends shall have such other remedies as may be provided to them by law. The Club and Friends may exercise their rights in such order as they deem appropriate and the exercise of one right or remedy shall not constitute the waiver of any other.

Section 8.6 Setoff.

At any time and from time to time the Club may setoff any and all amounts due and owing a Member by the Club against any and all amounts due and owing the Club by such Member or the Member's successors or assigns. In addition to the foregoing and to all liens upon and rights of setoff against the monies or other property of a Member by law or under this Plan, the Club shall have, with respect to a Member's obligations to the Club under this Plan, or otherwise, and to the extent permitted by law, a contractual possessory security interest in and right of setoff against, and each Member hereby assigns, conveys, delivers, pledges and

transfers to the Club all of the Member's right, title and interest in and to, the Member's membership in the Club and all deposits, moneys, and other property of such Member now or hereafter in the possession of or on deposit with the Club, whether held jointly with someone else, or held for safekeeping or otherwise.

Section 8.7 Non-Use.

Waiver of the use or enjoyment of any of the Facilities by a Member does not exempt the Member from liability for the payment of fees, dues and assessments.

**ARTICLE 9  
DISCIPLINARY ACTION**

Section 9.1 Grounds.

The Club shall have power to reprimand, suspend, expel, or otherwise discipline any Member for committing any violation of this Plan or the Rules and Regulations; or for conduct unbecoming a Member; or for any offense against the best interests of the Club; or for other good and sufficient cause determined by the Club. The Club shall also have the power to reprimand, suspend, expel, or otherwise discipline any Member for nonpayment of dues and accounts as discussed in this Plan.

Section 9.2 Delinquent Accounts.

When the balance of account of any Member shall become past due, the Club may, at its discretion, post within the Facilities the name of the Member and the fact that such Member's account is past due. In the event that a Member's name is posted as a past due account, the Club shall have the discretion as to when to remove such posting, regardless of payment of the past due account, and the Club and Friends shall have no liability as to the timing of the removal of the posting. Members shall be required to keep an active and valid credit card on file with the Club and authorizes the Club to charge such card for all fees, dues and charges greater than sixty (60) days past due. In the event the Club is unable to charge a Member's credit card for delinquent fees in accordance with the foregoing sentence, and the account of the Member remains unpaid for a period of sixty (60) days after the billing date, the Club may, by notice to the Member, suspend indefinitely the Member's charging privileges and the use of the Facilities by the Member. Such notice of suspension may be included with the statement of account mailed to the Member or sent under separate cover. If payment is not made within ten (10) days after depositing the notice of suspension in the mail, such Member's membership will automatically be terminated by the Club without further notice to the Member or action by the Club. A membership terminated for nonpayment may be reinstated, if at all, at the sole discretion the Club and upon such terms as the Club may determine. In the event of membership termination, Member shall still be liable for all future fees, dues, and charges as agreed upon in the membership agreement.

Section 9.3 Notification of Expulsion.

In the event of expulsion, the Member shall be notified by an authorized representative of the Club. Notice sent by any means directed to the Member's last known address, shall be sufficient. Such notice of expulsion may be included with the statement of account mailed to

the Member or sent under separate cover.

Section 9.4 Consequences of Suspension or Expulsion.

In the event a Member is expelled or temporarily suspended from the Club, such Member, and any other person who would also be entitled to the rights and privileges of such membership, shall be permanently barred in the event of expulsion (unless separate membership is obtained by such other persons) or temporarily barred during the period of suspension, as the case may be, from admittance to the Facilities, both under the Member's own membership and as a guest of another Member. Expulsion results in the termination of the expelled Member's membership.

**ARTICLE 10  
MISCELLANEOUS**

Section 10.1 Notices.

Except where otherwise clearly specified herein, whenever any notice, statement, billing or other communication is required or permitted to be given a Member under this Plan, it shall be given in writing and shall be electronic mail, by facsimile or by United States mail, postage prepaid, addressed, to such Member's last known address on file in the office of the Club. Any notice, statement, billing or other communication so sent shall be deemed to have been given and received on the third business day following the date on which the electronic mail or facsimile is transmitted, or third business day following of its deposit in the United States mail.

Section 10.2 Amendment.

This Plan has been adopted effective as of August 1st, 2011, and the Plan may be modified or amended from time to time by the Club.

Section 10.3 Prior Membership Plans.

This Plan replaces any and all prior Membership Plans.

IN WITNESS WHEREOF, this Plan has been executed, approved and agreed to by Cedar Point Country Club, LLC and is to be effective as of the 1st day of August 2011.

CEDAR POINT COUNTRY CLUB,  
LLC, a Virginia limited liability  
company.

By: \_\_\_\_\_  
J. Cameron Robinett  
President