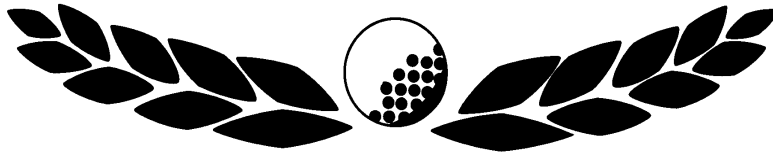


*LPGA INTERNATIONAL  
GOLF & COUNTRY CLUB*

# **LPGA INTERNATIONAL**



*PLAN FOR THE OFFERING OF MEMBERSHIPS*

# LPGA INTERNATIONAL GOLF & COUNTRY CLUB PLAN FOR THE OFFERING OF MEMBERSHIPS

## GENERAL DESCRIPTION OF MEMBERSHIP PLAN

<i>Description of Club</i>	This Membership Plan and its exhibits offer you an opportunity to become a "Member" in LPGA International Golf & Country Club (the "Club").
<i>Club Facilities</i>	The "Club Facilities" include the various golf, swimming, and social facilities located within the LPGA International residential community ("LPGA International"), as described more fully under the heading "Description of the Club Facilities."
<i>Ownership and Control of Club Facilities</i>	The Club Facilities, except for the golf courses are owned by Indigo International Inc., a Florida corporation, and its nominees and/or assignees (collectively "Owner"). The golf courses and related facilities are leased on a long term basis by the Owner from the City of Daytona Beach, Florida. The Golf courses are open to the public. Members will have privileges based on their Membership category.
<i>Membership Privileges</i>	Each Member is entitled to use the Club Facilities in accordance with the Member's category and the Rules and Regulations established by the Club from time to time.
<i>Carefully Review all Documents</i>	This Membership Plan is a summary of the membership opportunities offered by the Club and is qualified by the definitive information set forth in the attached exhibits. All persons who acquire a Membership in the Club should carefully read this Membership Plan and its exhibits and should consider seeking professional advice before acquiring a membership or a residential unit or lot in LPGA International.
<i>Procedures to Apply for Membership</i>	Persons who desire to apply for a Membership in the Club must comply with each of the following requirements: <ul style="list-style-type: none"><li>A. Complete and sign the Application for Membership Privileges; and</li><li>B. Mail or deliver to the Membership Director:<ul style="list-style-type: none"><li>(i) the completed and signed Application for Membership Privileges, and</li><li>(ii) a check for the required membership deposit or fee as set forth in the Application for Membership Privileges.</li></ul></li></ul>
<i>Membership Director Available to Answer Inquiries</i>	Should you have any questions concerning this Membership Plan or the membership opportunities available at the Club, please contact the Membership Director at (904)-274-5742 or visit the Membership Office.
<i>Membership Office</i>	The Membership Office is located in LPGA. International at 1000 Champions Drive, Daytona Beach, Florida, 32124. Appointments are suggested but not required.
<i>Rely Only on the Written Information Provided</i>	No person has been authorized to give any information or make any representation not contained in this Membership Plan, and if given or made such information or representation must not be relied upon as having been authorized by the Club or Indigo International Inc.  No federal, state or other governmental authority has passed upon or endorsed the merits of this Membership Plan.

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## DESCRIPTION OF MEMBERSHIP PLAN

*The Membership Plan* The Club proposes to implement this Plan for the Offering of Memberships and the Rules and Regulations of the Club, as amended from time to time (collectively, the “Membership Plan”,) pursuant to which Members and their families and guests will be permitted to use the Facilities.

## DESCRIPTION OF THE CLUB FACILITIES

*Description of the Club Facilities* The “Club Facilities” include the following:

- Two 18-hole golf courses, designed by Reese Jones and Arthur Hills.
- Practice facilities featuring a 3-hole practice academy and driving range.
- Swimming pool.
- A clubhouse containing a dining room, grill room/lounge, men’s and women’s locker rooms and pro shop.

## MEMBERSHIPS

### A. IN GENERAL

*Categories of Membership* The Club is offering various categories of Membership including Full Membership, Corporate Membership, and Social Membership. Each Membership is a non-equity Membership, which entitles the Member to use the Club Facilities in accordance with the Member’s category of membership. The club may offer other types of memberships from time to time.

*Non-resident Membership* The Club may issue non-resident memberships to persons who do not maintain their principal residence or a temporary or seasonal residence within a fifty mile radius of the Club for more than six months each year.

### B. MEMBERSHIP PRIVILEGES

The membership privileges associated with each category of Membership is as follows:

*Full Member Privileges* *Full Membership.* A full Member is a property owner or non-property owner having a non-refundable initiation fee membership. Full Members are entitled to full access to, use of, and participation in all of the facilities and activities of the Club. Full Members are not required to pay green fees but are required to pay golf cart fees. Full Members have a five day advance tee time privilege. The number of Full Members is limited to 800.

*Corporate Member Privileges* *Corporate Membership.* A Corporate Member designee has the privileges of a Full Member. There is no limit on the number of Corporate Members.

*Social Member Privileges* *Social Membership.* A Social Member is a property owner or non-property owner having a non-refundable initiation fee membership. Members are entitled to full access to, use of, and participation in all of the facilities and activities at the Club. Social members are required to pay green fees and golf cart fees. There is no limit on the number of Social Members.

*The Club may Establish Rules Regarding the Use of the Club*

In order to provide for the orderly administration of the Club and the utmost playing pleasure for membership in the Club, including , but not limited to establishing rules governing access, sign-up privileges and starting times with respect to the golf courses and the other facilities of the Club.

*Use by Family Members*

A Member's spouse and unmarried children under the age of twenty-five who live at home or attend school on a full-time basis may use the Club Facilities in accordance with the Member's category of membership.

*Use of the Club Facilities by Guests*

Social, Full, and Corporate members may invite guests to use the Club Facilities in accordance with the Member's category of membership and subject to the Rules and Regulations of the Club and the payment of the applicable guest charges established by the Club from time to time. The Club may limit the number of times a guest may use the Club Facilities.

*Acknowledgment of Membership Rights*

Membership is not an investment in the Club nor does it provide an equity or ownership interest in the Club Facilities which are owned solely by the Owner. Members will not be responsible for the cost and expense of owning or operating the Club facilities. Membership in the Club does not confer upon any Member a vested or prescriptive right or easement to use the Club Facilities. The Club reserves the right, in its sole and absolute discretion, to reserve Memberships for future purchasers of property in communities designated by the Club from time to time, to discontinue whomsoever, to issue or terminate any type of Membership, to convert the Club into a membership-owned equity club, and to make any other changes in the terms and conditions of membership or the Club Facilities available for use by the Members.

**C. ELIGIBILITY**

*Eligibility for Membership*

Any person will be eligible for Membership in the Club.

*Right to Upgrade Membership Category*

Members may, at all times, subject to availability, upgrade to a higher category of Membership by paying the difference between the then current initiation fee for the higher category of membership and the initiation fee or fee previously paid by the Member to the club.

*Waiting List for Full Memberships*

If a Full Membership is not available, a waiting list will be established by the Club for those persons who desire a Full Membership. Available Full Memberships will be offered to persons on the waiting list in accordance with the following order of priority:

*First Priority.* First priority will be given to property owners over non-property owners.

*Second Priority.* Second priority will be given to Social Members over Non-Members.

*Title to Membership*

In order to facilitate the sale of memberships, a Membership in the Club may be held in the name of a company, partnership, trust or other form of business entity or multiple ownership. The Membership will be issued in the name of the entity. The entity may, subject to the approval of the Club, designate one individual or family to use the Corporate Membership; provide, however, the Club reserves the right to issue memberships to entities which allow the entity to designate multiple individuals or families who will have the right to use the Club Facilities. Each individual designated must submit an Application for Membership and must be approved by the Club. The entity may change the designated user of the Corporate Membership upon payment of the redesignation fee established by the Club from time to time. The Club may limit the number of times that the entity may change the designated user during the membership year.

## **D. INITIATION FEE**

### *Required Membership Fee*

Each person who acquires a Membership in the Club is required to pay the required initiation fee set forth in the Application for Membership Privileges.

### *Death of a Member*

Upon the death of a Member, the membership automatically passes to the member's surviving spouse, without payment of any additional initiation fee, subject only to the approval of the Club. If there is no surviving spouse or the surviving spouse does not desire the membership, then the Membership will be deemed to have been resigned. A Member may provide that upon the death of the surviving spouse the Membership will pass to one of his or her children; provided, however, that the child who receives the membership will be required to pay the difference between the amount paid by the parents and the then current initiation fee for the Membership.

### *Legal Separation or Divorce of Married Members*

In the event married members are legally separated or divorced, title to the Membership, including all rights and benefits given to the holder thereof, shall vest in the spouse awarded the Membership, provided that such spouse fulfills the eligibility requirements for Membership in the Club. Both of the divorced or legally separated persons shall be required to give written notice to the Club designating the person who is entitled to the membership privileges immediately after the divorce or legal separation. Until written notice has been provided to the Club, both of the spouses shall remain responsible for the payment of all dues and other fees associated with the Membership.

### *Tax consequences of Purchasing a non-equity Membership*

The Club makes no representations and expresses no opinions regarding the federal or state income tax consequence with respect to the initiation fee. All Members acquire their Memberships subject to all applicable tax laws as they may exist from time to time. Members should consult with their own tax advisor with respect to the tax consequences with respect to the membership.

## **DUES, FEES AND CHARGES**

### *Determination of Dues, Fees Charges*

Each year, the Club will determine the amount of dues, fees and charges required for each and category of Membership and the use of the Club Facilities. Dues shall be due and payable on a monthly basis, unless otherwise determined by the Club from time to time. The failure of any Member to pay the dues within the prescribed period of time shall constitute grounds for forfeiture of the membership privileges in the Club. The dues, fees and charges for the current membership year are set forth on the Schedule of Dues, Fees and Charges.

### *Resigned Members's Use Facilities*

If a Member resigns during the membership year, the Member will be required to provide the Club with at least thirty day's prior written notice of his or her resignation and will be required to pay dues and any other charges during such notice period or until the end of the membership year in which the Member resigns from the Club, whichever occurs first. The Member will be entitled to continue to use the Club Facilities so long as the Member is paying dues.

### *Membership Year*

The Club's membership year will constitute the twelve month period commencing January 1 and ending on December 31.

## **MEMBERSHIP NOMINATION AND APPLICATION**

### *Application for Membership Privileges*

Each applicant for Membership in the Club should deliver or mail to the Membership Director or Club Manager a fully completed signed Application for Membership Privileges, together with a check in the amount of the required initiation fee set forth in the Application.

### *Review of Application for Membership Privileges*

After receiving the Application for Membership Privileges and the required initiation fee, the Club will determine whether the applicant has satisfied the relevant conditions of membership. If the Club determines that the applicant has satisfied the conditions of membership, the Club will notify the applicant, in writing, that the applicant has been accepted to the Club. An applicant whose application is not acted upon favorably by the Club will have his or her initiation fee returned without interest.

## **OTHER USE PRIVILEGES IN THE CLUB**

### *Honorary Memberships*

The Club may issue "Honorary Membership" to persons who have performed great public service for their country, state or community or for the benefit of the Club, or hold public office or a place of high prestige in his or her county, state or community, are of exceptional character and will otherwise be a credit and contribute to the stature of the Club. Honorary Members may be required to pay such dues, fees and other charges established by the Club from time to time.

## **CLUB OPERATIONS**

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

LPGA International Golf & County Club, is wholly-owned by Indigo International Inc., a Florida corporation ("Club Management"), and is responsible for the management and operation of the Club Facilities. Club Management is responsible for the government and administration of the Club Facilities and has the exclusive authority to accept members, set dues and charges, establish Rules and Regulations and control the management and affairs of the Club Facilities.

### *No Operating Assessments*

Members are not subject to any operating or capital assessments. The Club or its affiliates will pay all operating deficits incurred in the operation of the Club Facilities and will retain all operating profits resulting from the operation of the Club Facilities.

### *Payment of Dues, Fees and Other Charges Not Deemed to be an Assessment*

The payment of dues, fees, clubhouse minimums, state taxes, service charges, personal and other charges as the Club may establish from time to time in its sole and absolute discretion is required to acquire and maintain membership privileges, and is not a capital or operating assessment.

### *The Club has the Right to Designate Individuals to use to use the Club Facilities*

The Club may, in its sole and absolute discretion, designate persons, from time to time, to use the Club Facilities upon such terms and conditions determined by the Club. Such persons may include, without limitation, employees of the Club, prospective purchasers of Memberships in the Club and prospective purchasers of property in LPGA International (including resale buyers).

### *Public Use*

In as much as the golf courses are leased from the City of Daytona Beach, the golf courses will be operated as public facilities. The Club has the right to, among other things: (a) hold promotional and other special events at the Club, including golf tournaments during which the club may limit access to the use of the golf courses and or the club facilities including the use of members lockers; (b) promote the Club in advertisements and promotional materials by making reference to the Club and the availability of Memberships in the Club; and (c) use the club Facilities to entertain prospective purchasers of Memberships in the Club and property in LPGA International (including resale buyers).

### *Rules and Regulations of the Club*

All Members of the Club are subject to the Rules and Regulations of the Club, as the same may be amended from time to time.

## SOCIAL MEMBERSHIP

Includes unlimited use of swimming facilities and Clubhouse privileges at LPGA International Golf & Country Club.

### A. PROPERTY OWNERS

**INITIATION FEE:** \$1,000.00 plus tax

**ANNUAL DUES:** \$600.00 if paid annually or \$50.00 billed monthly, plus tax

**HIGHLIGHTS:** \*Allows eligibility for member functions, charge privileges, 10% discount on food and beverage (excluding banquets) and discounts on merchandise. Use of pool also included.

### B. NON-PROPERTY OWNERS

**INITIATION FEE:** \$1,500.00 plus tax

**ANNUAL DUES:** \$900.00 if paid annually or \$75.00 billed monthly, plus tax

**HIGHLIGHTS:** \*Allows eligibility for member functions, charge privileges, 10% discount on food and beverage (excluding banquets) and discounts on merchandise. Use of pool also included.

### C. CORPORATE

**INITIATION FEE:** Minimum of two Designees

1 <sup>st</sup> and 2 <sup>nd</sup> Designee	\$1,250.00 each plus tax
3 <sup>rd</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> , & 6 <sup>th</sup> Designees	\$1,000.00 each plus tax

**ANNUAL DUES:** \$900.00 if paid annually or \$75.00 billed monthly. Dues are paid for each Designee.

**HIGHLIGHTS:** \*Allows eligibility for member functions, charge privileges, 10% discount on food and beverage (excluding banquets) and discounts on merchandise. Use of pool also included.  
\*Transfer fee: \$100.00 per Designee

## FULL MEMBERSHIP

Includes unlimited use of golf and swimming facilities and Clubhouse privileges at LPGA International Golf & Country Club.

### A. PROPERTY OWNERS

**INITIATION FEE:** \$5,000.00 plus tax

**ANNUAL DUES:** \$3,000.00 if paid annually or \$250.00 billed monthly, plus tax

**HIGHLIGHTS:** \* Allows five day advance tee times  
\* No green fees, Member pays for golf cart only.

### B. NON-PROPERTY OWNERS

**INITIATION FEE:** \$7,500.00 plus tax

**ANNUAL DUES:** \$3,900.00 if paid annually or \$325.00 billed monthly, plus tax

**HIGHLIGHTS:** \* Allows five day advance tee times  
\* No green fees, Member pays for golf cart only

## CORPORATE MEMBERSHIP

Includes unlimited use of golf and swimming facilities and Clubhouse privileges at LPGA International Golf & Country Club.

**INITIATION FEE:** Minimum of two Designees

1 <sup>st</sup> and 2 <sup>nd</sup> Designee	\$6,000.00 each plus tax
3 <sup>rd</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> , & 6 <sup>th</sup> Designees	\$5,000.00 each plus tax

**ANNUAL DUES:** \$3,900.00 if paid annually or \$325.00 billed monthly, plus tax per Designee.

**HIGHLIGHTS:** \*No green fees. Designee pays for golf cart only.  
\*Allows five day advance tee times  
\*Transfer fee: \$500.00 per Designee