



TRAVIS
C L U B

MEMBERSHIP PLAN

September 2023

TABLE OF CONTENTS

I. CLUB MEMBERSHIP AND CLUB FACILITIES

1. Club Membership	1
2. Real Estate Ownership; Mandatory Membership.....	1
3. Club Facilities.....	1
4. Club Ownership and Operation	2
5. Changes to Club Facilities.....	2

II. MEMBERSHIP CATEGORIES AND PRIVILEGES

1. Membership Categories and Privileges	2
2. Membership Designations	3
3. Number of Memberships	3
4. Changes in Membership / Rules and Policies	3
5. Honorary Memberships	4
6. Additional Usage of Club Facilities	4

III. MEMBERSHIP SELECTION

1. Application and Qualification for Membership	4
2. Initiation Fee	5
3. Screening of Invitees	5
4. Acceptance of Application	5
5. Declination of Application	5
6. Reserved Memberships	6
7. Waiting List	6

IV. MEMBERSHIP POLICIES

1. General	6
2. Membership in One Name.....	6
3. Availability of Memberships.....	6
4. Downgrades	7
5. Upgrades	7
6. Family Privileges	7
7. Significant Others	7
8. Guest Policy	7
9. Leave of Absence.....	8
10. Starting Time Policy	8

V. RESIGNATION AND TRANSFER

1. Resignation and Deemed Resignation 9
2. Resignation Upon Sale of Real Estate in the Travis Club Community 9
3. Legacy Transfer to Spouse, Significant Other or Adult Child 10
4. Transfer Upon Death 10
5. Legal Separation or Divorce 10

VI. MEMBER CONDUCT AND DISCIPLINE

1. Compliance with Membership Documents 11
2. Conduct and Discipline..... 11
3. Termination of Membership or Certain Rights.....12

VII. MEMBERSHIP RIGHTS AND USAGE

1. Membership Rights.....12
2. No Equity Rights or Vested Interest13
3. Advisory Board of Governors13
4. Applicability of Membership Plan13

VIII. PAYMENT OF DUES AND CHARGES

1. Statement and Payments13
2. Dues14
3. Charge Privileges14
4. Membership Charges14
5. Miscellaneous Charges14
6. Maintenance of Member Charge Accounts14
7. No Assessments15
8. Past Due, Delinquency and Revocation.....15
9. Frequent Delinquency16
10. Crediting of Account16
11. Reinstatement16

IX. MISCELLANEOUS

1. Independent Entity16
2. Binding Effect, Indemnification17
3. Release, Disclaimer and Indemnification17
4. Carefully Review All Membership Documents 18
5. Rely Only on Information in the Membership Documents 18
6. Memberships at the Club are Offered Only for Recreational Purposes 18
7. Personal Property 18

8.	Modification or Closure of Club Facilities	19
9.	Reciprocal Privileges	19
10.	Membership Categories	19
11.	Liability for Damage	19
12.	Associations	20
13.	No Agency	20
14.	Notice	20
15.	Unavoidable Delay	20
16.	Tax Consequences of Acquiring a Membership in the Club	21
17.	Interpretation.....	21

X. DISPUTE RESOLUTION

1.	Mediation	21
2.	Court or Other Proceeding.....	22

XI. SALE OF CLUB FACILITIES

1.	Sale of Club Facilities.....	22
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XII. AMENDMENT OF MEMBERSHIP PLAN

1.	Amendment	25
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MEMBERSHIP PLAN

I.

CLUB MEMBERSHIP AND CLUB FACILITIES

1. CLUB MEMBERSHIP

Membership in Travis Club (the “Club”) offers the use of golf, dining, fitness, spa and recreational facilities. The terms and privileges of membership in the Club and the policies and procedures under which the Club is operated are described in this Membership Plan, the Rules and Regulations, which may include a code of conduct (the “Rules and Regulations”), the Membership Agreement and Application (the “Membership Agreement and Application”) and the Schedule of Dues, Fees and Charges (collectively referred to as the “Membership Documents”).

2. REAL ESTATE OWNERSHIP; MANDATORY MEMBERSHIP

Invitees for Golf Membership or Sports and Social Membership must own real estate in the Travis Club community (the “Travis Club Community”), as further described herein. Each purchaser of real estate in the Travis Club Community must apply for membership in the Club. If accepted for membership, a Member must maintain a membership in the Club at all times, except as otherwise provided in this Membership Plan.

3. CLUB FACILITIES

The Club facilities and amenities are currently anticipated to include the following principal components:

Golf Facilities

- 18-hole championship golf course designed by Beau Welling Design.
- Practice facilities designed by Beau Welling Design.
- Golf Clubhouse.

Peninsula Club Facilities

- Lake Clubhouse campus located on the Lake Travis waterfront, with dining, fitness, wellness, pools, tennis and racquet center and family activity facilities.
- Duke’s House, a historic lake cabin with a tree bar on the banks of the lake.

The Marina

- Marina House with food and beverage options.
- Direct access to the lake via the boat club, or private slips and storage for member use.
- Gear shed with paddle boards, kayaks, and other water sport activity equipment.

The facilities described above, as may be modified or deleted by Club Owner in its discretion, together with such other property and facilities as Club Owner may make available, shall collectively be referred to as the “Club Facilities.” There is no guarantee that any particular facility or facilities will be developed and included in Club Facilities. The Club Facilities will be developed in phases, as determined by Club Owner in its discretion. Membership Categories determine which Club Facilities are available to a Member.

4. CLUB OWNERSHIP AND OPERATION

The Club is owned and operated by HH-CH-B Blue Lake, LLC, together with its successors and assigns being collectively referred to as “Club Owner.” Where applicable, references to the “Club” shall mean Club Owner and its designated management of the Club.

5. CHANGES TO CLUB FACILITIES

The Club may, in its discretion, expand, delete or modify the Club Facilities or add additional facilities as it determines appropriate from time to time. Club Owner may change the size, design, location or other aspect of any Club Facility in its discretion. If additional facilities are developed, the Club shall determine which categories of membership shall have usage rights for any such additional facilities.

II.

MEMBERSHIP CATEGORIES AND PRIVILEGES

1. MEMBERSHIP CATEGORIES AND PRIVILEGES

Membership in the Club is by invitation only. An “Invitee” is any person who is invited by Club Owner to submit an application for membership. Membership is available in membership categories (each a “Membership Category”), which determines the rights and privileges of membership. The Club currently offers three (3) Membership Categories. The membership privileges of each Membership Category are as follows:

- A. Founding Membership (“Founding Membership”) entitles the Member and the Member’s Family to full use of all Club Facilities. Founding Members are subject to dues and other fees and charges as determined by the Club from time to time but will not be required to pay greens fees for use of the golf course by the Member and/or his or her Family. The private slips and storage at the boat club portion of the Marina Facilities are subject to availability and subject to the payment of fees and charges for each. Founding Membership also offers the Founding Member a number of other benefits set forth in each Member’s Founding Membership Agreement. These benefits include a priority for homesite selection until a homesite is purchased, as more fully described in the Founding Membership Agreement. The terms of the Founding Membership Agreement control in the event of any inconsistency with this Membership Plan. The Club intends to offer up

to fifty (50) Founding Memberships. Upon resignation (pursuant to the terms of the Founding Membership Agreement), a Founding Membership will be reissued as a Golf Membership or a Sports and Social Membership. Founding Memberships (and subsequently reissued Golf Memberships or Sports and Social Memberships) do not count towards the calculation of the Golf Membership Cap or the Sports and Social Membership Cap.

- B. Golf Membership (“Golf Membership”) entitles the Member and the Member’s Family to full use of all Club Facilities. Golf Members are subject to dues and other fees and charges as determined by the Club from time to time but will not be required to pay greens fees for use of the golf course by the Member and/or his or her Family. The private slips and storage at the boat club portion of the Marina Facilities are subject to availability and subject to the payment of fees and charges for each.
- C. Sports and Social Membership (“Sports and Social Membership”) provides access to the Peninsula Club Facilities and the Marina Facilities, but not the Golf Facilities. The private slips and storage at the boat club portion of the Marina Facilities are subject to availability and subject to the payment of fees and charges for each.

2. MEMBERSHIP DESIGNATIONS

Members of each Membership Category in the Club may also be identified by a membership designation. From time to time in its sole discretion, the Club may create new membership designations or may combine or eliminate any existing membership designations. A Member’s membership designation may provide certain benefits and privileges.

3. NUMBER OF MEMBERSHIPS

The total number of active dues paying Members will be determined by Club Owner in its discretion. The Club has a current membership cap of three hundred ninety-five (395) Golf Memberships plus up to fifty (50) Founding Memberships (which may be subsequently reissued as Golf Memberships) (the “Golf Membership Cap”). The Golf Membership Cap may be adjusted if the Club adds additional golf amenities. The total number of Sports and Social Memberships will not exceed the total number of homesites in the Travis Club Community (as defined herein) less the number of active Golf Memberships (the “Sports and Social Membership Cap”).

4. CHANGES IN MEMBERSHIP / RULES AND POLICIES

The Club has the right to discontinue offering any Membership Category and to create additional Membership Categories from time to time conferring such rights and privileges and imposing such obligations as it deems appropriate, and to prescribe the qualifications and requirements for membership in any such Membership Category. The Club has no obligation nor is the Club under any time deadline to sell

any type of memberships. In addition, the Club reserves the right to establish or modify (i) rules, regulations, policies, guidelines, or systems governing access to, reservation of or use of the Club Facilities or (ii) the terms of membership in the Club.

5. HONORARY MEMBERSHIPS

Club Owner reserves the right to issue memberships in the Club to selected individuals for their contribution to the Club, the community or other activities, as determined by Club Owner in its discretion (the “Honorary Memberships”). The terms and conditions of any such Honorary Memberships will be determined in the Club’s discretion. Honorary Memberships will not count towards any membership target.

6. ADDITIONAL USAGE OF CLUB FACILITIES

The Club reserves the right to provide access to the Club Facilities to certain individuals that are not Members. The terms and conditions of such usage shall be determined by the Club in its discretion.

III.

MEMBERSHIP SELECTION

1. APPLICATION AND QUALIFICATION FOR MEMBERSHIP

Invitees must be financially qualified persons of good character, who are at least twenty-one (21) years of age. Each Invitee must complete the Membership Agreement and Application.

- A. Real Estate Ownership Requirement. Invitees for Golf Membership or Sports and Social Membership must own real estate in the Travis Club Community. If an Invitee for Golf Membership or Sports and Social Membership is under contract to acquire real estate in the Travis Club Community, the Club will review a Membership Agreement and Application and may approve an Invitee for Golf Membership or Sports and Social Membership subject to acquisition of real estate in the Travis Club Community. If at any time a Member no longer owns real estate in the Travis Club Community, the Golf Membership or Sports and Social Membership held by the Member shall be deemed automatically resigned.
- B. Founding Memberships are not subject to the real estate ownership requirement in the Travis Club Community.
- C. A purchaser of real estate in the Travis Club Community must apply for membership in the Club. If accepted, Member must maintain membership in the Club at all times, subject to (i) deemed resignation upon the sale of the Member’s real estate in the Travis Club Community, (ii) termination by the Club for disciplinary matters, as described in this Membership Plan, (iii)

certain other instances where the Club may deem the membership resigned, as described in this Membership Plan, and (iv) the terms of Article XI of this Membership Plan.

- D. There may be no more than one (1) membership issued and held for each residence or homesite in the Travis Club Community.
- E. The Club reserves the right to offer other memberships that do not require ownership of real estate in the Travis Club Community.

2. INITIATION FEE

All applications for membership shall be accompanied by a fee in the amount periodically established by the Club for the selected Membership Category (the "Initiation Fee"). The Initiation Fee paid for membership is nonrefundable under any circumstance, unless the invitee is not accepted for membership.

3. SCREENING OF INVITEES

The Club will evaluate all Invitees who submit a completed Membership Agreement and Application and pay the applicable Initiation Fee. Evaluations will be conducted with the intent and purpose of securing the optimum number of Members with compatible social, vocational and professional attainment from all segments of the community. All evaluations shall be made without regard to race, color, national origin, sex, sexual orientation, religious preference, creed, or any disabilities of the Invitee.

4. ACCEPTANCE OF APPLICATION

If a decision is made to accept an application, the Club will use reasonable efforts to notify the Invitee within thirty (30) business days of its receipt of the Invitee's Membership Agreement and Application. If the Membership Category to which the Invitee applied is not available, the Invitee shall be placed on a waiting list for the appropriate Membership Category as set forth in this Membership Plan. If the Membership Category to which the Invitee applied is available, the Invitee shall pay the Initiation Fee (if not previously paid in full for any reason) and all dues required, at which time the Invitee will become a Member and will be entitled to the rights and privileges of the Membership Category selected.

5. DECLINATION OF APPLICATION

The Club may accept or reject any Invitee in its sole and absolute discretion, and the decision of the Club on any application shall be final. If an Invitee has been considered for membership and the Invitee's application is denied, the Club will use reasonable efforts to notify the Invitee of such decision within thirty (30) business days of its receipt of the Invitee's Membership Agreement and Application, and the Initiation Fee submitted by such Invitee shall be fully refunded, without interest. The Invitee may not be further considered for membership in the Club for a period ending one (1) year following the date of the Club's notice to the applicant of the declination.

6. RESERVED MEMBERSHIPS

All unissued memberships will be reserved by the Club and will not be considered to be available memberships in the Club until a decision is made by the Club to issue such memberships. The Club is not required and may not be compelled to sell any reserved membership. The Club may issue a reserved membership to any person that the Club, in its discretion, determines appropriate from time to time. The Club shall have no obligation to pay dues on its reserved memberships.

7. WAITING LIST

The Club may establish a waiting list for Golf Membership at the time that the Club reaches the Golf Membership Cap. A Member holding a Sports and Social Membership must continue to pay dues for Sports and Social Membership while on the waiting list for Golf Membership. The Club may adopt other waiting list procedures as determined in Club Owner's discretion.

IV. MEMBERSHIP POLICIES

1. GENERAL

Membership in the Club shall be evidenced by a copy of the Membership Agreement and Application signed by the Member and by a representative of Club Owner indicating approval of the applicant for membership.

2. MEMBERSHIP IN ONE NAME

There shall be only one (1) Member per membership (the "Member"); membership shall not be issued in joint names. The Member shall be the person indicated on the Membership Agreement and Application; however, subject to the approval of the Club, the Member designation may be changed from one Spouse to the other Spouse annually subject to a redesignation fee charged determined by the Club. Membership may be held by an entity, subject to approval by the Club, but a single individual must be listed on the Membership Agreement and Application as the "Member," with all the rights, privileges and obligations of membership in the Club. The named "Member" and the entity will be jointly and severally responsible for all dues, fees and charges related to the membership.

3. AVAILABILITY OF MEMBERSHIPS

The Club reserves the right to (i) decrease or increase the authorized number of memberships in any Membership Category, subject to the terms of this Membership Plan, (ii) to suspend offering of memberships in any Membership Category; and (iii) to create and offer new Membership Categories at any time as it deems appropriate in its discretion.

4. DOWNGRADES

Downgrade of membership to a lower Membership Category is typically not permitted. The Club will consider a one-time downgrade request due to extenuating personal circumstances and provided that upgrade will not thereafter be permitted. In addition, downgrade may be available pursuant to the terms of Article XI; in such case, subsequent upgrade may be available in the discretion of the Club. No portion of the Initiation Fee paid for the initial Membership Category will be refunded.

5. UPGRADES

A Member in good standing shall be permitted to upgrade his/her membership to a Membership Category with a higher Initiation Fee, subject to availability of membership and the approval of the Club, in the Club's discretion. In addition, upgrade availability is subject to Article IV, Section 4 above. The Member must pay to the Club the difference between the Initiation Fee previously paid by the Member and the then current Initiation Fee for the upgraded Membership Category. A membership must be in good standing in order to request an upgrade.

6. FAMILY PRIVILEGES

Golf Membership includes Family Privileges. Family Privileges provide the Member's Spouse (or approved Significant Other) and their unmarried children who are under the age of twenty-six (26) (collectively defined as "Family" and subject to approval of each of the foregoing by the Club in its discretion), the same usage privileges enjoyed by the Member. The current Rules and Regulations may contain additional rules regarding Family Privileges.

7. SIGNIFICANT OTHERS

Upon written request, an unmarried Member in good standing may request the Club to authorize use of the Club Facilities by a "Significant Other." A designated Significant Other is an unmarried person who is not related to the Member by blood and who lives with the Member in a personal couple relationship. The application for designated Significant Other status shall require proof that the designated Significant Other's primary residential address is the same as the Member's and may require any other information deemed appropriate in the Club's sole discretion. The Club may accept or reject, in its discretion, such request to extend use of the Club Facilities by the designated Significant Other. The Member and the Significant Other shall be jointly and severally responsible for all dues, fees and charges related to the membership. Club Ownership of the membership shall remain with the Member for all purposes. Members may not request a change in the designation of the designated Significant Other more than once every two (2) calendar years, and each change shall be subject to payment of a change fee determined by the Club.

8. GUEST POLICY

- A. Accompanied guests may use the Club Facilities provided the Member is in good standing and the Member or Family member accompanies the guest at the particular Club Facility being utilized by the guest. Club Owner may limit the number of times per year an individual guest may use the Club at the posted guest rate as the guest of a particular Member or as the guest of more than one (1) Member. Guest privileges may only be extended to the use of Club Facilities the sponsoring Member is entitled to use pursuant to his/her particular Membership Category. The Member is responsible for the payment of charges incurred by his/her guests, including any applicable daily guest fees established by the Club from time to time. Members are also responsible for the department of their guests. A Sports and Social Member will be subject to standard guest rules regarding usage of the golf facilities of the Club as a guest of a Golf Member.
- B. Guests that are Extended Family may be provided limited access to use the Club Facilities unaccompanied by the Member or a Family member. If permitted, the terms and conditions will be set forth in the Rules and Regulations. Extended Family means (i) children of the Member, Spouse or Significant Other aged twenty-six (26) and older and (iii) parents of the Member, Spouse or Significant Other.
- C. Except for Extended Family (if permitted), unaccompanied guests of Members or Family Members are not permitted to use the Club Facilities. The Club may sponsor unaccompanied guests approved by the Club in its discretion.
- D. Club Owner may establish additional rules and limitations regarding usage of the Club or the Club Facilities by Guests and Extended Family (if permitted) during certain peak use periods. The rules, limitations and peak use periods all will be determined in Club Owner's discretion.

9. LEAVE OF ABSENCE

Leaves of absence concerning a membership are not permitted.

10. STARTING TIME POLICY

Members with golfing privileges may reserve advance starting times in accordance with the policy set forth in the current Rules and Regulations. For the consideration of the entire membership, and the orderly operation of the Club, Club Owner reserves the right to change the starting time reservation policy and/or to change the number of reservations per membership in the reservation system at any one time.

V.
RESIGNATION AND TRANSFER

1. RESIGNATION AND DEEMED RESIGNATION

- A. A Member may not resign from membership so long as the Member owns real estate in the Travis Club Community, except as otherwise provided in Article XI. A Membership shall be deemed resigned (i) upon the sale of the Member's real estate in the Travis Club Community, (ii) in certain instances upon the death of the Member, as provided below or (iii) in certain instances upon divorce, as provided below. Members remain liable for all dues, fees and charges until the effective date of the deemed resignation.
- B. Except as specifically provided in this Article V or in Article XI, memberships may not be resigned or transferred.
- C. The Initiation Fee paid for membership is nonrefundable under any circumstance, including upon deemed resignation, transfer or resignation pursuant to Article XI.

2. RESIGNATION UPON SALE OF REAL ESTATE IN THE TRAVIS CLUB COMMUNITY

Upon the sale of the Member's real estate in the Travis Club Community, the Member's membership shall be deemed resigned.

- A. If the resigning Member holds a Golf Membership, the purchaser of the resigned Member's real estate in the Travis Club Community may apply for Golf Membership without being subject to any waiting list for Golf Membership. If approved, including payment of the Initiation Fee, a Golf Membership will be issued to the purchaser of the resigned Member's real estate in the Travis Club Community.
- B. If the resigning Member holds a Sports and Social Membership, the purchaser of the resigned Member's real estate in the Travis Club Community may apply for Golf Membership but shall be subject to any waiting list for Golf Membership. If approved, including payment of the Initiation Fee (and subject to any waiting list for Golf Membership) a Golf Membership will be issued to the purchaser of the resigned Member's real estate in the Travis Club Community.
- C. Whether the resigning Member holds a Golf Membership or a Sports and Social Membership, the purchaser of the resigned Member's real estate in the Travis Club Community may apply for Sports and Social Membership. If approved, including payment of the Initiation Fee, a Sports and Social Membership will be issued to the purchaser of the resigned Member's real estate in the Travis Club Community.

3. LEGACY TRANSFER TO SPOUSE, SIGNIFICANT OTHER OR ADULT CHILD

Members are entitled, on a one-time basis, to transfer their memberships during their lifetimes to a Spouse, Significant Other or adult child who is approved by the Club for Membership without the payment of any additional Initiation Fee (“Legacy Transfer”). The transfer shall not be subject to any wait list. No refund shall be paid to the Member or otherwise in connection with such a transfer. A membership transferred under this section cannot be transferred again through this provision. For the purposes of calculating the number of transfers, the original membership may be transferred once during the original Member’s lifetime or at death to a Spouse, Significant Other or adult child who is approved for membership but may not be transferred an additional time. The Spouse, Significant Other or adult child must meet all requirements for membership, including ownership of real estate in the Travis Club Community, if applicable to the membership.

4. TRANSFERS UPON DEATH

Upon the death of a Member, the membership shall be transferred to either (i) the surviving Spouse (subject to eligibility for the particular Membership Category and subject to Club approval of the Spouse) or (ii) heir (subject to eligibility for the particular Membership Category (including ownership of real estate in the Travis Club Community) and subject to Club approval of the heir). If the Club does not approve the Spouse or heir, as applicable, for membership, the Club may deem the membership resigned. If the Spouse or heir does not notify the Club in writing within ninety (90) days of the Member’s death of the desire to transfer the membership, as provided herein, the Club may deem the membership transferred to the individual that owns real estate in the Travis Club Community.

5. LEGAL SEPARATION OR DIVORCE

In the event a Member is legally separated or divorced from his or her Spouse, the membership, including all rights and benefits to the holder thereof, shall remain in the Member’s name, unless otherwise determined by court decree or agreement among the parties (in either case, such transfer would be considered a Legacy Transfer and would be subject to (i) Club approval and (ii) the requirement of ownership of real estate in the Travis Club Community), and in the event the Club does not approve, the membership shall be deemed resigned. In the event a final, non-appealable order of a court having jurisdiction (or binding agreement of the parties) awards the membership to the Member’s Spouse and the Spouse does not request a Legacy Transfer within thirty (30) days after the date of the court decree or agreement, or the Club does not approve a Legacy Transfer, the Club may deem the membership automatically resigned or may suspend the membership until ownership is verified and approved by the Club. A Member shall be required to give written notice to the Club within thirty (30) days from the inception of a divorce or legal separation, and failure to do so will be considered a disciplinary matter. In the case of a divorce, if the Club has been unable to determine which Spouse is legally entitled to the membership within six (6) months after the date of the divorce decree, the Club may suspend the membership until ownership is verified and approved by the Club.

Until the final court decree or agreement is established 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. With regard to any claim or dispute about the ownership of a membership, in the absence of an agreement of separation or a decree of divorce, the Club shall be entitled to rely on the Membership Agreement and Application and may confirm ownership of that membership in the name of the person listed on the membership as the Member. The Club will not become involved in any domestic or other dispute concerning ownership or issuance of a membership and does not have any liability or responsibility for the resolution of such disputes.

VI.

MEMBER CONDUCT AND DISCIPLINE

1. COMPLIANCE WITH MEMBERSHIP DOCUMENTS

Members and their Family members and guests must comply with all aspects of the Membership Documents.

2. CONDUCT AND DISCIPLINE

- A. Members, their Family members and guests are expected to conduct themselves in a manner appropriate for a fine private club, as may be further detailed in the Rules and Regulations. In the event that the Club determines that a Member, any Family member or guest has engaged in (i) any conduct, whether at the Club Facilities or offsite, that the Club or Club Owner determines in their discretion is detrimental to the interests of the Club, its ownership, employees or other Members or (ii) conduct unbecoming of a member, as determined in the discretion of the Club or Club Owner, then the Club may fine the Member, suspend the Member and the membership in its entirety or the rights of certain individuals to utilize the membership, or terminate the membership, in addition to all other available remedies. Member is responsible for all dues during any period of suspension.
- B. Conduct unbecoming of a member shall include, but is not limited to the following: (a) unsatisfactory, abusive, disrespectful, disorderly or illegal behavior towards Members, employees or guests, including without limitation, intoxication, fighting or conduct inconsistent with the peaceful enjoyment of the Club by other Members, (b) failure to accompany a guest when using Club Facilities, (c) destruction of Club property or the property of others, (d) actions that could cause potential liability exposure to the Club, Club Owner, the Club's employees or other Members or guests, (e) actions that violate or could cause a violation of the Club's liquor license, (f) hiring or attempting to hire any employee of the Club or otherwise interfering with any employee or contractual relationship, (g) violating any provisions of the Club's Membership Documents, (h) false information on a Membership Agreement and Application or other Club related document, (i) frequent or severe account delinquency as provided herein, (j) violation (or

accusation of violation) of laws or injunctions, (k) use of media, social media or other electronic communications, in a manner that is detrimental to the Club, Club Owner, employees or other Members, including without limitation, making social media posts that are false, defamatory, unverified or otherwise detrimental to the Club, Club Owner, employees or other Members, (l) failure to own real estate in the Travis Club Community, if required for the membership or (m) other good and sufficient cause as determined by Club Owner in its discretion.

- C. No hearing is required for any non-payment related action taken by the Club. Club may suspend a Member up to twenty-one (21) days without a hearing for any action that constitutes a Material Liability Act. The term “Material Liability Act” is defined as any act conducted by a party that results in, or could result in (i) physical damage to the Club Facilities, (ii) abusive treatment of other Members or disruption of other Members’ use of the Club Facilities, (iii) abusive treatment of employees, (iv) potential liability exposure to the Club, the Club’s employees or other Members, or (v) such other acts of a comparable nature that may be established by Club Owner, in its discretion. The Member shall have the right to request a hearing prior to the expiration of the suspension for a Material Liability Act to address any further disciplinary action. For all other disciplinary matters, the Club will provide the Member at least fourteen (14) days notice of the proposed disciplinary action, and the Member shall have the right to request a hearing prior to the effective date of the proposed disciplinary action. At any hearing, Member may respond in writing, in person or by telephone, video or similar communication method. Club Owner shall determine its representatives at any disciplinary hearing in Club Owner’s discretion. After a hearing (whether for a Material Liability Act or otherwise), Club Owner may take such disciplinary action as Club Owner determines in its discretion.

3. TERMINATION OF MEMBERSHIP OR CERTAIN RIGHTS

If the Club terminates a membership, all rights and privileges of membership shall terminate. In addition, the Club may terminate the rights and privileges of one (1) or more Family Members but not the Member, in which case the Member shall continue to be obligated to pay the standard dues for the Membership Category held by the Member. A guest (including an Extended Family Member) may also be prohibited from using the Club Facilities if Club Owner determines that such guest has violated the conduct provisions of the Membership Documents.

VII.

MEMBERSHIP RIGHTS AND USAGE

1. MEMBERSHIP RIGHTS

All memberships are revocable licenses, subject to the terms, conditions, and restrictions recited herein, by which designated persons enter onto the Club Facilities for the purpose of using and enjoying the available

Club Facilities at the times and in the manner set forth in the Membership Documents. Members agree to abide by the Membership Documents as presently enacted or hereafter amended by the Club in its discretion.

2. NO EQUITY RIGHTS OR VESTED INTEREST

The Members have no equity ownership or other interest in the Club or Club Owner, and membership does not imply any right or privilege to participate in or to administer the Club's business policies and does not create any vested, proprietary, prescriptive, or easement rights or interests of any nature in land, the Club, the Club Facilities, or any of Club Owner's assets. A Member acquires only a revocable license to use the Club Facilities, in accordance with the terms and conditions of the Membership Documents, as same may be amended from time to time in Club Owner's discretion. All rights and privileges of Members under the Membership Documents are subordinate to the lien of any mortgage or deed of trust encumbering the Club Facilities from time to time. Club Owner reserves the right, in its sole discretion, to (i) reserve memberships; (ii) sell or otherwise dispose of the Club Facilities in any manner whatsoever and to any person whomsoever; (iii) issue or terminate any type of unissued membership; (iv) make any other changes in the terms and conditions of membership or the Club Facilities available for use by Members; and (v) amend this Membership Plan as provided herein.

3. ADVISORY BOARD OF GOVERNORS

The Club may appoint an advisory board (the "Advisory Board of Governors") to act in an advisory only capacity to the Club. The members of the Advisory Board of Governors shall consist of Members of the Club and/or other persons selected by the Club. Members of the Advisory Board of Governors shall be appointed by the Club and may be removed and replaced at any time by the Club in its discretion. The number and term of office of members of the Advisory Board of Governors shall be determined in the discretion of the Club. Club Owner shall have the final and sole discretion and authority on all matters concerning the ownership and operation of the Club and the membership of the Club.

4. APPLICABILITY OF MEMBERSHIP PLAN

This Membership Plan shall apply to all Members, Family members and guests.

VIII. PAYMENT OF DUES AND CHARGES

1. STATEMENT AND PAYMENTS

Monthly statements are closed on the last day of each month and normally delivered by the 10th day of the following month. Payment is due and must be received at the Club (not merely postmarked) by the last day

of the month in which the statement is delivered. A late charge determined by Club Owner will be added to all outstanding balances not paid each month.

2. DUES

Members must pay dues on a monthly basis, in advance, or as otherwise determined by Club Owner.

3. CHARGE PRIVILEGES

A Member is entitled to charge privileges at the Club Facilities provided his/her membership is in good standing and his/her account (the "Club Account") does not have a past due balance. Membership in good standing is conditioned upon prompt payment, in full, of all Initiation Fees, dues, charges and fees as determined by the Club. A Member's Club Account will be billed monthly and is due in full upon receipt. Members are responsible for and shall pay all charges incurred by their Family members and guests.

4. MEMBERSHIP CHARGES

All Initiation Fees, dues, miscellaneous charges and fees for services and products, whether paid on an annual, quarterly, monthly or other basis, are determined solely by Club Owner. Club Owner reserves the right to change the amount of the Initiation Fees, dues, charges and fees. Membership in good standing is conditioned upon prompt payment, in full, of all Initiation Fees, dues, charges and fees as assessed by the Club. A Member may be subject to disciplinary action, including forfeiture of membership, for failure to meet his/her financial obligations.

5. MISCELLANEOUS CHARGES

In lieu of tipping, a service charge percentage may be added to food, beverages and services purchased at the Club. Other fees or charges may be imposed from time to time by the Club, including, without limitation, exercise class charges, shoe service fees and the like.

6. MAINTENANCE OF MEMBER CHARGE ACCOUNTS

In the event that the information provided on a Member's membership application with regard to credit card accounts becomes incorrect for any reason, including, but not limited to, expiration due to passage of time or closure of accounts, the Member shall provide to the Club's accounting department whatever data is necessary to update such information. All Members must maintain one (1) credit card account against which certain delinquent accounts may be charged as set forth below.

7. NO ASSESSMENTS

The Members are responsible for the payment of the Initiation Fees, dues, fees and charges periodically established by Club Owner in its discretion; however, the Members shall not be subject to operating assessments or capital assessments. Club Owner, as owner of the Club Facilities, is entitled to all revenues generated by the Club and is responsible for the payment of all operating expenses including any operating and capital deficits.

8. PAST DUE, DELINQUENCY AND REVOCATION

Effective management of accounts receivable at the Club is important to the Club and necessary to protect the rights and privileges of every Member. Accordingly, it is necessary to institute the following policies with regard to those Members who do not maintain his/her accounts in a timely manner:

- A. After notifying a Member either by mail, email (or other electronic communication method), or by telephone that the Member's account is past due twenty-five (25) days, the Club may suspend the Member's charging and membership privileges until it is brought current. In order to bring the account current, the Club shall have the right to charge such amounts to the credit card account of the Member, using the account information provided on the membership application and to the Club's accounting department pursuant to this Membership Plan. The Member consents to such charge against his/her charge cards by agreeing to become a Member of the Club. The Member will be notified by mail, email (or other electronic communication method) and/or may be contacted by telephone. A Member who has been suspended pursuant to this provision remains liable for the payment of applicable monthly dues during the period the Member is suspended but has no rights to use any of the Club's Club Facilities during the period of suspension, even as the guest of another Member.
- B. Any membership with an account that is more than fifty-five (55) days delinquent may be suspended until the account is brought current. The Club has the same rights to charge any outstanding amounts to Member's credit card account as specified above. A Member who has been suspended pursuant to this provision remains liable for the payment of applicable monthly dues during the period the Member is suspended but has no rights to use any of the Club Facilities during the period of suspension.
- C. Any membership with an account that is more than ninety (90) days delinquent may be terminated, but such termination shall not prejudice or affect in any manner the right of the Club to use all legal remedies necessary to collect such delinquent indebtedness.
- D. If the Club is required to turn a Member's account over to a collection agency or institute legal action to collect any dues or charges owed by a Member, or to enforce any provision of this

Membership Plan or the other Membership Documents against a Member, the Member agrees that the Member shall be responsible for all costs of collection, attorneys' fees incurred by the Club, and court costs.

9. FREQUENT DELINQUENCY

Any membership which becomes frequently delinquent may be suspended or terminated; however, such suspension or termination shall not prejudice or affect in any manner the right of the Club to use all legal remedies necessary to collect such delinquent indebtedness. All Members shall be charged an additional fee established by the Club on his/her statement for any checks returned from the bank or the Club's actual cost of recovery, whichever is greater.

10. CREDITING OF ACCOUNT

All bills must be paid in full. Members with any questions regarding the Member's statement should contact the accounting department and any credits due the Member will be credited on the following month's statement.

11. REINSTATEMENT

A request for reinstatement may be honored, in the Club's discretion, subject to Membership Category availability and subject to payment to the Club of such amounts as are determined in Club Owner's discretion.

IX. MISCELLANEOUS

1. INDEPENDENT ENTITY

The Members recognize and acknowledge that Club Owner is a limited liability company formed under the laws of the State of Delaware, which is solely responsible for the obligations and liabilities of Club Owner recited herein, arising hereunder, or in any manner related to the Club. The Members further recognize and acknowledge that no other person or entity, including without limitation (i) Club Owner's partners, owners, members or affiliates; (ii) any individual, including without limitation, any employee, officer, director, manager or agent of any of the foregoing; or (iii) any entity affiliated with Club Owner which may form, organize, provide services to, provide loans and funds to, negotiate for, provide personnel to, make representations on behalf of, and from time to time take actions on behalf of or for the benefit of Club Owner, by direct dealings with the Members or those acting for them, is in any manner liable or responsible for the obligations and liabilities of Club Owner, whether recited herein, arising hereunder, or in any manner related to the Club.

2. BINDING EFFECT, INDEMNIFICATION

In consideration of the rights and privileges of membership, each Member agrees, on his/her own behalf, and on behalf of his/her Family members and guests, to be bound by the Membership Documents. FURTHERMORE, EACH MEMBER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS CLUB OWNER, AND ITS OWNERS AND AFFILIATES AND EACH OF THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, EMPLOYEES, MANAGERS AND AGENTS (COLLECTIVELY, "INDEMNIFIED PARTIES") FROM AND AGAINST ANY CLAIM, DEMAND, LIABILITY, LOSS, COSTS, EXPENSES, DAMAGES OR CAUSE OF ACTION THAT RESULTS FROM OR IS CONNECTED WITH (I) ANY VIOLATION OF THIS MEMBERSHIP PLAN OR THE RULES AND REGULATIONS OR OTHER MEMBERSHIP DOCUMENTS BY THE MEMBER, FAMILY MEMBERS, OR GUESTS, (II) ANY DISPUTE ARISING FROM MEMBERSHIP OR (III) ANY PHYSICAL DAMAGE, INJURY OR DEATH CAUSED BY THE MEMBER, ANY FAMILY MEMBERS OR GUESTS.

3. RELEASE, DISCLAIMER AND INDEMNIFICATION

WHILE USING THE CLUB FACILITIES OR PARTICIPATING IN CLUB EVENTS, WHETHER ON OR OFF THE PREMISES, MEMBERS, FAMILY MEMBERS AND GUESTS ARE CHARGED WITH THE RESPONSIBILITY OF USING PROPER JUDGMENT AND CAUTION AT ALL TIMES. THE CLUB AND CLUB OWNER ASSUME NO LIABILITY FOR INJURIES CAUSED TO OR INCURRED BY ANY MEMBER, FAMILY MEMBER, GUEST OR OTHER PERSON OR FOR DAMAGE TO PROPERTY RESULTING FROM THE USE OF THE CLUB FACILITIES. CONSEQUENTLY, ANY MEMBER, FAMILY MEMBER, GUEST OR OTHER PERSON WHO USES OR ACCEPTS THE USE OF ANY OF THE CLUB FACILITIES OR SERVICES, OR ENGAGES IN ANY ATHLETIC CONTEST, EXERCISE OR OTHER CLUB ACTIVITY, EITHER ON OR OFF THE PREMISES, DOES SO AT HIS/HER OWN RISK AND EXPRESSLY ASSUMES ALL DAMAGES AND RISKS ASSOCIATED WITH SUCH USE OR ENGAGEMENT AND SHALL FULLY AND FOREVER DISCHARGE AND RELEASE AND HOLD THE INDEMNIFIED PARTIES HARMLESS FROM AND AGAINST ANY INJURY, CLAIM, DEMAND, LIABILITY, LOSS, COSTS, EXPENSES, DAMAGES OR CAUSE OF ACTION ASSERTED AGAINST ANY INDEMNIFIED PARTY RESULTING FROM SUCH USE OR ENGAGEMENT. MEMBERS ARE CHARGED WITH THE RESPONSIBILITY OF NOTIFYING THEIR FAMILY MEMBERS AND GUESTS REGARDING THIS RELEASE FROM LIABILITY AND DISCLAIMER. IN ADDITION, THE MEMBER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM ANY CLAIM, DEMAND, LIABILITY, LOSS, COSTS, EXPENSES, DAMAGES OR CAUSE OF ACTION ASSERTED AGAINST ANY INDEMNIFIED PARTY BY A FAMILY MEMBER OR GUEST OF THE MEMBER.

The provisions of any state, federal or local law providing that a release shall not extend to claims, demands, injuries or damages that are unknown or unsuspected to exist at that time, to the person agreeing to such release, are expressly waived. The provisions of this Article IX, Section 3 shall survive any resignation or termination of membership in the Club.

4. CAREFULLY REVIEW ALL MEMBERSHIP DOCUMENTS

Every person who desires to obtain a membership should carefully read the Membership Documents and should seek professional advice to evaluate the Membership Documents.

5. RELY ONLY ON INFORMATION IN THE MEMBERSHIP DOCUMENTS

THE MEMBERSHIP DOCUMENTS SET FORTH ALL REPRESENTATIONS AND TERMS CONCERNING MEMBERSHIPS IN THE CLUB. NO PERSON HAS THE AUTHORITY TO MAKE ANY ADDITIONAL REPRESENTATION, MODIFICATION OR CONDITION, OR PROVIDE ADDITIONAL INFORMATION CONCERNING MEMBERSHIP IN THE CLUB AND, IF PROVIDED, THE INFORMATION MAY 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 DOCUMENTS WITH OTHER PRINTED MATERIALS OR ANY OTHER DOCUMENT, THE MEMBERSHIP DOCUMENTS SHALL GOVERN.

6. MEMBERSHIPS AT THE CLUB ARE OFFERED ONLY FOR RECREATIONAL PURPOSES

MEMBERSHIPS IN 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 IN THE CLUB. THE OWNER MAKES NO REPRESENTATIONS CONCERNING ANY TAX ISSUES INVOLVING THE MEMBERSHIPS. THE MEMBERSHIP IN THE CLUB IS NOT INCLUDED IN ANY RESIDENTIAL LOT AND IS A SEPARATE AGREEMENT SOLELY BETWEEN CLUB OWNER AND THE MEMBER, AS PROVIDED IN THE MEMBERSHIP DOCUMENTS.

NO FEDERAL OR STATE AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THE MEMBERSHIP DOCUMENTS, OR ANY RECORDED DOCUMENT REFERENCED HEREIN.

7. PERSONAL PROPERTY

Each Member, Family member or guest is responsible for his/her own personal property. The Club and Club Owner are not responsible for lost property or articles stolen from anywhere on the Club premises and specifically disclaim any such responsibility. Personal property left by any person on the Club premises and not claimed within thirty (30) days may be disposed of by the Club without notice. No bailment is intended, nor created, by the preceding sentence.

8. MODIFICATION OR CLOSURE OF CLUB FACILITIES

The use of the Club Facilities may be modified or otherwise restricted as deemed necessary by Club Owner. Membership does not create any presumption that the Club Facilities or services that are now or hereafter available will continue to be available in their current state or condition. The obligation to pay dues is not dependent on the availability of all the Club Facilities or the frequency of use. Tournaments, special events, repair, maintenance and/or construction or remodeling of any of the Club Facilities, weather, epidemic, pandemic or other force majeure type events and/or other occurrences (as more fully described in the definition of “Unavoidable Delay” in Article IX, Section 15 of this Membership Plan) may make it necessary for the Club to change the hours of use or to restrict the use of one (1) or more of the Club Facilities or to close the Club. The Club will not reduce or suspend dues during the time when the Club Facilities, in whole or in part, are not available. The Club reserves the right, in its discretion, to refuse use of the Club Facilities by any person at any time. The Club or portions of the Club Facilities may be closed to Members one or more days per week for maintenance or other activities.

9. RECIPROCAL PRIVILEGES

The Club may, in its sole discretion, enter into reciprocal use privileges and arrangements with other clubs and resorts, as the Club determines appropriate from time to time.

10. MEMBERSHIP CATEGORIES

Club Owner, at all times, retains the full right to modify Membership Categories and the right to revise any or all of the membership privileges applicable to any Membership Category.

11. LIABILITY FOR DAMAGE

Each Member is liable for any damage to any of the Club Facilities or any person caused by the Member, Family members or guests. Payment is due immediately upon presentment to the Member of a statement for costs.

- A. Persons playing on the golf courses and practice areas are expected to respect the rights of persons owning property adjacent to the golf course. Personal injury or property damage caused by a golf ball is the sole responsibility of the golfer striking the ball. The Club is not responsible for such damage. In the event of such damage, the Member should attempt to contact the owner of the damaged property at the time of the incident. If this is not possible, the golfer should report the matter to the golf shop upon completion of play. Failure to do so will constitute a violation of this Membership Plan and may be grounds for disciplinary action.
- B. Persons playing golf and/or using carts on the golf course are responsible for any injury or damage that may result from their conduct. The Club is not responsible for injuries that may

result from errant balls or cart accidents. In the event a Member causes injury or damage, the Member should contact the injured party, take responsibility for the incident and should report the matter to the golf shop immediately. Failure to do so will constitute a violation of this Membership Plan and may be grounds for disciplinary action.

- C. Caution must be exercised at all times while wearing golf shoes.

12. ASSOCIATIONS

Club Owner and the Club do not assume any responsibility nor accept or incur any liability for the activity of any association. No association rules or policies may be contrary to or in conflict with this Membership Plan or the policies established by Club Owner or the Club, and the Club reserves the right to disband any association in its discretion.

13. NO AGENCY

No Member or any person participating in the activities of any Club association or program shall have the authority, express or implied, to act on behalf of or as an agent for Club Owner, the Club or the general manager.

14. NOTICE

- A. Any notice to be given by the Club to a Member may be mailed, emailed or otherwise delivered to that Member at the address which the Member lists on his/her Membership Agreement and Application, or other address used for billing purposes, unless that address has subsequently been changed by notice delivered to the Club as provided for in this Section. Notice to a Member is effective at the time of delivery or, if mailed, on the first regular mail delivery day at least three (3) days after the notice is delivered, postage prepaid, to the United States Postal Service, or if sent by email to an email address provided by Member, on the date of delivery if sent prior to 5:00 pm Central Time, otherwise on the next business day.
- B. Any notice to be given by a Member to Club Owner or the Club may be mailed, emailed or otherwise delivered to the Club at that address provided to membership from time-to-time or as otherwise set forth on the Club's website.

15. UNAVOIDABLE DELAY

The provisions of this Section shall be applicable if there shall occur during the construction or operation of any of the Club Facilities any (i) strike(s), lockout(s), or labor dispute(s); (ii) inability to obtain labor or materials, or reasonable substitutes therefore; (iii) acts of God, governmental restrictions, regulations or controls, enemy or hostile governmental action, civil commotion, fire, or other casualty; (iv) epidemic,

pandemic or regional, state, national or international emergency or (iv) other conditions similar to those enumerated in this Section beyond the reasonable control of Club Owner (collectively, the above-described events shall be referred to as “Unavoidable Delay”). If, as a result of Unavoidable Delay, Club Owner shall fail to punctually perform any aspect related to the construction or operation of the Club Facilities (including closure of the Club Facilities, whether determined in Club Owner’s discretion or required by law or regulation), such failure shall not be considered a breach of any promise or covenant to the Members regarding the construction or operation of the Club Facilities. Moreover, the obligation to pay all dues, fees and other charges shall continue, whether or not the Club Facilities are available for Member use.

16. TAX CONSEQUENCES OF ACQUIRING A MEMBERSHIP IN THE CLUB

Purchasers of memberships in the Club should consult with their individual tax advisors to determine the tax consequences, if any, of becoming a Member. The Club expresses no views on federal, state or local tax consequences. All Members acquire their membership privileges subject to the applicable tax laws as they exist from time to time. Accordingly, Members should consult with their own tax advisors with respect to the tax consequences of any Club membership.

17. INTERPRETATION

In the event any provision of the Membership Documents requires interpretation, the interpretation of Club Owner shall be final and conclusive. Whenever in this Membership Plan or in any of the other Membership Documents a matter is to be determined by Club or Club Owner or in the discretion of the Club or Club Owner (or similar phrase(s)), the matter shall be determined in the sole and absolute discretion of Club Owner.

X.

DISPUTE RESOLUTION

1. MEDIATION

The Club, in its sole discretion, and with no obligation, may require any disputes, claims or other disagreement related to the Club or the Membership Documents, to be referred to nonbinding mediation. If the Club elects to refer a matter to nonbinding mediation, the parties shall retain a mutually acceptable mediator (with experience in the country club industry) to assist them in resolving the dispute within ten (10) days of the election to mediate, failing which they shall each retain a mediator within ten (10) additional days and the two mediators thus chosen shall select a third mediator within an additional ten (10) days, who will serve as the mediator for the dispute. If either party shall fail to appoint a mediator as required hereunder, the mediator appointed by the other party shall be the mediator. Within thirty (30) days after the mediator has been retained, the mediator shall, on a non-binding basis, advise the parties in writing of the mediator’s views. The fees and expenses of the mediator shall be borne equally. If the parties are still

unable to resolve the dispute within such thirty (30) day period, or Club determines at any time during the mediation proceeding that the mediation will not be successful, the mediation shall terminate and either party may then pursue any remedy available at law or in equity. If both parties agree to submit the dispute to binding arbitration it shall be conducted pursuant to the agreed arbitration procedures.

2. COURT OR OTHER PROCEEDINGS

- A. A. In any legal action or proceeding (whether arbitration or litigation), the successful or prevailing party or parties shall be entitled to the recovery of reasonable attorneys' fees, costs and all expenses (including, without limitation, all such fees, costs and expenses incident to appeals), incurred in that action or proceeding (the "Fees and Costs"), in addition to any other relief to which such party or parties may be entitled. Notwithstanding anything to the contrary, in no event shall a Member or any party acting on behalf of a Member, in any proceeding or legal action concerning a dispute be entitled to any amount in excess of the Initiation Fee, if any, paid to the Club, less any unpaid amounts due the Club, plus Fees and Costs (the "Maximum Recovery Amount"). In addition, any Member and their Family, shall automatically be suspended by the Club, upon the filing of any litigation or arbitration proceeding or legal action against the Club, Club Owner, any affiliate of Club Owner, or any owner, manager, partner, officer, director, employee or agent of the foregoing. In no dispute, claim or action is a Member entitled to consequential, punitive, or exemplary damages and any claim is limited to solely to actual damages in an amount not to exceed the Maximum Recovery Amount.
- B. Venue for any dispute shall be in the court of appropriate jurisdiction in Travis County, Texas. The Membership Documents shall be governed by Texas law.

XI.

SALE OF CLUB FACILITIES

1. SALE OF CLUB FACILITIES

- A. Subject to the terms of this Article XI, Club Owner may sell the Club Facilities in its discretion and on such terms as shall be determined in Club Owner's discretion.
- B. Except as provided in Paragraph D below, if Club Owner desires to sell the Club Facilities, Club Owner agrees to first offer to sell the Club Facilities to the Members of the Club on such terms as shall be determined by Club Owner in its discretion. Club Owner agrees to notify the Advisory Board in writing of the proposed sale, including the proposed terms, including that the closing of the sale must take place within sixty (60) days after full execution of a definitive agreement (the "Notice of Sale"). The Advisory Board will serve as the representatives of the Members for purposes of negotiating a potential purchase of the Club Facilities. If an Advisory Board has not

been formed, Club Owner will form an Advisory Board prior to offering to sell the Club Facilities to the Members. The Members shall have a period of sixty (60) days after Club Owner's delivery of the Notice of Sale to negotiate a definitive agreement with Club Owner for the sale of the Club Facilities to the Members. Neither Club Owner nor the Members shall have any obligation to enter into a definitive agreement for the sale of the Club Facilities, and each party shall have the right to approve or disapprove any definitive agreement for the sale of the Club Facilities in their discretion. If a definitive agreement is not fully executed within such sixty (60) day period, this Paragraph shall be null and void, Club Owner shall have no further obligations pursuant to this Paragraph with respect to any current or future sale of the Club Facilities, and Club Owner shall be free to sell the Club Facilities to any party on such terms as shall be determined in Club Owner's discretion, subject to Paragraph C below. In addition, if a definitive agreement is fully executed, but the Members fail to close the purchase of the Club Facilities within sixty (60) days after full execution of the definitive agreement, pursuant to the terms of the definitive agreement, this Paragraph shall be null and void, Club Owner shall have no further obligations pursuant to this Paragraph with respect to any current or future sale of the Club Facilities, and Club Owner shall be free to sell the Club Facilities to any party on such terms as shall be determined in Club Owner's discretion, subject to Paragraph C below.

- C. If (i) a definitive agreement for the sale of the Club Facilities is not fully executed within sixty (60) days after Club Owner's delivery of the Notice of Sale or (ii) a definitive agreement for the sale of the Club Facilities is fully executed within sixty (60) days after Club Owner's delivery of the Notice of Sale, but the Members fail to close the purchase of the Club Facilities within sixty (60) days after full execution of the definitive agreement, then Club Owner shall be free to sell the Club Facilities to any third party, subject to this Paragraph C. If Club Owner reduces the price for the sale of the Club Facilities to an amount less than ninety-five percent (95%) of the price provided to the Members in the Notice of Sale, then Club Owner shall first offer the Club Facilities again to Members in a revised notice of sale ("Revised Notice of Sale") in accordance with this Paragraph C. The Members shall have a period of fifteen (15) days after Club Owner's delivery of the Revised Notice of Sale to negotiate a definitive agreement with Club Owner for the sale of the Club Facilities to the Members. Neither Club Owner nor the Members shall have any obligation to enter into a definitive agreement for the sale of the Club Facilities, and each party shall have the right to approve or disapprove any definitive agreement for the sale of the Club Facilities in their discretion. If a definitive agreement is not fully executed within such fifteen (15) day period, Club Owner shall have no further obligations pursuant to this Paragraph C, this Article XI shall be null and void with respect to any current or future sale of the Club Facilities, and Club Owner shall be free to sell the Club Facilities to any party on such terms as shall be determined in Club Owner's discretion. In addition, if a definitive agreement is fully executed, but the Members fail to close the purchase of the Club Facilities within thirty (30) days after full execution of the definitive agreement pursuant to the terms of the definitive agreement, Club Owner shall have no further obligations pursuant to Article XI, Paragraphs B and C, and Article

XI, Paragraphs B and C shall be null and void and of no further force and effect with respect to any current or future sale of the Club Facilities, and Club Owner (and any successors and assigns) shall be free to sell the Club Facilities to any party on such terms as shall be determined in the discretion of Club Owner (or its successors or assigns).

- D. Paragraph B does not apply to (i) sale or transfer of the Club Facilities in connection with the sale or transfer of all or substantially all of the remaining real property in the Travis Club Community, (ii) direct or indirect transfers of ownership interests in Owner, or (iii) Club Owner's transfer of the Club Facilities to an Affiliate of Club Owner. Affiliate means an entity that (i) owns at least a 50% interest in Club Owner, (ii) shares at least 50% common ownership with Club Owner or (iii) that is controlled by a person or entity that controls Club Owner.
- E. Any sale or transfer of the Club Facilities shall be subject to the terms and conditions of this Membership Plan.
- F. In the event of a sale of the Club Facilities to a third party ("Third-Party Purchaser") that is not (i) an Affiliate of Club Owner or (ii) a Member group formed pursuant to this Article XI, then the following provisions shall apply. If the Third-Party Purchaser adopts revisions to the terms of membership, whether pursuant to amendment(s) to this Membership Plan or a new Membership Plan, or pursuant to the existing Membership Plan that would have a Material Adverse Affect on existing Members, then the Members may notify the Third Party Purchaser in writing specifically describing the revisions that constitute a Material Adverse Affect (the "MAE Notice"). If the Third-Party Purchaser does not cure such revisions to the terms of membership within thirty (30) days after the provision of the MAE Notice to Third Party Purchaser, Members shall have the right to either (i) downgrade their membership (if the Member is in a higher Membership Category) or (ii) resign their membership. The Initiation Fee is not refundable upon either resignation or downgrade.

For the purposes of this provision, only the following shall constitute a "Material Adverse Affect" on the terms of membership for existing Members: (i) elimination of a material portion of the use privileges for a Member's Membership Category, (ii) requirement of an additional initiation fee or joining fee to continue then existing membership privileges (unless in connection with an equity turnover or sale to the Members), (iii) increase in the Golf Membership Cap without the provision of additional golf amenities, (iv) elimination of Legacy Transfer rights, (v) elimination of the prohibition on operating assessments or capital assessments or (vi) increase in the dues of twenty-five percent (25%) or more on an annual basis, without the approval of at least fifty percent (50%) of the Members subject to the increase.

XII. AMENDMENT OF MEMBERSHIP PLAN

1. AMENDMENT

Except with respect to amendment of Article XI, Sale of Club Facilities, this Membership Plan may be amended only by Club Owner, in its discretion at any time. Amendment of Article XI, Sale of Club Facilities may be made by Club Owner in its discretion after consultation with the Advisory Board. The Membership Plan, Membership Agreement and Application, Rules and Regulations and Schedule of Dues, Fees and Charges, as presently enacted or as hereafter amended by Club Owner, constitute the entire agreement between each Member and Club Owner concerning the Club and the membership. None of the Membership Documents, nor the rights and obligations they create, may be modified, amended, enlarged, or revised orally or by any party other than a written amendment or modification adopted by Club Owner.