

THE BELLA COLLINA CLUB

MEMBERSHIP PLAN

MEMBERSHIP PLAN OVERVIEW

MEMBERSHIP OPPORTUNITY

This Membership Plan describes the Membership opportunities in The Bella Collina Club (the "Club"). The Bella Collina Club is a private club featuring golf, tennis, swimming, spa, fitness, social and equestrian facilities. The Club Facilities are located in the Bella Collina residential community. The Club is offering a limited number of Golf and Sports Memberships.

MEMBERSHIP CATEGORIES

The Club is offering the following categories of Membership: Golf Membership and Sports Membership. The use privileges associated with each category of Membership are more fully described in this Membership Plan. The Club may offer certain other Memberships and use privileges as described in the "Other Memberships and Use Privileges" provision in this Membership Plan. In order to ensure property owners' support for the Club, each owner of a residence or homesite in the Bella Collina residential community ("Bella Collina") is required to acquire and maintain at least a Sports Membership in the Club pursuant to the Amended and Restated Declaration of Covenants, Restrictions and Easements for Bella Collina ("Declaration").

SPECIAL MEMBERSHIP BENEFITS

In addition to exceptional Club Facilities and an extensive array of programs and activities for Members and their families, Membership in the Club currently offers a number of attractive benefits, including:

- **Exclusivity:** Only Members and their guests will have access to the Club Facilities. The number of Memberships in each category is limited.
- **Refundable Membership Deposit:** The Membership Deposit is refundable upon resignation and reissuance of the Membership, as provided for in this Membership Plan.
- **Immediate Family Privileges:** A Member, his or her spouse and their unmarried children, under the age of 23 who are living at home, attending school on a full-time basis or in the military are entitled to Membership privileges without having to pay additional Membership dues.
- **Extended Family Privileges:** Parents, adult children, grandparents, grandchildren and great-grandchildren of the Member and spouse will also be entitled to use the Club Facilities as a guest of the Member upon payment of preferred greens fees and other applicable fees.
- **Resigned Memberships Reissued Prior to Membership Sell-Out:** Resigned Golf Members do not have to wait until all Golf Memberships in the Club have been issued before their Golf Membership is reissued and they receive a refund. Every fourth Golf Membership issued within a category will be a resigned Golf Membership from the Resigned List, if any.
- **Transferability of Memberships:** Memberships are transferable through the Club to the subsequent purchaser of a Member's residence or homesite in the Community (as defined below), regardless of whether there is anyone on a waiting list to acquire a Membership or whether there are resigned Members on the waiting list for reissuance.

- **No Assessments:** Members are not subject to operating or capital assessments prior to equity conversion (if any).
- **Club Newsletter:** Members will receive a periodic newsletter containing information about events and activities at the Club and other items of interest.
- **Website:** The Club's website located at www.bellacollina.com will allow access to a "Members Only" screen to obtain important Club information.
- **Access to Reunion & Hammock Beach Club:** Members of The Bella Collina Club will have access to the golf courses and other facilities of The Reunion Club and The Club at Hammock Beach upon payment of applicable fees and charges. Such access privilege is subject to change and termination, in the sole discretion of owners of The Reunion Club, The Club at Hammock Beach and The Bella Collina Club.

The "Community" includes Bella Collina and such other residential communities as may be designated by the Club from time to time.

CAREFULLY REVIEW ALL MEMBERSHIP DOCUMENTS

Every person who desires to obtain a Membership, or owns or purchases a residence or homesite within the Community should carefully read this Membership Plan and all of the referenced documents and should seek professional advice to evaluate these documents.

RELY ONLY ON INFORMATION IN THIS MEMBERSHIP PLAN

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS MEMBERSHIP PLAN AND THE REFERENCED DOCUMENTS AND, IF GIVEN OR MADE, SUCH INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB. IN THE EVENT OF A CONFLICT BETWEEN THE TERMS OF MEMBERSHIP CONTAINED IN THE MEMBERSHIP PLAN, RULES AND REGULATIONS AND MEMBERSHIP AGREEMENT WITH OTHER PRINTED MATERIALS, THE MEMBERSHIP PLAN, RULES AND REGULATIONS AND MEMBERSHIP AGREEMENT SHALL GOVERN.

MEMBERSHIPS ARE OFFERED ONLY FOR RECREATIONAL PURPOSES

MEMBERSHIPS AT THE CLUB ARE BEING OFFERED EXCLUSIVELY FOR THE PURPOSE OF PERMITTING MEMBERS THE RECREATIONAL USE OF THE CLUB FACILITIES. MEMBERSHIPS SHOULD NOT BE VIEWED AS AN INVESTMENT AND NO MEMBER SHOULD EXPECT TO DERIVE ANY ECONOMIC PROFIT FROM MEMBERSHIP IN THE CLUB.

NO FEDERAL OR STATE AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS MEMBERSHIP PLAN.

APPLICATION PROCEDURE

Each person who desires to become a Member must mail or deliver to the Membership Director a fully completed and signed Membership Agreement along with a check for the required Membership Deposit. In the event the agreement is not acted upon favorably, the Membership Deposit will be fully refunded without interest. Provisions for application and approval of Membership do not apply to owners of residences and homesites in Bella Collina who acquire Sports Memberships, unless otherwise determined by the Club.

MEMBERSHIP DIRECTOR AVAILABLE TO ANSWER QUESTIONS

All inquiries regarding Membership in the Club or this Membership Plan and referenced documents should be directed to the Membership Director at: Bella Collina Sales Office, P.O.

Box 560039, 15920 County Road 455, Montverde, Florida 34756 or by calling (407) 469-4900.

USE OF TERMS

For your convenience, an index of defined terms used in this Membership Plan is contained as the last section of this Membership Plan.

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May 2004

MEMBERSHIP FEATURES AND FACILITIES

INTRODUCTION

This Membership Plan, the Rules and Regulations and the Membership Agreement set forth the rights and privileges of Membership in the Club (herein called "Membership" and persons holding a Membership are herein called "Members").

CLUB FACILITIES

Members, their families and guests will enjoy the following planned Club facilities (the "Club Facilities") anticipated to include:

Golf Club Facilities

- **18 Hole Nick Faldo Golf Course:** The course will be the focal point of the Club and the Community. The course will be designed with tee placements that will be a challenge for the low-handicapper while also creating an enjoyable golfing experience for all levels of players.
- **Golf Practice Facilities:** An outstanding practice facility including a driving range, a practice chipping area and a putting green will be located near The Bella Collina Clubhouse.
- **Bella Collina Golf Clubhouse:** The Golf Clubhouse will be the golf center for the Club. The Golf Clubhouse will feature attractive dining and lounge areas for Members and their accompanied guests, along with the traditional golf pro shop, men's and ladies locker rooms with lounge area and attendant service.

Main Clubhouse Facilities

- **Dining:** A full service restaurant and lounge serving lunch and dinner with a covered terrace for outdoor seating. A private dining room will be adjacent to the dining room to accommodate up to 14 guests. The combination of a beautiful Clubhouse facility and terrific social activities will help establish the camaraderie that is the cornerstone of a fine private Club.
- **Activity:** The Clubhouse will feature a meeting room, concierge reception, multi-functional room that can be utilized for card rooms/activity room/social events and a formal ballroom.
- **Spa/Salon and Fitness:** A full service boutique salon/spa with wet suite featuring steam sauna and whirlpool with splash/soaking tub and a state of the art fitness center with weights and cardiovascular equipment. An Aerobic Studio with aerobic classes and other organized activities. All Spa/Salon/Fitness facilities will be staffed with licensed trainers, therapists and stylists.
- **Swimming:** A junior size Olympic free form swimming complex with whirlpool spa, snack bar facility with a covered terrace for light meals.

Sporting & Equestrian Facilities

- **The Sports & Equestrian Clubhouse** will include a grill/snack bar and lounge.
- **A Fitness Center** with weights and cardiovascular equipment will be available.

- **The Pool** will feature a tropically landscaped aquatic center with a free-form swimming pool, children's pool with slide and water treatments and fountains. Indoor facilities having restrooms and changing rooms with day lockers will be available.
- **Tennis Facilities:** Our tennis facilities will include 3-4 Har-Tru tennis courts that are lighted for evening play.
- **Equestrian Stables/Boarding:** Paddocks will be available for boarding Members' horses along with ability to ride and take lessons from the Club's staff.
- **Bike/Walking Trail:** A lighted walking/bike trail on Pine Island that is approximately 2 miles in length.
- **Multi-Use Sports Field:** A multi-functional sports field for softball, soccer and other uses adjacent to the tennis complex.
- **Children's Playground:** The children's playground area will include swings/jungle gym/sand box. (Located in close proximity to the swimming complex).

Any of the Club Facilities and their uses may change depending on changes in member demand.

CONSTRUCTION OF CLUB FACILITIES

Construction of the Sports & Equestrian Complex including the tennis courts is expected to begin in 2005 and be completed in 2006. The Nick Faldo designed 18-hole golf course and practice facility and the Golf Clubhouse are anticipated to be completed by late 2006. The Main Clubhouse facilities are anticipated to be completed and ready for use in 2008. The construction of all facilities will be subject to obtaining the necessary approvals and permits.

ADDITIONAL CLUB FACILITIES

The Club may, in its sole discretion, expand the Club Facilities or add additional facilities either on or off-site as it determines appropriate from time to time, including additional golf facilities. If additional facilities are added to the Club Facilities, the number of Memberships issued in the Club may be increased.

The Club may, in its sole discretion, allow all Members to use the additional Club Facilities, increase dues for all Members or certain categories of Membership to pay the additional costs associated with the additional Club Facilities, or give Members the option to use the Club Facilities upon payment of additional Membership dues.

OWNERSHIP AND OPERATION OF CLUB FACILITIES

The Bella Collina Club, LLC, a Georgia limited liability company, qualified to transact business in Florida, and/or its affiliates (collectively, the "Company") will own the Club Facilities. The day-to-day management of the Club Facilities will be contracted with Ginn Club Management, LLC, a subsidiary of Ginn Hospitality, LLC. Where this Membership Plan refers to the Club taking action or having certain rights, the Company or its designees may take such action and shall have such rights.

MEMBERSHIP CATEGORIES AND PRIVILEGES

CATEGORIES OF MEMBERSHIP

The Club is offering a limited number of Memberships in the following categories: Golf Memberships and Sports Memberships. The Club may offer certain other Memberships and use privileges as described in the "Other Memberships and Use Privileges" provision in this Membership Plan.

GOLF MEMBERSHIP

Each Golf Member will be entitled to use all Club Facilities including golf, tennis, equestrian, swimming, spa, fitness, game rooms, restaurants, bike and walking trails and social facilities. Golf Members will not be required to pay greens fees or court fees for use of the golf or tennis facilities, but will be required to pay golf cart fees or trail fees. Golf Members will be entitled to reserve golf starting times ten days in advance and tennis court times seven days in advance. Golf Members will not be required to pay fees for use of the spa or fitness facilities, but will be required to pay fees and charges for spa services and treatments. A preferred pricing discount will be extended to Golf Members for merchandise purchased in the golf pro shop.

SPORTS MEMBERSHIP

Sports Members will be entitled to use all Club Facilities. Once the Bella Collina golf course is open, Sports Members will be limited to the following number of rounds of golf per calendar year based on the number of Golf Members:

Rounds of Golf per Sports Membership

| # Golf Members | # Golf Rounds Permitted |
|----------------|-------------------------|
| Up to 200 | 30 |
| 200 | 24 |
| 300 | 18 |
| 350 | 12 |

The number of rounds of golf available to Sports Members will not be lower than 12 rounds per year. Sports Members will be required to pay golf greens fees, cart fees and applicable charges. Sports Members will be entitled to reserve golf starting times three days in advance. Sports Members will be entitled to reserve tennis court times seven days in advance and not be required to pay court fees for use of the tennis facilities or fees for the fitness or spa facilities unless services are rendered.

RULES AND POLICIES

In order to enhance the recreational and social pleasure of Members and their guests, the Club reserves the right to establish or modify rules, regulations, policies, guidelines or systems governing access or reservation of the Club Facilities.

UPGRADE OF MEMBERSHIP

Members may upgrade to a higher category of Membership if the higher category of Membership is then available and not reserved. In order to upgrade, the Member shall pay to the Club the difference between the Membership Deposit then charged for the higher category of Membership and the Membership Deposit previously paid by the Member for the lower category of Membership.

DOWNGRADE OF MEMBERSHIP

A Golf Member may downgrade to Sports Member one time by submitting a written resignation for the Golf Membership and an executed Membership Agreement for Sports Membership, effective on the earlier of: (i) the reissuance of the Golf Membership by the Club, or (ii) 12 months after the date of resignation of the Golf Membership. The downgrading Member will not be required to pay a Membership Deposit for Sports Membership. Within 30 days of reissuance of the Golf Membership, the downgrading Member will be refunded the difference between the Membership Deposit for Golf Membership and the Membership Deposit for Sports Membership in effect at the time the Member originally acquired the Golf Membership. The Golf Member will continue to be responsible for Golf Membership dues and have Golf Membership privileges until the effective date of the downgrade to Sports Membership. Sports Membership dues and Sports Membership privileges will not commence until the Member's obligation to pay Golf Membership dues ceases. Any Member who downgrades to Sports Membership in accordance with this paragraph may upgrade back to Golf Membership only if a Golf Membership is then available and not reserved and only in accordance with the "Upgrade of Membership" section of this Membership Plan.

NUMBER OF MEMBERSHIPS

LIMIT ON NUMBER OF MEMBERSHIPS

The maximum number of Memberships permitted in each category will be as follows:

| <u>Membership Category</u> | <u>Number of Memberships</u> |
|----------------------------|---|
| Golf | 350 |
| Sports | Number of residences and homesites in Community less number of Golf Memberships issued to property owners |

The Club may, in its sole discretion, further limit the number of Golf Memberships available as the Club determines appropriate from time to time. The combination of homesites as described in the "Ownership of Multiple Residences or Homesites" section shall not reduce the number of Sports Memberships permitted to be issued.

As indicated in the "Club Facilities" section of this Membership Plan, the Club may, in its discretion, develop additional golf holes. For each additional 9 holes added to the Club Facilities, the total number of Golf Memberships may be increased by an additional 175 Golf Memberships.

FAMILY AND GUEST PRIVILEGES

IMMEDIATE FAMILY PRIVILEGES

A Member's immediate family will be entitled to use the Club Facilities on the same basis as the Member, except as set forth herein. A Member's immediate family will include the Member's spouse and their unmarried children under the age of 23 who are living at home, attending school on a full-time basis or serving in the military.

PRIVILEGES FOR INDIVIDUAL LIVING WITH MEMBER

A Member living together with another individual in the same household as a family unit may designate that individual to use the Club Facilities as an immediate family member, on a membership year basis, upon payment of the required designee fee. The total number of adults who may have immediate family privileges is limited to two adults per Membership at any one time. The Member and the designated user shall be individually and jointly responsible for the payment of all charges and fees incurred by the designated user. The Club reserves the right to establish such fees and other rules it deems appropriate.

EXTENDED FAMILY PRIVILEGES

A Member's extended family will be permitted to use the Club Facilities as a guest of the Member in accordance with the Member's category of Membership upon payment of preferred guest fees and other applicable fees, and are subject to the rules and regulations pertaining to guests. Extended family will not be subject to the six times per year limitation on guest play as described in the Rules and Regulations. The extended family shall include the parents, adult children (who do not fall within the definition of immediate family), grandparents, grandchildren and great-grandchildren of the Member and spouse, and the spouses of such family members. The Club may modify or terminate this privilege and establish rules with respect thereto as it may determine from time to time.

GUEST PRIVILEGES

Members may have guests use the Club Facilities in accordance with the Member's category of Membership and the Rules and Regulations of the Club. The Club will limit the number of guests and the number of times a particular guest may use the Club Facilities during each membership year. The Member will be responsible for the payment of charges incurred, but not paid, by his or her guests including any applicable daily guest fees established by the Club. Members will also be responsible for the department of their guests.

PRIMARY PLAYING TIMES

Although each Membership has family and guest privileges, the Club may establish primary playing times during which children and/or guest play may be restricted, in accordance with this Membership Plan and the Rules and Regulations, to better handle golf play during primary playing times. The Club may designate times when only Members and their spouses may play or when guests or children may not play golf, notwithstanding any provisions herein. Children who are immediate family will have the same golf privileges as the Member during all times except primary playing times.

LESSEE PRIVILEGES

A Member who leases his or her residence in the Community for a period of at least one year may designate the lessee of the residence as the beneficial user of his or her Membership, subject to the approval of the Club. The lessee must submit an Application for Lessee Privileges, must be approved by the Club and must pay the required administrative fee established by the Club from time to time. During the period when a lessee is the designated user of the Membership, the lessor Member will not have any membership privileges but will continue to be obligated to pay dues with

respect to the Membership. The Member will be responsible for the department of the lessee and for all charges incurred by the lessee which are not paid within the customary billing and collection procedures of the Club.

OFFERING OF MEMBERSHIPS

OFFERING OF MEMBERSHIPS

Memberships will be offered to owners of residences and homesites in the Community, except that Golf Memberships will be offered to owners of residences and homesites in the Community only if available and not reserved. Golf Memberships that are not acquired by initial purchasers of residences or homesites in the Community may be offered to persons who do not own residences or homesites in the Community. Sports Memberships will not be offered to persons who do not own residences or homesites in the Community, except to the extent Sports Memberships become available as a result of an owner of more than one homesite combining the homesites and resigning the additional Sports Membership or Sports Memberships in accordance with the "Ownership of Multiple Residences or Homesites" provision of this Membership Plan.

RESERVED MEMBERSHIPS

All of the unissued Golf Memberships will be reserved by the Club and will not be considered to be available Golf Memberships in the Club. The Club may not be compelled to sell a reserved Golf Membership. The Club may issue a reserved Golf Membership to any person that the Club, in its sole discretion, determines appropriate from time to time, including persons who do not own a residence or homesite in the Community.

MEMBERSHIP REQUIREMENT FOR PROPERTY OWNERS

The Declaration requires each owner of a residence or homesite in Bella Collina to acquire and maintain a Membership in the Club. Therefore, each initial and resale purchaser of a residence or homesite in Bella Collina must submit a Membership Agreement and pay the required Membership Deposit, on or before the closing on the purchase of the residence or homesite. However, an initial purchaser of a residence or homesite in the Community who acquires a Sports Membership on or before the closing on the purchase of the residence or homesite may upgrade to a Golf Membership (if available and not reserved) in accordance with the "Upgrade of Membership" provision of this Membership Plan within 60 days of the closing by paying the difference between the Membership Deposit in effect for Golf Membership as of the date of the real estate closing and the Membership Deposit in effect for Sports Membership as of such date. The Club reserves the right to establish a process for property owners to be approved for Membership.

AVAILABILITY OF GOLF MEMBERSHIPS FOR INITIAL PURCHASERS OF RESIDENCES OR HOMESITES

Each initial purchaser of a residence or homesite in Bella Collina may at any time within 60 days after the closing on the purchase of the residence or homesite ("offering period") submit a Membership Agreement for a Golf Membership in the Club, provided the Club has a Golf Membership for sale. The number of Golf Memberships is limited and available Golf Memberships will generally be issued on a first-come, first-served basis. Any initial purchaser who does not apply for a Golf Membership during the offering period may apply for one at a later date only if one is available and not otherwise reserved by the Club, and only upon payment of the Membership Deposit which is in effect at the time the Membership is acquired. It is unlikely that

an unissued Golf Membership will be available after the offering period because the Club intends to reserve unissued Golf Memberships for future property purchasers and to make unissued Golf Memberships that are not acquired by initial purchasers of residences and homesites available to persons who do not own property in Bella Collina. OWNERSHIP OF A RESIDENCE OR HOMESITE DOES NOT GIVE ANY VESTED RIGHT OR EASEMENT, PRESCRIPTIVE OR OTHERWISE, TO USE THE CLUB FACILITIES OR TO ACQUIRE A GOLF MEMBERSHIP IN THE CLUB, AND DOES NOT GRANT ANY OWNERSHIP OR MEMBERSHIP INTEREST IN THE CLUB OR THE CLUB FACILITIES.

MEMBERSHIP PRIVILEGES PRIOR TO CLOSING

The Club may allow the initial purchaser of a residence or homesite in the Community to use the Club Facilities as a Member prior to the closing on his or her residence or homesite. The person will be required to pay the applicable Membership Deposit, dues, fees and other charges established by the Club from time to time. In the event the purchaser does not close on the residence or homesite, the Club will terminate a Sports Membership and may terminate a Golf Membership by returning to the person the Membership Deposit paid by the person and the unused portion of any dues, fees and charges paid by the person in advance. In this event, a Membership will thereafter be made available to the person only in the discretion of the Club.

OWNERSHIP OF MULTIPLE RESIDENCES OR HOMESITES

If a person acquires two or more residences or homesites in Bella Collina, the purchaser must acquire at least a Sports Membership for each residence and homesite and should acquire a Golf Membership for each residence or homesite for which Golf Membership privileges are desired. If the person does not acquire a Golf Membership for each residence or homesite, the Club will not guarantee that a Golf Membership will be available for the residence or homesite at a later date.

Notwithstanding any provision herein, an owner of more than one homesite in the Community, who combines the homesites in a manner acceptable to the Club and Bella Collina Homeowner's Association, Inc. ("Association"), so that only one residence may be built thereon, will be required to maintain only one Membership for the combined homesites and may resign the additional Memberships. If the owner of more than one homesite enters into an agreement to combine lots that is acceptable to the Club and the Association before closing, the owner will not be required to acquire more than one Membership provided the owner complies with the agreement. The obligation of the Member to pay dues will cease upon resignation after combination of homesites in accordance with this provision.

MULTIPLE OWNERS OF PROPERTY

In the event a residence or homesite is owned by more than one person (other than spouses), only one owner is eligible to obtain a Membership. The additional owners of the property who are not the Member may use the Club Facilities as guests of the Member upon payment of any applicable guest fees and other rules in accordance with the Rules and Regulations.

MEMBERSHIP HELD IN NAME OF LEGAL ENTITY

For the convenience of Members, a Membership may be held in the name of a corporation, partnership, trust or other form of multiple ownership (collectively, the "entity"). The entity must designate one individual or family who will have the right to use the Membership. The designated individual or family may not be changed; except the entity may change the designated user to the designated user's spouse upon the death of the designated user, without payment of a redesignation fee. The new designated user must submit a Membership Agreement and will be subject to the approval of the Club. The designated user must be a bona fide director, officer, partner, shareholder or employee of the entity, or a beneficiary or settlor if the Membership is held in the

name of a trust, and must pay the required dues and charges. No person other than the designated user and his or her immediate family will be entitled to simultaneously use the Membership. Shareholders, partners or owners of the entity who are not the designated user may use the Club Facilities as guests of the designated user, with the same guest restrictions as listed in the Rules and Regulations.

MEMBERSHIP DEPOSIT

MEMBERSHIP DEPOSIT REQUIRED TO ACQUIRE MEMBERSHIP

Each person who desires to acquire a Membership will be required to pay a refundable deposit (a "Membership Deposit") in an amount as determined by the Club from time to time. Membership Deposits are not transferable, except as specifically provided in this Membership Plan, and are refundable only in accordance with this Membership Plan, the Rules and Regulations of the Club and the Membership Agreement.

REFUND OF MEMBERSHIP DEPOSIT

The Membership Deposit actually paid by a Member will be refunded, without interest, 30 years after the date the Membership is issued by the Club.

If a Member resigns prior to the end of the 30 year period, the Membership Deposit paid by that Member will be refunded, without interest, within 30 days after the reissuance of the resigned Membership by the Club to a new Member, in accordance with the "Transfer of Membership" provision in this Membership Plan, less a 10% Administrative and Transfer Fee ("Reissuance Refund").

The Club's obligation to the Member shall be evidenced by the Membership Agreement. Upon the reissuance of a resigned Membership to a new Member, a new 30 year period begins on the date the new Membership is reissued. The difference between the amount paid by the new Member and the amount refunded to the resigning Member will be retained by the Club.

MEMBER MAY CONTINUE MEMBERSHIP AT END OF THIRTY YEARS

A Member who continues to be a Member for 30 years may elect to continue his or her Membership at the end of the 30 year period by paying the applicable Membership dues, fees and charges until the Member subsequently resigns from the Club. Any Member who elects to continue his or her Membership at the end of the 30 year period will not be counted toward any cap or limits on the total number of Members or the number of Members in any category.

DEDUCTION OF AMOUNTS OWED TO CLUB

The Club will deduct from any amount to be repaid to the Member any amount which the Member owes the Club.

ASSURANCE OF COMPLETION OF CLUB FACILITIES

Membership Deposits will be held in escrow at a local financial institution pending completion of the Club Facilities, as set forth in an Escrow Agreement for Membership Deposits (the "Escrow Agreement"), a copy of which is available for review in the Membership Office. If the Club provides security ensuring completion of the Club Facilities or a refund of amounts paid in respect of a Membership in the Club in the event the Club Facilities are not completed, or if completion of the Club Facilities is otherwise assured as more particularly provided in the Escrow Agreement for Membership Deposits, the escrow agent is authorized to release amounts held in escrow as more particularly provided in the Escrow Agreement for Membership Deposits. A copy of the Escrow Agreement for Membership Deposits will be available for review in the Membership Office.

TAX CONSEQUENCES OF ACQUIRING MEMBERSHIP

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

TRANSFER OF MEMBERSHIP

TRANSFER OF MEMBERSHIP TO CLUB

A Member may transfer his or her Membership only to the Club by resigning the Membership and arranging for the Club to reissue the Membership. Should a Member desire to resign from the Club, the Member shall be required to give written notice to the Membership Director. Resignation of a Member is irrevocable, unless otherwise determined by the Club.

Since each property owner in Bella Collina is required to be at least a Sports Member, a property owner in Bella Collina may not resign a Sports Membership, except in connection with the sale of the residence or homesite, or except after combining more than one homesite owned by the Member, as set forth in the "Ownership of Multiple Residences or Homesites" section of this Membership Plan. A Golf Member who owns a residence or homesite in Bella Collina may resign the Golf Membership, provided he or she acquires a Sports Membership before the earlier of (i) the reissuance of the Golf Membership or (ii) 12 months after the date of resignation. (However, a Golf Member has a one time right to downgrade to Sports Membership without payment of the Membership Deposit for the Sports Membership in accordance with the "Downgrade of Membership" provision of this Membership Plan.)

TRANSFER UPON SALE OF RESIDENCE OR HOMESITE

A Member who resigns from the Club upon the sale of his or her residence or homesite in the Community may arrange for the Club to reissue his or her Membership to the subsequent purchaser of his or her residence or homesite in the Community regardless of whether all of the Memberships in that category have been issued and regardless of whether there are any resigned Memberships on the waiting list. The subsequent purchaser desiring the resigned Membership will be required to submit a Membership Agreement and will be required to pay the Membership Deposit which is then in effect. The subsequent purchaser must acquire the Membership on or before the real estate closing.

If a Sports Member sells his or her residence or homesite in the Community to a person who acquires a Golf Membership from the Club, the Sports Membership will be surrendered to the Club and the Club will pay to the Sports Member the Reissuance Refund within 30 days of the closing of the sale of the residence or homesite, the same as if the Sports Membership had been reissued to the subsequent purchaser of the residence or homesite.

If a Golf Member sells his or her residence or homesite in the Community to a person who acquires a Sports Membership from the Club, the Golf Member may resign the Golf Membership and the resigned Golf Membership will be placed on the waiting list in accordance with the "Transfer Through Waiting List" section of this Membership Plan below. The Club will refund to the resigned Golf Member the Reissuance Refund as follows: (i) within 30 days after the closing of the sale of the residence or homesite, the Reissuance Refund will be refunded to the extent of the amount of the Membership Deposit paid by the Sports Member who purchased the Golf Member's residence or homesite; and (ii) the balance of the Reissuance Refund due to the Golf Member, if

any, will be refunded upon reissuance of the Golf Membership.

TRANSFER THROUGH WAITING LIST

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

- (a) Prior to the initial sale of all Golf Memberships within a Golf Membership category, every fourth Golf Membership issued (1 in 4) will be a resigned Golf Membership from the waiting list, provided there is a resigned Golf Membership on the waiting list. The other three Golf Memberships sold will be from the Club's unissued Golf Memberships. This procedure allows the reissuance of resigned Golf Memberships prior to the issuance of all Golf Memberships in the Club.
- (b) After the initial sale of all Golf Memberships, each Golf Membership sold will be a resigned Golf Membership from the waiting list.

A Sports Member may not resign the Sports Membership without a sale of the residence or homesite, except after combination of homesites in accordance with the "Ownership of Multiple Residences or Homesites" section of this Membership Plan. In the event of resignation of a Sports Membership after combination of homesites, the Club may reissue the resigned Sports Membership to a person who does not own a residence or homesite and who satisfies the Club's membership criteria.

TRANSFER TO NEW PROPERTY WITHIN COMMUNITY

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

- If the Member purchases a residence or homesite from another Member who resigns his or her Membership upon the sale of the residence or homesite, the purchaser of the first Member's property in the Community can then acquire, through the Club, the resigned Membership for the then current Membership Deposit, subject to submission of proper forms from both the Member moving within the Community and the resigning Member.
- If a Golf Member purchases a residence or homesite from anyone other than another a Golf Member, a Golf Member may take his or her Membership with him or her to the new residence or homesite; however, the purchaser of the Member's property can acquire a Golf Membership only if available and not reserved.

IF A MEMBER SELLS RESIDENCE OR HOMESITE IN COMMUNITY

If a Member sells his or her residence or homesite in the Community, does not resign from the Club and does not acquire another residence or homesite in the Community, the Club may recall the Membership at any time in its sole discretion; however, the Club must recall a Sports Membership of such person if the maximum number of Sports Memberships have been issued. If the Membership is recalled, the Member will be entitled to the Reissuance Refund within 30 days after the Membership is recalled.

REPURCHASE OF MEMBERSHIPS UNDER OTHER CIRCUMSTANCES

The Club may, in its sole and absolute discretion, repurchase a resigned Membership which is not being transferred to the subsequent purchaser of the resigning Member's residence or homesite in the Community, at any time on terms agreed to by the Club and the Member, notwithstanding that there are persons on a waiting list to acquire a Membership. Any Membership so purchased shall be added to the Club's reserved Memberships. The Club is not obligated to repurchase a Membership under any circumstances, but the Club may do so in its sole and absolute discretion.

TRANSFER OF MEMBERSHIP UPON DEATH OF MEMBER

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

The foregoing provisions are subject to the requirement that each property owner in the Community must acquire and maintain at least a Sports Membership.

LEGAL SEPARATION OR DIVORCE OF MARRIED MEMBERS

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

DUES AND CHARGES

DUES, FEES AND CHARGES

The Club will determine the amount of dues, fees and charges to be payable by Members each year. Dues shall be payable on a monthly basis, unless otherwise determined by the Club from time to time. The current dues, fees and charges for use of the Club Facilities are indicated on the Schedule of Dues, Fees and Charges. The amount of dues, fees and other charges is subject to change from time to time by the Club. If a Member fails to pay any dues, fees and other charges, the Club may suspend the Member's privileges for non-payment and may take such other remedies including but not limited to placing a lien on the Member's property in Bella Collina as set forth in the Declaration.

NO ASSESSMENTS AGAINST MEMBERS

Members will only pay Membership dues, fees and other charges established from time to time. Members will not be subject to any liability for capital or operating assessments for the costs and

expenses of ownership or operation of the Club or the Club Facilities before equity conversion (if any) and the turnover of the Club to the Members. The Company will pay all operating deficits (if any) incurred in the operation of the Club Facilities and will retain all operating revenues resulting from operation of the Club Facilities.

PRIVATE GOLF CART PROGRAM

The Club has established a private golf cart program which allows Members who live in the Community to purchase privately owned golf carts through the Club to the extent permitted by applicable laws. Members will be permitted to use their golf carts at the Club in accordance with applicable laws and the rules established by the Club from time to time, and upon payment of applicable fees for private cart use.

MEMBERSHIP YEAR

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

PAYMENT OF DUES BY RESIGNED MEMBER

As indicated in the "Transfer of Membership to Club" section, a property owner in Bella Collina who is a Sports Member may not resign except in connection with the sale of the residence or homesite or after combining one or more homesites, and therefore, must pay dues until the sale of the residence or homesite. A property owner in Bella Collina who is a Golf Member who resigns in connection with the sale of his or her residence or homesite shall not be required to pay dues after the closing on the sale of the residence or homesite, whether or not the subsequent purchaser acquires the Golf Membership. A Golf Member who resigns the Golf Membership and acquires a Sports Membership pursuant to the "Downgrade of Membership" provision shall be obligated to continue to pay dues, fees and other charges associated with the resigned Golf Membership until the earlier of: (i) the reissuance of the Golf Membership by the Club, or (ii) 12 months after the date of resignation.

A resigned Member shall be permitted to use the Club Facilities as long as the dues, fees and other charges continue to be paid by the resigned Member.

ACKNOWLEDGEMENT OF MEMBERSHIP RIGHTS

MEMBERS ACKNOWLEDGMENT

Membership in the Club permits the Member to use the Club Facilities in accordance with this Membership Plan and the Rules and Regulations. Membership in the Club is not an investment in the Company or the Club Facilities and does not give a Member a vested or prescriptive right or easement to use the Club Facilities. Membership in the Club does not provide a Member with an equity or ownership interest or any other property interest in the Company or the Club Facilities. A Member only acquires a revocable license to use the Club Facilities in accordance with the terms and conditions of the Membership Plan and Rules and Regulations, as the same may be amended from time to time, and the Membership Agreement. All rights and privileges of Members under this Membership Plan, the Rules and Regulations and the Membership Agreement, are subordinate to the lien of any mortgage encumbering the Club Facilities from time to time.

The Club reserves the right, in its sole discretion, to terminate or modify this Membership Plan and Rules and Regulations, to reserve Memberships, to sell, lease or otherwise dispose of the Club Facilities in any manner whatsoever and to any person whomsoever, to add, issue, modify or

terminate any type, category or class of Membership, to discontinue operation of any or all of the Club Facilities, to convert the Club into an Equity Club in accordance with the "Conversion to Equity Club" section of this Membership Plan, and to make any other changes in the terms and conditions of Membership or in the Club Facilities available for use by Members. Notwithstanding the Club's general right to modify this Membership Plan and Rules and Regulations and modify any type, category or class of Membership, the Club may not make any of the following changes without a majority vote of the Members: (i) the Membership Deposit refund amount; (ii) the right to arrange for the subsequent purchaser of a residence or homesite in the Community to acquire one's Membership; (iii) an increase in the maximum number of Memberships in any category other than as specifically provided herein; (iv) a delay in the time when conversion of the Club to an Equity Club is presented to the Members for a Member vote; and (v) the amount an individual Member is required to pay to convert his or her Membership to an Equity Membership in accordance with the Member's Membership Agreement.

In the event of termination of the Membership Plan, termination of a person's category of Membership or the discontinuance of operation of all or substantially all of the Club Facilities, the Club will refund the Membership Deposit to the affected Members within 30 days. In the event that the Club Facilities are sold and the buyer assumes liability for the repayment of the appropriate Membership Deposit as provided in the Membership Agreement, the Member shall look solely to the new owner for repayment of the Membership Deposit and the seller of the Club Facilities shall be released from all liability for the repayment thereof. In the event of a sale of the Club Facilities, the buyer shall take title subject to the terms and provisions of the then existing Membership Plan, including the "Conversion to Equity Club" section. Neither the Company nor its affiliates shall have any liability whatsoever to the Members in the event the Club Facilities are not constructed, other than the return of the Member's Membership Deposit, without interest.

Any Member whose conduct or whose family member's conduct or guest's conduct shall be deemed by the Club to be likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members or is otherwise improper, may be reprimanded, fined, suspended or expelled from the Club and have all privileges associated with the Membership suspended or terminated by the Club, in accordance with the Rules and Regulations.

LIMITED PLEDGE OF MEMBERSHIPS

A Member may not pledge or hypothecate the Membership except to the extent the lien or security interest is incurred as a result of financing the purchase of the Membership. The Club may issue a Membership certificate and permit a collateral assignment of the Membership certificate to secure loan financing for the purchase of a Membership.

MEMBERSHIP AGREEMENT

APPLICATION PROCEDURE

Each person who desires to become a Member must mail or deliver to the Membership Director a fully completed and signed Membership Agreement along with a check for the required Membership Deposit.

REVIEW OF MEMBERSHIP AGREEMENT

All applicants desiring a Membership must be approved by the Club, except as set forth herein. The Club may require an interview with the Membership Director, and/or other designees of the

Club. After receiving the Membership Agreement, the Club will determine whether the applicant has satisfied the relevant conditions of Membership. In the event the Membership Agreement is not acted upon favorably, the applicant will receive a refund of any amount previously paid, without interest. Provisions for application and approval of Membership do not apply to owners of residences and homesites in Bella Collina who acquire Sports Memberships, unless otherwise determined by the Club.

RIGHTS GOVERNED BY MEMBERSHIP PLAN

The Members of the Club agree to be bound by the terms and conditions of this Membership Plan and the Rules and Regulations of the Club, as amended from time to time, and irrevocably agree to fully substitute the Membership privileges acquired pursuant to this Membership Plan and Rules and Regulations for any present or prior rights in or to use of the Club Facilities.

OTHER MEMBERSHIPS AND USE PRIVILEGES

INVITATIONAL MEMBERSHIPS

In order to introduce the Club to prospective Members, the Club may, in its sole discretion, offer Invitational Memberships on an annual basis. Invitational Members will be entitled to use the Club Facilities on such terms and conditions as determined by the Club from time to time. Invitational Memberships will not be available to persons who own a residence or homesite in the Community. The total number of Invitational Memberships permitted to be issued will be limited to the difference between the maximum number of Memberships that can be issued in that category and the number of outstanding Memberships in that category at the beginning of any membership year. Invitational Memberships may be recalled at the end of any membership year on a last issued, first recalled basis and must be recalled at the end of each membership year as necessary, on a last-issued, first-recalled basis to reduce the number of Memberships in the category to the maximum number of Memberships permitted in that category. The Club may offer recallable Invitational Memberships on such basis as it determines, including charging a non-refundable initiation fee, or a membership deposit refundable on such basis as determined by the Club.

COMPANY MEMBERSHIPS

The Club may issue up to 10 Company Memberships in the Club to such persons as the Club determines appropriate from time to time. Company Memberships will be available on such terms and conditions as the Club determines appropriate and will not count toward any Membership limit. Company Members will not be required to pay Membership Deposits. Company Members may have the same privileges as Golf Members, but will not pay dues or greens fees, unless the Club is converted into an Equity Club, but will pay for goods and services purchased at the Club.

HONORARY MEMBERSHIPS

The Club may issue up to 10 Honorary Memberships in the Club to such persons as the Club determines appropriate from time to time. These Honorary Memberships will be in addition to all other Memberships and will be available on such terms and conditions and afford such privileges as the Club determines.

MEMBERSHIPS FOR PRIVATE RESIDENCE CLUB

Up to 20 residences in the Community may be developed as a Private Residence Club, which may include residences in other residential communities or may be part of a system that includes residences in other residential communities. An owner of a membership in the Private Residence

Club may acquire a membership, with such privileges, terms and conditions as determined by the Club. In order to accommodate possible different structures, the Club reserves the right to tailor the membership to the specific structure and modify this provision for the particular project. Memberships for owners in a Private Residence Club will be in addition to other memberships permitted to be issued in this Membership Plan. Any such membership may not be changed by the Equity Club after any equity conversion except with the consent of the holders of such memberships.

RECIPROCAL PRIVILEGES

The Club may, in its sole discretion, enter into reciprocal use privileges and access agreements with other clubs, as the Club determines appropriate from time to time. The Club and/or owners of the other clubs may charge members of the Club such additional membership deposit, dues, fees or charges for use of the facilities of the other clubs and/or charge members of the other clubs such membership deposit, dues, fees or charges for use of the Club Facilities, as they determine from time to time. The Club shall give the members of the other clubs such privileges as it determines from time to time, and the owners of the other clubs shall give members of the Club such privileges as such owners of other clubs determine from time to time. Reciprocal or access agreements, if any, shall survive any equity conversion.

PROMOTIONAL USE AND TOURNAMENT OR GROUP PLAY

The Club will have the right to designate other persons who will not count toward Membership limits, including, without limitation, officers, directors, partners, shareholders, employees and designees of the Company and its affiliates and their guests to use the Club Facilities upon such terms and conditions as may be determined from time to time by the Club. The Club will also have the right to permit prospective Members and purchasers of residences or homesites in the Community to use the Club Facilities on such terms and conditions as may be determined from time to time by the Club. The Club reserves the right, in its sole and absolute discretion, to restrict or to otherwise reserve in advance the Club Facilities for maintenance, tournament or group play, outings and other special events from time to time.

CLUB OPERATIONS

MANAGEMENT AND OPERATION

The Company owns the Club Facilities and will operate the Club Facilities. Day-to-day management of the Club Facilities will be handled by Ginn Club Management LLC, a subsidiary of Ginn Hospitality, LLC ("Manager"). As a result, the Company and the Manager are solely responsible for the government and administration of the Club Facilities and the Club and will have the exclusive authority to accept Members, set dues and charges, establish rules and regulations and control the management and affairs of the Club Facilities and the Club. In the event of conversion of the Club to an Equity Club in accordance with the "Conversion to Equity Club" section of this Membership Plan, the management and operation of the Equity Club shall be governed by the Equity Membership Plan described in such section.

ADVISORY COMMITTEE

The Club will establish an Advisory Committee comprised of Members whose purpose includes fostering good relations between the Members and Management of the Club, providing the Club

with input on programs, plans and activities of the Club, and advising on the Club's policies and rules and regulations. The Management of the Club shall meet with the Advisory Committee on a periodic basis to discuss the operation of the Club Facilities. The Advisory Committee shall have no duty or power to negotiate or otherwise act on behalf of the Club, its Management or the Members of the Club, and shall serve only in an advisory capacity. The Management of the Club will have the final authority on all matters concerning the Club Facilities and the Members of the Club.

OTHER CLUB COMMITTEES

The Club may establish Golf Committees, Tennis Committees, a Social Committee and other appropriate committees. All of the Members of these committees, including the chairperson, will be appointed by the Club for specific terms as determined by the Club from time to time. The management of the Club will meet with these committees on a regular basis to discuss Member programs and events at the Club. Each of the committees will act only in an advisory capacity and will not have any duty or authority to act on behalf of the Members or the Club.

CONVERSION TO EQUITY CLUB

EQUITY CONVERSION

Within 90 days after the completion of all of the Club Facilities, as determined by the Company in its discretion, a vote of the Members will be held to determine whether or not the Club should be converted to an Equity Club ("Equity Conversion Vote"). If a majority of the votes cast by the Members are voted in favor of conversion, the Club will be converted to an Equity Club. In such a vote, Golf Members will be entitled to three votes per Membership and Sports Members will be entitled to one vote per Membership. See the Rules and Regulations for rules governing the Member vote including quorum requirements.

Further, if either the Equity Conversion is not approved by a majority vote of the Members voting, or less than 95% (or such lower percentage determined by the Company in its discretion) of non-equity Members pay the required Conversion Payments during the Initial Conversion Period, the Company may (i) rescind the Equity Conversion and continue to operate the Club in accordance with this Membership Plan, excluding the "Conversion to Equity Club" section, or (ii) at the Company's option, resubmit the Equity Conversion to a Member vote at a later date, in which case, the "Conversion to Equity Club" section shall be reinstated. If the Company rescinds the Equity Conversion and thereafter resubmits the Equity Conversion to a Member vote at a later date, each Member's Conversion Payment set forth in his or her Membership Agreement will increase based on the percentage increase in the Consumer Price Index from the date of the first Member vote on the Equity Conversion until the date of the subsequent vote approving the Equity Conversion. For purposes hereof, the "Consumer Price Index" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers, United States City Average, All Items (1982-84=100), or any successor thereto, as promulgated by the Bureau of Labor Statistics of the United States Department of Labor. In the event that such Consumer Price Index (or such successor index) is not available, a reliable governmental or other non-partisan publication evaluating information used in determining the Consumer Price Index shall be used.

Equity Membership shall constitute an ownership interest in a not-for-profit corporation ("Equity Club") to which the Club Facilities will be conveyed.

EQUITY MEMBERSHIP PLAN DOCUMENTS AND DUE DILIGENCE

Equity Memberships will be offered in accordance with an Equity Membership Plan and related documents. The Equity Membership Plan and related documents will be prepared by the Company and its counsel and will be sent to Members before the Equity Conversion Vote. The Equity Membership Plan shall incorporate the "Conversion to Equity Club," "Transfer upon Sale of Residence or Homesite" and "Transfer Through Waiting List" provisions of this Membership Plan, and the maximum number of Equity Memberships in each category shall equal the maximum number of non-equity Memberships in each category.

At least six months prior to the anticipated Equity Conversion Vote, as determined by the Company in its sole discretion, the Company shall use its best efforts to deliver to the Transition Committee (or the Advisory Committee if the Transition Committee has not then been established by the Advisory Committee) the following due diligence materials: (i) title insurance commitment, with hard copies of all exceptions listed therein, (ii) plat or survey and legal description of the Club real property ("Club Real Property"), (iii) any inspection reports or environmental audits not previously provided to the Advisory Committee, (iv) the proposed Equity Membership Documents, (v) financial statements reflecting Club operations and the most current budget (which will be the budget for the then next membership year if the date six months before the expected conversion date is within two months of the next membership year), (vi) list of all equipment, (vii) the proposed deed and other transfer documents, (viii) copies of all assignable licenses, permits, contracts (other than employment contracts, which shall be provided to the Transition Committee at least two months before the Turnover Date) and leases, (ix) material Club Facilities construction drawings to the extent available, (x) inspection reports for the golf courses, the Clubhouse, and tennis courts ("Pre-Conversion Inspection Reports"), and (xi) list of Members and Membership Deposits paid. Management shall meet with the Transition Committee and any legal counsel retained by the Transition Committee or Advisory Committee to review these materials at least two months before the Equity Conversion Vote.

TRANSFER OF CLUB FACILITIES AT CONVERSION

Within 90 days after the end of the Initial Conversion Period ("Equity Conversion Date"), the Company shall cause all Club Facilities listed in the "Club Facilities" section of this Membership Plan, plus the Club parking lots, and furniture and equipment owned by the Company and used in club operations, to be transferred to the Equity Club (unless the Equity Conversion is rescinded by the Company due to an insufficient number of Members paying the Conversion Payments as described in the "Equity Conversion" section above). Specifically, the Company shall cause the following to occur:

- (a) cause fee simple title to the Club Real Property to be conveyed in its "where is, as is" condition, subject to the inspection provisions of this Membership Plan, to the Equity Club by special warranty deed, free and clear of all mortgage indebtedness, subject to the zoning and other regulations imposed by governmental authorities, taxes for the year of the transfer and all subsequent years, and all easements, dedications, agreements, licenses, restrictions, covenants, conditions, rights-of-way and other matters affecting title then applicable to the real property as granted, imposed or suffered to be placed upon the real property by predecessors in title or the Company;
- (b) cause to be issued, at the Company's sole expense, a standard coverage owner's title insurance policy in the amount of the value of the real property, insuring the real property, subject to those standard exceptions customarily contained in owner's title insurance policies issued in the State of Florida, and other matters referred to above;

- (c) deliver to the Equity Club a bill of sale (without recourse to the Company) for equipment (including transferable computer equipment and software, except certain proprietary software as determined by the Company), furniture and fixtures used in the operation of the Club and owned by the Company on the conversion date, which equipment, furniture and fixtures will be itemized in the bill of sale;
- (d) deliver to the Equity Club an assignment (without recourse to the Company) of all contracts held by the Company as of the conversion date, which are assignable; and
- (e) deliver to the Equity Club an assignment (without recourse to the Company) of all assignable Permits which relate exclusively to the Club Facilities and any warranties which have been received by the Company as of the date of such transfer.

On the Equity Conversion Date, the Equity Club will assume and agree to perform all debts, liabilities, obligations, contracts, and leases that are incurred by the Club in the ordinary course of business, including any reciprocal and access agreements.

The consideration received by the Company for the transfer of the Club Facilities to the Equity Club will be an amount equal to the proceeds from the initial issuance of all Equity Memberships permitted to be issued, including the Applied Membership Deposits and Conversion Payments (as both terms are hereinafter defined) received from the conversion of memberships in the Club to Equity Membership and membership contributions received from the initial issuance of the unissued Equity Memberships remaining after the Initial Conversion Period. Proceeds from reissuance of resigned Equity Memberships (after the refund to the resigned Equity Members) will be deposited in a Club Fund for the benefit of the Equity Club.

GOVERNANCE OF EQUITY CLUB

The Company shall be responsible for operating deficits until the Turnover Date (as hereinafter defined).

The Equity Club will be governed by a Board of Directors in accordance with the Equity Membership Documents. The Board of Directors will be responsible for the governance and administration of the affairs and property of the Club, setting dues and charges for Members, establishing rules and regulations and, in general, control of the management and affairs of the Equity Club. The Board of Directors will be appointed by the Company until the Turnover Date and elected by the Equity Members after the Turnover Date in accordance with the Equity Membership Documents.

TURNOVER DATE

The "Turnover Date" will be the earlier of (i) the sale of all Memberships permitted to be issued, or (ii) any earlier date on or after the Equity Conversion Date determined by the Company in its discretion, provided the Equity Club's accounting firm has reviewed the operating results of the Equity Club and confirmed that the Equity Club operated during the preceding 12 month period without an operating deficit. In the event the Club Facilities are completed after the sale of all Memberships permitted to be issued, the Turnover Date will occur on the Equity Conversion Date.

INSPECTION PRIOR TO TURNOVER

Immediately prior to the Turnover Date, an inspection will be conducted to determine whether the Club Facilities are in good working order, excepting ordinary wear and tear and any repairs set forth in the Pre-Conversion Inspection Reports. The inspectors will be selected in the sole

discretion of the Company and will be independent inspectors, architects or engineers licensed by the State of Florida. Any repairs called for in the inspection reports as necessary for the facility to be in good working order, ordinary wear and tear excepted (excluding repairs set forth in the Pre-Conversion Inspection Reports), will be repaired at the Company's sole expense before the Turnover Date.

On the Turnover Date, all equipment of the Equity Club shall be in good working order, ordinary wear and tear excepted.

INDIVIDUAL NON-EQUITY MEMBER CONVERSION TO EQUITY MEMBERSHIP

If the Club is converted to an Equity Club after Members vote in favor of such conversion, existing non-equity Members must convert their individual Memberships to Equity Membership in the corresponding category within 60 days after the date of the notification to Members of the Member vote approving the Equity Conversion (or longer period if extended by the Company) ("Initial Conversion Period") by (i) signing a Membership Purchase Agreement which provides for the application of the Membership Deposit to the required Equity Membership contribution ("Applied Membership Deposit") and the termination of the right of the Member to a refund of the Applied Membership Deposit at the end of 30 years after issuance of the membership, and (ii) paying the additional amount set forth in the Membership Agreement ("Conversion Payment"). The Conversion Payment for each Member shall be fixed in the Member's Membership Agreement, but the Club may change the amount of Conversion Payment for future Members from time to time. The failure of a Member who owns a residence or homesite in the Bella Collina to pay the Conversion Payment may result in the imposition of a lien on the residence or homesite in accordance with the Declaration.

REFUND OF MEMBERSHIP CONTRIBUTION

The amount to be refunded upon resignation and reissuance of the Equity Membership or death of Equity Member and reissuance of Equity Membership would be 80% of the then current Membership Contribution. The 20% of the Membership Contribution paid by a successor Member before the Turnover Date, which is not paid to the resigned Member, will be deposited in a Club Fund, and may only be used before the Turnover Date as directed by a majority vote of the Equity Members. The deposit of such amount into the Club Fund occurs only upon reissuance of a resigned Equity Membership or Equity Membership of deceased member; there shall be no deposit of any amount upon reissuance or recall of a non-equity membership. The amount paid to a resigned non-equity member or estate of deceased non-equity member is governed by the "Refund of Membership Deposit" section of this Membership Plan.

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MEMBERSHIP PLAN
INDEX OF DEFINED TERMS

"Applied Membership Deposit" means the Membership Deposit that a member and the Company agree to apply to the membership contribution for Equity Membership after an Equity Conversion, as set forth in "Individual Non-Equity Member Conversion to Equity Membership" section of this Membership Plan.

"Club" means The Bella Collina Club.

"Club Facilities" has the meaning set forth in the "Membership Features and Facilities" section of this Membership Plan.

"Club Real Property" will be real property to be transferred to the Equity Club, as described in the legal description and plats or survey to be delivered by the Company to the Transition Committee or Advisory Committee, as set forth in the "Equity Membership Plan Documents and Due Diligence" section of this Membership Plan.

"Clubhouse" means the Bella Collina Clubhouse.

"Community" has the meaning set forth in the Membership Plan Overview of this Membership Plan.

"Conversion Payment" means the payments made by Members in the Club who convert their Membership to Equity Membership, as set forth in "Individual Non-Equity Member Conversion to Equity Membership" section of this Membership Plan and in each Member's Membership Agreement.

"Equity Club" has the meaning set forth in the "Conversion to Equity Club" section of this Membership Plan.

"Equity Conversion" means the conversion of the Club into an Equity Club.

"Equity Conversion Vote" has the meaning set forth in the "Conversion to Equity Club" section of this Membership Plan.

"Equity Membership" means a Membership in the Equity Club.

"Equity Membership Documents" means the Membership documents of the Equity Club.

"Escrow Agreement" has the meaning set forth in the "Membership Deposit" section of this Membership Plan.

"Golf Member" means a Member holding a Golf Membership.

"Golf Membership" means the category of Membership having golf privileges as described in the "Membership Categories and Privileges" section of this Membership Plan.

"Initial Conversion Period" means the 60 days after the date of the notification to Members of the Member vote approving the Equity Conversion (or longer period if extended by the Company), as set forth in "Individual Non-Equity Member Conversion to Equity Membership" section of this Membership Plan.

"Member" has the meaning set forth in the "Membership Features and Facilities" section of this Membership Plan.

"Membership" has the meaning set forth in the "Membership Features and Facilities" section of this Membership Plan.

"Membership Deposit" has the meaning set forth in the "Membership Deposit" section of this Membership Plan.

"Reissuance Refund" means the payment to be made to a resigned Member as set forth in the "Refund of Membership Deposit" section of this Membership Plan after reissuance of the resigned Membership.

"Rules and Regulations" mean the rules and regulations of the Club, as published by the Club from time to time.

"Sports Member" means a Member holding a Sports Membership.

"Sports Membership" means the category of Membership having social, but not golf, privileges as described in the "Membership Categories and Privileges" section of this Membership Plan.

"Turnover Date" means the date after equity conversion after which Equity Members elect the Board of Directors, as determined in accordance with the "Conversion to Equity Club" section of this Membership Plan.

The Bella Collina Club

Schedule of Fees, Dues and Charges

Membership Deposit

| | |
|-------------------|----------|
| Golf Membership | \$80,000 |
| Sports Membership | \$40,000 |

Monthly Membership Dues

| | |
|---------------|----------|
| Golf Member | \$579.58 |
| Sports Member | \$205.08 |

Golf Fees

Green Fees (18 Holes, Per Person)

| | January-April | May-December |
|-------------------------------|----------------------|---------------------|
| Golf Member | \$25 cart fee only | \$25 cart fee only |
| Sports Member | \$50 +tax | \$35 +tax |
| Extended Family Member | \$60 +tax | \$40 +tax |
| Accompanied Guest of Member | \$80 +tax | \$45 +tax |
| Unaccompanied Guest of Member | \$100 +tax | \$75 +tax |

Annual Trail Fee (Per Cart)

| | |
|------------|---------|
| Family | \$1,800 |
| Individual | \$1,200 |

Other Fees Dues and Charges

| | |
|--------------------------------|-------|
| Houseguest Fee (Up to 14 Days) | \$100 |
|--------------------------------|-------|

All dues, fees and charges are subject to determination of the costs of operating the Club. All dues, fees and charges are subject to change from time to time and to all applicable Federal, State and Local taxes