

The Promontory Club
MEMBERSHIP AGREEMENT
January 2019

Summit County, Utah



Agent: _____

Date Submitted: _____

Go hard Date: _____

Approval Due: _____

I. INFORMATION

THIS MEMBERSHIP APPLICATION AND AGREEMENT IS MADE WITH RESPECT TO THE MEMBERSHIP PLAN (REFERENCE DATE JANUARY 2019) AND RULES AND REGULATIONS OF THE PROMONTORY CLUB (REFERENCE DATE JANUARY 2019), AS THE SAME MAY BE AMENDED FROM TIME TO TIME, WHICH DOCUMENTS, AS AMENDED, ARE INCORPORATED HEREIN BY THIS REFERENCE.

PERSONAL

| | | | | | |
|------------------|--|---------------|-----------------------|------------|----------|
| Applicant's Name | | Birth Date | | Cell Phone | |
| Email Address | | | | | |
| Spouse's Name | | Birth Date | | Cell Phone | |
| Email Address | | | | | |
| Local Address | | | | | |
| Billing Address | | Number Street | City | State | Zip Code |
| Telephone: () | | Number Street | City | State | Zip Code |
| Local Telephone | | | Out of Town Telephone | | |
| Fax Number () | | | Anniversary Date | | |

Immediate family members: member and spouse (written above) plus children, children's spouses, parents, spouse's parents, grandchildren, great grandchildren, and grandparents (up to 10, including member and spouse, for Social Memberships, 12 for Full Memberships).

| Immediate Family Name | Relationship | Birth Date | Charge Privileges | |
|-----------------------|--------------|------------|-------------------|--------|
| | | | Yes ___ | No ___ |
| 1. | | | Yes ___ | No ___ |
| 2. | | | Yes ___ | No ___ |
| 3. | | | Yes ___ | No ___ |
| 4. | | | Yes ___ | No ___ |
| 5. | | | Yes ___ | No ___ |
| 6. | | | Yes ___ | No ___ |
| 7. | | | Yes ___ | No ___ |
| 8. | | | Yes ___ | No ___ |
| 9. | | | Yes ___ | No ___ |
| 10. | | | Yes ___ | No ___ |

Extended family members: siblings and cousins of the member and member's spouse, and such sibling's or cousin's spouses and their children, grandchildren, great grandchildren, and their spouses (up to 16 total).

** All Extended Family/Guest Club usage and Club charge privileges must be authorized by member's execution of separate Guest Use Charge Authorization, which may be obtained from the Club concierge.

| Extended Family Name | Relationship |
|----------------------|--------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |

| | |
|-----|--|
| 5. | |
| 6. | |
| 7. | |
| 8. | |
| 9. | |
| 10. | |
| 11. | |
| 12. | |
| 13. | |
| 14. | |
| 15. | |
| 16. | |

BUSINESS

Applicant's Company Name _____ Title _____

Business Address _____

Telephone () _____ Years in Present Employment _____ Retired

Fax Number () _____

Spouse's Company Name _____ Title _____

Business Address _____

Telephone () _____ Years in Present Employment _____ Retired

Fax Number () _____

CLUB REFERENCES

1. _____
 Name of Club/Organization _____ Year Accepted _____

Type _____ Address _____

() _____

Telephone _____ Contact Person _____ Present/Former Member _____

2. _____
 Name of Club/Organization _____ Year Accepted _____

Type _____ Address _____

() _____

Telephone _____ Contact Person _____ Present/Former Member _____

PERSONAL REFERENCES

1. _____
 Name Address

_____ () _____
 Years Known Telephone Number

2. _____
 Name Address

_____ () _____
 Years Known Telephone Number

| CLUB INTERESTS | MEMBER | SPOUSE |
|------------------------|---------------|---------------|
| Golf | _____ | _____ |
| Skiing | _____ | _____ |
| Hiking | _____ | _____ |
| Fitness | _____ | _____ |
| Tennis | _____ | _____ |
| Social Activities | _____ | _____ |
| Food and Wine | _____ | _____ |
| Table Games | _____ | _____ |
| Art and Pottery | _____ | _____ |
| Book Club | _____ | _____ |
| Wildlife/Bird Watching | _____ | _____ |
| Kid's Activities | _____ | _____ |
| Teen Activities | _____ | _____ |

II. PURCHASE OF MEMBERSHIP

The undersigned hereby applies for the following category of membership in the Promontory Club (the "Club"):

| <u>MEMBERSHIP CATEGORY</u> | <u>MEMBERSHIP DEPOSIT</u> | <u>PAID WITH AGREEMENT</u> | <u>AMOUNT FINANCED</u> | <u>AMOUNT DEFERRED/SPONSORED</u> |
|---|---|--|--------------------------------|----------------------------------|
| <input type="radio"/> Full Membership | \$150,000 | \$150,000 (check as appropriate ___ Cash / ___ Promissory Note payable 6/1/2020) | \$_____ Promissory Note Amount | \$_____ |
| <input type="radio"/> Social Membership | ___ \$75,000 ___ (\$75,000 SPONSORED) | \$_____ | \$_____ | \$75,000 Sponsored/Deferred |
| <input type="radio"/> Equestrian Membership | ___ \$100,000 ___ (\$85,000 SPONSORED) | \$15,000 | \$_____ | \$85,000 Sponsored/Deferred |

Applicant hereby acknowledges that the category of membership selected herein (Social or Full) is the category of membership, provided such membership is kept in good standing, which shall be made available to all future owners of the homesite associated with this Membership Application, that upgrades from a Social Membership to a Full Membership are not generally available, that downgrades from a Full Membership to a Social Membership or from either category to no membership are not permitted, and that failure to purchase a Full Membership at this time could prevent the Applicant from acquiring one in the future as all un-issued and/or terminated memberships are reserved for use in connection with the Developer's future real estate sales.

In the event this Agreement relates to a sponsored Social Membership, the undersigned hereby acknowledges that the Club has agreed to defer ("sponsor") payment of \$_____ of the membership deposit required to be paid in cash for the Membership until the membership has been resigned and reissued by the Club to a new member, as provided in The Promontory Club Membership Plan upon such new member's payment of the then applicable Membership Deposit. No sponsorship is being offered with respect to Full Memberships in the Promontory Club. Similarly, if a sponsored Equestrian Membership is being acquired under this Agreement the undersigned hereby also acknowledges that the Club has agreed to defer ("sponsor") payment of \$_____ of the membership deposit required to be paid in cash for the Equestrian Membership until the membership has been resigned and reissued by the Club to a new member, as provided in The Promontory Club Membership Plan. The amount(s) deferred or "sponsored" as provided above will be herein referred to as the "Deferred Amount."

The undersigned hereby agrees to pay to the Club the membership dues for the category of membership selected, as well as any applicable taxes thereon applicable from and after the date of the approval of this application by the Club. The amount of dues for each membership category is described on a separate Schedule of Dues, Fees and Charges and is subject to change. In the event that any amounts owed to the Club are not paid on a timely basis, the undersigned may be charged a late payment charge in accordance with the Club's Rules and Regulations and the undersigned's use or membership privileges may be affected. The undersigned hereby acknowledges and agrees that, upon any surrender and reissuance of Member's membership involving the transfer of Member's Membership Deposit, whether such transfer occurs to a subsequent purchaser of Member's Promontory residence and/or homesite, and/or to another individual due to any circumstances specifically provided for in the Membership Plan (including, but not limited to transfer of Membership Deposit and reissuance of a membership to a spouse, other family member or to a former spouse, resignation and reissuance upon Member's death or upon refund of Membership Deposit and reissuance of membership through the Club's waiting list upon or after Member's member resignation), Member shall be responsible, upon any such transfer, to pay to the Club a Transfer Fee in the amount of twenty-five percent (25%) of Member's Membership Deposit being transferred (the "Transfer Fee"). Any unpaid amounts owed the Club (including, without limitation, the Transfer Fee) may, at the Club's sole option, be offset against that portion of the Member's Membership Deposit that has been paid to the Club, thereby reducing the amount of any refund the member would otherwise be entitled to upon resignation and reissuance of the membership by the Club, or upon 30 years membership in good standing.

Membership is contingent upon approval by the Club, which approval shall be at its discretion, and, if applicable, is subject to the terms of the undersigned's Promissory Note. Upon signing this Agreement, the undersigned authorizes the disclosure and release of information to the Club for investigating my qualifications for membership, including my credit history and law enforcement records and agrees to hold the Club harmless from any and all such acts.

III. REFUND OF MEMBERSHIP DEPOSIT

The Club promises to pay to the undersigned at The Promontory Club, the membership deposit actually paid for the membership (the "Membership Deposit"), without interest, in lawful money of the United States of America, payable in one (1) installment on the anniversary date 30 years from the date of the Club's receipt of such Membership Deposit by the Club (the "Maturity Date") or earlier as provided in this Agreement. In the event the Membership Deposit, or any portion thereof, is deferred and evidenced by the undersigned's Promissory Note, the "Maturity Date" shall be 30 years from the date on which the deferred amount is fully received by the Club. The term "Membership Deposit" shall not include the unpaid portions of promissory notes for the benefit of the Promontory Club made for any purpose or outstanding dues, charges and other amounts owed to the Club by the undersigned.

A member who resigns from the Club prior to the maturity Date will be repaid the Membership Deposit, without interest, within 30 days after the membership has been reissued by the Club to a new member, in accordance with the reissuance

provisions in the Membership Plan and subject to the applicable Transfer Fee. The Membership Deposit may be prepaid in whole or in part at any time without penalty or premium.

The undersigned acknowledges and agrees that upon resignation and reissuance of the membership to a new member, the Club shall be entitled to apply any sums received in cash in respect of reissuance of the membership first to payment of any unpaid Deferred Amount and the resigning member shall not be entitled to any refund except to the extent such sums received in cash exceed such Deferred Amount and any other sums, including, without limitation, the Transfer Fee, and any unpaid portion of the undersigned's Promissory Note, due the Club with respect to the Member's account. In the event that the amount paid in cash by the new member is not sufficient to cover such unpaid Deferred Amount together with all other sums owed the Club by the resigning member, the undersigned shall be obligated to pay the difference to the Club.

The undersigned acknowledges that, in order to qualify for any refund of Membership Deposit from sums received in cash by the Club in respect of reissuance of the undersigned's membership following resignation, the undersigned must be a member in good standing at the time of giving written notice of resignation and must also maintain such good standing through the date of the Club's reissuance of the resigned membership. In the event the undersigned is delinquent in the payment of any promissory note or dues, fees, Transfer Fee, charges or other sums required to be paid under The Promontory Club Membership Plan and Rules and Regulations for a period of 60 days or more from the due date thereof, in order to be reinstated as a member in good standing, the undersigned shall be obligated to pay all sums then due to the Club under promissory notes or the Membership Plan and Rules and Regulations, and, in addition, the full membership deposit then required to be paid for the category of membership selected above, and the undersigned shall lose the benefit of any theretofore "sponsored" or deferred and evidenced by the undersigned's Promissory Note portion of such membership deposit. Upon resigning from the Club, the undersigned agrees to pay the full remaining balance of any and all promissory notes, whether or not then due, and all dues, fees, charges or other sums owing to the Club. For any unpaid dues and charges, interest shall accrue at the rate of 1.5% per month.

IV. ACKNOWLEDGMENT OF MEMBERSHIP RIGHTS

Membership in the Club permits the member to use the Club Facilities in accordance with the Membership Plan, the Rules and Regulations of the Club and the applicable category of Membership. Membership in the Club is not an investment in the Company referred to below 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. Non-members have only such rights as may be authorized under the Membership Plan. A member and any person with use privileges only acquires a revocable license to use the Club Facilities in accordance with the terms and conditions of the Membership Plan and the Rules and Regulations, as the same may be amended from time to time, and this Membership Agreement. All rights and privileges of members and authorized users under the 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 modify the Membership Plan and the Rules and Regulations, to reserve memberships, to reduce the 30-year repayment term of the membership deposits paid by members, to sell, lease or otherwise dispose of the Club Facilities in any manner whatsoever and to any person whomsoever, subject to the right of first offer provision in the Membership Plan, to add, issue or modify any type, category or class of membership or use privileges, to recall any membership or use privileges at any time for any reason (including nonpayment of a promissory note or other obligation to the Club) or no reason whatsoever, to convert the Club into a membership-owned club, and to make any other changes in the terms and conditions of membership or use privileges or in the Club Facilities available for use by members or authorized users. In the event of recall of a membership, the Club will refund the membership deposit paid, without interest, to the affected member within 30 days.

In the event that the Club Facilities are sold the member shall look solely to the new owner with respect to the Club's obligations hereunder. 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.

V. ASSUMPTION OF RISK

The undersigned hereby acknowledges that the use of the Club Facilities and any privilege or service incident to membership is undertaken with knowledge of the risk of possible injury. I hereby accept any and all risk of injury to myself, my guests and my family sustained while using the Club Facilities or while involved in any event or activity incident to membership in the Club. In accepting the risk of injury, I understand that I am relieving Promontory Investments, dba The Promontory Club

(the "Company"), its affiliates, their successors and assigns and their respective directors, officers, partners, shareholders, members, employees and agents and the members of the advisory Board of Governors of the Club and any Club committee from any and all loss, cost, claims, injury, damages or liability sustained or incurred by me, my guests and my family resulting from or arising out of any conduct or event connected with membership in the Club and use of any of the Club Facilities.

VI. CONVERSION TO EQUITY MEMBERSHIP PROGRAM

I acknowledge that the Club may be converted to an equity member-owned club, subject to an affirmative vote of the members as provided in the Membership Plan. If and when the Club is converted to an equity member-owned club, I may acquire an equity membership in the category which corresponds to that applied for herein during the initial offering period of equity memberships which will not be less than 60 days, for the following additional payment:

| <u>MEMBERSHIP CATEGORY</u> | <u>MEMBERSHIP CONTRIBUTION PAID</u> | <u>ADDITIONAL AMOUNT DUE AT CONVERSION FOR EQUITY MEMBERSHIP</u> | <u>TOTAL EQUITY MEMBERSHIP CONTRIBUTION</u> |
|---|---|--|---|
| Full Membership | \$150,000 (check as appropriate ___ Cash / ___ Promissory Note payable 6/1/2020) | \$45,000 | \$195,000 |
| Social Membership | \$ _____ | \$22,500 | \$22,500 |
| Equestrian Membership (in addition to Social and or Full Membership Components) | \$ _____ | \$30,000 | \$ _____ |

The additional amount due at conversion stated above will be subject to increase based on the percentage increase in the Consumer Price Index from the date hereof until the date of conversion to an equity club and the additional amount due as set forth above shall be increased accordingly.

I understand that if I choose not to convert to equity membership, I may continue my membership privileges as a sponsored non-equity member in the same category of membership in accordance with the Plan for the Offering of Equity Memberships and Rules and Regulations. However, I further understand and acknowledge that my membership can be recalled on a last-in, first-recalled basis, in order to issue an equity membership without exceeding the limit on the number of memberships permitted in the equity club or due to reduced membership limits.

Upon resignation of the equity membership by the member and reissuance of the membership to a successor member who has paid the required membership contribution, the member shall be entitled to receive an amount equal to the greater of: (i) 80% of the amount of the membership contribution then required to be paid for an equity membership in the category in question, less the deferred Membership Deposit or (ii) the amount actually paid for the equity membership, but in no event to exceed the amount of the membership contribution then required to be paid for a membership in such category. Any amount that the resigned member owes the Club will be deducted from the amount to be paid to the resigned member.

I also acknowledge that in the event the subsequent purchaser of my residence or homesite in Promontory desires a membership, the subsequent purchaser must acquire an equity membership. The subsequent purchaser is guaranteed the availability of an equity membership in the same category of equity membership as the resigning member for a period of 60 days after the date of resignation only if I have maintained my membership in good standing. The subsequent purchaser must be approved for membership and pay the required membership contribution for the equity membership.

VII. MEMBERSHIP PLAN DOCUMENTS

I hereby acknowledge receipt of the Promontory Club Membership Plan, Schedule of Dues, Fees, and Charges, and Rules and Regulations and that I have read and understand them and agree to be bound by the terms and conditions thereof as the same may be amended from time to time by the Club. I further acknowledge that I am not relying on any oral representations in acquiring a membership in the Club, and that I may not amend or modify this Membership Agreement, nor shall any waiver of any provision hereof be effective, except by an instrument in writing executed by the undersigned and the Club. This Membership Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Utah without giving effect to principles of conflicts of law.

If the applicant is married, the signatures of both spouses are required.

Dated: _____
Applicant's Signature

Dated: _____
Spouse's Signature

This Membership Agreement shall not be binding on the Club until the acceptance below is signed.

ACCEPTED BY:

PROMONTORY INVESTMENTS, LLC d/b/a THE PROMONTORY CLUB

By: _____
Authorized Representative

Date: _____

The Promontory Club Membership Office
8417-A N. Ranch Club Trail
Park City, Utah 84098
(435) 333-4000

