



## Membership Plan

# The Black Pearl

## Membership Plan

### Membership Opportunity

This membership plan offers you an opportunity to become a Member at The Black Pearl located in Roatan, Bay Islands, Honduras. The Black Pearl is Pete Dye's latest creation mixing the best greens on the islands with the best blues on the Caribbean.

### Membership Options

There are several membership options that are available at The Black Pearl:

- The Black Pearl Membership \$ 30,000 Deposit Refundable 30 years 12 cuotas
- Corporate Membership \$ 30,000 Non refundable 4 users 12 cuotas x 4 (2 minimo)
- Non-Resident Membership \$ 15,000 Deposit Refundable 30 years 3 a 5 cuotas
- Yearly Membership \$ 3,000 annually non refundable 12 cuotas

### Membership Benefits

- **Family Privileges:**

A member, his or her spouse their unmarried children, under the age of 25 are entitled to membership privileges.

- **Transfer of Membership:**

Memberships are transferable through The Black Pearl Club to the subsequent purchaser of a member's residence on Pristine Bay.

- **Preferred Pricing:**

Members of the Black Pearl are entitled to receive preferred pricing on all food and beverage purchases on all our restaurants and pro shop purchases (excluding sale merchandise) and other items.

- **Transfer:**

Members can request the transfer of their Black Pearl Membership through the Club to their adult child or grandchild.

- **Assessments:**

Members are NOT subject to either operating or capital assessments.

- **Refundable Membership Deposit:**

The Membership Deposit is 100% refundable to the member 30 years after the date the Membership is issued by The Black Pearl if the Member does not resign within 30 years. If the Member resigns before 30 years, the Membership Deposit is refundable upon resignations and reissuance of the Membership by The Black Pearl to a new Member, less a transfer fee as may be provided for in the Applications for Membership.

- **Resigned Membership Reissued Prior to Membership Sell-Out:**

Resigned Members do not have to wait until all new Memberships in the Club have been issued before their membership is reissued and they receive their refund. Every fourth Membership issued within a category will be a resigned Membership from the resigned list.

## **Application Procedure**

Each Person who desires to become a member must deliver the full, complete and signed application for the Membership, along with payment of the required deposit. In the event the application is not acted upon favorably, the deposit will be refunded.

## **Rely Only on Information in this Membership Plan**

**NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION CONTAINED IN THIS MEMBERSHIP PLAN AND THE REFERENCED DOCUMENTS AND IF GIVEN THE INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB.**

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

# Membership Features and Facilities

## Club Facilities

The facilities available for The Black Pearl Members are the following:

- Member's Clubhouse, including men's and women's locker rooms, a restaurant, pool area and small golf gym.
- An 18-hole championship golf course designed by Pete Dye called The Black Pearl.
- Practice facilities.
- 19<sup>th</sup> Hole Bar.

## Preferred Pricing

The Black Pearl members will receive preferred pricing on food and beverages purchased at all Club Facilities which are open for use except for banquets, special events or catered parties. They will also receive pro shop discounts on merchandise. Charges will be billed to the Members Club Account which in order to be eligible for preferred pricing. All preferred pricing will be subject to availability.

## Ownership of the Club

The Club and all its facilities are owned by North Shore Developments S.A. de C.V.

# Black Pearl Memberships and Privileges

## **Black Pearl Membership Privileges**

Each Black Pearl Member may use the club facilities in accordance with the club regulations, and as described in this Membership Plan. These regulations can be amended from time to time by the Club in its sole discretion.

Black Pearl members and their families are entitled to use all of the club facilities. These members may reserve tee times in advance. These members are not required to pay greens fees, but are required to pay cart or trail fees.

## **Non-Refundable Corporate Memberships**

Corporate Memberships are available to corporations, partnerships, business trusts and other forms of multiple ownerships. Each Corporate Membership will permit the business entity to designate individuals (maximum 4) for Black Pearl Membership privileges. These must be at least two dues paying corporate Member designees at all times. Each designee must be an officer, director, partner or employee of the business and be approved for Membership. The owner of the Corporate Membership may change each designee upon payment of a transfer fee determined by the Club from time to time.

Only actual active operating businesses are eligible to acquire Corporate Memberships. The Black Pearl reserves the right to require the Corporate Member to provide documentation confirming its establishment as a business entity, such as a copy of its articles of incorporation, partnership agreement or other documentation supporting its existence as a bonafide business entity. The Corporate Membership will be issued in the name of the corporation or other business entity paying the required Membership Deposit and both the business entity and designee will be liable for all dues, fees, and charges. Each designated user of the corporate Membership will have the same privileges as other Black Pearl Members.

## **Non-Resident Golf Memberships**

Black Pearl Memberships are available to non-residents. Non-Resident Golf Members will pay their dues in advance. Privileges are extended for a minimum of three months and a maximum of five months. Membership is recallable at the sole discretion of the club. Proof of permanent residency of out-of-country or out-of-state is required.

## **Non-refundable yearly Memberships**

The Black Pearl Club will offer non-refundable yearly Black Pearl, Golf memberships, in its sole discretion. Each will have the same privileges as other Black Pearl Members. Non-Refundable Members will pay a non-refundable initiation fee as required by the Club. Non-Refundable Memberships are not subject to the following sections of this Membership Plan: Transfer of Memberships, Membership Deposit Required to become a Member, Return of Membership Deposit and Deduction of Amounts owed to the Black Pearl Club. With the exception of the provisions above, all other provisions set forth in this Membership Plan apply to Non-Refundable Memberships.

## **Members Only Golf Tee Times**

In order to ensure adequate member access to the golf facilities, the Club will, from time to time, block a portion of all of the tee times on the golf course, for use by Black Pearl Members only. Blocked tee times, which are not reserved by Black Pearl Members two days in advance of the day of play for the golf course, may be assigned by the Club on first come first-served basis to Black Pearl Members, Resort Guests and the non-members not staying at the resort. Blocked tee times may be utilized by the club from time to time, for play by other than Black Pearl members based upon prior commitments made by the Club.

## **Right to Modify Membership Categories and Privileges**

In order to provide the utmost playing pleasure for all Black Pearl Members, to satisfy the desires of new Black Pearl Members and or to provide efficient and optimal operations, among other things, the Club may, from time to time, modify the Membership eligibility, categories and/or privileges, or add or eliminate categories of Membership.

## **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 Facilities.

## **Number of Black Pearl Memberships**

The maximum number of Black Pearl Memberships will be limited to the extent of the capacity of the facilities.

## **Privileges of Family Members**

The immediate family of a Member will be entitled to use the Club Facilities in accordance with the category of their Membership. The immediate family includes the spouse and their unmarried children under the age of 25.

## **Guest Privileges**

A Black Pearl member is permitted to have guests use the Club facilities in accordance with the rules and regulations of the Club. The sponsoring member is responsible for the payment of the applicable daily guest fees established by the Club.

## **Transfer of The Black Pearl Memberships in the Club**

A Black Pearl Member may transfer his or her membership only through the Club. If a member resigns from the club he or she may have his or her membership either:

1. Reissued to the subsequent purchaser of his or her residence at Pristine Bay, or
2. Placed on the resigned list to be reissued by the club on a first-resigned, first-reissued basis as follows:
  - a. Prior to the initial sale of all of the Black Pearl Memberships in the resigned member's category of membership, four new Black Pearl Memberships in that category will be issued for every one resigned Black Pearl Membership reissued from the resigned list. The Club may, for a limited period of time, determined in the sole discretion of the Club, modify the transfer of memberships through the resigned list, to the benefit of members on that list, by issuing such memberships on an accelerated basis. Any accelerated transfer of memberships is for a limited time period, as determined in the sole discretion of the club, and shall not be construed as a permanent change in the Transfer policy and cannot be relied on in the future.
  - b. After the initial sale of all of the Black Pearl Memberships in the resigned Members category of Membership, every Membership issued in that category will be a resigned Membership from the resigned list.

At the time for the transfer, the new Black Pearl Member will pay the then-current Membership Deposit and a new 30-year period for the refund on the Membership deposit will begin for the new Black Pearl Member on the date of the Membership is reissued.

In the event the subsequent purchaser of the Black Pearl Member's residence in Pristine Bay elects a category of Membership which requires the payment of a Membership deposit less than that paid by the resigning member, then the resigning member may elect to either:

1. Place his or her resigned membership on the resigned list,

2. Or receive the amount of the membership deposit paid by the subsequent purchaser of his or her home.

## **Payment of Dues by a resigned Black Pearl Member**

A resigned Black Pearl Member will be obligated to pay dues and will be entitled to use the Club Facilities until the earlier of the reissuance of the Black Pearl membership or the end of the membership year in which the Black Pearl member resigns from the club. In the event that there are any amounts owing to the club by a resigned member which are past due, the club reserves the right to move the resigned membership to the bottom of the resigned list until such amounts have been paid in full.

## **Repurchase of Memberships Under Other Circumstances**

The club is not obligated to repurchase a Membership under any circumstances, other than the circumstances specifically described in this membership plan. The club may, in its sole discretion, repurchase a resigned membership, which is not being transferred to the subsequent buyer of the resigning member's residence, on terms agreed to by the club and the member. Any membership so purchased shall be added to the club's reserved memberships.

## **Transfer of Black Pearl Memberships During the Black Pearl Member's Lifetime**

A member can request the transfer of his or her Membership to an adult child or a grandchild who is approved for Membership in the club. This transfer will start a new 30-year period of deposit refund.

### **Transfer of Black Pearl Membership upon the Death of the Black Pearl Member**

Upon the death of a Black Pearl Member, the surviving spouse, if any, may elect within 30 days:

1. To continue the membership privileges without having to pay any additional membership deposit.
2. To receive a refund of the membership deposit in accordance with the application of the membership, or
3. To designate an adult child or grandchild to acquire the membership, subject to the approval of the adult child or grandchild for the surviving spouse to elect one adult child or grandchild to acquire the membership, subject to the approval of the adult child or grandchild for membership in the club, by giving written notice to the club.

Failure of the surviving spouse to elect one of said alternatives shall be deemed an election to continue the membership privileges. If there is no surviving spouse, and the deceased member has not designated one adult child or grandchild as beneficiary of the membership and who is approved for membership in the club, the children of the member may designate one adult child or grandchild to acquire the membership. In the case of transfer to an adult child or grandchild, a new 30 year period for the refund of the membership deposit shall commence. In the event there is no surviving spouse or no

adult child or grandchild who wants to continue the membership or who is approved for membership in the club, the death of the members shall terminate the Black Pearl Membership, the membership will be deemed resigned and the membership deposit previously paid for the membership, without interest, will be refunded to the estate of the deceased member upon reissuance of the membership in accordance with the application for membership, if a membership deposit was paid.

### **Transfer of Non-Refundable Corporate Membership**

Corporate membership can be transferred, to other corporation, with the approval of the club, and after paying the transfer fee.

### **Resignation Not Required Upon Sale of Home**

Black Pearl members who sell their residential property in Pristine Bay are not required to resign their Black Pearl Memberships.

### **Acknowledgement of Membership Rights**

Membership in the club permits the member to use the club facilities in accordance with this membership plan and the rules and regulations, but doesn't not give a member's a vested or prescriptive right or easement to use the club facilities. Membership in the club is not an investment in the club, club facilities or the corporation and does not provide the member with equity or ownership interest or any other property interest in the club or the club facilities. A member acquires only a revocable license to use the club facilities, in accordance with the terms and conditions of this membership plan and the rules and regulations, as both may be amended from time to time, and the application for membership. The club reserves the right, in its sole discretion, but has no obligation, to terminate or modify this membership plan and rules and regulations, to reserve memberships, to recall any membership at any time for any or no reason whatsoever, to discontinue operation of any or all of the club facilities or of the club itself, to sell, lease or otherwise dispose of the club facilities in any manner whatsoever it and to any person whomsoever, to add, issue or modify any type, category or class of membership or terminate any category of membership or any dues category, to convert the club into a membership-owned club, and make any other changes in the terms and conditions of membership or the club facilities available for use by membership notwithstanding anything to the contrary, the club may not change:

1. A members' right to a refund of his or her membership deposit, and
2. The provision for a member to arrange for the membership to be transferred by the club to the subsequent purchaser of his or her residence or home site in accordance with the Transfer of the Black Pearl Membership in the club section of this membership plan.

Members shall not be obligated to pay additional membership deposits in the future in order to continue using the club facilities. In the event of termination of the membership plan, termination of a person's category of membership, recall of the 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 member. 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 application for membership, 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.

### **No Pledge of Memberships**

Members may not pledge or hypothecate the membership except to the extent the lien or security interest is incurred as a result of obtaining the membership privileges.

## **Black Pearl Membership Eligibility**

### **Eligibility for Black Pearl Memberships**

The number of Black Pearl memberships is limited and subject to availability. All applicants for Black Pearl Membership must be reviewed by the club's Membership Committee. The club will make the final determination whether to approve or disapprove an application.

### **Reserved Black Pearl Memberships**

The club may, in its sole discretion, reserve Black Pearl Memberships in any category for sale to any persons whom the club deems appropriate. Reserved Black Pearl memberships shall not be considered to be available Black Pearl Memberships and the club shall not be compelled to issue a reserved Black Pearl membership.

### **Multiple owners of Property**

In the event of residential property is owned by more than one person (other than spouses), then each owner is eligible to obtain a Black Pearl membership. Multiple owners of a property may not share a Black Pearl Membership. The club may or may not make additional Black Pearl membership available to additional owners in its discretion. Each additional owner of the property must acquire a Black Pearl Membership in order to use the club facilities. Only one Black Pearl membership can be transferred through the club to the subsequent purchaser of the residence or home site, as provided hereafter. Therefore, there is no guarantee that the additional Black Pearl membership once resigned will be reissued.

### **Application Procedures**

Each Person who desires to become a Black Pearl member must submit an application for membership. All applications must be delivered or mailed to the membership director in the membership office.

### **Review of Application for Membership Privileges**

After receiving a completed application for membership, the club will determine whether the applicant has satisfied the relevant conditions of membership. The applicant will not be entitled to use the club facilities as a Black Pearl member or enjoy any of the privileges of a Black Pearl Membership until notification of acceptance from the club and payment of the membership deposit and applicable dues. An applicant whose application for the membership is not acted upon favorably by the club will have any payment made to the club returned, without interest.

## **Rights of Members to use the Club Facilities are governed only by this Membership Plan**

If approved for a Black Pearl membership, the applicant agrees to be bound by the terms and conditions of this membership plan and the rules and regulations, as the same may be amended from time to time, and irrevocably agrees to fully substitute the membership privileges acquired pursuant to this membership plan and the rules and regulations for any present or prior rights in or use for the club facilities.

## **Club Charges**

### **Membership Deposit Required to Become a Black Pearl Member**

Each person who acquires a Black Pearl Membership will be required to pay the required membership deposit to the club in effect at the time the person is approved for membership. Membership deposits are not transferable, except to the Black Pearl members' surviving spouse or adult child or grandchild, and are refundable only in accordance with this membership plan, the rules and regulations of the club and the application for membership.

### **Return of membership deposit**

The membership deposit of a Black Pearl member will be repaid, without interest, upon the earlier of the following:

1. 30 years after the date the Black Pearl Membership is issued by the club;
2. Within 30 days after the Black Pearl Membership has been reissued by the club to a new Black Pearl member, as provided in the section "Transfer of Black Pearl Membership in the Club"; or
3. When the Black Pearl Membership is terminated without cause by the club. A Black Pearl Membership terminated by the club for cause shall be deemed resigned and the Membership deposit shall be refunded upon reissuance of the membership.

The refund of the membership deposit of a Black Pearl member, upon resignation and reissuance earlier than 30 years, may be subject to a transfer fee as provided for in the application for membership. The

difference between the amount paid by the new members and the amount refunded to the resigning members 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 will receive a refund of the membership deposit previously paid by the member, at the end of 30 years and will continue to enjoy honorary membership privileges during his lifetime and will continue to pay the applicable membership dues, fees and charges until the member resigns. Such membership privileges cannot be transferred under any circumstance, unless a new deposit is paid.

### **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.

### **Consequences of Purchasing a Black Pearl Membership**

All Black Pearl Members acquire their Black Pearl Membership subject to all applicable tax and laws as may exist from time to time. Persons interested in acquiring a Black Pearl membership should consult with their own tax adviser with respect to the tax consequences of paying the membership deposit. The club makes no presentations and expresses no opinions regarding the federal or state income tax consequences of paying the membership deposit.

### **Dues and Other Charges**

From time to time the club will determine the amount of annual or monthly dues, fees, and charges to be payable by members. Dues shall be due and payable monthly in advance, on or before the first day of each month unless otherwise determined by the club from time to time. The current dues for use of the club facilities are indicated on the Schedule of Dues and Charges. The amount of dues and fees for each subsequent year are subject to change from time to time by the club. Payment of dues by members is a continuing obligation of membership which is not suspended due to the closure of any or all of the club facilities which result from act of God, natural disasters, pestilence, weather, fires, facility repair or enhancement, due to disease or other unanticipated cause, requirements imposed by governmental authorities after the date hereof and any events beyond the reasonable control for the corporation or the club.

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

In the event of the divorce or separation of married Black Pearl Members, the Black Pearl Membership, including all of its rights and benefits, will vest in the spouse awarded the Black Pearl membership by an agreement of separation or a decree of divorce. Until the award of the Black Pearl Membership and use of privileges, both spouses will 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 and the club reserves the right to petition the divorce court to determine who is entitled to the refund, if any, once the membership is reissued.

### **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. The corporation will pay all operating deficits incurred in the operation of the club facilities and will retain all operation revenues resulting from operation of the club facilities. Annual increases in dues shall not be deemed an assessment for purposes of this provision. Dues may only be increased once per year unless a new facility is opened during the year. The club operating budget and the calculation of the dues may include a reserve for capital replacements and improvements and this shall not be deemed an assessment for purposes of this provision.

### **Honorary Memberships**

The club may issue a limited number of 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.

### **Reciprocal use by Members of Other Clubs**

The club reserves the right to provide for reciprocal use of the club Facilities by members of other clubs, guests of other resort properties, or for Black Pearl members to have reciprocal use of other club facilities and other resort properties. These reciprocal privileges for Black Pearl members would be available upon payment of additional fees, dues and/ or other charges as established from time to time. Reciprocal use privileges as set forth in the member benefits schedule shall be established on an annual basis and may be modified or terminated from time to time at the discretion of the Corporation.

### **Use of Club Facilities by Resort Guests**

The Club facilities, except those areas of the Club Facilities designated as for members only are available for use by guests staying at the Resort ("Resort Guests"). The Club shall have the right to reserve access to the club facilities during certain times for use only by resort guests.

### **Non-Member Play**

The resort will permit golf play and use of designated club facilities by non-members, on such terms and conditions as the club determines appropriate. The club may reserve tee times for non-members. The club reserves the right to sponsor corporate outings and tournaments and continue to have resort guest play and promotional use.

### **Promotional use of the Club**

The club may, in its sole and absolute discretion, designate other persons, including without limitation, officers, directors, partners, employees and designees of the club and its affiliates and their guests and participants and attendees in any golf tournaments, to use any or all of the club facilities upon such terms and conditions as the club may determine from time to time.

### **Special Events**

The club may, in its sole and absolute discretion, restrict or otherwise reserve the club facilities for maintenance, tournaments, group play or other special events from time to time.

## **Club Operations**

### **Managements of Club Facilities**

The corporation owns the club facilities and it or its agents will manage and operate the club facilities. As a result, the corporation is 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. The club also reserves the right to engage a professional management company to operate the club facilities.

### **Advisory Board of Governors**

The club will establish an advisory board of governors whose purpose includes fostering good relations between the Black Pearl Members and management of the club, providing club management with suggestions and recommendations on programs, plans and activities of the club and advising on the clubs policies and rules and regulations. The advisory board of governors will be selected periodically by the club and serve a two year term. This advisory board of governors will have no duty or power to negotiate or otherwise act on behalf of the club, its management or the Black Pearl members and will serve only in an advisory capacity. The management of the club will meet with the advisory board of governors on a regular basis to discuss the operation of the club facilities. The management of the club will have the final authority on all matters concerning the club facilities and the Black Pearl Members.

### **Committees**

The management of the club may, in its discretion, appoint committees of Black Pearl Members from time to time to assist in implementing programs and activities form Black Pearl Members.

## **Protection of Membership Privileges**

In the event that the corporation ever sells the club facilities, it will disclose the existence of this membership plan to the purchase and will require the purchaser to acquire title to the club facilities subject to the terms and conditions of this membership plan, as amended from time to time.

Furthermore, the corporation will disclose the membership plan to any prospective lender, and will request recognition by the prospective lender of the membership plan. The current lender has agreed to recognize certain rights and privileges of the members in the event of a default under the mortgage and a foreclosure.

The Black Pearl Club (the Club) is maintained and operated to provide an exclusive elegant and social environment. To further maintain exclusivity of the club and to ensure the comfort of its members, the following rules and regulation have been established for the club and its members.

## **Regulations**

1. Dues, fees and charges will be established form time to time by the club in its sole and absolute discretion. Dues shall be due and payable monthly in advance, on or before the first day of each month unless otherwise determined by the club.
2. With respect to existing members who pay annual dues and other annual fees, such dues and fees are payable in advance of each membership year and no portion thereof may be charged to or paid on the members club account.
3. All food, beverage, merchandise and services may be charged to the members club account. If the members club account is delinquent by 30 days or more, the club my at its option take whatever action it deems necessary to effect collection, including suspension of membership privileges or other disciplinary action or legal action. Any membership which becomes frequently delinquent, defined as more than 60 days past due 2 times in any 12-mont period, shall be revoked. Past due bills, at the discretion of the club, may be charged a 1.5% service charge per month from the date of the statement until paid in full, with a minimum service charge per month of \$10.00. The member shall be liable for any attorney's fees and costs (including such fees required in connection with appeal proceedings) incurred in connection with the collection of such delinquent account (s).
4. In the event of a Black Pearl member's death, the heirs, successors, assigns and estate of the member shall be liable, to the extent permitted by law, for any dues accrued and charges incurred b y the member until the date of his or her death.

## **Membership Cards**

1. A membership card indicating the club account number and type of membership shall be issued to each member as well as the members of his and her family eligible for membership privileges. Black Pearl members and their families must have their membership card with them at all times while using the facilities of the club.
2. A membership card may not be used by any person other than the person to whom it is issued. Membership cards are not transferable.
3. In the event of a lost or stolen membership card, the club must be notified immediately. The account will be canceled and placed on "call security". Until notification of card loss or theft is received in writing by the club, the members shall be responsible for all charges placed on the account. For each new membership card replaced, a charge covering the cost of the replacement card and administrative fees will be placed on the members club account.

## Guests

Guests of members will be entitled to use the club facilities upon the payment of guest fees and will be subject to the following rules:

1. All guests shall be designated as either accompanied (uses facilities of the club in the company of the member) or unaccompanied guests. An unaccompanied guest is defined as a guest sponsored by the member but using the facilities of the club without the member. Unaccompanied guests may be registered by the sponsoring member with the club, prior to arrival of the guests, and guest cards will be issued for the length of stay, up to a maximum of two weeks. Guest cards must be picked up in the membership office. Unaccompanied guests may pay for purchases with cash or with the guest's own credit card.
2. Accompanied guests will be charged guest and green fees for the use of the facilities of the club as determined from time to time by the club.
3. Unaccompanied guests are permitted to use the club facilities without the company of the member subject to the following conditions:
  - a. The member does not have to give up membership rights for the period of time the guest is using the club facilities.
  - b. The member must contact the membership office at least one day prior to the guest's visit and the guest must pick up the guest card at the membership office prior to using the club facilities.

The member will be charged a fee as determined by the club for each guest card issued. Guest cards will be issued for a maximum of 14 days.

The club must be notified of cancellation of a guest card at least two days prior to the arrival date of the guest. Failure to advise the club of the cancellation will result in the member's club account being charged.

4. All unaccompanied guests are responsible for payment of all charges incurred at the club. The sponsoring member shall be responsible for all charges incurred by the guest which are not paid

within the customary billing procedure of the club. The sponsoring member is also responsible for the conduct of a guest while at the club. If the manner, deportment or appearance of any guest is deemed to be unsatisfactory, the sponsoring member shall, at the request of the club, cause such guest to surrender his or her guest card and leave the premises of the club.

5. Unaccompanied guest membership privileges may be acquired for the same guest only four times per year on a non-consecutive basis.
6. A Black Pearl Member is allowed unlimited golf guests per month, provided there are no more than four guests playing golf within any given day from November 1 through June 30, and the same guest may not play golf more than two times within any given month and maximum of six times during this season. No individual may be a guest more than two times within a given month. It is the responsibility of the Black Pearl Member to be informed as to whether his or her guest has exceeded their limit. The prevailing Black Pearl Member guest fee will be assessed upon admittance.

A Golf guest sponsored on a gratis golf guest day will never receive a rain check. Regulations or rain checks for members will always be posted on the pro shop.

7. A Black Pearl member is allowed unlimited guests per month, provided there are no more than four guests playing golf within any given day from November 1 through June 30, and no guest has visited more than two times within a given month a maximum of six times during this season. The prevailing Black Pearl member guest and green fees will be assessed upon admittance.
8. With respect to swimming pool guests, the same guest may not visit more than two times per month. The prevailing guest fee will be charged per visit.

## **Leave of Absence**

A leave of absence or non-use of the facilities of the club during the season or any portion thereof may be granted in the club's sole discretion. A leave of absence must be requested in writing to the club and, if granted, will be on such terms and conditions as the club determines in its sole discretion from time to time.

## **Attire**

1. It is expected that members will choose to dress in a fashion befitting the surroundings and atmosphere provided in the setting of the club. It is also expected that members will advise their guests of dress requirements.
2. Shirts and shoes are required on the premises of the club.
3. Bathing suits may only be worn in the pool areas. Cover-ups and shoes are required in all other areas of the club.
4. Only soft spiked golf shoes are allowed.

## **Property Damage and Personal Injury**

1. Each member as a condition of membership and each guest as a condition of invitations to the premises of the club assume sole responsibility for his or her property. The Club shall not be responsible for any loss or damage to private property used or stored on the premises of the club whether in lockers or elsewhere.
2. No person shall remove from the room in which it is placed or from the club premises any property or furniture belonging to the club without proper authorization. Every member of the club shall be liable for any property damage and/ or personal injury at the club, or at any activity or function operated, organized, arranged or sponsored by the club, caused by the member, any guest or any family member. The cost of such damage shall be charged to the member's membership card.
3. Any member, guest or other person who, in any manner, makes use of or accepts the use of any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the club, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the club, either on or off the club premises, shall do so at his or her own risk, and shall indemnify and hold harmless the club owners, their successors and assigns and their respective partners, directors, officers, employees, representatives, agents and member of the advisory board of governors, any committee or subcommittee from any and all loss, cost, claim, injury, damage or liability sustained or incurred by him or her, resulting there from and/or resulting from any act or omission of any such partner, director, officer, employee, representative, agent or member of the advisory board of governors, any committee or subcommittee, or arising out of or incident to membership in the club or use of the club facilities. All members shall indemnify and hold harmless the corporation and their successors and assigns and their respective partners, affiliates, directors, officers, employees, representatives, agents and members of the advisory board of governors, any committee or subcommittee hereunder in respect to any such loss, cost, claim or injury, damage or liability sustained or incurred by any guest of such member.
4. Should any party bound by these rules and regulations bring suit against the club on any claim or matter, said party shall be liable to the club for all costs and expenses incurred by the club in the defense of such suit (including attorneys' and paraprofessionals fees and expenses through all appellate proceedings).
5. The club is not responsible for any private property brought onto the club's premises.
6. Any private property which may have been left, without payment of storage thereon, in or on the club premises for one year or more may be sold by the club with or without notice, at the public or private sale, or may otherwise be disposed of, and the proceeds, if any, shall belong to the club.

## **Resignation of Membership**

1. A member may resign membership in the club by delivering written notice of resignation to the club's membership office. A resigned Black Pearl Member will be obligated to pay dues and will

be entitles to use the club facilities until the earlier reissuance of the Black Pearl membership or the end of the year in which the Black Pearl Member resigns from the club.

2. Notwithstanding any resignation, the member and his or her spouse shall remain liable for any amounts unpaid on the members club account.
3. In the event that there are any amounts owing to the club by a resigned member which are past due, the club reserves the right to move the resigned membership to the bottom of the resigned list until such amounts have been paid in full.

## **Discipline**

1. Members are responsible for their own conduct and for the conduct of their family and guests. Any member whose conduct or whose family's or guest's conduct shall be deemed by the club to be improper or likely to endanger the welfare, safety, harmony or good reputation of the club or its members, may be reprimanded, fined, suspended or expelled from the club and have all privileges associated with the membership suspended or terminated by the club. The club shall be the sole judge of what constitutes improper conduct likely to endanger the welfare, safety, harmony or good reputation of the club or its members, but such conduct will include: 1.) failure to meet eligibility for membership, 2.) submitting false information on the application for membership, 3.) allowing his or her membership card to be used by a non-member, 4.) failure to pay membership deposits, membership dues, and club account charges in a proper and timely manner, 5.) failure to abide by the rules and regulations as set forth herein and as established from time to time, or 6.) abusing club personnel or employees.
2. Any member accused of improper conduct shall be notified of such purposed action (except that notification is not required for failure to timely pay dues, fees and other charges) and shall be given an opportunity to be heard by the club to show cause why he or she should not be disciplined. If such member desires to be heard, the club shall set a time and date (not less than ten days thereafter) for such hearing. While such complaint is being considered by the club, the member shall enjoy the privileges of the club. The club may, without a hearing, immediately suspend and/or after notice, terminate a member for failure to pay when due, membership dues and club membership charges.
3. The club may suspend a member and/ or his or her family and/ or guests from some or all of the privileges of the club for a period of up to one year. Dues and other obligations shall accrue during such suspension and shall be paid in full before reinstatement of full privileges.

## **Gratuities**

For the convenience of all members, a gratuity percentage, as determined by the club, may be added to all food and beverage sales. A member may increase the gratuity percentage by signing the ticket invoice and including the amount of the gratuity the member deems appropriate.

## **Mailing Address**

Each member shall be responsible for notifying the club, in writing, of his or her mailing address and any changes thereto, to which the member wishes all notices and invoice to the club to be sent. A member shall be held to have received mailing from the club ten days after they have been mailed to the address on file with the club.

## **Membership Correspondence**

Suggestions or criticism concerning the management, service or operation of the club should be in writing, signed by the member and addressed to the director of membership. Errors in billing charges should be directed to the attention of the accounting department.

Members should address all correspondence to the club to:

The Black Pearl Golf Club

Pristine Bay Resort, Roatan

Bay Islands, Honduras

## **Rules**

### **General Club Rules**

1. Members and their guests shall abide by all rules and regulations of the club as they may be amended from time to time.
2. No performance by entertainers will be permitted on the club's property without the permission of the club.
3. The roster or list of members of the club shall not be accessible to anyone other than club personnel.
4. Alcoholic beverages will not be served or permitted to be consumed on the premises of the club in any manner prohibited by law. No alcoholic beverages will be sold or served to any person not permitted to purchase the same under the laws of the Honduran Government or be sold for off-premises consumption. The club reserves the right, in its sole discretion, to refuse service to a member or guest who appears to be intoxicated.
5. All food and beverage consumed on the club's property shall be furnished by the club. NO private coolers will be permitted on premises.
6. Except as permitted by the club, no commercial advertisements shall be posted or circulated in the club nor shall solicitations be made on the club facilities or upon the club's stationary.
7. Other than as permitted by the club, no petition, poster or promotional materials shall be originated, solicited , circulated or posted on the club's property.
8. Members of the club are not permitted to dismiss club personnel from a work area on any pretext, nor request special personal services from staff members who are on duty.

9. Members and guests shall not abuse of any of the club's employees, verbally or otherwise. No member or guest shall reprimand or discipline any employee or send any employee off the club's property for any reason. Members who abuse the club's employees shall be subject to disciplinary action by the club. Any employee not rendering courteous service should be reported to the Club's Management.
10. The club facilities shall be open on the days and during the hours established by the club. The club reserves the right to close the golf courses and other club facilities to hold promotional events and tournaments. Areas of the club facilities may also be closed from time to time for scheduled maintenance, repairs and other events.
11. The personnel of the club have full authority to enforce these rules and regulations and any infractions will be reported to the club management.
12. The club reserves the right to access the club facilities for use only by guests staying at the resort at Pristine Bay from time to time.

## **Reservations and Cancellations**

1. Reservations are required for most activities of the club and are taken on a first-come, first-served basis by pre-registering with the appropriate personnel of the club.
2. Failure to cancel special event reservations 48 hours prior to the event will result in a charge for the event to the member's club account.

## **Golf Rules**

The Rules of Golf as adopted by the R&A together with the Rules and etiquette as adopted by the R&A shall be the golf rules of the club except where modified with any local rules established from time to time.

1. All persons, without exceptions, must register at the Golf Pro Shop or member clubhouse before beginning to play.
2. "Cutting-in" is not permitted at any time. Specific approval of the starter is required to begin play.
3. Practice is not permitted on the golf course proper. The practice range and practice putting greens should be used for practice.
4. If a foursome fails to keep its place on the course and loses more than one clear hole on the players ahead, it must allow the following foursome to play through. No more than five minutes may be used to search for lost balls.
5. Players who stop after the ninth hole for any reason may not delay the following foursome and are expected to give way in order to maintain continuity of play.
6. Golf rangers and/or the professional staff may be on duty to help play and enforce cart and golf regulations. The golf ranger and/ or professional staff have full authority on the golf course to enforce all rules and speed of play.
7. Each player must have his or her own set of golf clubs.
8. Members of the club and their guests must use either a golf cart rented from the club or their own private golf cart upon payment of the trail fee while playing on the golf course.
9. Appropriate golf attire is required for all players. A description of "proper attire" shall be posted permanently in the men's and women's locker room. Members are expected to ensure that their guests and family members adhere to such rules.

Men: Shirts with collars and sleeves must be worn at all times. Slacks or golf shorts up to four inches above the knee must be worn. No tank tops, cut-offs or jams are permitted.

Women: Dresses, skirts, slacks, golf shorts up to four inches above the knee and blouses must be worn. No bathing suits, cut-offs or jams are permitted.

Shoes: acceptable shoes must be worn at all times. Golf shoes must have soft spikes. Large rubber or field shoes are not permitted.

The dress code is mandatory for all players. Improperly dressed golfers will be asked to change attire before playing. Any misuse or disregard of these rules may cause privileges to be suspended.

10. Members have the responsibility to cease play in the event of lightning in the area.
11. The club may close the golf course to play whenever the grounds could be damaged by play, for adverse weather conditions or for maintenance purposes.
12. "Course Closed" and "Hole Closed" signs are to be adhered to without exception.
13. Jogging, bicycling or recreations walking is not permitted on the golf course.
14. Twosomes may play only at the discretion of the golf staff. Twosomes should not expect to play through foursomes and should not exert any pressure on the groups ahead. Foursomes shall have the right of way.
15. The hours of the golf pro shop shall be posted on the entrance of the pro shop. The golf course superintendent is authorized to determine when the golf courses are fit to play. His decision shall be final. In his absence, the golf professional shall make any decisions.

## **Starting times**

1. All players must have a starting time and the names of all four players are required for a starting time request.
2. Starting times may be made on the internet or by phone during golf pro shop hours, as may be posted from time to time.
3. Twosomes may play at the discretion of the golf staff.
4. Twosomes and singles will be grouped with other players, if available and, if necessary, at starting times determined by the golf staff. Singles may not reserve starting times.
5. Starting times changes must be approved by the golf staff.
6. Double tee starting times may be in effect.
7. Groups of five or more players shall not be allowed at any time, except with permission from the golf professional.
8. Please notify the golf staff of any cancellation as soon as possible. Any cancellation not made prior to 24 hours of the day of play may be subject to a cancellation fee.
9. All golfers in a foursome must report to the first tee no later than ten minutes before their starting time. Players who do not report to the first tee on time will lose their starting time and shall begin play only at the discretion of the golf starter.
10. No one is allowed to start play on the tenth tee without prior approval of the golf starter.

## **Registration**

1. All members and guests must register in the golf pro shop or at the member clubhouse before beginning play and all members and guests, where applicable, shall present their cards at registration.
2. Guests may play when accompanied by a member or, in the case of an unaccompanied guest, when they have obtained a temporary guest card and when a member has previously made a tee time reservation for the unaccompanied guest.

## **Rain Check Policy**

Should the golf course be closed due to wet conditions, full credit will be given if four holes or less have been played. Credit for nine holes will be given if more than four holes but a maximum of ten holes have been played.

## **Driving range**

1. The driving range is open during normal operating hours as posted in the golf pro shop and the driving range. At times to be posted in the golf pro shop and on the driving range, the driving range will be closed for maintenance.
2. Range balls are for use on the driving range only. Range balls are not permitted to be used on the golf course.
3. Balls must be hit from designated areas only. No hitting from the rough or sides of the range.
4. Proper golf attire is required at all times on the driving range.

## **Golf Cart Rules**

1. The use of golf carts is mandatory when posted.
2. Golf carts shall not be used by a member or guest without proper authorizations and registration in the golf pro shop or the members clubhouse.
3. Golf carts may be used only on the golf course when the course is open for play. The club golf carts are not to be driven to residences at any time and neither club nor private golf carts are permitted in the parking lot or other restricted area which has been designated.
4. Each operator of a golf cart operating on the golf course must have a valid driver's license.
5. Golf carts are not to be used off the course.
6. No more than two people and two sets of club per cart are permitted.
7. Always use the golf cart paths when provided, especially near tees and greens. Players are required to remain on golf cart paths during wet conditions. Use of the 90 degree rule when in effect and cross fairways only at right angles.
8. Except on golf cart paths, do not drive cart within 40 feet of the green, a tee or a bunker.
9. Be careful to avoid soft areas on fairways, especially after rains. Use the rough whenever possible.
10. Do not drive golf carts under low hanging branches of trees.
11. Obey all golf cart traffic signs.
12. Operation of golf cart is at the risk of the operator. Cost to repair golf cart provided by the club and damaged by a member will be charged to such member or in the case of damage by a guest, to the sponsoring member. Members using a golf cart shall be held fully responsible for any and all damages, including damages to the golf cart, that are caused by misuse of the golf cart by the members or their guests and the members shall reimburse the club and/or any operator of the club for any and all damages the club may sustain by reason of misuse.

13. When the “carts in rough only – no crossovers” or “carts in path only” signs are posted, they must be strictly followed.
14. When a “carts in rough only” (without “no crossover” restriction” sign is posted crossover may be made only once on any hole.
15. The member using golf cart accepts and assumes all responsibility for liability, including responsibility of the member’s guest’s use of golf carts, connected with operation of the gold cart. The members also expressly indemnifies and agrees to hold harmless the Corporation, its affiliates and their respective partners, officers, directors, employees, affiliates, representatives, and agents, from any and all damages, whether direct or consequential, arising from or related to the member’s or his or her guests use and operation of the golf cart.
16. Violations of the golf cart rules including skidding or sliding on purpose on any part of the golf course will result in loss of golf cart privileges and/ or playing privileges.

### **Private Golf Cart Rules**

1. Only Black Pearl Members owning carts and living at Pristine Bay shall be eligible to have private cart. These private carts must meet the required standards and maintenance to be used at the golf course. The club at its discretion may restrict or eliminate the availability of private golf carts.
2. No private golf carts are permitted on the golf course without payment of the appropriate trail fee.
3. Owners of privately owned golf carts must complete and sign a trail fee agreement, provide proof of liability insurance and make payment to the club before the cart is permitted on the club facilities.
4. Golf cart owners must store their golf carts on their own property and golf carts need to be driven , not trailer to the club.
5. Golf cart owners, when playing together, or with a non-cart owner, must abide by the rules of one golf cart for every two players.
6. The club will establish from time to time the safety specification that all privately owned golf carts must meet. All privately owned golf carts must include reflectorized warning devices in both the front and rear of the golf cart and any other safety equipment required by the club from time to time.
7. Privately-owned golf carts must be annually approved by the club as complying with the appearance, safety and other standards set forth herein and as may be established form time to time by the club. Personal radios and televisions are NOT allowed to be used while on any part of Pristine Bay grounds.
8. All owners of privately owned golf carts shall be required to sign a release of liability agreeing to hold the Corporation and its affiliates harmless as a result of any loss of damage relating to the ownership or operation of the golf cart.
9. Each year any member with a privately owned golf cart shall be required to provide the club with proof that the operation of the golf cart is covered by a liability insurance policy or the member with policy limits in such amounts as established by the club from time to time and shall require that such policy provide that it can only be canceled upon 30 days prior written notice to the club. The golf cart owner must also name North Shore Development as additional insured parties.
10. Members using a privately owned golf cart will be fully responsible for any and all damages caused by the sue or misuse of the golf cart by anyone operating it or otherwise, and the members shall reimburse the corporations and its affiliates for any and all damages the

corporation and its affiliates may sustain by reason of use or misuse, including without limitation, damage to other golf carts and any property of the club.

11. An identification number and yearly decal will be issued for the golf cart when the application, proof of liability insurance and payment are received. The identification number and yearly decal must be placed on the front of the golf cart in clear view.
12. Members with a privately owned golf cart must check in at the golf pro shop or the members clubhouse prior to beginning to play. Cart traffic on the golf course is restricted to nine and 18 hole rounds of play.
13. A maximum of two riders and two golf bags per golf cart is allowed. No more than two golf carts are allowed per foursome.
14. Privately owned golf carts shall be driven on the golf course only when the golf course is open for play.
15. Black Pearl members with private golf cart privileges must display their golf cart sticker at all times on the front left corner of their golf cart.
16. Violations of these rules and regulations may result in revocation of privately owned golf cart privileges, playing privileges and / or a suspension or termination of membership privileges.

## **Handicaps**

1. Handicaps are computed under the supervision of the Golf Professional in accordance with current R&A recommendations.
2. Accurate records are to be kept of scores and turned in and recorded for all full rounds played. The golf professional will determine if there are violations by members in turning in their scores. If there are violations, the golf professional will arbitrarily assign to the player a score two strokes lower than the lowest score on the computer sheet and shall continue to do so as long as these violations occur.
3. To be eligible for prizes at special events, a participant must have proof of an approved R&A or USGA handicap.
4. All members with R&A or USGA approved handicap may participate in club tournaments. All handicaps submitted may be reviewed by the golf professional.
5. To establish a handicap, a member must have turned in a minimum of five scores. Members are responsible for turning in all scores on a daily basis.

## **Golf Course Etiquette**

Each person using the golf course should do his or her part to make a good round of golf a pleasant experience for everyone. Here are some suggestions:

1. Do not waste time. Be ready to make your shot when it is your turn to play and do not be afraid to shoot out of turn if doing so will substantially contribute to the progress of your group.
2. When a hole is completed leaves the green promptly and proceeds to the next tee without delay. Do the scoring for the previous hole while the others in your group are playing from the next tee.
3. If you are not holding your place on the course, allow the players behind to play through. Don't do the same if you stop to search for a lost ball.
4. Repair your ball marks on the green
5. Any divots made on the fairways should be filled with sand contained in the sand buckets or bottle located on the golf carts.

6. Carefully rake sand traps after use.
7. The golf rangers shall report slow play and all breaches of golf etiquette to the golf professional.

### **Advance Sign-Up Privileges**

1. The golf sign-up privileges for members on the members only golf tee time blocks and such dedicated member blocks as the club determines are as follows:

Black Pearl Members                      7-day advance sign-up

2. The golf sign-up privileges of members on all other courses will be three days.