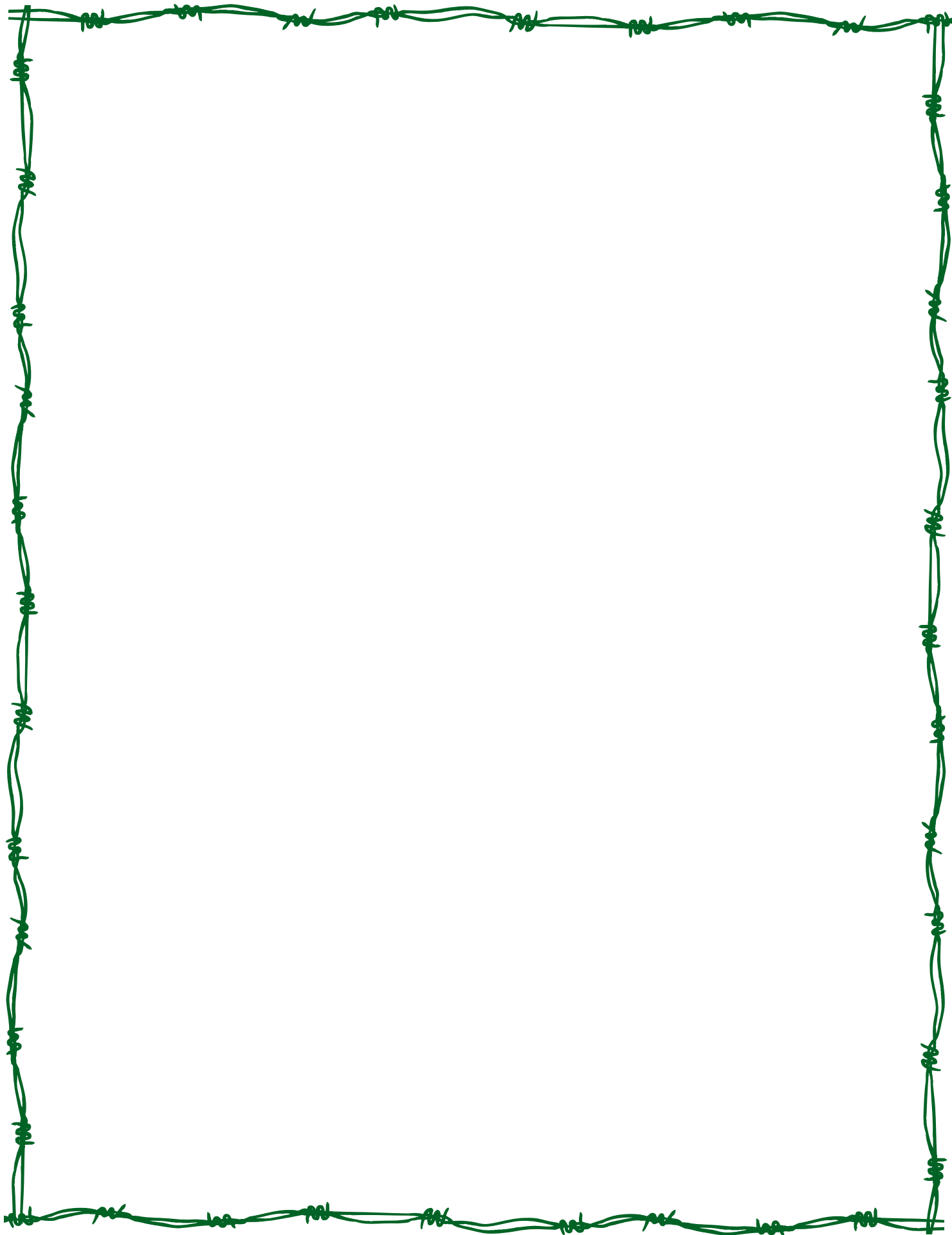




**TASCOSA**   
G O L F C L U B

**Membership Plan**



# TASCOSA GOLF CLUB

## MEMBERSHIP PLAN

This Membership Plan offers you an opportunity to acquire a Membership in Tascosa Golf Club (the “Club”), a private club located in Amarillo, Texas. The club provides its members access to thirty six-holes of championship golf, driving range, putting green, short game area, fitness facility, tennis facility, youth playing field, children's playground, swimming pool, pavilion and clubhouse in Amarillo, Texas.

### I. CLUB FACILITIES

The facilities of Tascosa Golf Club, herein collectively referred to as the “Club Facilities” will include the following:

Golf Course. The Club offers thirty six-holes of championship golf, including the links style La Paloma golf course and the tree-lined, traditional, Tascosa golf course, practice greens, driving range and short game areas (the “Golf Course”).

Clubhouse. The Clubhouse, which is on the La Paloma side of Fairway Drive, has approximately 13,500 square feet of interior conditioned space and additional terrace space. The Clubhouse features a pro shop, men's and women's locker rooms and restrooms, conference room, meeting room, club storage room, bar and grill. On the Tascosa side of Fairway Drive, the Club offers food and a limited pro shop in the “Halfway House”. The Clubhouse and Halfway House are collectively referred to as the “Clubhouse Facilities”.

Family Park. The Club has a swimming pool, playground equipment, youth athletic field, fitness center and pavilion (the “Family Park”).

Tennis. The Club offers four indoor tennis courts and six outdoor tennis courts to its Tennis Members and other users designated by the Club.

Ownership. Tascosa Golf Club, LLC (the “Company”), a Texas limited liability company, owns and operates the Club Facilities. The Company and the Club Facilities are sometimes referred to collectively hereinafter as the “Club”.

The ONLY Club approved route between the two courses is the Tunnel under Fairway Drive.

## II. MEMBERSHIP CATEGORIES AND PRIVILEGES

All Membership categories will be subject to this Membership Plan and the Rules and Regulations espoused by the Club from time to time. The following categories of Membership privileges are available in the Club:

Golf Membership. A Golf Membership is available to persons residing within a forty (40) mile radius of the Club. A Golf Membership entitles the member to use the Club Facilities and participate in Club-sponsored events at the Club.

Resident Golf Membership. A Resident Golf Membership is available to persons who reside within the La Paloma and Tascosa subdivisions and/or any other residential subdivision that the Club elects, in its sole discretion, to offer Resident Memberships. A Resident Golf Membership entitles the Member to use the Club Facilities and participate in Club-sponsored events at the Club. Resident Golf Memberships are transferable to the buyers of the Resident Golf Member's home, without payment of Membership Fee. The transferee of the Resident Golf Membership will pay an administrative fee for activation of the new Resident Golf Membership.

Non Resident Golf Membership. Persons living outside a forty-mile (40) radius from Tascosa Golf Club are eligible to purchase a Non Resident Golf Membership. A Non Resident Golf Membership entitles the Member to use the Club Facilities and to participate in Club-sponsored events at the Club.

Social Membership. A Social Membership is available to persons residing within a forty-mile radius of the Club. It entitles the member to use the Clubhouse Facilities, Family Park and participate in Club-sponsored, social events at the Club.

Resident Social Membership. A Resident Social Membership is available to persons who reside within the La Paloma and Tascosa subdivisions and/or any other residential subdivision that the Club elects, in its sole discretion, to offer Resident Social Memberships. A Resident Social Membership permits the Member to use the Clubhouse Facilities, Family Park and attend Club-sponsored social events. Resident Social Memberships are transferable to the buyers of the Resident Social Member's home, without payment of Membership Fee. The transferee of the Resident Social Membership will pay an administrative fee for activation of the new Resident Social Membership.

In addition, guests of Resident Social Members who reside more than 100 miles from the Club shall be eligible to use the Clubhouse Facilities and Family Park while accompanied or sponsored by a Social Member. A Social Membership may provide limited golf or tennis privileges from time to time at the sole discretion of the Club.

Tennis Memberships. Tennis Memberships are available to all Golf or Social Members of any category. For a Member to access the Tennis Facility, he or she must pay the applicable Tennis Membership Initiation Fee, if any, and the additional monthly dues or fees required of Tennis Members.

Lifetime Memberships. Lifetime Memberships are available at the discretion of the Club to persons who pay the applicable Membership Initiation Fee and execute the Lifetime Membership Addendum. Lifetime Members are not required to pay monthly dues for so long as the Lifetime Member is a Member of the Club. Lifetime Members are required to pay incidental charges made at the Club on a monthly basis.

Number of Memberships Available. The number of memberships available in the Club are as follows:

Golf Memberships	850
Non Resident Golf Memberships	200
Social Memberships	200

Notwithstanding the Membership limits set forth above, the Club will make a Golf Membership and/or a Social Membership available to each initial retail purchaser of a residential unit or lot from the Club or La Paloma Development Company. The limit on the number of Memberships will not be exceeded for the purchaser of a residential unit or lot from the La Paloma Development Company or Club who does not acquire a Membership within sixty-days (60) of the date that the person moves into the Club's subdivision. If a purchaser of a residential unit or lot from the La Paloma Development Company or Club purchases a membership within the aforementioned sixty days, the number of Memberships may temporarily exceed the limitation set forth above. During the period when the limit is exceeded, the Club will not sell Memberships to anyone except initial retail purchasers of residential units or lots from the La Paloma Development Company or Club. If a Club Membership is resigned by a Member while the limit is exceeded, the Club will not issue a new Club Membership in its place.

Right to Modify Membership Categories and Privileges. In order to provide the utmost enjoyment of the Club Facilities for all members, the Club reserves the right, from time to time, to add or modify Membership categories and to establish different rules governing access, tee time privileges and guest privileges with respect to the Club Facilities.

Use of Club Facilities by Immediate Family. Golf Memberships and Non Resident Golf Memberships entitle the Member and the immediate family of the Member to use the Golf Course, Family Park and Clubhouse Facilities in accordance with the Rules and Regulations of the Club. The immediate family of a Member shall include the spouse of the member and their unmarried children under the age of twenty-three who are either living at home or attending school on a full-time basis. Social Members, and the immediate family thereof, shall be entitled to use the Clubhouse Facilities and Family Park.

Guest Privileges. Members are entitled to have guests use the Club Facilities in accordance with the Rules and Regulations of the Club, including limitations on the number of times a particular guest may use the Club Facilities during a Membership Year. The sponsoring Member is responsible for the payment of the applicable daily guest fees established by the Club from time to time.

### III. TRANSFER OF MEMBERSHIPS

A Member may transfer his or her Membership only through the Club.

If a Member resigns from the Club, the Member may have his or her resigned Membership reissued to the subsequent purchaser of his or her residential unit or lot provided he is a Resident Golf Member or Resident Social Member.

Refund or Transfer of Membership Upon Death. Upon the death of a Member, the Membership automatically passes to the surviving spouse, if any, without the spouse having to pay any additional Membership Fee. If the surviving spouse does not desire to continue Membership privileges, then the surviving spouse may designate one adult child to obtain the Membership without payment of any Membership Fee. Such a transfer is subject to an administrative transfer charge determined by the Club. If there is no surviving spouse or adult child who wants to continue Membership privileges, the death of the Member shall terminate the Membership.

Acknowledgment of Membership Rights. Membership in the Club permits the Member to use the Club Facilities, but does not give a Member a vested or prescriptive right or easement to use the Club Facilities. Membership in the Club is not an investment in the club or the Company and does not provide the Member with an equity or ownership interest or any other property interest in the Club or Club Facilities so long as the Club is a non-equity club. A Member only acquires a revocable license to use the facilities applicable to category of Membership acquired.

The Club reserves the right in its sole and absolute discretion, from time to time, to reserve Memberships for future sale, to modify the terms and conditions of this Membership Plan or terminate this Membership Plan. The Club may also discontinue operation of any or all of the Club Facilities, sell or otherwise dispose of the Club Facilities, subject to the right of first offer hereinafter provided.

#### IV. ELIGIBILITY FOR MEMBERSHIP

Eligibility for Membership. Memberships will be available to persons approved for Membership who pay the required Membership Fee. The number of Memberships is limited, and eligibility for Membership is subject to availability.

Reserved Memberships. Memberships may be reserved by the Club or offered for sale by the Club as available Memberships to select invitees of the Club, in its sole discretion. Reserved Memberships are not considered available Memberships and the Club may not be compelled to sell a reserved Membership.

Waiting List Will Be Established if Memberships Are Not Available. If Memberships are not available, the Club will establish a waiting list for each Membership category of those persons who have notified the Club in writing of their desire to purchase a Membership. Persons on the waiting list for each category of Membership will receive Memberships on a first come, first served basis.

Membership Held in Name of Corporate Entity. For the convenience of Members, a Membership may be held in the name of a partnership, company, trust or other form of multiple ownership (collectively the "entity"). The Membership will be issued in the name of the entity. The entity may designate the individual who will have the right to use the Club Facilities. The entity may change the designated user upon payment of the administrative fee charged by the Club. Each individual designated must submit an Application for Membership and must be approved by the Club. No more than one designated user and his or her immediate family shall be entitled to



simultaneously use the Club Facilities, except as a guest. The Club reserves the right to establish from time to time the rules governing the designation of an individual as the designated user of a Membership, including establishing a limit on the number of times a particular designation may be changed during a Membership year. The Club reserves the right to require the entity 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.

## V. CLUB CHARGES

Membership Fee Required to Become a Member. To obtain a Membership, a Membership Fee must be paid to the Club in an amount as determined by the Club from time to time. The amount of the Membership Fee is set forth in the Application for Membership. The Club anticipates that the Membership Fee will increase as the Club approaches applicable Membership limits.

Financing of Membership Fees by Club. The Club may, from time to time and in its sole discretion, institute financing programs that will allow Members to pay the Membership Fee to the Club over an extended period of time.

Dues, Fees and Charges. The Club will from time to time determine the amount of dues, fees and other charges to be paid by each Member of the Club throughout the calendar year. Dues shall be due and payable in advance, on or before the first day of each month, unless otherwise established by the Club from time to time. The failure of any Member to pay dues within the prescribed time period shall constitute grounds for suspension or forfeiture of Membership privileges in the Club.

The Membership Fee, current dues, fees and charges relative to use of the Club Facilities are described on the Schedule of Dues and Charges. The amount of dues, fees and charges for subsequent years is subject to change. The Club reserves the right to change clubhouse minimums at any time or from time to time.

Payment of Dues by a Resigned Member. A resigned Member's obligation, to pay dues shall cease upon written notice of resignation to the Club. The resigning Member must pay accruals through date of resignation.

The Consequences of Acquiring Membership. All Members obtain their Memberships subject to all applicable tax laws as they may exist from time to time. The Club makes no representations and expresses no opinions regarding the federal or state income tax consequences of obtaining a Membership.



Memberships May Not be Pledged for Purchase Money Obligations. A Member may not pledge or hypothecate the Membership except to the extent the lien or security interest is incurred as a result of acquiring the Membership.

Legal Separation or Divorce of Married Members. In the event married Members are legally separated or divorced, title to the Membership, including all rights and benefits thereof, shall vest in the spouse awarded the Membership by the court or by mutual agreement of the parties, provided that such spouse fulfills all of the eligibility requirements for Membership in the Club. Both of the divorced or legally separated persons shall be required to give written notice to the Club designating the person who is entitled to the Membership privileges immediately after the divorce or separation. Until written notice has been provided to the Club, both spouses shall remain responsible for the payment of all dues and other fees associated with such Membership. In no event will the club become involved in disputes between separated or divorced Members. The Club may, in its sole discretion, suspend all Membership privileges associated with the disputed Membership until the ownership of the Membership is resolved.

Membership Year of the Club. The Club's Membership Year will constitute the twelve-month period commencing January 1 and ending on December 31, unless otherwise established by the Club from time to time.

No Assessments to Members. Members are not subject to any liability for operating assessments. The Company will pay all operating deficits incurred in the operation of the Club Facilities but will not be required to pay dues on its Memberships that are not issued.

The payment of dues, fees, clubhouse minimums, state taxes, service charges, personal and other charges the Club may establish from time to time is not a capital or operating assessment.

Capital Improvement Assessments. Members will not be subject to Club imposed assessments for capital improvements. Notwithstanding the above restriction on the Club's ability to assess for capital improvements, the Members may vote to assess themselves at any time if the proposed assessment is approved by a vote of fifty-one percent of the category of Membership which will be responsible for the payment of the proposed assessment at a duly called and convened meeting of the Members. However, the Club reserves the right to approve any proposed capital expenditure. For purposes of this provision, each Member will be entitled to one vote per Membership.

Assessments which finance capital improvements in the Club Facilities or the Club will not provide the Members with an equity or ownership interest or any other proprietary interest in the Club or the Club Facilities so long as the Club is a non-equity club. All improvements to the Club financed with assessments shall be the sole and exclusive property of the Club (See Article III, Acknowledgment of Membership Rights).

Limits on Dues Increases. The Club will not increase dues, fees and other charges by greater than 10% in a Membership Year. This limitation is not applicable to the Membership Fee.

## VI. APPLICATION FOR MEMBERSHIP

Delivery to Membership Director. To apply for Membership, an applicant must: (1) Complete and sign the Application for Membership; and, (2) Mail or deliver to the Club the completed and signed Application for Membership and the amount of the Membership Fee required.

Review of Membership. All applicants acquiring a Membership must be approved by the Club. After receiving the Application for Membership, the Club will determine whether the applicant has satisfied the relevant conditions of Membership. If the applicant has satisfied those conditions, the applicant will be notified that the application has been acted upon favorably. In the event the Application for Membership has not been acted upon favorably, the applicant will receive a refund of any amounts previously paid without interest.

Rights of Members Governed by Membership Plan. If approved for Membership, in the Club, the Member agrees to be bound by the terms and conditions of this Membership Plan and the Rules and Regulations, as either may be amended from time to time, and the Application for Membership.

## VII. OTHER MEMBERSHIP AND USE PRIVILEGES

Unaccompanied Guest of the Club. The Club will have the right to allow unaccompanied guests of the Club to play golf on a daily fee basis if the Club unaccompanied guests are sponsored by their club professional or are participating in a weekday outing or tournament sponsored by local civic, charitable or business groups or organizations. The Club shall also have the right to designate individuals (See "Designated Use of Club Facilities" below) who may use the Club Facilities as unaccompanied guests of the Club. Tee time for unaccompanied guests of the Club will be restricted as determined by the Club from time to time.

Use of Club Facilities. The Club and its designees shall have the right to designate persons to use any or all of the Club Facilities for any purposes and persons designated by the Club shall include, without limitation, persons who are employees or affiliates of the Club or the Company, persons who are involved in special events held at the Club and persons who are prospective purchasers of real estate within the La Paloma, Tascosa or other Club affiliated subdivisions. The individuals designated by the Club are subject solely to approval by the Club. Notwithstanding the number of Golf Memberships, the Club and its designees shall also have the right to allow professional and amateur, civic, charitable, scholastic and collegiate, and business tournaments, and groups to reserve the Club Facilities in advance. Use of the Club Facilities by Members may be restricted or reserved from time to time by the Club.

Promotional Use of the Club. The Club and its designees shall have the right at any time to hold promotional and other special events at the Club, and to promote the Club in advertisements and promotional materials by making reference to the Club and the availability of Memberships in the Club.

Management and Control of the Club Facilities. The Company or its agents will manage and operate the Club Facilities. The Club Facilities will be operated in a manner comparable to other private golf clubs offering similar facilities. The Company is responsible for the operation and administration of the Club Facilities and has the exclusive authority to accept members, set applicable initiation fees, dues and charges, establish rules and regulations and control the management and affairs of the Club.

Indemnification and Hold Harmless. A Member shall indemnify and hold the Club and its members, managers, employees and agents (collectively, the "Club Indemnitees") harmless in respect of any and all claims, damages, losses, judgments, costs or expenses (including, without limitation, reasonable attorneys' fees) of any kind or nature asserted against or incurred by any Club Indemnitee as a result of or in connection with (i) such Member's use of the Club Facilities, or (ii) such Member's participation in Club-sponsored events at the Club.

**NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION NOT CONTAINED IN THIS MEMBERSHIP PLAN AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB.**

**MEMBERSHIPS IN THE CLUB ARE BEING OFFERED EXCLUSIVELY FOR THE PURPOSE OF PERMITTING PERSONS ACQUIRING A MEMBERSHIP TO OBTAIN RECREATIONAL USE OF THE CLUB FACILITIES. MEMBERSHIPS SHOULD NOT BE VIEWED OR ACQUIRED AS AN INVESTMENT AND NO PERSON PURCHASING A MEMBERSHIP SHOULD EXPECT TO DERIVE ANY ECONOMIC PROFITS FROM MEMBERSHIP IN THE CLUB.**

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

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