



THE HŌKŪALA CLUB

MEMBERSHIP PLAN

TABLE OF CONTENTS

Page

ARTICLE I DESCRIPTION OF MEMBERSHIP	1
1.1 Membership Summary	1
1.2 The Project	1
1.3 Benefits and Services	1
1.4 Membership Privileges in the Club	1
1.5 Club Rules	2
1.6 Changes to the Club	2
1.7 Use of the Club for Promotional Purposes	2
ARTICLE II NUMBER/CATEGORY OF MEMBERSHIPS.....	2
ARTICLE III APPLICATION FOR MEMBERS.....	2
3.1 Application for Membership	2
3.2 Review of Member Information and Membership Agreement	2
3.3 Membership Initiation Fee	3
ARTICLE IV OWNERSHIP OF MEMBERSHIPS	3
4.1 Ownership and Use	3
4.2 Acknowledgment of Limited Rights	4
4.3 Tax Consequences of Acquiring a Membership	4
ARTICLE V DUES AND CHARGES	4
5.1 Membership Year	4
5.2 Annual Dues and Other Fees and Charges	4
5.3 Payment Method.....	5
5.4 Past Due Amounts	5
ARTICLE VI CLUB OPERATIONS	6
ARTICLE VII ENFORCEMENT AND DISCIPLINE.....	6
7.1 Enforcement	6
7.2 Delinquency.....	6
7.3 Membership Pledge.....	6
7.4 Cumulative Remedies.....	6
7.5 Member Conduct.....	7
7.6 Disciplinary Action	7
7.7 Termination	7
7.8 Continued Liability.....	7
7.9 Club Discretion.....	7
ARTICLE VIII TRANSFER OF MEMBERSHIP	8
8.1 Generally	8
8.2 Authorized Transfers.....	8
8.3 No Guarantee.....	9

ARTICLE IX [RESERVED]	10
ARTICLE X DISCLAIMER, RELEASE AND HOLD HARMLESS	10
10.1 Assumption of Risk	10
10.2 Disclaimer and Acknowledgment	10
10.3 Hold Harmless	10
ARTICLE XI ARBITRATION	11

ARTICLE I DESCRIPTION OF MEMBERSHIP

1.1 Membership Summary. Hōkūāla Club LLC, a Hawaii limited liability company (together with its successors and assigns, the “**Company**”), is providing a range of memberships in the Hōkūāla Club (the “**Club**”), operating within the Hōkūāla Resort (the “**Project**”) located in Lihue, Kaua’i, Hawaii. The purpose of the Club is to provide certain benefits, services, experiences, and access to golf, tennis, ocean, adventure and dining facilities to its members and their family members and guests. Where this Membership Plan refers to the Club taking action or having certain rights, the Company, or its designees, shall take such action and have such rights.

Membership in the Club is intended to offer access to the Benefits and Services (as defined below) on the terms described in this Membership Plan, the Club Rules and Regulations (“**Club Rules**”) and, with respect to each member of the Club (“**Member**”), such Member’s Membership Agreement (collectively, the “**Membership Documents**”). The Club may offer more than one type of category or membership, in which case certain terms and provisions of a particular membership may vary from this Membership Plan in accordance with the relevant Membership Agreement.

All prospective Members should carefully review this Membership Plan, the Membership Agreement, and the Club Rules. Any representation regarding the Club or Membership in the Club not contained in the Membership Documents is unauthorized, and if given or made, such information or representation must not be relied upon as having been authorized by the Company or the Club.

1.2 The Project. As of the date of adoption of this Membership Plan, certain amenities of the Project are under construction, and certain of the Benefits and Services will not be available until the Project amenities are open for use by the residential owners of the Project.

1.3 Benefits and Services. Members of the Club are expected to receive certain “**Benefits**,” and the Club may publish lists and schedules of available Benefits and their associated fees and modify the same from time to time. Members of the Club shall also have an opportunity to take advantage of certain “**Services**” on a fee-for-use basis, and the Club may publish lists and schedules of available services and their associated fees and modify the same from time to time. Without limiting the foregoing, the initial Benefits, Services and the “**Unlimited Golf Option**” and their associated fees are generally described in Exhibit A attached hereto, as the same may be modified from time to time.

1.4 Membership Privileges in the Club. An ownership interest in the Project is a prerequisite to acquiring a membership in the Club. Each person who acquires a membership will be entitled to enjoy the Benefits, in accordance with the terms and conditions of the Membership Documents. Each Member will also have the opportunity to use any available Services on a fee-for-use basis, in accordance with the terms and conditions of the Membership Documents.

1.5 Club Rules. The Club Rules contain additional provisions regarding the use and enjoyment of the Benefits and Services.

1.6 Changes to the Club. In order to meet the changing needs and desires of the membership of the Club, the Company reserves the right, in its sole discretion, to modify, change or add to the Club Rules and/or this Membership Plan, the ownership type or category of membership, the eligibility requirements for membership, the Members' access to Benefits, and the offer and range of Services. The Company reserves the right, in its sole discretion, to reserve memberships, to issue any membership, and to make any other changes in the terms and conditions of the membership. Further, the Company may, and hereby reserves the right to modify, add to, discontinue, or otherwise change any of the Benefits or Services available to the Members in its sole discretion.

1.7 Use of the Club for Promotional Purposes. The Company may allow its representatives, employees, and prospective purchasers of interests at the Project, and such other persons as the Company determines appropriate from time to time, to access the Benefits and Services. The Company or its affiliates may refer to the Club in its marketing and promotional materials.

ARTICLE II NUMBER/CATEGORY OF MEMBERSHIPS

Currently the Company offers one category of memberships, sometimes referred to as a "resident membership," and one additional option to add an "Unlimited Golf Option" to the resident membership. The Company reserves the right to determine the total number of memberships from time to time in its sole discretion. In addition, the Company reserves the right to convert, modify, revise, add, create or discontinue any categories of memberships that may be offered in the Club. The Company may issue a membership to any person whom the Company, in its sole discretion, determines appropriate. The Company may modify any requirements for eligibility for membership, from time to time, in its sole discretion.

ARTICLE III APPLICATION FOR MEMBERS

3.1 Application for Membership. Each person who desires membership in the Club must deliver to the Club a completed and signed prospective member information form and Membership Agreement, together with payment in the amount of any required "**Membership Initiation Fee.**"

3.2 Review of Member Information and Membership Agreement. Each person who applies for membership in the Club will be subject to the approval of the Company. After receiving the prospective member information form and Membership Agreement, the Company will determine whether the applicant has satisfied the qualifications for membership. In the event the application for membership is not acted upon favorably, the applicant will receive a refund, without interest, of any funds that the applicant has paid to the Company and all of the applicant's Club reservations, rights and privileges, if any, to use the Benefits or Services will cease immediately.

3.3 Membership Initiation Fee. Unless otherwise provided in the Membership Agreement, each person who acquires a membership in the Club must pay the Membership Initiation Fee then established by the Company, which may change from time to time. The Company shall have the exclusive right to establish the initiation fee for each membership and shall have the right to receive and retain (or otherwise direct the receipt and retention of) all proceeds from the sale of memberships. The Company may increase, decrease, bonus or discount the Membership Initiation Fee in its sole discretion.

ARTICLE IV OWNERSHIP OF MEMBERSHIPS

4.1 Ownership and Use. Each membership shall be owned by a single natural person and shall be held for the benefit of such person and such person's Family (defined below) and permitted guests, subject to and in accordance with the Membership Documents.

(a) A Member's Immediate Family will be entitled to use the Benefits and Services with the same privileges as the Member and in accordance with the Club Rules. A Member's "**Immediate Family**" includes the Member's companion and their children living at home, attending school on a full-time basis, or serving in the U.S. Armed Forces or U.S. volunteer corps on a full-time basis. A Member living together with another individual in the same household as a family unit may designate the other individual to use Benefits and Services as a "**companion**." The Company may establish additional rules and procedures as it deems appropriate regarding designation of companions and Immediate Family members. A Member's extended family, which includes the Member's parents, grandchildren, adult children and their companions ("**Extended Family**") may use the Benefits and Services in the company of the Member. An unaccompanied Extended Family member may be permitted to use the Benefits and Services while staying at a residence of the Member located in the Project. Otherwise, without the prior express consent of the Company, Extended Family members are not allowed use of the Benefits and Services unless accompanied by the Member. The terms Immediate Family and Extended Family are sometimes collectively referred to herein as "**Family**."

(b) Guest use of the Benefits and Services is permitted only with the prior express permission of the Company and in accordance with the Club Rules and other Membership Documents. Guests must be accompanied by the sponsoring Member and are not entitled to the full privileges of membership. Guest use may be limited to only certain Benefits and Services, and guest fees may apply.

(c) The Member shall be responsible for the deportment of his or her Family and guests and for the payment of all charges and fees incurred by his or her Family and guests. The Member, his or her Family and guests shall submit such forms as may be required by the Company for identification and security purposes.

(d) The Company may modify the privilege of use by Extended Families and Member guests and may establish such Club Rules with respect to use of the Benefits and Services by Extended Families and Member guests as it may determine from time to time. Notwithstanding anything to the contrary set forth in the Membership Documents, the

Company may establish one or more categories of membership to which this Section 4.1 shall not apply, in which case the Membership Agreements for such Members, will govern such Members' ownership and use.

4.2 Acknowledgment of Limited Rights. Membership in the Club permits the Member to use the Benefits and Services in accordance with the Membership Documents. A Member only acquires a revocable license to enjoy the Club Benefits and Services, in accordance with the terms and conditions of this Membership Plan and Club Rules, as the same may be amended from time to time, and the Membership Agreement. Membership in the Club is not an investment in the Company, the Club or the Project and does not provide the Member with an equity or ownership interest or any vested or prescriptive right or easement in or to use the Club or any part of the Project. Members will not be entitled to vote or participate in the management of the Company, the Club, or the Project; provided, however, that the Company will reasonably consider any comments or suggestions communicated by the Members pursuant to the Club Rules. The Company is the sole owner of the service name and mark "Hökūāla Club," together with all logos and indicia related to such name and mark, and all promotional and informational materials prepared by the Company. No Member shall use the Company's marks or materials, nor advertise or publish announcements concerning the Club or Membership, without the prior written consent of the Company, which may be withheld and conditioned in its sole discretion. If approved for membership in the Club, each Member agrees to be bound by the terms and conditions of this Membership Plan and the other Membership Documents, as amended from time to time.

4.3 Tax Consequences of Acquiring a Membership. The Company makes no representations and expresses no opinions regarding the federal, state or local income tax consequences of acquiring a membership or with respect to any funds paid to the Company or with respect to any sales proceeds received upon transfer of a membership. All Members acquire their membership subject to all applicable tax laws, as the same may be amended from time to time. Accordingly, Members should consult with their own tax advisors with respect to the tax consequences of membership.

ARTICLE V DUES AND CHARGES

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

5.2 Annual Dues and Other Fees and Charges.

(a) Generally. Prior to each membership year, the Company will determine the amount of "**Annual Dues**," fees and other charges for each ownership type or category of membership for that membership year, including but not limited to the amount of "**Unlimited Golf Option Annual Dues**" for those Members who make the election for the Unlimited Golf Option, and the Company will publish to the Members a schedule identifying such amounts. Annual Dues and Unlimited Golf Option Annual Dues, if applicable, will be payable in advance annually on January 15, unless otherwise established by the Company from time to time, and shall be timely paid. In addition to Annual Dues and Unlimited Golf

Option Annual Dues, if applicable, Members will be responsible for fees and charges incurred by the Member, his or her respective Family members and guests.

(b) Changes in Monetary Obligations. The amount of Annual Dues, Unlimited Golf Option Annual Dues, fees, charges and other amounts to be paid by Members to the Company under the terms of the Membership Documents (the “**Monetary Obligations**”) are subject to change from time to time in the sole discretion of the Company. Each year, the Company will review all items included within the Club’s operating budget and will document the reasons for any increase in Annual Dues, Unlimited Golf Option Annual Dues and/or fees and charges, which may include charges to reflect increased costs or the provision of additional services requested by Members.

5.3 Payment Method. The Club has implemented a mandatory automatic credit card billing system for certain payments as set forth herein. Members must maintain and authorize the Company to charge a valid credit card at all times during membership, and the Club shall create a Member portfolio for each Member using such credit card (each, a “**Member Portfolio**”). Fees for all Services provided by or through the Company, a Manager, or an affiliate of the Company shall automatically be charged to the Member Portfolio; provided that at the time of Service, a Member, his or her Family or guest may elect to pay by a different credit card or debit card by notifying the person providing such Service of such election. If the Company facilitates or coordinates Services or other benefits through a provider not affiliated with the Company or if the provider of Benefits or Services is otherwise not affiliated with the Company, the Member, his or her Family member or guest shall pay the provider directly. Annual Dues and Unlimited Golf Option Annual Dues may be paid by check, money order, or credit card as elected by the Member, provided that if the Company has not received payment of the Annual Dues and Unlimited Golf Option Annual Dues, if applicable, for the relevant year by the Member on or before January 30, the Company may automatically charge the Member Portfolio for the amount of such Annual Dues and Unlimited Golf Option Annual Dues, if applicable. Members further agree to promptly pay directly to the Company any amounts not paid by the credit card company or otherwise not paid through the Member Portfolio promptly upon written notice from the Company. Notwithstanding the foregoing, at the discretion of the Club, Annual Dues, Unlimited Golf Option Annual Dues and other Club fees and charges may be included in, and collected as part of, annual dues and assessments of the condominium association that governs the portion of the Project in which the Member has an ownership interest (the “**Association**”). To the extent Annual Dues, Unlimited Golf Option Annual Dues and other Club fees and charges are included in the Association’s annual dues and assessments, such amount shall be treated as a charge due to the Association and subject to all rights of collection, lien and assessment afforded to the Association by the applicable condominium declaration or applicable law.

5.4 Past Due Amounts. Annual Dues, and Unlimited Golf Option Annual Dues, if applicable, fees and charges shall be deemed delinquent if payment is not received by the Company within 30 days of its due date. Past due amounts will accrue a one and one half percent (1-1/2%) service charge per month from the date of the statement until paid in full. If a Member fails to pay any amount due to the Company within 30 days of its due date, the Company shall have the right to suspend some or all of such Member’s privileges at any time until the delinquent account is paid in full. The Company may, at its sole option, take any actions it deems prudent or advisable to collect past due amounts. In the event that Company or its designee engages legal counsel to pursue

collection or enforcement of any remedy against a delinquent Member, the Member shall also be responsible for payment of all costs and expenses of such legal action, including reasonable attorneys fees. All service charges and costs of collection are included in the term “Monetary Obligations” used herein. Continued delinquency for a period of 90 days from the date such Monetary Obligation was due or repeated incidents of delinquency by a Member may result in termination of membership in the Club, as further set forth in Section 7.7.

ARTICLE VI CLUB OPERATIONS

The Company or its affiliates will manage or caused to be managed the Club and will have the exclusive authority to accept Members, set Annual Dues, Unlimited Golf Option Annual Dues, fees and charges, establish rules and regulations and control the management and affairs of the Club. The Company may delegate all or any portion of the operations of the Club and/or any other obligations of the Company under the Membership Documents to one or more individuals or entities selected by the Company (each, a “**Manager**”).

ARTICLE VII ENFORCEMENT AND DISCIPLINE

7.1 Enforcement. The Club and any Manager shall have the right to enforce the Membership Documents, including this Membership Plan. In addition to (and not in derogation of) all remedies available at law or in equity, the Club shall have the enforcement rights and the remedies set forth in this Membership Plan and in the Club Rules. Except as specifically provided herein or in the Membership Documents, there is no requirement that Member receive a warning or that the offense be continued or repetitive prior to disciplinary action being taken. Written notice of discipline will be provided to Member’s address on file at the Club.

7.2 Delinquency. If the Club account of any Member is delinquent, the Company may at its option take whatever action it deems necessary to effect collection. If the Company commences any legal action to collect any Monetary Obligation owed by any Member or to enforce any other liability of any Member to the Club, and if judgment is obtained by the Company, the Member shall also be liable for all costs and expenses of such legal action and reasonable attorneys’ fees, including any fees required in connection with appellate proceedings.

7.3 Membership Pledge. The Company shall have the discretion to enforce a lien, pledge and security interest in and to a membership, to sue to enforce the personal obligations and covenants or to exercise the power of sale to collect delinquent Monetary Obligations due and owing. In the event that a membership is sold pursuant to this section, the Company shall acquire such Member’s membership and the Company, in exchange for payment or discharge of all delinquent Monetary Obligations owing by such Member, shall have the option (but not the obligation), in its sole discretion, (i) to re-issue such acquired membership in the Company’s name as a Reacquired Membership (defined below), or (ii) to permit the Company, as exclusive agent, to sell such membership as a Reacquired Membership.

7.4 Cumulative Remedies. All of the remedies granted by the Membership Documents are cumulative, and the exercise of one right or remedy shall not impair the right to exercise any

other remedy. The Company shall not be limited to the remedies set forth in the Membership Documents, and may invoke any other or additional remedies provided for or allowed by law or in equity. The Company's election to pursue one remedy shall not obviate its or their right to pursue other remedies against the same Member. The failure of the Company or a Manager to enforce any provision of the Membership Documents shall not be construed as a waiver of any remedy, right or provision.

7.5 Member Conduct. Members are responsible for their own conduct and for the conduct of their Family and guests. Any Member, Family member or guest whose conduct is deemed by the Club to be likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members or is otherwise improper, may be reprimanded, fined, suspended or expelled from the Club and have all privileges associated with the membership suspended or terminated by the Club. The Company shall be the sole judge of what constitutes improper conduct, but improper conduct will include, without limitation: (i) failure to meet eligibility for membership, (ii) submitting false information on the application for membership, (iii) allowing his or her Membership Card to be used by another person, (iv) failing to pay any Monetary Obligation owed to the Club in a proper and timely manner, (v) failing to abide by the rules and regulations as set forth herein and as established by the Company from time to time, (vi) abusing Club personnel or employees, or (vii) acting in a manner incompatible with the standard of conduct of the existing membership or which would likely injure the reputation of the Members or the Club.

7.6 Disciplinary Action. Any Member accused of improper conduct shall be notified of the Club's proposed disciplinary action and shall be given an opportunity to be heard by the Company to show cause why he or she should not be disciplined. If such Member desires to be heard, the Company shall set a time and date (not less than 10 days thereafter) for a hearing. Notwithstanding the foregoing, the Company may, without notice and without a hearing, immediately suspend some or all privileges associated with a membership.

7.7 Termination. In the event a member has egregious or repetitive offenses or an extended period of payment delinquency, the Club may elect (in addition to all other remedies) to terminate the Member's membership. In such event, the Member shall be notified by the Club prior to termination and shall be given an opportunity to be heard by the Company to show cause why his or her membership should not be terminated. If Member desires to be heard, the Company shall set a time and date (not less than 10 days thereafter) for a hearing. If a membership is terminated hereunder, the Member under the terminated membership shall have no further access to or rights of use or enjoyment of the Benefits and Services.

7.8 Continued Liability. No Member may on account of any restriction or suspension be entitled to demand repurchase of any membership or refund of any dues or any other fees. During the restriction or suspension, dues and other charges shall continue to accrue and shall be paid in full prior to reinstatement as a Member in good standing. Notwithstanding any suspension or termination of a membership, the Member shall remain liable for any Monetary Obligations due and unpaid to the Club accruing prior to the actual date of transfer.

7.9 Club Discretion. The severity of the discipline is in the Club's sole discretion and will be determined on a case-by-case basis, without liability to any affected person. Except as specifically provided herein, there is no requirement that a Member receive a warning or that the

offense be continued or repetitive prior to disciplinary action being taken. Written notice of discipline will be provided to the Member's address on file at the Club.

ARTICLE VIII TRANSFER OF MEMBERSHIP

8.1 Generally. Memberships are personal to the Members and may not be transferred or assigned except as set forth in this Article VIII. Except as pledged to the Company pursuant to the Member's Membership Agreement and to Section 7.3 above, a Member may not pledge, hypothecate, collaterally assign, escrow or otherwise use the Club membership as security. Notwithstanding anything to the contrary set forth herein, the Company may establish one or more categories of membership to which the provisions of this Article VIII shall not apply, in which case transfers of such memberships shall be governed by the terms of the Membership Agreement for Members acquiring such memberships.

8.2 Authorized Transfers.

(a) Voluntary Transfers. Except as provided in this Section 8.2 and (if applicable) in a particular Member's Membership Agreement, the terms of which Membership Agreement shall supersede this Section 8.2(a), (i) a Member may only transfer his or membership in connection with such member's sale of its ownership interest in the Project, and (ii) no Member may transfer a membership separate and apart from such Member's ownership interest in the Project without the prior written consent of the Company, which consent shall be conditioned upon (1) use of the Company or its designees as the exclusive transfer agent; (2) use of the Company or its designees as the exclusive marketing and advertising agent; (3) submission of a prospective Member information form and signed Membership Agreement by a subsequent purchaser who is approved by the Company in its sole discretion; and (4) the prior or simultaneous payment by the selling Member of all Monetary Obligations owed by such Member to the Club or to the Company. Accordingly, a Member may not sell, convey or otherwise transfer his or her membership (each, a "**Transferring Membership**") separate and apart from such Member's ownership interest in the Project except and only through the Company by allowing the Company to act as such selling Member's exclusive sales and transfer agent. Each Transferring Membership that is resold shall be assessed a transfer fee as determined by the Company from time to time (the "**Transfer Fee**"). The Company may waive the Transfer Fee in its sole discretion.

(b) Estate Planning Transfers. A Member may request the transfer of his or her membership in connection with such member's transfer of its ownership interest in the Project to an adult child or grandchild who is approved for membership in the Club without the payment of a Transfer Fee. If not previously transferred during a Member's lifetime, then upon the death of a Member, the membership will be transferred in connection with such member's transfer of its ownership interest in the Project to the Member's surviving spouse without the payment of a Transfer Fee. If there is no surviving spouse, the membership will be transferred in connection with such member's transfer of its ownership interest in the Project in accordance with the instructions of the trustee of the Member's estate or a ruling of the court governing the Member's estate as a Transferring Membership upon submission of a prospective member information form and executed Membership

Agreement by the designated heir and upon approval by the Company in its sole discretion; provided, however, that if the Club, in its sole discretion, is unable to determine the person who is lawfully entitled to receive the membership, then the membership will be deemed to have been transferred on the same basis as other Transferring Memberships.

(c) Legal Separation or Divorce of Married Members. If married Members are legally separated or divorced (including companions with community property or similar legal rights are legally separated), the membership will vest in the companion awarded the ownership interest in the Project by the court or, if the separation is pursuant to a separation agreement under the laws of a state where separation is so permitted, then the membership will vest in the companion awarded the ownership interest in the Project in the separation agreement without payment of a Transfer Fee. The Company reserves the right, in its sole discretion, not to transfer the membership to either companion if the Company, in its sole discretion, is unable to determine the person who is lawfully entitled to receive the membership, in which case the membership will be deemed to have been transferred on the same basis as other Transferring Memberships. Until acceptable written notice has been received by the Club, both companions will be jointly and severally responsible for the payment of all Annual Dues, and Unlimited Golf Option Annual Dues, if applicable, and other Monetary Obligations incurred in connection with the membership, and both companions will be eligible to use and enjoy the Benefits and Services. Thereafter, only the companion paying the Annual Dues, and Unlimited Golf Option Annual Dues, if applicable, and other Monetary Obligations will be eligible to use and enjoy the Benefits and Services with his or her Family. In the case of legal separation, the Member may, in his or her discretion, restrict use of the Benefits and Services by certain Family members designated by the Member.

(d) Bankruptcy and Other Involuntary Transfers. In the event of a bankruptcy of Member, the membership will be transferred on the same basis as a Transferring Membership in the individual awarded the ownership interest in the Project by the bankruptcy court or, if no such award is ordered, as directed by the bankruptcy estate or the trustee in bankruptcy. However, if the Club, in its sole discretion, is unable to determine the person who is lawfully entitled to receive the membership, then the membership will be deemed to have been transferred on the same basis as other Transferring Memberships.

8.3 No Guarantee. There is no guarantee that a membership will ever be transferred, or transferred within a specified time period, because sale is dependent upon another person desiring the membership and the Company's approval of the prospective Member. THE COMPANY IS NOT OBLIGATED TO REPURCHASE A MEMBERSHIP UNDER ANY CIRCUMSTANCES. THE COMPANY MAY, IN ITS SOLE AND ABSOLUTE DISCRETION, REPURCHASE A MEMBERSHIP WHICH IS NOT OTHERWISE BEING PURCHASED ON TERMS AGREED TO BY THE COMPANY AND THE MEMBER.

**ARTICLE IX
[RESERVED]**

**ARTICLE X
DISCLAIMER, RELEASE AND HOLD HARMLESS**

10.1 Assumption of Risk. Each Member, for itself and for its Family Members, guests, agents, employees, servants, affiliates, contractors, heirs, successors, executors, administrators, representatives and assigns (the “**Member Parties**”), acknowledges that any person who, in any manner, makes use of or accepts the use of any apparatus, appliance, facility, privilege, benefits or service whatsoever owned, leased or operated by the Club, or who engages in any function, exercise, competition or other activity operated, organized, arranged or sponsored by the Club, either on or off the Club’s premises, including (without limitation) the Benefits and Services, shall do so at his or her own risk, and each Member further acknowledges a risk of possible injury associated with such use, access, and activities and hereby accepts and assumes such risks. Without limiting the generality of the foregoing, each Member for itself and the Member Parties: (a) acknowledges and agrees that the use of any Benefits and Services, or other privileges or services incident to membership or arranged through the Club is undertaken with knowledge or risk of possible injury, death or damage; (b) accepts any and all risk of injury, death or damage, whether the injury, death or damage is sustained by himself or herself, his or her Family Members and/or his or her guests while using the Benefits and Services, or other privileges associated with such membership or involved in any event or activity incident to such Membership or arranged through the Club, (c) agrees that it, he or she is expressly releasing the Company Parties and any other person or entity providing, operating, or arranging for the service, activity, facility or privilege (including, without limitation, the Association or its managing agent) and their respective successors, assigns, affiliates, parents, subsidiaries, owners, members, partners, officers, directors, managers, shareholders, agents, brokers, servants and employees (collectively, the “**Releasees**”), from any and all loss, cost, claims, injury, death, damages or liability sustained or incurred as a result of, or arising out of the foregoing.

10.2 Disclaimer and Acknowledgment. Each Member, for itself and for the Member Parties acknowledges and agrees that neither the Company nor the Company Parties has made any warranties or representations, express or implied, whatsoever regarding the suitability of any activities or privileges made available through the Club, including but not limited to the ability of any Member, its Family or guests to participate successfully or safely in any such activities. Notwithstanding anything to the contrary contained in any of the Membership Documents, none of the Company, the Company Parties, nor the other Releasees shall be considered a bailee of any personal property stored in or left at the Project, and such parties shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

10.3 Hold Harmless. Member, for itself and for the Member Parties, hereby indemnifies and shall hold the Releasees harmless from, against, and with respect to, any and all losses, costs, injury, death, damages, actions, causes of action, choses in action, suits, accounts, bills, reimbursements, debts, expenses, covenants, contracts, controversies, demands, rights, agreements, promises, liabilities, judgments, executions, and claims of every kind, whether at law or in equity, whether known or unknown, and whether accrued or to accrue, which a Member or the Member Parties ever had, now has, or may have or hereafter acquire for any reason whatsoever arising from

or in any way connected with any contract, tort, obligation, negligence, liability, transaction, act, omission, event or claim of any kind, including, but not limited to, any and all matters sustained or incurred by him or her, resulting from, arising out of or incident to membership in the Club or use of the Benefits, Services or any other privileges incident to membership or arranged through the Club. This indemnification pertains to all matters arising out of or incident to membership and use of the Club, including without limitation disputes over the ownership of membership, enforcement of the Club Rules, actions or omissions of any of the Members or the Member Parties, physical injury or any other injury, including economic injury.

ARTICLE XI ARBITRATION

Except as set forth below, all disputes between Members or between any Member Party and any Company Party, arising out of or in connection with, or related in any way to, the Club or the Membership Documents, including those concerning the validity, interpretation, performance and termination of the Membership Documents (each, a “**Claim**”), shall be resolved by binding arbitration. This arbitration provision shall not apply to and the term “**Claim**” shall not include: (a) any action against a Member to collect Annual Dues, and Unlimited Golf Option Annual Dues or other Monetary Obligations due under the Membership Documents, (b) disciplinary actions governed by Article VII of this Membership Plan, (c) any action by the Company to enforce any pledge or security agreement in favor of the Company, nor (d) any claim that if not pursued by the filing of a lawsuit would be deemed barred due to an applicable statute of limitations. Prior to asserting a Claim, the claimant shall give the party that is the subject of the Claim written notice of the Claim and a reasonable opportunity, of not less than 30 days, to resolve the Claim. The claimant’s claim notice must include the claimant’s name, address, telephone number, an explanation of the nature of the Claim, and identification of the relief that is being sought. The claimant must reasonably cooperate in providing any information about the Claim that the other party reasonably requests.

The Claim shall be promptly submitted to arbitration by a single arbitrator through the Judicial Arbitrator Group of Kaua’i, Hawaii, any successor of the Judicial Arbitrator Group, or any similar arbitration provider who can provide a former judge to conduct the arbitration if the Judicial Arbitrator Group is no longer in existence (“**JAG**”). The arbitrator shall be selected by JAG, if possible, on the basis of his or her expertise in the subject matter(s) of the Claim. The decision of the arbitrator shall be final, nonappealable and binding upon the parties, and it may be entered in any court of competent jurisdiction. The arbitration shall take place in Kaua’i, Hawaii, unless the parties otherwise agree. The arbitrator shall be bound by any terms and conditions of the Membership Documents applicable to the issues involved in the arbitration, the laws of the State of Hawaii applicable to the issues involved in the arbitration and all Hawaii rules relating to the admissibility of evidence, including, without limitation, all relevant privileges and the attorney work product doctrine. Discovery shall be permitted and shall be completed in accordance with the time limitations prescribed in the Hawaii Rules of Civil Procedure, unless extensions of such time limitations are approved by all parties to the arbitration or are ordered by the arbitrator on the basis of strict necessity adequately demonstrated by the party requesting an extension of time. The arbitrator shall have the power to grant equitable relief where available under Hawaii law, and shall be entitled to make an award of punitive damages where such an award is permitted by Hawaii law. The arbitrator shall issue a written opinion setting forth his or her decision and the reasons therefor.

within thirty (30) days after the arbitration proceeding is concluded. The arbitrator shall provide a copy of the written opinion to the Company, regardless of whether the Company was a party to the arbitration. The obligation of the parties to submit any Claim arising under or related to this Membership Documents to arbitration as provided in this section shall survive the termination of the Club. Notwithstanding the foregoing, the Company and any Member may seek to obtain an injunction or other appropriate relief from a court to preserve the status quo with respect to any matter pending conclusion of the arbitration proceeding, but no such application to a court shall in any way be permitted to stay or otherwise impede the progress of the arbitration proceeding.

NO PARTY MAY PARTICIPATE IN A CLASS ACTION IN COURT OR IN CLASS-WIDE ARBITRATION, EITHER AS A REPRESENTATIVE, CLASS MEMBER OR OTHERWISE. NO PARTY MAY PARTICIPATE IN A PRIVATE ATTORNEY GENERAL PROCEEDING IN COURT OR IN ARBITRATION. NO CLAIMS BY OR AGAINST A PARTY MAY BE JOINED OR CONSOLIDATED WITH CLAIMS BY OR AGAINST ANY OTHER PERSON. THE ARBITRATOR SHALL HAVE NO AUTHORITY TO CONDUCT A CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ARBITRATION OR MULTI-PARTY ARBITRATION INCONSISTENT WITH THIS SECTION. Notwithstanding any language in this arbitration provision to the contrary, any dispute about the validity or effect of the above class action ban shall be resolved by a court and not an arbitrator.

In the event of any arbitration being filed or instituted concerning a Claim, the prevailing party shall be awarded and will be entitled to receive from the other party or parties its attorneys' fees, witness fees, costs and expenses, court costs and other reasonable expenses, whether or not such controversy, claim or action is prosecuted to judgment or other of relief. The "prevailing party" is that party which is awarded judgment or other legal or equitable relief as a result of trial or arbitration, or who receives a payment of money from the other party in settlement of Claims asserted by such party. If both parties receive a judgment, settlement payment or other award or relief, the arbitrator shall determine which party is the prevailing party, taking into consideration the merits of the Claims asserted by each party, the relative values of the judgments, settlements or other forms of relief received by each party, and the relative equities between the parties.

ACKNOWLEDGEMENT

RELY ONLY ON INFORMATION IN THIS MEMBERSHIP PLAN AND THE OTHER MEMBERSHIP DOCUMENTS.

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 OR THE COMPANY.

MEMBERSHIPS IN THE CLUB ARE OFFERED ONLY FOR RECREATIONAL PURPOSES AND ARE OFFERED SEPARATELY FROM ANY OTHER INTERESTS OFFERED AT OR IN THE PROJECT.

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 AND BENEFITS. 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, STATE OR OTHER GOVERNMENTAL AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS MEMBERSHIP PLAN.

EXHIBIT A
DESCRIPTION OF BENEFITS, SERVICES AND UNLIMITED GOLF OPTION

[Attached]



— A Timbers Resort —

Hōkūāla Club Benefits Overview

Hōkūāla Club Initiation Fee \$35,000

Golf

- Complimentary access to the Hōkūāla Practice Facility
 - Reservations available from 8 a.m. - 2 p.m.
 - Facility closes at 4 p.m.
- Complimentary access to Footgolf and ball rental
- Exclusive Owner rates on private and family lessons
- Hōkūāla Club retail discount

Green Fees & Rentals *

- Hōkūāla Club Owners
 - Green Fee - \$165
 - Accompanied Guest Green Fee - \$165
 - *Owner must be present*
 - Golf Club Rental - \$45
- Hōkūāla Club Owner Unaccompanied Guests
 - Green Fee - \$235
 - Golf Club Rental - \$85
 - Practice Facility - \$50
 - *Standard Rack Rate - \$305*

Optional Golf Membership

- Unlimited Golf Annual Membership for Owner and vertical family members
- Annual Membership Fee - \$10,000
 - *Limited discount from \$18,000*
- See the additional page for more information!

Dining & Spa

- 15% Owner discount at Hualani's Restaurant
- 15% Owner discount at Nanea Spa

Tennis and Pickle-ball *

- Courts at Hōkūāla access, featuring brand new tennis and pickleball courts
Scheduled for completion in Sept 2023
- Club Owner pricing for equipment rental
- Exclusive Owner rates on private and group lessons

Toybox *

- Club Owner access to adventure gear including kayaks, bicycles, stand-up paddle boards and body boards

**Please visit the Ocean Course Pro Shop to reserve Tee times.*

**Tennis Reservations will be made through the Timbers Kaua'i Front Desk.*

** Pricing and availability subject to change.*





Pākela 'Ike

Golf Membership

One signature hole after another. One picture postcard after another. Here, where the ocean meets the land, is as good as a golfer's life gets. The Ocean Course at Hokuala is the longest stretch of oceanfront golf in Hawaii and the recipient of several awards, making Hokuala the premier golf resort on Kauai, Hawaii.

The Hokuala Ocean Course winds through mango and guava groves to seaside cliffs, earning its many accolades along the way—including an MSN Travel nod as one of the world's 12 most beautiful courses.

• PAKELA IKE ANNUAL MEMBERSHIP:

\$18,000



 Ocean Course
Hokuala™

Membership in the Hōkūala Club does not necessarily entitle members to use of all facilities, benefits and services of the resort community. The Hōkūala Club amenities, benefits, and services available for members' use may change over time. All fees and dues are subject to change without notice. 8/17/23