

CO-OWNERSHIP AGREEMENT (1996 & 2022 AMENDMENT)

SUMMARY AND COMPARISON table (1996 vs. 2022 AMENDMENT)

SUMMARY (2022)

Purpose

This section provides context from the 2022 negotiations, including key decisions and rationale. It complements—but does not replace—the formal agreement.

Key Outcomes and Rationale

1. Capital Funding

- Partnership assumed 100% of capital costs
- Eliminated prior cost-sharing uncertainty

Impact:

- No member cash calls
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2. Membership Adjustment

- Reduced from 325 to 275 members

Purpose:

- Improve access
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3. Capital Funding Approach

- Sale of select vacant memberships
- Proceeds used for member-benefiting projects

Governance:

- Board input
 - Management approval
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4. Tee Time Framework

- Introduced 8:1 ratio for balancing membership and access
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5. Capital Trade-Off

- Partnership funds improvements
 - Gains additional tee time flexibility
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6. Recognition of Existing Practices

- League play
 - Tee time management
 - Booking processes
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7. Membership Control

- Only the Club can terminate memberships
 - Prevents memberships bypassing the Club
 - Allows intervention in delinquency cases
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8. Annual Membership Oversight

- Improved coordination between Board and Management
 - Clearer processes for annual playing rights
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9. Governance and Oversight

- Ongoing collaboration between Board and Management
 - Oversight of membership and annual processes
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10. Tournament Scheduling

- Clarifies Friday and weekend restrictions
 - Requires Board approval for exceptions
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11. Transparency

- Commitment to transparency and good faith
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12. Tee Time Utilization

- Members may use unused public tee times
 - Enables sharing of unused member times
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13. Operational Complexity

- Scheduling varies daily
 - Multiple factors impact tee time allocation
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Important Note

This section reflects a combination of:

- formal agreement terms
- negotiated outcomes
- operational practices

The executed 2022 Amending Agreement remains the governing document.

COMPARISON SUMMARY (1996 vs. 2022 AMENDMENT)

Purpose

This table summarizes the key updates in the 2022 Amending Agreement and how they align with the Club's operating structure.

CO-OWNERSHIP AGREEMENT COMPARISON (1996 vs. 2022 AMENDMENT)

Section / Topic	1996 COA (Baseline)	2022 Amending Agreement	Section Reference (1996 / 2022)	Key Change / Impact
Nature of Document	Full agreement	Amendment updates specific provisions	1996: Entire Agreement / 2022	Updates specific provisions while preserving the original framework
Ownership Structure	Partnership 25% / Club 75% (land only)	No change	1996: Recitals & Art. 2.01 / 2022: Recital C	Confirms Club ownership is limited to land; revenues remain with the Partnership
Manager Role	Partnership is Manager with full operational authority	No change	1996: Art. 3 & 5	Confirms existing operating structure; no change to control
Manager Insurance Obligations	General obligation	Clarified and modernized	1996: Art. 5.06 / 2022: Sec. 2(a)	Clarifies responsibility and removes potential burden to the Club
Capital Contributions (Post-Construction)	75% Club / 25% Partnership	Deleted	1996: Art. 7.03 / 2022: Sec. 2(b)	Eliminates Club obligation to fund capital costs
Capital Expenditures (New Rule)	Shared funding model	Partnership funds 100%	2022: Sec. 2(c) → Art. 7.03.01	Partnership funds all capital; removes Club exposure
Consideration for Funding Change	N/A	Additional reserved tee times	2022: Art. 7.03.01	Reflects trade-off between capital funding and operational access
Membership Cap	Up to 325 members	Reduced to 275 members	1996: Art. 8.02 / 2022: Sec. 2(d)	Reduces membership to improve access

Section / Topic	1996 COA (Baseline)	2022 Amending Agreement	Section Reference (1996 / 2022)	Key Change / Impact
Reserved Tee Times (Baseline)	24 tee times per day	36 per day during active; 24 outside active season	1996: Art. 8.05 / 2022: 7.03.01/8.02.01	4 for irrigation project; 2 for future capex; 6 for reduction in membership from 325 to 275
Tee Time Allocation Model	Fixed allocation	Dynamic, formula-based system (8:1 ratio)	2022: Art. 8.03.01	Introduces structured 8:1 formula for allocation
Membership Dues & Delinquency Control Mechanism	Club collects nominal annual membership dues (~\$30); Partnership collects all annual use fees	Introduces mechanism allowing the Club to charge an amount equal to the annual use fee only in cases of delinquency and assume control of the membership	1996: Art. 8.08 / 2022: Art. 8.03	Allows Club to intervene on delinquency and retain control of membership
Governance Coordination (Board Authority)	No explicit limitation	Coordination requirement introduced	2022: Art. 8.02.02	Requires alignment between Board decisions and operations
League Play Recognition	Not explicit	Formalized	2022: Art. 8.06.03	Formalizes existing practices
Transparency / Reporting	Limited	Good faith transparency introduced	2022: Art. 8.06.05	Introduces good faith transparency
Online Systems / Bookings	Not addressed	Online coordination tools permitted	2022: Art. 8.06.06	Enables modern booking and coordination tools
Tournament Scheduling	Manager-led with general limits	Additional clarity and protections	1996: Art. 8 / 2022: Art. 8.06.02	Clarifies rules and approval requirements
Financial Risk Structure	Club shares capital risk	Risk assumed by Partnership	1996: Art. 7 / 2022: Sec. 2(b)-(c)	Shifts capital risk to Partnership
Legal Priority of Amendment	N/A	Amendment prevails in conflict	2022: Sec. 1(c)	Confirms amendment governs in case of conflict