

## **Implementation of Policy on Termination of Membership**

1. Effective immediately, all future billing including dues, fees, interest, food minimums, and sales tax for suspended Non-Equity members shall be considered as memo billing and not booked as a sale until paid by the member. Non-Equity members shall periodically be sent a memorandum of billing showing the total owed to the Club in place of monthly invoices.
2. Suspended Non-Equity memberships automatically will be terminated at the end of the month in which the total amount owed to the Club including both booked billing and memo billing equals or exceeds the amount of the Membership Deposit refund due.
3. Upon termination, the amount of the booked billing shall be written off against the reserve for bad debt, memo billing shall cease, and the amount of the Membership Deposit shall be removed from long term debt on the balance sheet and converted to Equity.
4. At the end of the year in which termination is effective a refund for any sales taxes remitted shall be claimed.
5. Each month as suspended Non-Equity members are terminated, a list of same will be compiled and provided to the Board. The list will indicate any who were suspended prior to February 9, 2012. The Board will then make a determination as to any additional efforts to effect collection for amounts owed from those Non-Equity Members suspended after February 9, 2012.
6. Equity members who have been subject to suspension and have not paid an invoice within 90 days of the date of the invoice are subject to immediate termination upon a majority vote of the Board. Each month a list will be prepared for presentation to the Board of Equity members in arrears for 90 days or more. The list will indicate any who were suspended prior to February 9, 2012. Once an Equity Member is terminated, the Board will make a determination as to any additional efforts to effect collection for amounts owed from Equity members who were not suspended as of February 9, 2012.
7. Upon termination of an Equity Member billing shall cease and unless further collection efforts are authorized by the Board, the amount owed shall be offset to the Allowance for Doubtful Accounts and a claim for a refund of any remitted unpaid sales tax shall be made at the end of the year. If collection is pursued, the write off and claim for sales tax credit shall be deferred until payment is made or efforts to collect cease.
8. Terminated members shall not have any use privileges at the Club except for outside functions defined as follows:
  - Social gatherings and golf outings booked by non-members and member booked social function or golf outings with a minimum of 32 or more attendees.Members terminated for cause other than for non-payment of dues are banned from the Club.

9. After a minimum period of 36 months from the date termination any former member who has been terminated may apply to the Board of Governors to have the same rights as any other non-member to use the Club facilities. The Board of Governors shall consider each application on a case by case basis in its sole discretion.

It is the view of the Board of Governors that there is a strong presumption against granting guest privileges to any Member whose membership has been terminated by the Club on other than honorable terms. However the Board of Governors recognizes that there may be cases in which extenuating circumstances may give rise to exceptions. In reviewing any request for reinstatement of guest privileges the Board of Governors will consider factors such as:

- the former member's financial history with the Club;
- the former member's financial condition at the time of default;
- whether any existing members have agreed to sponsor the former member;
- the former member's behavior and statements at the time of default;
- any statements or behavior of the former member after default that reflect negatively on the Club;
- any other extenuating circumstances the Board of Governors deems relevant.