



**DESERT MOUNTAIN CLUB, INC.**  
**MEMBERSHIP PROGRAM OVERVIEW**  
**(As of July 9, 2019)**

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## **Introduction**

This document is a summary of the Membership Program. It is designed to give an overview of the Membership categories and classifications, and transfer options. Information in this document does not supersede the Membership Documents. The Membership Documents include the applicable Membership Application, Membership Agreement and/or Membership Conversion Agreement, the Bylaws, the Rules and Regulations, the Code of Conduct, Schedule of Dues and Charges, and any other policies and procedures adopted by the Board pertaining to a Member's Membership.

## **Club Use Privileges**

A Member has the rights and obligations provided for in, and subject to, his/her Membership Documents. A Member's Spouse or Significant Other and unmarried children of the Member and/or his/her Spouse or Significant Other under the age of twenty-five (25) ("Immediate Family") will have rights equal to those afforded by the Club to the Member (excluding voting rights and the right to share in liquidation proceeds), subject to such Member's Membership Documents. All members of a Member's Immediate Family must be registered with the Club on the form and with the supporting documentation required by the Club.

To qualify as a Significant Other, the Member and the proposed Significant Other must be unmarried, must not be related by blood, must reside in the same household and must hold themselves out to be in a long-term, committed relationship ("Significant Other"). Upon written request of a Member designating a Significant Other and furnishing such information as the Board requires, the Board may determine and authorize in its discretion, whether the individual qualifies as a Significant Other and is entitled to the use of the Club Amenities as a designated Significant Other without the payment of additional dues or guest fees, and have the same privileges as other members of the Immediate Family. A Member may not request a change in the designation of a Significant Other more than once in any two (2) calendar years, except for extraordinary circumstance approved by the Board.

A Member may (i) restrict the Club privileges of any one or more of the Member's Immediately Family as permitted by the Club or (ii) terminate the Club privileges of any one or more of the Member's Immediate Family; in either case by written notice to the Club,

together with such documentation, if any, required by the Club. The Member may reinstate such privileges. No restriction, termination or reinstatement will be effective until receipt of the required documentation and written acknowledgment and written acceptance by the Club. The Board may limit the number of times and the circumstances under which a Member may reinstate Club privileges of a Member's Immediate Family whose Club privileges have been so restricted or terminated.

### **Family Guest Registration**

“Family guest” refers to the following family members of the Designated Member and/or his/her Spouse/Significant Other: (1) parents; (2) grandparents; (3) children (who are not Immediate Family) and their spouses; (4) siblings and their spouses; and (5) grandchildren and their spouses. Family guests must be registered either through the initial Application for Membership or the Family Guest Update form in order to receive any applicable family guest club usage/golf rates.

### **Seven Unit Owners – Mandatory Club Membership**

Each Seven Unit Owner, except as provided in the immediately following sentence, is required to continuously maintain a Membership in the Club (the “Club Membership”) and is responsible for all financial obligations associated therewith. As to any Unit owned by DM19, LLC, an Arizona limited liability company (“DM19”), a Homebuilder, Residential Developer, or Mortgagee, a Club Membership will not be required unless both of the following conditions are met: (i) the Unit is not being marketed for sale to third parties; and (ii) the Unit is deemed “occupied” for residential purposes. For purposes of Section 3.13.3 of the Seven Desert Mountain Declaration of Condominium Regime For Seven Condominiums, (a) a Unit is deemed “occupied” if it is occupied for any duration whatsoever, no matter the length, except for occupancy as a model home or sales or development office in the ordinary course of development and marketing by DM19, a Homebuilder, or Residential Developer and (b) the exemption for Mortgagees is applicable only to Mortgagees that took title by foreclosures, trustee's sale, deed-in-lieu of foreclosure, or comparable means. For information regarding Membership options in connection with purchasing, owning, or selling a Seven Unit, contact the Membership Sales Department.

## Equity Golf Membership

The Membership criteria, rights and obligation of an Equity Golf Member are governed by the applicable Membership Documents and are summarized below. To make application contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

<b>Qualifications:</b>	Applicant approval
<b>Membership Contribution/Initiation Fee:</b>	Market-Based (see Membership Resale Program)
<b>Transfer Fee:</b>	\$65,000
<b>Monthly Dues through 2019:</b>	1,700
<b>Assessment:</b>	Authorized pursuant to Bylaws
<b>Access:</b>	All Club Amenities
<b>Golf Restrictions:</b>	None
<b>Guest Restrictions:</b>	See Membership Documents
<b>Annual F&amp;B Minimum 2019:</b>	\$2,500
<b>Vote Count:</b>	2
<b>Eligible to Serve on Board of Directors:</b>	Yes
<b>Eligible for Upgrade:</b>	N/A
<b>Capacity Count:</b>	No more than 2,315
<b>Capacity Restrictions:</b>	None

## Equity Golf Membership-Junior Classification

The Membership criteria, rights and obligation of an Equity Golf Member-Junior Classification are governed by the applicable Membership Documents and are summarized below. To make application contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

<b>Qualifications:</b>	<ul style="list-style-type: none"> <li>• Applicant approval</li> <li>• Applicant and Applicant’s Spouse/Significant Other are both under age 50</li> <li>• Applicant cannot be an existing Equity Golf Member</li> <li>• Purchase Equity Golf Membership through Membership Resale Program</li> </ul>
<b>Membership Contribution/Initiation Fee:</b>	Market-Based (see Membership Resale Program)
<b>Transfer Fee:</b>	\$65,000* (transfers as an Equity Golf Membership)
<b>Monthly Dues through 2019:</b>	<ul style="list-style-type: none"> <li>• Under Age 30    \$560</li> <li>• Age 30-39      \$1,140</li> <li>• Age 40-49      \$1,700</li> </ul>
<b>Assessment:</b>	Authorized pursuant to Bylaws
<b>Access:</b>	All Club Amenities
<b>Golf Restrictions:</b>	None
<b>Guest Restrictions:</b>	See Membership Documents
<b>Annual F&amp;B Minimum 2019:</b>	\$2,500
<b>Vote Count:</b>	1.5 votes; 2 votes if full dues paying
<b>Eligible to Serve on Board of Directors:</b>	Yes, if full dues paying
<b>Eligible for Upgrade:</b>	N/A
<b>Capacity Count:</b>	Determined by the Board (falls under Golf Membership Limit)
<b>Capacity Restriction:</b>	None

**\*Junior Classification Membership Contribution/Initiation Fee Financing Option:** The Membership Contribution/Initiation Fee may be financed through the Club. An applicant approved for financing is required to pay as a first installment under the financing plan \$5,000 plus the amount, if any, by which the Membership Contribution/Initiation Fee for the Equity Golf Membership (as established from the MRP) that exceeds the \$65,000 Equity Golf Transfer Fee. The remainder of the Membership Contribution/Initiation Fee will be evidenced by an interest-free promissory note. Financing terms include annual payments of \$5,000 with any remaining Membership Contribution/Initiation Fee balance due upon the earlier of (i) the member or the member’s Spouse/Significant Other reaching age 50, or (ii) a request for reissuance of the Membership. An Equity Golf Membership-Junior classification cannot be transferred until the Club has received payment in full of the promissory note.

## Equity Seven Golf Membership

The Membership criteria, rights and obligation of an Equity Seven Golf Member are governed by the applicable Membership Documents and are summarized below. To make application contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

<b>Qualifications:</b>	Applicant approval
<b>Membership Contribution/Initiation Fee:</b>	\$30,000 (applicable purchase price or MRP)
<b>Transfer Fee:</b>	\$20,000
<b>Monthly Dues through 2019:</b>	\$995
<b>Assessment:</b>	Authorized pursuant to Bylaws
<b>Access:</b>	All non-golf Club Amenities and Seven Short Game Course
<b>Golf Restrictions:</b>	May not use, be a guest, or participate in tournaments on any of the 6 Jack Nicklaus Signature golf courses, practice ranges, or Performance Center.
<b>Guest Restrictions:</b>	See Membership Documents
<b>Annual F&amp;B Minimum 2019:</b>	\$2,500
<b>Vote Count:</b>	1.5
<b>Eligible to Serve on Board of Directors:</b>	Yes (restricted)
<b>Eligible for Upgrade to Equity Golf:</b>	Yes
<b>Capacity Count:</b>	Determined by the Board (falls under Golf Membership Limit)
<b>Capacity Restrictions:</b>	50 may be issued to Desert Mountain property owners; may be issued to all Seven Unit owners

## Equity Lifestyle Membership

The Membership criteria, rights and obligation of an Equity Lifestyle Member are governed by the applicable Membership Documents and are summarized below. To make application contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

<b>Qualifications:</b>	Applicant approval
<b>Membership Contribution/Initiation Fee:</b>	\$20,000 (or applicable MRP)
<b>Transfer Fee:</b>	\$10,000
<b>Monthly Dues through 2019:</b>	\$695
<b>Assessment:</b>	Authorized pursuant to Bylaws
<b>Access:</b>	All non-golf Club Amenities
<b>Golf Restrictions:</b>	No access to Golf Amenities
<b>Guest Restrictions:</b>	See Membership Documents
<b>Annual F&amp;B Minimum 2019:</b>	\$2,500
<b>Vote Count:</b>	1
<b>Eligible to Serve on Board of Directors:</b>	Yes (restricted)
<b>Eligible for Upgrade to Equity Golf:</b>	Yes
<b>Capacity Count:</b>	350 (or greater with Board approval)
<b>Capacity Restrictions:</b>	50 may be issued to Seven Unit Owners



## Non-Equity Legacy Junior Golf Membership

The Membership criteria, rights and obligation of a Non-Equity Legacy Junior Member are governed by the applicable Membership Documents and are summarized below. To make application contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

<b>Qualifications:</b>	<ul style="list-style-type: none"> <li>• Applicant approval</li> <li>• Child or grandchild of a current Equity Golf Member in good standing with the Club.</li> <li>• Child age 25-35</li> <li>• Grandchild age 21-35</li> <li>• Personal guarantee from sponsoring Parent(s)/Grandparent(s)</li> <li>• Child or grandchild may not own or lease property within the Desert Mountain community</li> </ul>
<b>Annual Membership Fee:</b>	<ul style="list-style-type: none"> <li>• Age 21-29 \$2,500</li> <li>• Age 30-34 \$5,000</li> </ul>
<b>Transfer Fee:</b>	N/A
<b>Monthly Dues through 2019:</b>	<ul style="list-style-type: none"> <li>• Age 21-29 \$340</li> <li>• Age 30-34 \$566</li> </ul>
<b>Assessment:</b>	Authorized pursuant to the Bylaws
<b>Access:</b>	All Club Amenities
<b>Golf Restrictions:</b>	<ul style="list-style-type: none"> <li>• May not play golf prior to 11:00 a.m.</li> <li>• Maximum of 48 rounds annually for Member and each Immediate Family member; may not play additional rounds as a guest of another member.</li> <li>• May register for tournaments 30 days after registration opens (on a space available basis).</li> </ul>
<b>Guest Restrictions:</b>	See Membership Documents
<b>Annual F&amp;B Minimum 2019:</b>	<ul style="list-style-type: none"> <li>• Age 21-29 \$500</li> <li>• Age 30-34 \$834</li> </ul>
<b>Vote Count:</b>	None
<b>Eligible to Serve on Board of Directors:</b>	No
<b>Eligible for Upgrade:</b>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• Upon hosting Parent/Grandparent terminating/transferring their membership, the Non-Equity Legacy Junior Golf Member may upgrade to an Equity Membership within 30 days. If the membership is not upgraded, it will terminate.</li> </ul>
<b>Capacity Count:</b>	Determined by the Board (falls under Golf Membership Limit)
<b>Capacity Restrictions:</b>	50

## Non-Equity Senior Golf Membership

The Membership criteria, rights and obligation of a Non-Equity Senior Golf Member are governed by the applicable Membership Documents and are summarized below. To make application [CLICK HERE](#).

<b>Qualifications:</b>	<ul style="list-style-type: none"> <li>• Applicant approval</li> <li>• Member must be at least 75 years of age and an Equity Golf (Deferred Equity Golf) Member for at least 20 years</li> <li>• Applicant Approval</li> <li>• Issuance must be simultaneous with transfer of Equity Golf Membership by one of the programs provided in the Bylaws</li> <li>• Upon death of the Non-Equity Senior Golf Member, the surviving Spouse/Significant Other may continue the membership if at least age 70 years old (if the surviving Spouse/Significant Other does not meet the age qualifications, the membership terminates).</li> </ul>
<b>Membership Contribution/Initiation Fee:</b>	N/A
<b>Transfer Fee:</b>	N/A
<b>Monthly Dues through 2019:</b>	\$695
<b>Assessment:</b>	Authorized pursuant to the Bylaws
<b>Access:</b>	All Club Amenities
<b>Golf Restrictions:</b>	<p>Annual maximum of 96 rounds to be played as follows:</p> <ul style="list-style-type: none"> <li>• Each month, 4 total rounds may be played at the family guest rate by the Member or the Member's Spouse/Significant Other</li> <li>• Annually, an additional 48 rounds may be played at the guest rate by the Member or the Member's Spouse/Significant Other</li> <li>• Additionally, the Member and Member's Spouse/Significant Other may participate in the following tournaments: Member/Member, Member/Guest, Couples, and Club Championships (Men's or Senior Men's/Women's). Participation is subject to availability; Equity Golf Members have tournament participation priority</li> </ul>
<b>Guest Restrictions:</b>	See Membership Documents
<b>Annual F&amp;B Minimum 2019:</b>	\$2,500
<b>Vote Count:</b>	None
<b>Eligible to Serve on Board of Directors:</b>	No
<b>Eligible for Upgrade:</b>	No
<b>Capacity Count:</b>	Determined by the Board (falls under Golf Membership Limit)
<b>Capacity Restrictions:</b>	50 may be issued to prior Equity Golf Members

## MEMBERSHIP TRANSFER PROGRAMS

### **Membership Resale Program**

The Membership Resale Program (the “Membership Resale Program” or the “MRP”) permits eligible Equity Members to transfer their Membership (each a “Transferring Member”) by resale through the Club. Pursuant to the MRP, the Transferring Member advises the Club in writing, on a monthly basis, of the dollar amount of the Membership Contribution/Initiation Fee required by the Transferring Member to transfer his/her Membership (such amount, the “Ask Price”). Steps to participate in the MRP are as follows:

1. To register for the MRP, a Resale Notice must be completed. The Resale Notice is located and submitted on the members’ website [CLICK HERE](#). To the extent that any provisions of the Resale Notice conflict with any provisions of prior agreements, arrangements or understandings with the Club regarding the refund of the Membership Contribution/Initiation Fee, the Resale Notice will control.
2. Subject to any minimum price that may be established by the Board, the Transferring Member is entitled to establish the Ask Price, in \$1,000 increments, at which his/her Membership may be reissued, subject to the procedures established by the Board for the MRP. Absent a minimum price established by the Board, the Ask Price established monthly by the Participating Member may be greater or less than the amount of the Transfer Fee (currently \$65,000 for an Equity Golf Membership, \$10,000 for an Equity Lifestyle Membership, and \$20,000 for an Equity Seven Golf Membership), but in no event will the Club receive less than the applicable Transfer Fee for the resale of an Equity Membership.
3. The Transferring Member is required to pay and keep current all dues, assessments, food and beverage minimums, and other charges and fees assessed or otherwise implemented by the Club with respect to the membership to be eligible to participate in the MRP.

4. A Transferring Member is required to submit, at least two (2) business days in advance of each calendar month in which the Transferring Member wishes to participate in the MRP, the Club's Resale Notice setting forth his/her requested Ask Price (in increments of \$1,000), for which he/she is willing to sell his/her Equity Membership ("Resale Notice"). An email update will be sent on the fourth to last business day of the month. Submission of a Resale Notice may be accomplished through the members-only website under the "My Club" tab by scrolling to the "Membership Resale Program" and clicking on "Resale Notice Form
5. There will be no carryover of Resale Notices or priority positions pursuant to the MRP as the resales are based solely on the current monthly Ask Prices.
6. When the Resale Notice has been completed and submitted, a confirmation email will be sent. If confirmation email has not been received, please call either the Director of Membership Sales, at 480-595-4318 or the Membership Manager, at 480-595-4245.
7. If an approved applicant accepts an Ask Price for an Equity Membership in the Club, the Equity Membership will be sold to the applicant for said Ask Price. The transfer requirements must be satisfied by the parties within the month in which the Ask Price is accepted.
8. In the event there are matching Ask Prices, the priority in which those Equity Memberships will be offered to prospective candidates will be based on (i) the Transferring Member's priority on the Prior Membership Reissuance List, if applicable, or (ii) the cumulative number of years the Transferring Member has been an Equity Member of the Club.
9. If the Ask Price exceeds the (i) Transfer Fee and (ii) all amounts owed by the Transferring Member to the Club, the balance will be paid to the Transferring Member.

10. If the Ask Price is less than the amount of the (i) Transfer Fee and (ii) all amounts owed by the Transferring Member to the Club, the balance will be due from the selling Transferring Member to close the sale of the Equity Membership.
11. In the event that a Transferring Member fails to take the steps required to transfer a Membership within the time period set forth in Paragraph 7 above: (i) the Transferring Member will be barred from participation in the MRP for a twelve (12) month period commencing on the first day of the calendar month after the last month in which the Transferring Member had participated in the MRP; and (ii) the Club, in its discretion, may assess the Transferring Member's Club account the full amount of any differential between the Ask Price set by the Transferring Member and the price at which the applicant was able to acquire a Membership.
12. In the event a Transferring Member's Ask Price is greater than the Club's stated Membership Contribution/Initiation Fee, the Club reserves the right to sell Memberships at the stated Membership Contribution/Initiation Fee for the purpose of achieving an adequate number of dues paying Members.

### **Real Estate Purchaser Program**

The Real Estate Purchaser Program (the "Real Estate Purchaser Program") permits a Transferring Member who owns a residence or lot in the Desert Mountain Community or a unit in Seven Desert Mountain to transfer his/her Membership through the Club to the purchaser of such Equity Member's residence, lot or unit upon approval of the purchaser for Membership by the Club. This transfer must occur (i) within thirty (30) days of the closing of the related real estate sale in the Desert Mountain Community or (ii) at the time of the closing of the related real estate sale in Seven Desert Mountain.

A transfer pursuant to the Real Estate Purchaser Program requires receipt by the Club of the applicable Transfer Fee set forth in the Bylaws and compliance with other Transfer Program Requirements.

In the event the transferee of the residence or lot of an Equity Member does not acquire the Equity Membership of such Equity Member, such Equity Member may (i) retain his/her Membership

with all of its rights and obligations or (ii) transfer his/her Membership pursuant to any other applicable Transfer Program.

Notwithstanding the no advertising prohibition set forth in the Bylaws, references to the sale or transfer of a Membership that may be associated with the sale of a residence or lot in the Desert Mountain Community or Seven Desert Mountain is permitted upon prior approval of Management or the Board of the specific language to be used in the sales materials, internet posting or other advertisements.

To initiate the membership transfer process, a Desert Mountain Property Resale Purchase Contract Addendum form must be completed and executed by the Member and transferee, and the transferee must make Application for Membership (contact Membership Sales to make Application for Membership). **Please note that a purchase contract for a residence or lot in the Desert Mountain Community or Seven Desert Mountain does not guarantee approval of the proposed transferee's Application for Membership.** To start the process, contact Membership Sale Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

### **Member Arranged Transfer Program**

The Member Arranged Transfer Program (the "Member Arranged Transfer Program") permits a Transferring Member to arrange the transfer of his/her Membership through the Club to a transferee identified through personal efforts.

A Member desiring to transfer his/her Membership through the Member Arranged Transfer Program may not use a broker or third-party to solicit or otherwise obtain Prospective Transferees, and is subject to the advertising prohibition set forth in the Bylaws.

A transfer pursuant to the Member Arranged Transfer Program requires receipt by the Club of the applicable Transfer Fee set forth in the Bylaws and compliance with other Transfer Program Requirements.

To start the process, contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

## **Legacy Transfer Program**

The Legacy Transfer Program (the “Legacy Transfer Program”) permits a Transferring Member to transfer his/her Membership (a “Legacy Transfer”) to a Child or Grandchild of the Member and/or of the Member’s Spouse or Significant Other or to another family member authorized by the Board (any such transferee, an “Adult Family Member”); each of whom must be at least twenty-one (21) years of age and approved for Membership by the Club. Pursuant to the Legacy Transfer Program, only one (1) Legacy Transfer is allowed for each Membership without the payment of a Transfer Fee. Any Legacy Transfer of a Membership after such initial transfer will be subject to the then applicable Transfer Fee.

To start the process, contact Membership Sales Department at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

## **Spousal/Significant Other Transfer**

A Transferring Member, on a one-time basis and without the payment of a Transfer Fee, is also entitled to transfer his/her Membership to his/her Spouse or Significant Other (a “Spousal/Significant Other Transfer”). Spousal/Significant Other Transfer of a Membership after such initial transfer will be subject to the then applicable Transfer Fee.

To start the process, contact the Membership Manager at 480-595-4245 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

## **Election/Appointment Transfer**

A transfer of an Equity Golf Membership, without the payment of a Transfer Fee, may be made by a Transferring Member for purposes of qualifying his/her Spouse for election to the Board, or to be appointed to the Board pursuant to Bylaws (“Election/Appointment Transfer”). The transfer of an Equity Golf Membership pursuant to an Election/Appointment Transfer is temporary and is effective on the date the Spouse becomes a Self-Nominee or is appointed to the Board, as applicable. The subject Equity Golf Membership will automatically and immediately be transferred back to the other Spouse without the payment of a Transfer Fee in the case of (i) a Self-Nominee who is not selected as a candidate and who is not a Petition Candidate, upon the announcement of candidates (ii) a candidate who is not elected to the Board, upon the

announcement of the election results and (iii) a candidate who is elected to the Board or a Spouse who is appointed to the Board, upon termination of such person's status as a Director.

To start the process, contact the Membership Manager at 480-595-4245 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

### **Transfer Upon Death Program**

The Transfer Upon Death Program (the "Transfer Upon Death Program") permits, upon the death of an Equity Member, the transfer of such deceased Equity Member's Membership to (i) the surviving Spouse (or the surviving Significant Other in the event the deceased Equity Member specifically bequeaths the Membership to the Significant Other without a successful challenge, and the Significant Other has been approved for Membership) or (ii) in the event there is no surviving Spouse or any such Significant Other, by the personal representative of the deceased Member's estate to an Adult Family Member pursuant to the Legacy Transfer Program. A Membership transfer pursuant to the Transfer Upon Death Program does not require the payment of a Transfer Fee or a Membership Contribution/Initiation Fee; provided that in the case of a Junior Member or other similarly situated Member, any Deferred Membership Contribution/Initiation Fee must be paid in accordance with the applicable Membership Documents prior to the transfer of the Membership.

A Membership transferred to a Spouse or Significant Other upon the death of an Equity Member pursuant to the Transfer Upon Death Program is not a Spousal/Significant Other Transfer. The election to have the Membership transferred to an Adult Family Member upon the death of an Equity Member must be made pursuant to the Legacy Transfer Program.

In the event of a Member's death, and as an alternative to the Transfer Upon Death Program, the surviving Spouse (or the surviving Significant Other in the event the deceased Equity Member specifically bequeaths the Membership to the Significant Other without a successful challenge) or, if there is no surviving Spouse or such Significant Other, the personal representative of the deceased Member's estate, may elect to terminate the deceased Member's Membership. Such election (i) must be made in accordance with procedures, including but not limited to time requirements and dues payments, adopted by the Board (ii) will require the payment of all



outstanding amounts owed to the Club and (iii) will not require the payment of a Transfer Fee.

The Club must be notified of the death of the Equity Member (Designated Member) or the death of the Spouse/Significant Other of the Equity Member (Designated Member) through receipt of a copy of the **Death Certificate**.

Upon the death of the Equity Member (Designated Member), options are as follows:

1. **Surviving Spouse**: The surviving Spouse of an Equity Member (Designated Member under an Equity Membership) has the following options:
  - a. **Continue Membership**: Upon the death of the Equity Member (or Designated Member under an Equity Membership), the surviving Spouse will be deemed to have elected to continue the Membership and will be entitled to use the Club Amenities pursuant to rights and privileges of such Membership and will be responsible for dues, assessments, food and beverage minimums, and all other charges and fees (including Transfer Fees) assessed or otherwise implemented by the Club with respect to the Membership. If the surviving spouse is not a party to the Membership Agreement, the surviving spouse will be required to sign a Membership Agreement in order to continue on as the Member under the Membership.
  - b. **Relinquish Membership**: For a period of one (1) year following the death of an Equity Member (or Designated Member under an Equity Membership), the surviving Spouse will have the option to relinquish the Membership without the payment of a Transfer Fee. Any funds owed the Club, including but not limited to any outstanding Promissory Note(s) will be due and payable to the Club upon relinquishment. Election to relinquish the Membership is irrevocable. In the case of relinquishment, no refund of any kind or any other payment (other than refund of a valid credit balance on the Club account) will be due to the surviving Spouse, the deceased Member's estate, or any other person. To start the process, contact the Membership Manager at 480-595-4245 or [membership@desertmountain.com](mailto:membership@desertmountain.com)
2. **Surviving Significant Other**: If the Significant Other wishes to become the

Member under the Membership, within 90 days of the death of an Equity Member (or Designated Member under an Equity Membership), the Significant Other must provide documentation satisfactory to the Club indicating that the Equity Membership has been bequeathed to the Significant Other and complete an Application for Membership. If the Significant Other is accepted for Membership and executes a Membership Agreement within the 90-day period, the Membership will be transferred to the Significant Other, and the Significant Other will have the same options upon death of the Equity Member (Designated Member) as the Spouse as indicated under item number one above. If the Significant Other cannot provide proof of bequeath and does not take the required actions to become the Member under the Membership, the Membership will be treated as being under the control of an estate with no Spouse/Significant Other.

3. **Deceased Equity Member's Estate:** If there is no surviving Spouse/Significant Other, the duly authorized representative of the deceased Equity Member's estate may, within one (1) year from date of death elect to either relinquish the Membership (in writing) or transfer the Membership pursuant to the Bylaws. If the Membership has not been relinquished in writing or transferred pursuant to the Bylaws, within such one-year timeframe, the Membership will automatically be relinquished to the Club. During such one-year timeframe, (i) no dues, assessments, food and beverage minimums, and other charges or fees assessed or otherwise implemented by the Club will be due with respect to such Membership, and (ii) no person, including any member of the deceased Member's Immediate Family, will have any usage rights of any Club Amenities. Upon relinquishment of the Membership, any funds owed the Club, including but not limited to any outstanding Promissory Note(s), will be due and payable to the Club. Prior to relinquishment of the Membership, Promissory Note payments continue to be due in accordance with the terms of the Promissory Note. In the case of relinquishment, no refund of any kind or any other payment (other than refund of a valid credit balance on the Club account) will be due to the deceased Member's estate, or any other person. Contact the Membership Manager with any questions.

### **Legal Separation or Divorce**

In the event a Member is legally separated or divorced from his/her Spouse, the Membership, including

all rights and obligations of the holder thereof, will remain in the Member's name. In the event a final, non-appealable order of a court having jurisdiction awards the Membership to the Member's Spouse and the Spouse has been approved for Membership, the Membership will be transferred to the Spouse. A Member will be required to give written notice to the Club of a legal separation or divorce. The Member remains responsible for the payment of all Club Contribution/Initiation and Charges incurred by his/her Immediate Family until such time as the Member terminates the rights of the Immediate Family or transfers his/her membership pursuant to the Bylaws. The transfer of a Membership concurrent with a divorce and pursuant to a divorce decree or other binding court order is not subject to the payment of a Transfer Fee and is not a Spousal/Significant Other Transfer.

To start the notification process, contact the Membership Manager at 480-595-4245 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

## **Member Referral Program**

The Desert Mountain Club Member Referral Program is our way of saying “thank you” for your

support. The program rewards members who encourage their friends, family, or business associates to join the Desert Mountain Club. If you have a referral who wishes to join, contact Membership Sales for details or simply complete a nomination form on the member website. Membership Sales will contact you or your referral to schedule a Club tour, provide information and assist them through the member application process. We look forward to welcoming your referral to the Club. Please [Click Here](#) to review the current member referral page providing the most current member referral program offer.

- Notification of Membership Purchase: After a referred party purchases an Equity Golf Membership, the Membership Manager will send an email notifying the referring Member. The email will include any requirements that will be needed before the referral credit can be posted to the referring Member's account.
- Tax Requirement: The Club's auditors require dues and other incentive credits of over \$600 within a year to be reported on Tax Form 1099. Before dues credits can be applied to the referring Member's club account, the Club must have a completed Form W-9 on file.

### **Contact Information**

- For more information regarding Membership Sales and the Member Referral Program, contact Membership Sales at 480-595-4110 or [membership@desertmountain.com](mailto:membership@desertmountain.com).
- For more information regarding membership programs, contact Membership Manager at 480-595-4245 or [membership@desertmountain.com](mailto:membership@desertmountain.com).

### **Document Links**

- Bylaws [Click Here](#)
- Rules and Regulations [Click Here](#)
- Schedule of Dues and Charges [Click Here](#)