

Sea Island[®]
CLUB

MEMBERSHIP PLAN

(NR)

August 2, 2021

SEA ISLAND CLUB

MEMBERSHIP PLAN OVERVIEW

MEMBERSHIP OPPORTUNITY

Membership in Sea Island Club offers access to a wonderful array of recreational amenities, activities and services, including outstanding golf, beach, spa, health and fitness, tennis, swimming, shooting, boating/fishing and dining and lounge facilities as more fully described hereinafter (collectively, “Club Facilities”) located on Sea Island and St. Simons Island, Georgia.

Two primary categories of non-equity, non-refundable membership are presently being offered in Sea Island Club under this Membership Plan: Non-refundable Full Membership (“Full Membership (NR)”) and Non-refundable Beach & Sports Membership (“Beach & Sports Membership (NR)”). A limited number of Invitational Memberships and Junior Memberships are also available for issuance. The holder of a membership in Sea Island Club hereunder is sometimes hereinafter referred to as a “Member.”

Refundable Full Memberships and Beach & Sports Memberships have been and continue to be issued under that certain Sea Island Club Membership Plan originally dated January 1, 2011 (as amended from time to time, the “Other Plan”). Charter Memberships were issued to former members of Sea Island Club under the Other Plan at its inception, some of which are still outstanding thereunder. Invitational Memberships and Junior Memberships have also been issued under the Other Plan. However, no new Invitational Memberships or Junior Memberships will be issued under the Other Plan, except that the holder of a Junior Membership under the Other Plan can convert to an Invitational Membership under that plan. The Other Plan also provides for the issuance by the Club of memberships in other, secondary categories, such as Honorary Memberships. The Other Plan is available for inspection by Members upon request to the Membership Office.

Guests staying at the Sea Island Resort and other individuals also have access to the Club Facilities, as more particularly provided hereinafter.

SPECIAL MEMBERSHIP BENEFITS

Membership in Sea Island Club provides a number of attractive benefits. A brief description of some of these current benefits follows and they are described in greater detail in this Membership Plan, which provisions shall control (capitalized terms in quotations below in this Membership Plan Overview section shall have the meaning ascribed to them hereinafter in this Membership Plan):

- **Transferability of Membership to Subsequent Purchaser of Member’s Property.** A Full Membership (NR) or a Beach & Sports Membership (NR) is transferable to the subsequent purchaser of the Member’s residence or homesite on Sea Island or in a “Designated Community” as further described in this Membership Plan.
- **Immediate Family Privileges.** A Member’s “Immediate Family Members” are entitled to the same use privileges as the Member without having to pay additional membership dues.
- **Extended Family Privileges.** A Member’s “Extended Family Members” are entitled to use the Club Facilities in accordance with the Member’s use privileges, upon payment of preferred fees.
- **Guest Privileges.** Members can sponsor both accompanied and unaccompanied guests to use the Club Facilities in accordance with the provisions hereof concerning guest privileges.
- **No Assessments.** Members are not subject to either operating or capital assessments by the “Club,” as set forth in Section IX hereof.
- **Preferred Pricing.** Members will receive certain discounts at the Club Facilities as established by the Club from time to time.
- **Legacy Feature.** A “Full Member,” a “Beach & Sports Member,” or an “Invitational Member” may request a transfer of their membership through the Club to the Member’s adult child with the payment of a legacy transfer fee, subject to the provisions hereinafter set forth.
- **Inheritability.** Upon the death of a Full Member or a Beach & Sports Member, the membership can be transferred without any payment to the surviving spouse, if any, or to an adult child with the payment of an inheritance transfer fee, subject to the provisions hereinafter set forth. In the event of the death of an Invitational Member or a “Junior Member,” the membership can be transferred to the Member’s surviving spouse without any payment, in accordance with the terms herein.

- **Lessee Privileges.** Lessees of a Full Member's or a Beach & Sports Member's residence on Sea Island or in a Designated Community can enjoy certain privileges at Sea Island Club, as further described in this Membership Plan (neither Invitational nor Junior Members have lessee privileges).

CAREFULLY REVIEW ALL MEMBERSHIP DOCUMENTS

Every applicant for a membership hereunder should carefully read this Membership Plan and all of the referenced documents and should seek professional advice to evaluate these documents.

RELY ONLY ON INFORMATION IN THIS MEMBERSHIP PLAN

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS MEMBERSHIP PLAN AND THE REFERENCED DOCUMENTS AND, IF GIVEN OR MADE, SUCH INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB. IN THE EVENT OF A CONFLICT BETWEEN THE TERMS OF MEMBERSHIP CONTAINED IN THE MEMBERSHIP PLAN, SEA ISLAND CLUB RULES AND REGULATIONS (AS AMENDED, MODIFIED OR SUPPLEMENTED FROM TIME TO TIME, THE "RULES AND REGULATIONS") AND MEMBERSHIP AGREEMENT (REFERRED TO HEREINAFTER), ON THE ONE HAND, AND OTHER PRINTED MATERIALS, ON THE OTHER HAND, THE MEMBERSHIP PLAN, RULES AND REGULATIONS AND MEMBERSHIP AGREEMENT SHALL GOVERN.

MEMBERSHIPS ARE OFFERED ONLY FOR RECREATIONAL PURPOSES

MEMBERSHIPS IN SEA ISLAND CLUB ARE BEING OFFERED EXCLUSIVELY FOR THE PURPOSE OF PERMITTING MEMBERS THE RECREATIONAL USE OF THE CLUB FACILITIES. MEMBERSHIPS SHOULD NOT BE VIEWED AS AN INVESTMENT AND NO MEMBER SHOULD EXPECT TO DERIVE ANY ECONOMIC BENEFITS FROM MEMBERSHIP IN SEA ISLAND CLUB.

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

PROCEDURE FOR ACQUIRING A MEMBERSHIP

Each person or entity who desires to become a Member of Sea Island Club under this Membership Plan must comply with the application protocol provided for hereinafter, including, without limitation, the submission of a Membership Agreement to the Membership Office together with payment of the required Initiation Fee (as defined herein). In the event an applicant for membership is not approved, the Initiation Fee will be fully refunded without interest.

MEMBERSHIP OFFICE AVAILABLE TO ANSWER QUESTIONS

All inquiries regarding membership in Sea Island Club or this Membership Plan and referenced documents should be directed to the Membership Office or by calling 912.638.5800. You may call, write or visit the Membership Office. An appointment is recommended.

All written inquiries should be directed to: Sea Island Club Membership Office, P.O. Box 30351, Sea Island, GA. 31561.

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SECTION I • MEMBERSHIP FEATURES AND FACILITIES

INTRODUCTION

This Membership Plan, the Rules and Regulations and the Membership Agreement set forth the rights, privileges and obligations of membership in Sea Island Club. The Club reserves the right to amend, modify or supplement the Membership Plan and Rules and Regulations in its discretion.

CLUB FACILITIES

The Club currently offers the following Club Facilities:

Golf Facilities.

Three championship golf courses are located on St. Simons Island, including the famed Seaside Course, the Plantation Course and the Retreat Course. Practice facilities, including driving ranges, putting greens and short game areas, are available at the Seaside/Plantation Courses and at the Retreat Course. The renowned Sea Island Golf Performance Center is located a short distance from The Lodge. There is a golf shop and men's and women's locker rooms at The Lodge adjacent to the Seaside and Plantation Courses and at the Retreat Clubhouse adjacent to the Retreat Course.

Beach Facilities.

The Sea Island Beach Club located on Sea Island features a clubhouse facility with oceanfront dining, a snack bar, lounge areas, men's and women's locker rooms, three outdoor swimming pools, a 25-foot enclosed spiral water slide, Hobie Cat sailboats, kayaks, paddle boards, boogie boards, bikes, and cabanas for rental, retail store, movie theater, children activities center and access to five miles of private beach along the Atlantic Ocean.

Spa & Fitness Facilities.

The Spa at Sea Island, adjacent to the Cloister, features 23 treatment rooms, relaxation areas, full spa services and a salon, as well as an extensive Fitness Center with a variety of cardio and weight-training equipment, personal training, fitness studios, and an indoor heated swimming pool. Fitness facilities are also available at The Lodge.

Tennis and Pickleball Facilities.

The Sea Island Tennis Center features a tennis shop and eight Har-Tru clay courts. In addition, there are six Har-Tru clay courts and eight pickleball courts at the Retreat complex.

Dining & Lounge Facilities.

Dining and lounge facilities at Sea Island Club currently include the Georgian Room, Georgian Room Lounge, Tavola and River Bar at The Cloister, Oak Room and Colt & Alison at The Lodge, the Davis Love Grill at the Retreat Clubhouse, in addition to Southern Tide, Sea Strike & Pub, and the other venues at The Sea Island Beach Club.

Shooting Facilities.

The Sea Island Shooting School offers a five-stand, two skeet ranges and a trap field.

Boating/Fishing Facilities.

The Sea Island Yacht Club features custom boats for fishing excursions, along with cruises on the Sea Island Explorer.

Water Sports

Rainbow Island Dock provides sailing, salt marsh kayaking, and numerous paddle boarding excursions throughout the year in addition to a kayak launching dock available for Member usage.

Shopping

Sea Island's unique shops include the Sea Island Shop, Peter Millar Collection, Tennis Shop and Coastal Experience Center at The Cloister; the Surf Shop and Kids' Shop at the Beach Club; the Shooting School Shop; the Golf Club Pro Shop and Golf Performance Center at The Lodge; the Retreat Shop at the Retreat Clubhouse; and The Market on St. Simons Island.

ADDITIONAL CLUB FACILITIES

The Club may, in its discretion, expand, modify, or remove any of the Club Facilities or add additional facilities either on or off-site, as it determines appropriate from time to time. The Club is under no obligation whatsoever to expand or modify the Club Facilities or add facilities thereto. Further, the Club may add facilities that are not part of the Club Facilities or that are not available to Members.

Access to additional facilities shall be on such terms as are determined by the Club. The Club may, in its discretion, allow all Members to use the additional Club Facilities, increase dues for all Members or certain categories of membership to pay the costs associated with the operation of the additional Club Facilities, or give Members the option to use the additional Club Facilities upon payment of an additional Initiation Fee, other charge and/or increased membership dues.

ACTIVITIES AND EVENTS

The Club is committed to sponsoring activities and events, as well as providing personalized services that are appealing to Members, their family members and guests. The Club will sponsor enrichment, cultural and educational programs and activities for all ages. Activities and events are made available to the membership of Sea Island Club through e-mail communications and the Sea Island Club member web site. In addition, there is a dedicated Member reservations phone line.

WEBSITE

The Sea Island Club member web site, www.seaislandmembers.com, enables Members to obtain up-to-date club information. Access to online dining activities reservations is available through the member web site.

PREFERRED PRICING FOR MEMBERS

Members will receive preferred pricing on selected items at the Club Facilities, as determined by the Club from time to time.

OWNERSHIP AND OPERATION OF CLUB FACILITIES

Sea Island Company, LLC, a Delaware limited liability company (the "Company"), owns and operates the Club Facilities. Reference herein to the "Club" shall mean the Company and/or its designees doing business as Sea Island Club.

SECTION II • MEMBERSHIP CATEGORIES AND PRIVILEGES

MEMBERSHIP CATEGORIES

The Club is currently offering memberships in two primary categories under this Membership Plan: Full Membership (NR) and Beach & Sports Membership (NR). A limited number of Invitational Memberships and Junior Memberships are also being offered under this Membership Plan. The use privileges associated with these categories are more fully described below. The Club offers certain other memberships and use privileges as described in Section XI, "Other Memberships and Use Privileges," of this Membership Plan.

DESCRIPTION OF MEMBERSHIP PRIVILEGES

A Member hereunder will be entitled to use the Club Facilities in accordance with the Member's category of membership and the terms and conditions of this Membership Plan and the Rules and Regulations, each as amended, modified or supplemented by the Club from time to time. All use privileges are subject to availability and to the payment of applicable dues, fees and charges. The membership privileges currently associated with each category of membership are as follows:

Full Membership (NR)

The holder of a Full Membership (NR) (herein, a "Full Member") is entitled to use all of the Club Facilities and other amenities offered by the Club. Full Members are not required to pay greens fees for use of the golf courses, or court fees for use of the tennis courts, but are required to pay golf cart and caddie fees, as applicable, when playing golf. Advance sign-up privileges for tee times and court times will be determined by the Club from time to time.

Beach & Sports Membership (NR)

The holder of a Beach & Sports Membership (NR) (herein, a “Beach and Sports Member”) is entitled to use all of the Club Facilities and other amenities offered by the Club. Beach & Sports Members are required to pay a preferred greens fee, and golf cart and caddie fees, as applicable, when playing golf. No court fee is required to be paid for use of the tennis courts. Advance sign-up privileges for tee and court times will be determined by the Club from time to time, except that Beach & Sports Members may have a lesser advance sign-up privilege for tee times than Full Members, Charter Members who have selected Full dues, Invitational Members and Junior Members under the Other Plan, and Full Members, Invitational Members and Junior Members under this Membership Plan. Beach & Sports Members are also not permitted to play golf before 11:00 A.M., unless as the guest of a Full Member, a Charter Member who is paying Full dues, an Invitational Member or a Junior Member under the Other Plan or a Full Member, Invitational Member or Junior Member under this Membership Plan. The Club reserves the right to restrict Beach & Sports Member access to the golf courses and practice facilities during peak periods. Entry into tournaments may also be restricted.

Invitational Membership

The holder of an Invitational Membership (herein, an “Invitational Member”) is entitled to use all of the Club Facilities and other amenities offered by the Club. Invitational Members are not required to pay greens fees for use of the golf courses, or court fees for use of the tennis courts, but are required to pay golf cart and caddie fees, as applicable, when playing golf. Advance sign-up privileges for tee times and court times will be determined by the Club from time to time. Invitational Members do not have lessee privileges as hereinafter described.

Junior Membership

The holder of a Junior Membership (herein, a “Junior Member”) is entitled to use all of the Club Facilities and other amenities offered by the Club. Junior Members are not required to pay greens fees for use of the golf courses, or court fees for use of the tennis courts, but are required to pay golf cart and caddie fees, as applicable, when playing golf. Advance sign-up privileges for tee times and court times will be determined by the Club from time to time. Junior Members do not have lessee privileges as hereinafter described. Junior Members are able to pay the Initiation Fee in installments and have reduced dues as compared with Invitational Members.

UPGRADE OF MEMBERSHIP

Beach & Sports Members may upgrade to a Full Membership (NR) under this Membership Plan, if a Full Membership (NR) is then available and not reserved. In order to upgrade, the Beach & Sports Member shall pay to the Club the difference between the Initiation Fee then charged for the Full Membership (NR) and the Initiation Fee previously paid by the Member for the Beach & Sports Membership (NR). Those Invitational Members and Junior Members who own a property on Sea Island or in a Designated Community may upgrade to a Full Membership (NR), if a Full Membership (NR) is then available and not reserved. In order to upgrade, the Member shall pay to the Club the positive difference, if any, between the Initiation Fee then charged for the Full Membership (NR) and the Initiation Fee previously paid by the upgrading Member for the Invitational Membership or Junior Membership, as the case may be.

DOWNGRADE OF MEMBERSHIP

Full Members may downgrade to a Beach & Sports Membership (NR). In order to downgrade, the Member must resign the Full Membership (NR) and the Club will issue a Beach & Sports Membership (NR). No Initiation Fee is required to be paid for the Beach & Sports Membership (NR) and no refund is payable to the downgrading Member in respect of the resigned Full Membership (NR). The obligation to pay dues and fees with respect to the Full Membership (NR) shall terminate upon issuance of the Beach & Sports Membership (NR), whereupon the Member shall pay applicable dues and fees with respect to the Beach & Sports Membership (NR). The Member will not be able to upgrade to a Full Membership (NR) in the future unless otherwise determined by the Club. No other downgrade of a membership will be permitted.

RULES AND POLICIES

The Club reserves the right to establish, amend or modify rules, regulations, policies, guidelines, or systems governing use, access or reservation of the Club Facilities, including, without limitation, restricting access to specific facilities at certain times.

SECTION III • NUMBER OF MEMBERSHIPS

LIMIT ON NUMBER OF MEMBERSHIPS

The maximum combined number of Full Memberships (NR), Beach & Sports Memberships (NR), Invitational Memberships and Junior Memberships under this Membership Plan, and Full Memberships, Beach & Sports Memberships, Invitational Memberships, Junior Memberships and Charter Memberships under the Other Plan, that can be issued and outstanding, or that can be issued and outstanding in any of the categories named above, shall be determined by the Club from time to time. The maximum number of Charter Memberships that can be issued and outstanding under the Other Plan is fixed at the present number of issued and outstanding Charter Memberships thereunder.

SECTION IV • FAMILY AND GUEST PRIVILEGES

The Member's spouse or Domestic Partner (as defined below) and the children of the Member, spouse or Domestic Partner who are (i) unmarried, (ii) under the age of 26, and (iii) either living at home, attending school on a full-time basis, or serving in the military, all of whom are herein defined as "Immediate Family Members," are entitled to use the Club Facilities on the same basis as the Member.

DOMESTIC PARTNERSHIP PRIVILEGES

A Member's "Domestic Partner" shall be considered an Immediate Family Member of the Member and entitled to privileges as provided in this section if the couple qualifies as a "Domestic Partnership." A Domestic Partnership is defined as two adults of the same or different gender who have chosen to share their lives in a committed relationship with the following characteristics:

- (i) A mutual and exclusive commitment to each other's well-being;
- (ii) Sharing the same regular and permanent residence with the intent to continue doing so indefinitely;
- (iii) Neither party is married;
- (iv) Neither party is related by blood so closely as would bar marriage in the state of their residence; and
- (v) Both parties are of age for legal marriage in the state of their residence, and are jointly responsible for each other's common welfare, and share financial and mutual obligations akin to those of marriage.

The Club reserves the right to establish such fees and other rules and require the Member and Domestic Partner to submit such information and forms as the Club deems appropriate. The Domestic Partner may be changed only one time per Membership Year (as defined hereinafter) with the payment of a redesignation fee, as determined by the Club.

EXTENDED FAMILY PRIVILEGES

"Extended Family Members" (herein defined as children of the Member, the Member's spouse or the Member's Domestic Partner who do not qualify as Immediate Family Members, parents and grandchildren of the Member and Member's spouse or Domestic Partner, and the spouses or Domestic Partners of such family members, excluding however, those who own or rent a residence, or otherwise reside, in Glynn, McIntosh, Camden, Wayne or Brantley Counties) are entitled to use the Club Facilities in accordance with the Member's privileges, so long as they are accompanied by the Member or an Immediate Family Member. Notwithstanding the foregoing, with respect to each Extended Family Member who is accompanied by the Member or an Immediate Family Member in excess of two who is visiting Sea Island Club at any given time, a temporary guest card ("Guest Card") must be obtained from the Club for such visitors. Further, the requisite Guest Card Fee determined by the Club must be paid for each Guest Card issued. Usage of the Club Facilities by an Extended Family Member unaccompanied by the Member or by an Immediate Family Member also requires the issuance of a Guest Card by the Club. The number of Guest Cards that can be issued to a particular individual pursuant to this paragraph shall be limited to 60 in any given Membership Year unless otherwise determined by the Club. Guest Cards for Extended Family Members will be issued for a preferred rate. Applicable user fees for Extended Family Members will also be at preferred rates. The Club reserves the right to restrict access by Extended Family Members during peak-use periods or as otherwise determined by the Club.

GUEST PRIVILEGES

Members may have guests use the Club Facilities in accordance with the Member's category of membership. Usage by guests is subject to the provisions of the Rules and Regulations of Sea Island Club and the guest policies in effect from time to time,

which may include, without limitation, restrictions on the number of times a particular guest may use all or a portion of the Club Facilities and the number of guests a Member can sponsor on any given day, or during a Membership Year or portion thereof. Access by guests can be restricted during peak use periods or as otherwise determined by the Club. Usage of the Club Facilities by guests is also subject to the issuance of a Guest Card and the payment of Guest Card fees and guest fees, as applicable (see below). The number of Guest Cards that can be issued to a particular individual pursuant to this paragraph shall be limited to 60 in any given Membership Year unless otherwise determined by the Club. Individuals who lease a Member's residence and their invitees do not qualify as guests.

There shall be two types of guests: (i) those guests who use the Club Facilities in the presence of the Member or an Immediate Family Member ("Accompanied Guests"); and (ii) those guests who use the Club Facilities without the Member or an Immediate Family Member being present ("Unaccompanied Guests"). Unaccompanied Guests must have a Guest Card in order to use the Club Facilities. Accompanied Guests on a given day in excess of the number specified in the Rules and Regulations need a Guest Card in order to use the Club Facilities. In either case, applicable guest fees must be paid.

CERTAIN RESPONSIBILITIES OF A MEMBER

Each Member shall be responsible for the payment of all charges and fees incurred by, and the actions and conduct of, the Member's Immediate Family Members, Extended Family Members and guests.

SECTION V • LESSEE PRIVILEGES

LONG-TERM LESSEE PRIVILEGES

A Full Member or Beach & Sports Member who leases their residence on Sea Island or in a Designated Community for a period of six months or longer may designate the lessee of the residence as the beneficial user of the membership, subject to the approval of the Club. The lessee must submit an Application for Long-Term Lessee Privileges, must be approved by the Club, and must pay the required administrative fee established by the Club from time to time. During the period when a lessee is the designated user of the membership, the lessor Member may (1) continue to use the Club Facilities on the same basis as a "Resort Guest" (as defined hereinafter), or (2) if desired by the lessor, elect to pay additional monthly dues and continue to use the Club Facilities as a Member. The lessor Member will at all times be responsible to the Club for the lessee's membership dues (and the additional dues if elected), as well as all fees and charges incurred by the lessee which are not paid within the customary billing and collection procedures of the Club. The lessor Member will be responsible for the actions and conduct of the lessee and his or her family members and guests.

SHORT-TERM LESSEE PRIVILEGES

Short-term lessees of a Full Member's or Beach & Sports Member's residence on Sea Island or in a Designated Community for a period of less than six months may have limited use of the Club Facilities on terms and conditions determined by the Club from time to time. A temporary lessee access card ("Lessee Access Card") must be obtained from the Club in order for the lessees to access the Club Facilities and the applicable Lessee Access Card fees must be paid. During the period when a Member's residence is occupied by a short-term lessee, the lessor Member remains responsible for the payment of all membership dues and is entitled to enjoy membership privileges.

SECTION VI • OFFERING OF MEMBERSHIPS

ELIGIBILITY FOR MEMBERSHIP

Memberships will be offered to those individuals and entities that apply and are approved for membership by the Club. In order to be eligible for a Full Membership (NR) or a Beach & Sports Membership (NR), the applicant must own a residence or homesite on Sea Island or in a Designated Community unless otherwise determined by the Club. Prospective Members must be recommended for membership by any member in good standing at Sea Island Club as more particularly provided for hereinafter. Junior Memberships shall be offered only to individuals who are under the age of 50 subject to certain exceptions determined by the Club.

RESERVED MEMBERSHIPS

All of the unissued memberships will be reserved by the Club and will not be considered to be available memberships in Sea Island Club. The Club may not be compelled to sell a reserved membership. The Club may reserve memberships for initial purchasers of property on Sea Island and in Designated Communities.

WAITING LIST

If a person or entity desires to acquire a membership in Sea Island Club in a particular category offered hereunder, but a membership in that category is not available, the Club may establish a waiting list for available memberships. If so established, as memberships in a given category subject to a waiting list become available, they will be offered to persons on the waiting list in the order in which they appear on the waiting list, but with priority given to existing Members over non-Members.

MEMBERSHIP MAY BE HELD IN THE NAME OF AN ENTITY

For the convenience of Members, a Full Membership (NR) or a Beach & Sports Membership (NR) may be held in the name of a partnership, company, trust or other form of multiple ownership (collectively, the “entity”). The entity must designate one individual who will have the right to use the membership. The designated user will be subject to the approval of the Club and must execute and deliver a Designated User Agreement in the form provided by the Club. The designated user must have a bona fide Club-approved relationship with the entity and must pay the required dues, fees and charges. The entity will be responsible for any unpaid dues, fees and charges. A designated user may be changed, provided the newly named designated user has a relationship with the entity as provided above, and is approved for membership privileges by the Club. No designated user change fee is required to be paid if the then current designated user’s spouse is named as the new designated user under the membership. Likewise, no designated user change fee needs to be paid if an adult child of the then current designated user is named as the successor designated user for the first time. With the naming of an adult child as the successor designated user a second time or another time after that, or if the new designated user is not the spouse or adult child of the then current designated user, a designated user change fee shall be payable to the Club in connection with the change equal to twenty-five percent (25%) of the then current Initiation Fee for a membership in the category of the membership in question. There is a limit of two changes in a designated user under a Full Membership (NR) or a Beach & Sports Membership (NR) other than to the spouse or adult child of the then current designated user with the payment of the designated user change fee as provided for above. Any additional change after the second change not involving a spouse or adult child of the then existing designated user shall require the payment to the Club of the full Initiation Fee then charged for a membership in the category in question. The Club may charge an administrative fee determined by it where there is a change in the designated user. The Club reserves the right to establish such rules and policies as it shall determine with respect to a change in the designated user. Where appropriate under this Membership Plan, references to Member shall be deemed to include the designated user under a membership held by an entity.

SECTION VII • INITIATION FEE

PAYMENT REQUIRED TO BE ADMITTED AS A MEMBER

Each prospective Member who desires to acquire a Full Membership (NR), a Beach & Sports Membership (NR), or an Invitational Membership, will be required to pay a membership admission payment called an initiation fee (“Initiation Fee”) in effect for such category at the time the membership is to be acquired, except as otherwise herein provided or determined by the Club. The amount of the Initiation Fee shall be determined by the Club from time to time. Prospective Junior Members pay the Initiation Fee then required for an Invitational Membership, but are permitted to pay such Initiation Fee in installments without interest, as more particularly provided in the Membership Agreement.

The Club reserves the right to make special economic arrangements with prospective Members or existing Members without offering the same terms and conditions to other prospective Members or existing Members, including, but not limited to, providing special discounts or waivers, financing or other incentives to attract or retain Members, all as the Club deems to be appropriate in its discretion.

NO REFUND OF INITIATION FEE

The Initiation Fee paid by a Member is not refundable under any circumstances, except in the case where a prospective Member is not approved for membership as herein provided.

TAX CONSEQUENCES OF ACQUIRING MEMBERSHIP

The Club makes no representations and expresses no opinions regarding the federal, state or local income, gift, estate or other tax consequences of acquiring a membership or with respect to any Initiation Fees paid to the Club. All persons 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 any Initiation Fees.

SECTION VIII • TRANSFER OF MEMBERSHIP

RESIGNATION OF MEMBERSHIP

returning membership-related items. The Member's Sea Island Club vehicle decals and Membership Cards should accompany the resignation notice. Resignation of a membership shall be effective as of the date the Club receives written notice of resignation. Notwithstanding the foregoing, however, resignation shall not become effective unless the Member was in good standing at the beginning of the Membership Year in question and at the time of the receipt of the written notice by the Club. Resignation of a membership is irrevocable unless otherwise determined by the Club in its discretion. A Member who has resigned the Member's membership is obligated to pay dues following resignation in accordance with the provisions of the "Payment of Dues by Resigned Member" paragraph hereinafter.

TRANSFER OF MEMBERSHIP THROUGH THE CLUB

A Member may arrange for transfer of the membership only through the Club subject to the terms and conditions of this Membership Plan.

TRANSFER UPON SALE OF RESIDENCE OR HOMESITE

A Full Member or Beach & Sports Member who sells or otherwise transfers the Member's residence or homesite on Sea Island or in a "Designated Community" (herein defined as a community designated by the Club as being eligible for the transfer of membership upon sale of residence or homesite privilege and/or for lessee privileges as provided hereinabove), which may include any community developed by the Company, or an affiliate, or their respective predecessors, or successors or assigns, or any other community) may arrange with the Club for the reissuance of the membership to the subsequent purchaser or transferee of the subject residence or homesite, regardless of whether all of the memberships permitted in the category in question have been issued and are outstanding. The subsequent purchaser or transferee desiring the resigned membership will be required to submit a Membership Agreement as provided hereinafter, will be subject to the approval of the Club and will be required to pay to the Club the Initiation Fee which is then in effect for the category in question unless otherwise determined by the Club. The subsequent purchaser or transferee must acquire the membership within 30 days of the real estate closing. In order to effect the transfer, the Club shall be entitled to receive documentation satisfactory to it of the real estate closing, such as a copy of the recorded deed. The Club reserves the right to grant a transferability privilege to other designated Members on terms determined by it.

TRANSFER DURING MEMBER'S LIFETIME

A Full Member, a Beach & Sports Member or an Invitational Member has the right to request the transfer of his or her membership to the Member's adult child who is approved for membership. With respect to the first and second membership transfer pursuant to this paragraph, a legacy transfer fee in the amount of fifteen percent (15%) of the Initiation Fee then charged for a membership in the category in question must be paid to the Club to effect the transfer. If any additional transfer of a membership to an adult child is desired, the adult child must pay the full Initiation Fee then required to be paid to the Club for a membership in the category in question in order to effect the transfer. The transfer of the membership to an adult child shall not be subject to any waiting lists. The Club may charge an administrative fee in connection with the transfer of the membership pursuant to the foregoing terms. The Club shall be provided with such documentation as it shall require in connection with the transfer of a membership as provided for above in this paragraph.

TRANSFER UPON DEATH

Upon the death of a Full Member, Beach & Sports Member, Invitational Member or a Junior Member, the membership may be transferred to the Member's surviving spouse, if there is a surviving spouse. In the case of a Junior Member, the

surviving spouse must meet the age requirement in order to continue the Junior Membership and any remaining Initiation Fee installment payments must be made in a timely manner. If the surviving spouse does not meet the age requirement, the surviving spouse can receive an Invitational Membership provided the balance owed in respect of the Junior Membership is paid in full in conjunction with the issuance of the Invitational Membership. In the case of a Full Membership (NR) or a Beach & Sports Membership (NR), if there is no surviving spouse, or the surviving spouse does not desire to continue the membership privileges, the membership can be transferred to an adult child who is approved for membership in Sea Island Club. With respect to the first or second membership transfer to an adult child pursuant to this paragraph, a new Initiation Fee is not required to be paid, however, an inheritance transfer fee in the amount of fifteen percent (15%) of the Initiation Fee then charged for a membership in the category in question must be paid to the Club to effect the transfer. If any additional transfer of a membership to an adult child is desired, the adult child must pay the full Initiation Fee then required to be paid for a membership in the category in question to the Club in order to effect the transfer. The transfer of the membership to a spouse or to an adult child (where permitted) shall not be subject to any waiting lists. In the event there is no surviving spouse or adult child (where permitted) who wants to continue the membership privileges or who is approved for membership, the membership will be deemed to have been resigned, with no further obligation for dues, fees or other charges, except for those that have accrued, unless the membership continues to be used pending final disposition thereof, in which event the dues and fees and charges which are incurred must continue to be paid.

Notwithstanding the foregoing, a Full Membership (NR), a Beach & Sports Membership (NR), an Invitational Membership or a Junior Membership can be transferred to a Member's Domestic Partner upon the Member's death, subject to the approval of the Domestic Partner by the Club, provided that the Member in question has submitted to the Club a signed "Transfer Upon Death Directive" form provided by the Club documenting the Member's desire in this respect, which form has not been revoked by the Member. In the case of a Junior Member, the Domestic Partner must meet the age requirement in order to continue the Junior Membership and any remaining Initiation Fee installment payments must be made in a timely manner. If the Domestic Partner does not meet the age requirement, the Domestic Partner can receive an Invitational Membership provided the balance owed in respect of the Junior Membership is paid in full in conjunction with the issuance of the Invitational Membership. The inheritance transfer fee as determined as provided above in this paragraph must be paid in connection with a membership transfer to a Domestic Partner pursuant to this paragraph. Should the membership be transferred to a Domestic Partner, the deceased Member's as well as the Domestic Partner's Immediate Family Members and Extended Family Members shall continue to enjoy the use privileges under the membership as provided for herein.

The Club shall be provided with such documentation as it shall require in connection with the transfer of a membership as provided for above in this paragraph.

LEGAL SEPARATION OR DIVORCE OF MARRIED MEMBERS

In the event a Member is separated or divorced from his or her spouse, written notice of such fact must be given by the Member to the Club promptly after such occurrence. The membership, including all of its rights and benefits, will vest in the spouse awarded the membership by an agreement of separation or a decree of divorce. The Club reserves the right to not transfer the membership to either spouse if the Club, in its discretion, is unable to determine the person who is lawfully entitled to receive the membership. At such time as ownership of the membership has been determined, written notice thereof and the relevant documentation shall be promptly delivered to the Club. If the disposition of the membership is not determined within one year after a separation or, in the case of a divorce within the aforesaid one-year period, title to the membership has not been addressed in the decree of divorce, the Club has the right to suspend membership privileges until ownership of the membership has been determined and the Club has received written notice thereof and the appropriate documentation. The Club shall also have the right in either such case to deem the membership resigned in its discretion. Following a separation or divorce and award of the membership as contemplated hereby, the spouse awarded the membership shall have the right to determine which Immediate Family Members and Extended Family Members will be permitted to use the Club Facilities under the membership. The Club will not become involved in any domestic or other dispute concerning ownership or issuance of a membership and does not have any liability or responsibility for resolution of such disputes. In the case where the spouse who receives the membership subsequently re-marries, legally separates or divorces again and the subsequent spouse is awarded the membership, the membership will be deemed to have been resigned.

SECTION IX • DUES, FEES AND CHARGES

DUES, FEES AND CHARGES

The Club will determine the dues, fees and charges to be payable by Members. Dues shall be payable on a monthly basis in advance, unless otherwise determined by the Club from time to time. Included among current fees payable by Members are an “Annual Membership Fee” and an “Annual Beach Fee.” The Annual Membership Fee reimburses the Club for a portion of the costs that it pays to maintain services and infrastructure on Sea Island which benefit the membership, including, without limitation, the gatehouse and the staffing thereof, security, landscape, beach access entry points, as well as the roadways leading to and from the various Club Facilities. The Annual Beach Fee reimburses the Club for a portion of the cost of the periodic recycling and nourishment projects, and related expenses paid for by the Club which are important for maintaining the Club’s beachfront, also benefitting the membership. The Club is not permitted to impose any assessments on the Members.

The dues, and selected fees and charges for use of the Club Facilities, are indicated on the current Schedule of Dues, Fees and Charges. The amount of dues, fees and charges is subject to change from time to time by the Club.

Payment of dues by Members is a continuing obligation of membership which is not dependent upon the availability of all of the Club Facilities or the frequency of use. Repair, maintenance and/or construction or remodeling of any of the Club Facilities and/or other occurrence or event (including, without limitation, acts of God, natural disasters, pestilence, weather, disease/epidemic/pandemic, other unanticipated cause, or requirements imposed by governmental authorities), whether within or beyond the control of the Club, may make it necessary for the Club to change the hours of use, or to restrict the use of one or more of the Club Facilities or portions thereof, or to close Sea Island Club temporarily. Dues shall not be reduced or suspended during the time when the Club Facilities, in whole or in part, are not available.

NO ASSESSMENTS AGAINST MEMBERS

Members will not be subject to any liability for capital or operating assessments for the costs and expenses of ownership or operation of the Club Facilities. The Company will pay all operating deficits incurred in the operation of the Club Facilities and will be entitled to all revenues resulting from ownership and operation of the Club Facilities. The Annual Membership Fee and the Annual Beach Fee shall be considered fees and shall not be deemed to be an assessment for purposes of this provision. Increases in dues, fees or charges shall also not be deemed an assessment for purposes of this provision. The Sea Island Club operating budget and the calculation of the dues may include a reserve for capital replacements and improvements and this shall likewise not be deemed an assessment for purposes of this provision.

MEMBERSHIP YEAR

The Sea Island Club’s membership year will constitute the 12-month period commencing January 1 and ending December 31, unless otherwise established by the Club from time to time (the “Membership Year”).

PAYMENT OF DUES BY RESIGNED MEMBER

A Full Member or a Beach & Sports Member who resigns is obligated to pay dues until the reissuance of the membership to an incoming Member or the end of the Membership Year in which the resignation becomes effective, whichever is the sooner to occur. An Invitational Member who resigns is obligated to pay dues through the end of the Membership Year in which the resignation becomes effective. In the case of a Junior Member, the obligation to pay dues shall continue until the end of the Membership Year in which the resignation becomes effective, or if and when the Junior Membership is deemed to have been resigned on the basis of the failure of the Member to timely make an installment payment in respect of the Initiation Fee required to be paid by the Member. A Member who resigns will not have use of the Club Facilities after the resignation becomes effective.

SECTION X • MEMBERSHIP PROCESS

APPLICATION PROCEDURE

Each person who desires to become a Member under this Membership Plan must provide a letter of recommendation from an existing member of Sea Island Club in good standing who is not one of the personal references named in the Membership Agreement referred to below. The applicant must also mail or deliver to the Membership Office a fully completed and signed membership agreement in the form provided by the Club (“Membership Agreement”). Additionally, the required Initiation Fee must be paid in conjunction with submission of the Membership Agreement.

In the case where a single Member marries or re-marries, the Member shall promptly provide written notice of such fact to the Club and the Club shall be provided with such documentation as it shall require in order for the Member’s spouse to enjoy membership privileges.

REVIEW OF MEMBERSHIP AGREEMENT

All applicants desiring a membership must be approved by the Club. In the case of married couples, the Club shall have the right to approve both spouses. The Club may require an interview with a member of the Membership Office staff, and/or other designees of the Club. After receiving the recommendation letter, the Membership Agreement and the required Initiation Fee, as well as the satisfaction of the other application protocol, the Club will determine whether or not the applicant is approved for membership. In the event the applicant is not approved for membership, the applicant will receive a refund of any amount previously paid, without interest. The Club shall not be obligated to provide any reason for non-approval of an applicant.

RIGHTS GOVERNED BY MEMBERSHIP PLAN

Members of the Club agree to be bound by the terms and conditions of this Membership Plan and the Rules and Regulations, as amended, modified or supplemented from time to time by the Club, and irrevocably agree to fully substitute the membership privileges acquired pursuant thereto for any present or prior rights or privileges in or to use the Club Facilities. By becoming a Member, each Member shall have acknowledged that the rights acquired by such Member are mere contract rights, including, a revocable license to use the Club Facilities in accordance with this Membership Plan and the Rules and Regulations, as the same may be amended, modified or supplemented from time to time, so long as the Member remains a member of Sea Island Club. As such, the Club will not owe any fiduciary duty or other special duty to any Member.

SECTION XI • OTHER MEMBERSHIPS AND USE PRIVILEGES

HONORARY MEMBERSHIPS

The Club may issue a limited number of Honorary Memberships to such persons or companies as the Club determines appropriate from time to time. These Honorary Memberships will be available on such terms and conditions and afford such rights and privileges as the Club determines appropriate. Honorary Memberships may be renewed or terminated at the Club’s discretion and will not count toward any membership limit. Each entity issued an Honorary Membership may designate from time to time one user of the membership, who must complete and submit a Membership Agreement in the form determined by the Club.

COMPANY MEMBERSHIPS

The Club may issue a limited number of Company Memberships to such persons as the Club determines appropriate from time to time. These Company Memberships will be available on such terms and conditions and afford such rights and privileges as the Club determines appropriate. Company Memberships may be renewed or terminated at the Club’s discretion and will not count toward any membership limit.

CORPORATE MEMBERSHIPS

The Club reserves the right to offer a limited number of Corporate Memberships to actual legal, business entities upon such terms and conditions as determined by the Club in its discretion from time to time. If such memberships are offered, each “Corporate Member” can designate persons to use the Club Facilities under the Corporate Membership.

SPECIAL CORPORATE MEMBERSHIPS

The Club reserves the right to issue Special Corporate Memberships to business entities that own property on Sea Island or in a Designated Community on terms and conditions determined by the Club in its discretion from time to time. The Special Corporate Membership shall entitle the business entity to specifically name individuals as designees under such membership (singularly, a “Designee” and collectively, “Designees”). Each Designee may have the same or similar use privileges as a Full Member or Beach & Sports Member, depending on the terms of the Special Corporate Membership, when staying at a residence owned by the Special Corporate Member on Sea Island or in the Designated Community. A Special Corporate Membership must be obtained for each residence on Sea Island or in a Designated Community in order for the individuals residing therein from time to time to have membership privileges. Special Corporate Memberships are non-transferable, except as otherwise stated in the Membership Agreement. Designees may be changed by the Special Corporate Member, subject to approval of the Club and payment of a redesignation fee, if required by the Club. The Special Corporate Member shall be responsible for unpaid charges incurred by a Designee. Each Special Corporate Membership issued and outstanding shall count as one membership against the limit on the number of memberships that can be outstanding in the corresponding category of primary membership in Sea Island Club (i.e., Full Membership (NR) or Beach & Sports Membership (NR)).

FRACTIONAL MEMBERSHIPS

The Club reserves the right to issue fractional memberships in the future for the benefit of the owners of fractional or time-share interests on Sea Island or in a Designated Community. Holders of these memberships or member designees, as the case may be, would generally have the same privileges as a Member in the corresponding category of primary membership in Sea Island Club (i.e., Full Membership (NR) or Beach & Sports Membership (NR)), except as more particularly set forth in their respective Membership Agreements.

ESTATES MEMBERSHIPS

The Club reserves the right to issue up to 25 Estates Memberships to individuals who have an ownership interest in a parcel within the “Estates” area of the Frederica community on St. Simons Island and to such other individuals who the Club determines to be eligible for an Estates Membership. An Estates Membership provides the same use privileges as a Full Membership (NR) for the holder of the Estates Membership (“Estates Member”) and up to nine designees named by the Estates Member from time to time who are essentially lineal descendants or predecessors of the Estates Member, as well as providing use privileges for their respective Immediate and Extended Family Members, and guests, in accordance with the terms hereof. Additional terms and conditions with respect to an Estates Membership shall be contained in the Membership Agreement.

RESERVE MEMBERSHIP

The Club shall have the right to issue one Reserve Membership to the owner of the parcel within the “Reserve” area on Sea Island. The Reserve Membership provides the same use privileges as a Full Membership (NR) for the holder of the Reserve Membership (“Reserve Member”) and up to nine designees named by the Reserve Member from time to time, who are essentially lineal descendants or predecessors of the Reserve Member, as well as providing use privileges for their respective Immediate and Extended Family Members, and guests, in accordance with the terms hereof. Additional terms and conditions with respect to the Reserve Membership shall be contained in the Membership Agreement.

RESORT GUESTS

The Club will permit guests of the Sea Island Resort (“Resort Guests”) to use the Club Facilities on such terms and conditions as the Club determines appropriate. The Club may, in its discretion, offer priority access to Resort Guests.

RECIPROCAL PRIVILEGES

The Club may, in its discretion, enter into reciprocal use privileges and access agreements with other clubs and resorts, as the Club determines appropriate from time to time. There is currently a reciprocal arrangement in place with The Broadmoor in Colorado Springs, Colorado.

PROMOTIONAL USE AND TOURNAMENT OR GROUP PLAY

The Club will have the right to designate other persons who will not count toward membership limits, including, without limitation, officers, directors, partners, managers, members, shareholders, employees and designees of the Company and its

affiliates and their guests, to use the Club Facilities upon such terms and conditions as may be determined from time to time by the Club. The Club will also have the right to permit prospective Members and purchasers of residences or homesites on Sea Island or in a Designated Community to use the Club Facilities on such terms and conditions as may be determined from time to time by the Club. The Club reserves the right, in its discretion, to restrict or to otherwise reserve in advance the Club Facilities for maintenance, tournament or group play, outings, receptions and other special events from time to time.

In connection with such special events, the Club and its affiliates may: (1) erect barricades and shut down, block off, or re-direct traffic on, the streets and sidewalks, provided that some means of vehicular and pedestrian access (which may be circuitous and inconvenient) will be provided to the Club Facilities; and (2) to erect and/or establish within any portion of the Club property and/or adjacent property any number of tents, shades, awnings, temporary structures, stadium and other seating, media booths and equipment, temporary signage (including scoreboards), flags and banners, portable toilets, temporary lighting, temporary fencing and screening, bus and shuttle service loading, unloading and parking areas, staging areas, and similar items or areas, for periods which may commence significantly before and extend significantly after the actual tournament or other special event.

SECTION XII • CLUB OPERATIONS

MANAGEMENT AND OPERATION

The Company owns Sea Island Club and the Club Facilities. As a result, the Company and its designees are solely responsible for the governance and administration of Sea Island Club and the Club Facilities and will have the exclusive authority to accept Members, establish Initiation Fees and other membership admission payments, dues, fees and charges, promulgate rules and regulations and control the management and affairs of Sea Island Club and the Club Facilities. The Company reserves the right to engage one or more professional management companies to manage and operate Sea Island Club and the Club Facilities and/or other matters pertaining to Sea Island Club and to delegate its authority to any such management company.

ADVISORY BOARD OF MEMBERS

The Club has established an Advisory Board of Members whose purpose includes fostering good relations between members and management of Sea Island Club, providing the Club with input on programs, plans and activities of Sea Island Club, and advising on rules and regulations. The Club shall appoint the members of the Advisory Board for such terms as determined by the Club and may remove any member of the Advisory Board in its discretion. The management of Sea Island Club shall meet with the Advisory Board on a periodic basis to discuss the operation of the Club Facilities. The Advisory Board shall have no duty or power to negotiate or otherwise act on behalf of Sea Island Club, its management or the members, and shall serve only in an advisory capacity. The management of Sea Island Club will have the final authority on all matters concerning the Club Facilities and the membership.

SECTION XII • GENERAL PROVISIONS

PROTECTION OF MEMBERSHIP PRIVILEGES

In the event that the Company ever sells the Club Facilities, it will disclose the existence of this Membership Plan, as amended, modified or supplemented from time to time, to the purchaser and will require the purchaser to acquire title to the Club Facilities subject to the terms and conditions of this Membership Plan, as amended, modified or supplemented from time to time. Furthermore, the Company will disclose the Membership Plan, as amended, modified or supplemented from time to time, to any prospective lender, and will request recognition by the prospective lender of the Membership Plan, as amended, modified or supplemented from time to time.

MEMBERS' ACKNOWLEDGMENT

Membership in Sea Island Club permits the Member to use the Club Facilities in accordance with this Membership Plan and the Rules and Regulations. Membership in Sea Island Club is not an investment in the Company or the Club Facilities and does not give a member a vested or prescriptive right or easement to use the Club Facilities. Membership in Sea Island Club does not provide a Member with an equity or ownership interest or any other property interest in the Company or the Club Facilities. A Member acquires only a revocable license to use the Club Facilities in accordance with the terms

and conditions of the Membership Plan, the Rules and Regulations and the Membership Agreement, as the same may be amended, modified or supplemented from time to time. All rights and privileges of Members under the Membership Plan, Rules and Regulations and Membership Agreement are subordinate to the lien of any mortgage or deed of trust encumbering the Club Facilities from time to time.

The Club reserves the right, in its discretion, to terminate, amend, modify or supplement this Membership Plan and the Rules and Regulations, to reserve memberships, to add, issue, modify, terminate or discontinue the offering of any type, category or class of membership or dues category, to discontinue operation of any or all of the Club Facilities, to convert Sea Island Club into a member-owned club and to make any other changes in the terms and conditions of membership or in the Club Facilities or services available to Members.

In the event of termination of the Membership Plan (which terminates all memberships in Sea Island Club) without implementing a new membership plan or offering new memberships, termination of a person's category of membership (which terminates all memberships in the category in question) without offering a substitute or alternative category for the terminated category or the permanent discontinuance of operation of all or substantially all of the Club Facilities, no refund shall be payable by the Club to any Member who holds a membership under this Membership Plan.

The Company, for itself and on behalf of its successors and assigns, reserves the right to sell, merge, assign, convey, transfer or otherwise dispose of any or all of its right, title and interest in the Club Facilities to any party or parties. Upon any such sale, merger, assignment, conveyance, transfer or other disposition of all right, title and interest in the Club Facilities, the transferring party shall be relieved of and released from any and all obligations hereunder, under the Rules and Regulations and each Membership Agreement then in effect, provided however, the purchaser or the surviving company acquires such right, title and interest subject to the terms and conditions of the Membership Plan, the Rules and Regulations and Membership Agreements then in effect and assumes the obligations of the transferring party thereunder.

NO PLEDGE OF MEMBERSHIPS

A Member may not pledge or hypothecate the membership except to the extent the lien or security interest is incurred as a result of obtaining the membership privileges.

THE CLUB'S DISCRETION

With respect to any determination, approval, decision or judgment of the Club hereunder or under the Rules and Regulations, such determination, approval, decision or judgment shall, except as otherwise expressly set forth in the Membership Plan or Rules and Regulations, as the case may be, be within the sole and absolute discretion of the Club and shall be final. All uses of the word "discretion" in this Membership Plan or the Rules and Regulations shall mean sole and absolute discretion.