

CUTTY'S OKOBOJI RESORT CLUB

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FREQUENTLY ASKED QUESTIONS

We are delighted to know you are considering Vacation Ownership with Cutty's Okoboji Resort Club. The purpose of this information sheet is to answer some frequently asked questions and further clarify some important points pertaining to owning an interest in the property and accompanying Membership. This is intended only as a summary and is not a complete listing of all the rights and obligations of member-owners.

WHO BECOMES THE VOTING MEMBER?

The term 'Membership' means a Voting Membership in the Club, together with an Undivided Interest in the real estate, limited to 3,500 in number unless increased due to the addition of land. The Member is the individual whose name is listed first on the contract for the purchase of the Undivided Interest and that person is designated as the Voting Member.

WHO IS ENTITLED TO ASSOCIATE MEMBERSHIP STATUS?

The spouse and/or any unmarried dependent children under 21 years of age who have the same residence as the Member are considered Associate Members of the Club. Qualifying associates, 18 years of age and older, may use Club facilities and stay overnight at the resort unescorted. Associate Member status is not granted to non-related individuals or related individuals living at another residence. An unmarried dependent child living in the home will not lose privileges at age 21 if prior to the child's 21st birthday a request for continuance has been filed with and granted by the Club. If approved, privileges terminate at age 26, or on an earlier date, as indicated on the approved request. Members need to notify the Club of the persons entitled to Associate Membership status and of any subsequent changes in writing.

HOW IS THE CLUB MANAGED?

The business and affairs of the Club is managed by our Board of Directors, all of whom are Voting Members in good standing. The Board of Directors may exercise all of the powers of the Club, including the establishment of Rules and Regulations for the fair operation of the Club for the benefit of all our Members, except such as are by statute, charter or Club Bylaws specifically preserved to the Voting Membership only.

HOW DOES THE RESORT MAINTAIN A SAFE, FRIENDLY ENVIRONMENT?

Park Rangers and Guardhouse Attendants help the resort maintain this environment. The guardhouse has attendants throughout the busy season. When the guardhouse is not attended, an automatic card gate is operative, restricting entrance. During these time periods persons needing assistance may use the phone entrance.

WHY IS THERE AN ANNUAL DUES ASSESSMENT?

The annual dues assessment, currently set at \$390.00, is necessary for the operation, improvement, and maintenance of the resort and Club property and is used for no other purpose. In short, this fee pays for all the management and operating costs of the resort and prorates these costs among all Members by charging each their fair share of all costs of the property.

WILL THE ANNUAL DUES ASSESSMENT INCREASE OVER TIME?

Dues may be increased or lowered by action of our Board of Directors. Members are assessed dues for each Undivided Interest owned annually on the anniversary of purchase. Every account is due and payable upon receipt of the yearly statement. Because the failure of a Member to promptly pay dues is to the detriment of all Members, whenever a Member fails to pay his dues, assessments and/or other charges within 15 days from the due date, he will be notified in writing that if not paid within 30 days from mailing of the notice, he will be declared a delinquent member. In addition, late fees will be added to the Member's next statement as set by our Board of Directors. Members are suspended until their account is paid in full and reinstatement is approved by our Board of Directors.

DOES THE RESORT HAVE SPECIFIC RULES OF CONDUCT?

Yes, the "Use of Property" Member Handbook will act as your guide. We believe our guidelines represent a common sense approach to the well-being of all our Members. Policies are also needed to aid in safe and convenient parking, as well as to provide parking within the limits of our available space. Refer to the Parking Member Handbook for more information. Resort guidelines are in effect 24 hours a day, seven days a week.

IS EVERYTHING THEN INCLUDED AT NO CHARGE?

While the resort offers you a wealth of facilities and equipment usually at no charge there are additional fees at times. Examples include laundry facilities, coin games, store and snack bar items, campsite utilities, rental units, linens, meeting room facilities, portable tank propane service, RV and boat storage, seasonal campsites, meal functions, and special events.

HOW OFTEN MAY I USE CLUB AMENITIES?

The Club provides use of amenities, and access to resort events and activities from lodge opening to lodge closing daily. The use of resort amenities is on a first come, first served basis. Hours of operation are posted and are subject to change in response to business needs. The Club cannot guarantee fulfillment of specific requests. In general, Members who wish to use Club facilities for reunions, wedding receptions and other social gatherings need to make arrangements for facility rental and large group parking. Permission is only granted after a consultation with management and an additional fee, ranging from \$20.00 to \$200.00, is charged for facility rental.

IS THE RESORT PET FRIENDLY?

The resort understands that household pets are considered part of the family, so pets such as dogs and cats pursuant to state health regulations, limited to a combination of two, are permitted on resort grounds and in camping units and designated rental rooms. Pets are not permitted elsewhere in resort buildings. Allowances are made for pets aiding those with disabilities. Pets unattended in rental rooms need to be in a carrier. On the campsite pets may not be left unattended outdoors and the leash should not allow the pet to extend off the site in any direction. For sanitary reasons, Members are to pick up and properly dispose of pet droppings right away.

DOES THE RESORT PROVIDE INSURANCE TO PROTECT AGAINST LOSS OR INJURY?

The resort does not provide any insurance coverage for the property of Members. Cutty's Okoboji Resort Club encourages members to obtain insurance to protect against risk of loss or injury. Use of resort amenities and participation in Club sponsored activities and/or events are undertaken by members, their immediate family members and guests at their sole risk.

HOW MANY RESERVATIONS MAY I PLACE AND WHAT IS THE MAXIMUM LENGTH OF STAY?

Members are limited to one reservation per stay, based upon availability, and may stay for a period of up to 14 days in any thirty-day period or two weekends in any calendar month. Qualifying Associates utilizing a campsite or rental unit in the absence of a Member also counts against the 14 days or two weekends. Members are also permitted one summer holiday stay, based upon availability, each calendar year – Memorial Day, Fourth of July or Labor Day. During periods of light occupancy these restrictions may be waived by management.

EXPLAIN MEMBER RESERVATION GUIDELINES.

Members check availability up to 14 days prior to their arrival at the resort. They are also permitted to place one reservation in each calendar year up to 90 days in advance, based upon availability and "Use of Property" Member Handbook guidelines. Reservations may be cancelled more than two days prior to the start of the reservation period without penalty; three days prior during holiday time periods. A fee, currently set at \$25.00, is assessed as set by the Board of Directors for a failure to show or for the cancellation of any portion of a reservation without appropriate notice. Rental check-in is 4:00 p.m.; check-out time is 12:00 noon. Campsite check-in is 4:00 p.m.; check-out time is 3:00 p.m.

EXPLAIN THE RESORT'S RENTAL PROGRAM.

The Club has 57 rental units; motel-type and cabins. Rates and guidelines governing use are published in the resort newsletter. Registration must be in the name of a person age 18 or older. Member rates, ranging from \$39.00 to \$102.00, vary according to room capacity, in-room facilities and time of year. Advance reservations are recommended as rental units are subject to availability; a unit may not always be available.

EXPLAIN THE RESORT'S CAMPSITE PROGRAM.

The Club also has 257 full hook-up campsites. The Club may not acquire any additional real property by purchase or lease without first obtaining the written consent from 66 2/3% of the members who vote within 60 days. A daily utility usage fee, currently \$9.00, is assessed as set by the Board of Directors. Registration needs to be in the name of a person age 18 or older. Advance reservations are recommended during the peak season, May through September, as campsites are subject to availability; a site may not always be available. One camping unit and up to two tents/tent-like structures may be placed on the campsite subject to the conditions listed in the "Use of Property" Member Handbook (ice houses, horse trailers and park models excluded). Up to eight persons may utilize the campsite; up to 12 if all are immediate family members (husband, wife and unmarried dependent children).

MAY I LEAVE MY RENTAL UNIT OR CAMPING UNIT UNATTENDED?

Rental units, camping units and tents may not be left unattended overnight. For this reason, units left unattended on the campsite overnight are assessed a fee, currently \$25.00, as set by the Board of Directors. This provision may be waived by management during the non-peak season. If a camping unit is to be parked without persons present it must be in unit storage. Unit storage fees range from \$230.00 to \$270.00. Cutty's Okoboji also offers seasonal sites. For an eleven month signed lease agreement, a fee of \$1,750.00 is assessed along with a one-time utility usage fee of \$231.00. Both programs have specific policies regarding use. Due to limited availability, Members need to re-apply for these programs each year.

FURTHER EXPLAIN AFFILIATE PROGRAMS.

Members are extended the added benefit of our affiliation with Coast to Coast Travel Club and Cutty's Des Moines. A separate membership fee is required for Travel Club enrollment. Since participation is voluntary and these affiliates are not an actual part of Cutty's Okoboji Resort Club, we refer you to them for all current rates and regulations regarding use. Realize that participation in all exchange programs is subject to continued agreement between our resort and the exchange sponsors, as well as compliance by our members, with the exchange program's requirements. Also realize that all reciprocal campgrounds are arranged on a space-available basis and that neither the operator nor the reciprocal company guarantees that a particular reciprocal campground can be used.

MAY I BRING DAY GUESTS TO THE RESORT?

The resort encourages our Members to share resort facilities with other families and friends. Day guests are not permitted to enter the grounds until after the Member has arrived at the resort unless prior arrangements are made. Members are then required to accompany guests throughout their entire visit and are responsible for supervision and conduct of guests. Day guests are asked to leave resort grounds at lodge closing. The resort has no annual limit on day guests or overnight guests utilizing the same campsite or rental unit as the inviting Member.

EXPLAIN GUEST RESERVATION GUIDELINES.

To ensure our Members first and fullest use of Club facilities, the following policies are in effect: for guests that are to utilize a separate campsite or rental unit members may check availability up to 10 days prior to the arrival of the guest. Currently guest rates range from \$42.50 to \$132.00. Members may bring up to four guest families per year and total guest usage is limited to 14 days per calendar year. Each guest stay may not exceed seven days. Guests may stay overnight only if the Member is also staying overnight. To accommodate as many Members as possible, only one campsite or rental unit may be utilized at a time. Overnight guest visits are not permitted during times of heavy Member usage. During periods of light occupancy these restrictions may be waived by management.

EXPLAIN RESORT GUEST VACATION CERTIFICATES.

Members may purchase a Guest Stay and Play Vacation Certificate, currently a \$10.00 fee, to allow a non-member friend or family member to check in to a vacation stay at the resort unaccompanied by the Member as the Club in its discretion permits from time to time. Use is subject to any conditions, restrictions or limitations which may be imposed by the Club. The recipient must be at least 21 years of age. The offer includes the opportunity for a vacation stay subject to availability and excludes the cost of accommodations and other expenses.

MAY I SELL OR TRANSFER MY UNDIVIDED INTEREST?

An Undivided Interest represents real property and may be sold, willed or transferred at any time. In the event a Member wishes to sell their Undivided Interest, the Club has the right to purchase, but not the obligation to purchase the Undivided Interest subject to terms and conditions outlined in Club By-laws. No endorsement of the membership certificate is required since the seller's membership terminates on the sale of the Undivided Interest and Membership is automatic to the purchaser.

WILL THE RESORT SELL MY UNDIVIDED INTEREST FOR ME?

The resort staff is not permitted to secure a buyer for an Undivided Interest but will assist in transferring the interest and accompanying Membership by completing the necessary paperwork for a fee, currently \$125.00 to \$275.00, as set by the Board of Directors. In the event of a transfer, the resort IDs of the transferor must be returned before any new resort IDs will be issued.