[See Entire By-Law No. 1]

Section 7 - Members

7.05 Member Initiation Fee

a. An Initiation Fee shall be fixed from time to time by a majority vote of the Members present at the Annual Meeting or other General or Special Meeting based on recommendations of the Board of Directors.

b. No Lot owner who is a Member of the Corporation on the date that this provision becomes effective (the “Effective Date”) shall be required to pay the Initiation Fee in connection with any Lot presently owned or co-owned by them, as long as they do not allow their status as a Member to lapse in respect of any of the Lots owned or co-owned by them.

   i. Failing to pay any Assessed Amount for 90 days following the due date or submitting a written request to the Board to terminate their membership shall constitute allowing their status as a Member to lapse.

   ii. Allowing their status as a Member to lapse in respect of any one Lot owned by a Member shall constitute allowing their status as a Member to lapse in respect of all Lots owned or co-owned by a Member.

c. Lot owners who apply to become Members after the Effective Date because they:

   i. previously allowed their status as Members to lapse in respect of any of the Lots owned or co-owned by them; or

   ii. acquired one or more Lots from a Lot owner who, at the time of purchase, was not a Member in respect of that Lot (and therefore could not transfer membership to them),

   shall be required to pay the Initiation Fee as a condition of becoming a Member. The interest of a Member shall be transferable only when such Member shall transfer title to their Lot to the person or persons who are acquiring title to their Lot.