



WILDFIRE GOLF CLUB MEMBERSHIP



WELCOME TO WILDFIRE...



Subscription A - \$42,500

+GST \$2,125 = TOTAL \$44,625

Subscription B - \$45,000 (3 years)

+GST \$2,250 = TOTAL \$47,250
\$17,250 due upon acceptance
\$15,000 due the following April 15th for 2 subsequent years

Subscription C - \$47,500 (5 years)

+GST \$2,375 = TOTAL \$49,875
\$11,875 due upon acceptance
\$9,500 due the following April 15th for 4 subsequent years

Subscription D - \$50,000 (7 years)

+GST \$2,500 = TOTAL \$52,500
\$9,642 due upon acceptance
\$7,143 due the following April 15th for 6 subsequent years

2010 Annual Dues

Principal Member : \$5,500 Spouse of the Member: \$2,500
Intermediate Member: \$1,400 Junior Member: \$600

Member Information

Applicant Name _____

Dated _____

VISA/MC# _____ Expiry _____

Name _____

Street _____

City _____ Postal Code _____

E-mail Address _____

Business # _____ Residence # _____

Mobile # _____ Cottage # _____

Accepted by Wildfire Golf Club _____

Please read conditions on reverse and sign.

The Undersigned Applies to Wildfire Golf Club (the "Club") for an Equity Membership ("Membership").

1. The Club will return my cheque or credit my credit card information should my application be rejected.
2. I will pay my Club accounts and any Membership dues established by the directors of the Club promptly when due by cheque or credit card (number provided on this application).
3. I will be responsible for the conduct and expenses of my guests and members of my family on the Club premises.
4. If I fail to observe and abide by the Membership Rules or by-laws of the Club, I will be subject to sanctions, which may include the suspension or termination of my Club Membership privileges.
5. I am subject to and will observe and abide by the by-laws of the Club and Membership Rules of the Club.
6. My Membership in the Club is only transferable with the approval of the directors of the Corporation and is subject to payment of a transfer fee, which is the greater of \$5,000 or 10% of the proceeds of the sale.
7. No transfers of Membership in the Club will be approved until all 325 Memberships have been sold by the Club, except for a transfer of Membership to the spouse of a deceased Member, with the approval of the directors of the Corporation.

Applicant Signature _____

Date _____



PLAYING PRIVILEGES

The Director of Golf may at any time deny playing privileges to any individual when, in his opinion, it is in the best interest of the Club to do so. All golfers must register with the Pro Shop before commencing play.

ADULT MEMBERS

Members may reserve a starting time through the Pro Shop up to seven days in advance. The course will be available to Members only (and their invited guests) prior to 10:00 a.m., seven days a week.

GUESTS OF MEMBERS

There is no restriction on the number of guests a Member may bring at one time, with the exception of a group that necessitates a shot-gun or modified shot-gun start. Any type of shot-gun start will be considered as a tournament and would be charged tournament fees.

Any guest is allowed to play, as a guest of the club, 6 times per year.

Cottage guests of Members (for more than two days) may apply to The Director of Golf for special privileges up to and including days 3 and 4.

Unaccompanied guests of Members may be granted playing privileges through special arrangements made with the Director of Golf in advance.

GROUP BOOKINGS

It is expected that some Members may wish to book blocks of starting times for business meetings, family get-togethers, etc. In such circumstances, it may not be feasible to have a Member in every foursome, however, the Member will assume responsibility for all charges and conduct of his/her guests.

PACE OF PLAY

Slow play takes away from the enjoyment of the game. The rated pace of play for a foursome at Wildfire is 4 hours and 11 minutes. It is the responsibility of all Members and guests to meet this standard.

DRESS CODE

The general rule for dress on the golf course and in the clubhouse is neatness and cleanliness. It is expected that all golfers will dress in a manner befitting a first-class, private golf club such as Wildfire. In all matters related to proper attire, the decision of the golf professional will be final and any persons deemed not in proper dress will be asked to change into appropriate attire or leave the premises. To avoid embarrassment, Members should advise guests of acceptable attire in advance of their golf date.

Clothing with the Wildfire logo or name, or clothing with the logo or name of any other golf club is permissible. Designer clothing logos or names are also permitted, as are logos or names of golf equipment manufacturers.

For ladies, slacks, capri's, golf skirts and Bermuda or Jamaica shorts are acceptable. The appropriate length for shorts is three inches or less above the knee. Shorts falling below the knees are not permitted, nor are tight-fitting cycling shorts, cargo shorts or denim jean shorts. Sleeveless tops are acceptable as long as they have a collar. Turtlenecks and

mock turtlenecks are acceptable. Crew neck shirts and t-shirts are not permitted. Shirts must be tucked in at all times. No jeans, rugby pants, sweat pants, jogging pants, cargo pants or bathing suits are permitted on the course or in the clubhouse.

For men, slacks and Bermuda or Jamaica shorts are acceptable. The appropriate length for shorts is three inches or less above the knee. Shorts falling below the knees are not permitted, nor are tight-fitting cycling shorts, cargo shorts or denim jean shorts. Shirts must be recognized as suitable or standard golf attire. Turtlenecks and mock turtlenecks are acceptable. Crew neck shirts and t-shirts are not permitted. Shirts must be tucked in at all times. No jeans, rugby pants, sweat pants, jogging pants, cargo pants or bathing suits are permitted on the course or in the clubhouse. Jackets are not required for dinner.

Wildfire is a soft-spike only course.



DISPUTE RESOLUTION/DISCIPLINE

Disputes and complaints must be made in writing and sent to Glenn Stonehouse, President. Problems with Wildfire staff should not be addressed directly with staff, but rather should be brought to the attention of Glenn Stonehouse, President, in writing.

RESPECT FOR COURSE CONDITIONING

The course conditioning of Wildfire is one of the key determinants of Member and guest satisfaction. Repairing ball marks and replacing or seeding divots is the responsibility of every player. It should be the goal of everyone who plays Wildfire to leave the course in the same or better condition than when they started their round.

PRACTICING

Practicing on the course itself leads to excessive wear and tear of our turf. For both course conditioning and etiquette reasons, practicing is not permitted on the course and should be confined to Wildfire's ample practice facilities.

MOBILE PHONES

House rules prohibit the use of mobile phones, however, mobile phones and/or hand held devices may be used discretely in the parking lot area.

All Members and their guests are expected to be respectful of the etiquette of the game of golf, and one another, in the use of mobile phones.



MEMBERSHIP PLAN

The purpose of this Membership Plan ("Plan") is to outline some of the aspects of Membership in Wildfire Golf Club ("Club"), the inter-relationship between the parties and the plan of development of the golf course, Clubhouse and related facilities ("Club Facilities"). This Plan is not intended to be a prospectus, offering memorandum or solicitation for Membership, but is solely for informational purposes.

All inquiries regarding the Plan described herein should be directed to Wildfire Golf Club at RR#2, Lakefield, Ontario, K0L 2H0, Attention: Glenn Stonehouse, President. You may call the Club at (705) 877-9453, or visit its web site at www.golfwildfire.com.

GENERAL DESCRIPTION OF MEMBERSHIP PLAN

The Club had been incorporated as a not-for-profit corporation under the laws of Ontario. The Club proposes to offer equity memberships ("Memberships") to eligible persons whereby the right to use the Club Facilities will be available to the Members of the Club and their guests, as well as for restricted use for corporate and tournament-play golf. The terms of the agreement in respect to the development of the Club Facilities by the Club and their management and control are described under the heading ("Club Management Agreement").

Prior to the termination of the Club Management Agreement ("Turnover Date"), the management and control of the Club and the Club Facilities will be directed by Stonehouse Golf Management Inc. ("Company"). Subsequent to the Turnover Date, the Club will own, operate and manage the Club Facilities as described in the Articles of Incorporation, by-laws and general rules of the Club, copies of which are available to prospective Members.



CLUB OPERATIONS

The government and administration of the affairs and the property of the Club is vested in the Board of Directors. The Board of Directors is currently Glenn Stonehouse, Derek Chapman, and Doug Owens, all designated by the Company as well as two directors elected by the Members. On termination of the Club Management Agreement, the Members of the Club shall be entitled to change the number of directors and to elect the slate of directors in accordance with the by-laws. The Company, a corporation owned by Stonehouse Golf Management Inc., will manage the affairs of the Club until the Turnover Date.

DESCRIPTION OF FACILITIES

The Club Facilities consist of golf and clubhouse facilities with food, beverage and related services. The Club Facilities are situated on approximately 210 acres on Stoney Lake. The golf course is designed to make best use of the rolling terrain, mature woodlands, rock and 600 feet of lake frontage. The golf course measures 6,745 yards and plays to a par 72. The golf course is designed by Thomas McBroom Associates.

The Wildfire Clubhouse is a world class building featuring a Pro Shop, fine dining, men's and ladies' locker rooms with saunas, and old world charm. Parking facilities will be provided to maximize capacity while maintaining the aesthetic characteristics of the golf course. The Club has docking facilities for boat access by Members and their guests.

The Club Facilities will be turned over to the Club in an "as is" condition on the Turnover Date. The Company will transfer and assign to the Club, all warranties it has received from manufacturers and suppliers relating to any of the Club Facilities, which exist and are assignable.

The Club Facilities will include maintenance and storage buildings, and all the tools, vehicles, golf carts, machinery, equipment and supplies being used as of the Turnover Date to operate the Club Facilities. The Club will acquire all the food, beverage, materials and supplies used in the operation of the Club Facilities and the golf pro shop inventories on hand as of the Turnover Date.

MEMBERSHIPS

The Plan involves the offering a maximum of 325 equity Memberships. Memberships in the Club will be offered on first come first served basis at a membership price to be fixed from time to time by the Board of Directors.

On the termination of the Club Management Agreement, in the election of the Board of Directors, and all other matters to be voted on by the Members of the Club, each Member will be entitled to one vote per Membership. As the Club is a not-for-profit corporation, Members will not receive any revenue or income from the Club. Members will not, as such, be liable for any of the debts or obligations of the Club. On dissolution or winding-up of the Club, the remaining assets of the Club will be distributed pro-rata to the Members at that time.



GUEST PRIVILEGES

Members in good standing will be entitled to have guests use the Club Facilities in compliance with the Club rules related to guests and on payment of applicable fees and charges from time to time. The sponsoring Member is responsible for the deportment of, and the damages or personal injury caused by his or her guests. Guests are not permitted to have guests. Guests' use of the Club Facilities may be restricted by the discretion of the Club.

TRANSFER OF MEMBERSHIPS

No Member may sell or otherwise transfer a Membership except with the prior written consent of the Board of Directors. The Club will charge a transfer fee of the greater of \$5,000 or 10% of the proceeds of sale of the Membership except when transferring to a spouse on death of a Member. If no spouse, circumstances should be submitted to the Board for consideration. No Membership may be transferred until all 325 Memberships have been sold and the termination of the Club Management Agreement has occurred.

MEMBERSHIP APPLICATION

A person wishing membership in the Club, shall deliver a fully completed and signed Membership Application and cheque or credit card for payment of the amount due on submission of the Membership Application, as may be fixed from time to time. All deposits received by the Club will be deposited in an account at CIBC. Interest earned on the deposits shall be used for marketing and promotion. Within 14 days after receiving the required payment, the Board of Directors of the Club will determine whether the applicant has satisfied the enrollment conditions. In all cases until the earlier of, (i) the completion of the Club Management Agreement, or (ii) the sale of all Memberships in the Club, the Company shall have the final decision as the acceptance or rejection of an applicant for membership in the Club. If the Board of Directors determines that the applicant has satisfied those conditions, the Club will notify the applicant that the application has been accepted.

ANNUAL DUES

Each year the Board of Directors of the Club will determine the amount of Annual Dues to be payable by Members of the Club. The Board of Directors reserves the right to set the amount of Annual Dues to be payable by Members at any level that is appropriate. In accordance with the Club Management Agreement, the Company is responsible for funding any deficits between aggregate membership dues collected, operational revenue and the operational costs of the Club.

Failure by any Member to pay the required Annual Dues within the prescribed time periods will constitute grounds for forfeiture of their Membership in the Club.

There will be no assessment for operating deficits or capital amounts as long as the Company manages the Club. Thereafter, the Board of Directors may find it necessary to make assessments, in addition to annual dues, to cover operating deficits, which occur after the Company no longer manages the Club. Assessments to cover operating deficits or capital amounts will be pro-rated among the Members of the Club based on the amount of Annual Dues paid by each Member during the year in which the deficits occurs. There will be no annual dues or assessments for operating deficits or capital expenditures on any Memberships held by the Company unless otherwise agreed by the Company.



JUNIOR ASSOCIATE PROGRAM

Junior Associate Programs is offered to children of non-members, providing they are recommended and endorsed by an existing member.

FOOD MINIMUM

The annual food minimum for Principal Members is \$1200.00. Any unused balance will be charged to the Member's account at the end of the Golf Season.

CLUB MANAGEMENT AGREEMENT

The Club has purchased the lands on which the Club Facilities will be located. The Club and the Company has entered into the Club Management Agreement. This includes the acquisition of the lands, construction of the Club Facilities and management of the business affairs of the Club prior to the Turnover Date. The fee payable by the Club to the Company for construction and management of the Club Facilities is an amount equal to the total Membership subscriptions received by the issuance of all the Memberships minus the cost of construction and minus the book value of the food, beverages, pro shop inventories and supplies inventories on hand on the termination of the Club Management Agreement.

Funds received by the Club from Membership payments, will be paid to the Company if and when required for payment by the Company of expenses related to the construction, operation, and maintenance of the Club Facilities, and other related consulting, legal, and finance expenses, and for the payment of management and marketing fees, debt repayment and related expenses.

The Club Management Agreement will terminate once 325 Memberships have been sold by the Club. If the Company decides that it will terminate the Club Management Agreement prior to the sale of 325 Memberships in the Club then, on the Turnover Date, the Club shall issue and deliver to the Company without cost, all Memberships that remain unissued so that each such Membership may be sold by the Company. No transfer fees will be payable on sale of such Memberships by the Company but will be payable on the subsequent transfer of any such Memberships.

The Company has the right to designate five members of the Board of Directors of the Club until the earlier of (i) sale of all of the Memberships by the Club, or (ii) the termination of the Club Management Agreement.

The Company will operate the Club Facilities prior to the Turnover Date in a manner that is comparable to the operation of other similar country club facilities. The Company shall have the right to use the Club Facilities for the purposes of conducting tournaments and corporate-play golf while it is managing the operations of the Club Facilities. As partial consideration for the Company agreeing to be responsible for any operational cash deficits of the Club, the Company will be entitled to retain all surplus cash flow derived from operating revenues and will not pay any rent or other compensation for use of the Club Facilities prior to the Turnover Date. Until the Turnover Date, the Company shall have the right to promote the Club development in advertisements, promotional materials and other promotional media by making reference to the Club and the availability of Memberships in the Club.

**CLUB FINANCING**

A first mortgage of \$3.2 million secured by the Club Facilities exists as of February 2009. A second mortgage of \$2.650 million exists as of February 2009. If the financing is not repaid to the lender in accordance with the terms of the loan facility, the lender will be entitled to all of the normal legal remedies, including the right to foreclose or to sell the Club Facilities to a third party. Although Members will not be personally liable for repayment of the loan to the lender, there is a risk that, on default, the amounts paid by Members to the Club may be lost.

MODIFICATION OF PLAN

Notwithstanding anything contained in this Plan, the Board of Directors and the Company reserve the right, from time to time, to amend the terms of Membership, waive or modify the provisions of the Club Management Agreement or make any other changes in terms and conditions set forth in this Plan as they mutually agree upon, as long as such amendments and changes are not materially adverse to the rights of the Members of the Club.

**WILDFIRE GOLF CLUB PURCHASED BY STONEHOUSE GROUP INC.****Financially stable management firm attracts new equity members August 31, 2004**

Stonehouse Golf Management Inc., a wholly owned subsidiary of Stonehouse Group Inc., acquired the management company which operates Wildfire Golf Club, Stoney Lake, Ontario.

Under the leadership of Chairman & CEO Glenn Stonehouse, Stonehouse Group Inc. is a private holding company which notably owns Grafton-Fraser Inc. Grafton-Fraser Inc. operates 200 retail stores across Canada under 7 banners including Tip Top Tailors, Grafton & Co., Mr. Big & Tall, George Richards Big & Tall, Stonehouse, Kingsport and Timberland.

Stonehouse Golf Management Inc. embarked on various enhancements to Wildfire Golf Club including restoring "private member status". Other plans include enhancing Wildfire's natural features through constructing a new, distinctive clubhouse, designed by Richard Wengle Architect Inc. Exterior elevations and the concept will be in keeping with the local setting and landscape, in a post and beam construction. Improved vistas through professional landscaping and new hole sequencing of the course layout will be completed with the support of Tom McBroom, Wildfire Golf Club course architect.

"We are happy to report that all of these initiatives were successfully completed in the Spring of April 2006," says Glenn Stonehouse.

Stonehouse Golf Management Inc. ensures financial stability that is attracting a significant number of new equity members. "Once the course membership reaches 325, the Golf Club will be turned over to the membership."

Wildfire Golf Club is a spectacularly designed, 6,745-yard, par 72 traditional walking course on the shores of Stoney Lake in the heart of the Kawarthas. Masterfully designed by Thomas McBroom, Canada's premiere golf course architect, for all skill levels. The Golf Club is not only known for its stunning and challenging course, but for its foundation of "Guiding Principles for the Wildfire Golf Experience". Walking the picturesque course emphasizes a simple and understated natural theme.



WILDFIRE GOLF CLUB CONTACT INFORMATION

2349 Armstrong Lane
RR #2
Lakefield, Ontario
K0L 2H0

Clubhouse 705-877-9453
Toll free 1-866-570-9453
Fax 416-780-2157

www.golfwildfire.com

For more information and membership inquiries on Wildfire Golf Club, please contact:

Glenn Stonehouse, President
416-780-2131
stonehouse@grafthonhouse.com

Jeff Mills, Director of Golf
705-877-9453 ext 101
jmills@golfwildfire.com

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WORLD CLASS GOLF IN THE KAWARTHAS