

**USER REGISTRATION  
FOR BAY LAKES COMPANIES, LLC  
QUALIFIED MATCHING SERVICE**

First Name \_\_\_\_\_ Middle Initial \_\_\_ Last Name \_\_\_\_\_

Company Name (if applicable) \_\_\_\_\_

Address 1 \_\_\_\_\_

Address 2 \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_ Zip \_\_\_\_\_

Day Phone Number \_\_\_\_\_ Evening Phone Number \_\_\_\_\_

Mobile Phone Number \_\_\_\_\_ Fax Phone Number \_\_\_\_\_

Email Address (if any) \_\_\_\_\_ (if you have email, we will provide you with the updated list by email)

Do You Currently Own Units in Bay Lakes Companies, LLC? Yes \_\_\_ No \_\_\_

Are you looking to Buy or Sell Units? Buy \_\_\_ Sell \_\_\_

Have you registered for the Matching Service Before? Yes \_\_\_ No \_\_\_

What is the best time for others to reach you by phone? Day \_\_\_ Evening \_\_\_  
Other \_\_\_\_\_

Are you a competitor of Bay Lakes Companies, LLC or its' affiliated companies?  
Yes \_\_\_ No \_\_\_

(NOTE: Per the provisions of the LLC Agreement, the request for transfer of units to a competitor of the company will not be an approved transfer)

Units must only be acquired by the user for their own account.

Please carefully read the terms of service below and sign, date and return this registration form to:

**Bay Lakes Companies, LLC  
720 N. Main Street  
PO Box 9  
Oconto Falls, WI 54154-0009.**

Phone: (920) 846-3461  
Fax: (920) 846-3057

## **TERMS OF SERVICE (TOS)**

### **Description of the Matching Service**

The Matching Service is system made available to interested sellers and buyers of Bay Lakes Companies, LLC Units. The system consists of a list of interested sellers and buyers who have registered for the Service. In addition to the printed lists, the information will also be made available to registered users on the internet. Visit [www.baylakes.com](http://www.baylakes.com) for further information. Upon registration, the user will be provided with the list in an effort to match them up with other interested sellers or buyers. Any agreement to buy and sell units including the price, terms, conditions and payment would be the sole responsibility of the Sellers and Buyers (the users). In addition, it is the sole responsibility of the users of the service to complete the necessary documentation and follow the prescribed company procedures to obtain approval for the transfer of units. It is also the responsibility of the user to comply with the rules of the matching service as outlined in this TOS or elsewhere. The Matching Service reserves the right to revoke a registered users' access to the Service for violation of the rules or this TOS.

### **Restriction on Transfer of Units**

Under the LLC's Limited Liability Company Agreement, units may not be transferred without the approval by the Board of Directors and compliance with or waiver of certain conditions and procedures. These may include the delivery of a legal opinion and transfer instruments to the LLC, and payment of reasonable expenses incurred by the LLC in connection with the transfer.

Transferability of units is restricted in part to ensure that the LLC is not deemed a "publicly traded partnership" and thus taxed as a corporation.

A Transfer Request Form must be completed and signed by both the Transferor (the Seller, in the case of a sale) and the Transferee (the buyer, in the case of a sale). The completed Transfer Request Form must then be submitted to the Board of Directors for their consideration for approval. The Board of Directors reserves the right to require any additional information that may be required in consideration of the transfer request.

### **Approved Qualified Matching Service.**

Treasury Regulations provide a safe harbor for transfer of interests through a "qualified matching service". Transfers are through a qualified matching service only if:

1. The matching service consists of a computerized or printed system that lists customers' bid and/or ask prices in order to match prospective buyers and sellers.
2. Matching occurs either by matching the list of interested buyers with the list of interested sellers or through a bid and ask process that allows interested buyers to bid on the listed interest.

3. The seller cannot enter into a binding agreement to sell the interest until the 15<sup>th</sup> calendar day after his or her interest is listed, which date must be confirmable by maintenance of contemporaneous records.
4. The closing of a sale effected through the matching service does not occur prior to the 45<sup>th</sup> calendar day after the interest is listed.
5. The matching service displays only quotes that do not commit any person to buy or sell an interest at the quoted price, or quotes that express an interest in acquiring an interest without an accompanying price, and does not display quotes at which any person is committed to buy or sell an interest at the quoted price.
6. The seller's information is removed within 120 days of its listing and is not re-entered into the system for at least 60 days after its deletion.
7. The sum of the interests in capital or profits transferred during the entity's tax year, not including private transfers, cannot exceed 10% of the total interests in capital and profits.

### **Limited Liability Company Agreement**

The LLC is governed by its Articles of Organization, the Limited Liability Company Agreement and Wisconsin Law. In addition, to describing the unit holder's rights, responsibilities, obligations and duties; the Limited Liability Company Agreement includes the Unit Transfer Policy of the LLC (Appendix C of the Limited Liability Company Agreement). Before you sell, buy or otherwise transfer units, you should carefully review the Limited Liability Company Agreement. In addition, you are strongly encouraged to consult your tax advisor for a review of the possible tax effects of your transfer.

### **Unit Transfer Policy and Record Dates**

The Unit Transfer Policy describes certain prohibited transfers as well as conditions to permitted transfers. The Unit Transfer Policy also describes the method and convention to be used for distributions and allocations in respect to the transferred units. In accordance with the Policy, record dates recording transfers will be January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>. Therefore, the first date of the quarter in which the Board of Directors approves the transfer will be used for division and allocation of the Profits, Losses and items between the transferor and the transferee. Any cash distributions made in the quarter of transfer will be paid to the transferor (the seller) without allocation between buyer and seller. Cash distributions in subsequent quarters to quarter of transfer will be paid to the transferee (the Buyer) without allocation between buyer and seller.

### **Release of Your Contact Information**

By registering for the Matching Service you have indicated an interest in selling or buying units in Bay Lakes Companies, LLC. We will be providing to other registered users of the service your contact information such as your Name, Address, Phone Number, and Email Address as you have provided to us in your registration. By agreeing to this TOS, you are granting us your permission to release this information and holding

us harmless for any consequences as a result of the release of the information to other registered users of the Matching Service.

I have read the terms of service and agree to them.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

FOR OFFICE USE:

Account No. \_\_\_\_\_