

BOARD POLICY RESOLUTION No. 22 (“BP 22”)

REFUNDS

WHEREAS Article IV, Section 7 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Refunds shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following refund policy:

Refunds issued as of October 1, 2011 will no longer be charged a service fee for processing, as determined by the Board of Directors. All refunds must be applied for at the Cardholder Services Office in the Lakeview Recreation Center no more than three (3) years after the event which may qualify for a refund. There are no refunds on expired cards or annual passes/permits. There are no refunds to Members not in good standing. Eligible refunds on estate properties are issued only upon the sale of the property.

Annual Property Assessments

To receive a refund for annual property assessments, the Member Card should be returned, if applicable. Refunds for annual property assessments are also defined in the Corporate Bylaws; please refer to Article II, Section 4.D for additional requirements regarding annual property assessment refunds.

UPON THE SALE OF PROPERTY, to receive a pro-rata refund, an application for a refund must be filed within three (3) years from the close of escrow. Closing documents showing the sale of the property must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of the sale to the next annual assessment due date.

IN THE EVENT OF DEATH, to receive a pro-rata refund, an application for refund must be filed within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of death to the next annual assessment due date.

Excluding the aforementioned, no other refunds will be issued for any reason for annual property assessments.

Privilege Cards

To receive a refund for an annual Privilege Card, the Privilege Card must be returned. Refunds shall not be issued on Privilege Cards that were issued for a term of less than one year. Refunds for annual Privilege Cards are also defined in the Corporate Bylaws; please refer to Article II, Section 3.B for additional requirements regarding annual Privilege Card refunds.

UPON THE ACQUISITION OF A SUN CITY PROPERTY to receive a pro-rata refund, an application for a refund must be filed within three (3) years from the close of escrow. Closing documents showing the purchase of a Sun City property must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of purchase to the expiration date of the card. If the annual property assessments or other fees have not been paid on the Sun City property purchased, the prorated refund amount will be applied towards those fees.

IN THE EVENT OF DEATH, to receive a pro-rata refund, an application for refund must be filed within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of death to the expiration date of the card.

Excluding the aforementioned, no other refunds will be issued for any reason for annual Privilege Cards.

Host Punch Cards

There are no refunds and no duplicate Host Punch Cards issued.

Annual Golf Passes/Permits

IN THE EVENT OF DEATH, to receive a pro-rata refund, an application for refund must be filed within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. To receive a refund, the Annual Golf Pass/Permit card must be returned. Refunds will be prorated from the date of death to the expiration date of the Annual Golf Pass/Permit. No extensions can be made on Annual Golf Passes/Permits.

If within 90 days of the purchase of an annual golf pass/permit the pass/permit holder becomes unable to golf due to medical reasons, which are validated in writing by a medical doctor, the pass/permit holder will be eligible for a 50% refund of their annual golf pass/permit. To receive a refund, the Annual Golf Pass/Permit card must be returned.

Excluding the aforementioned, no other refunds will be issued for any reason for Annual Golf Passes/Permits.

Green Fees

In the event of rain, rain checks for green fees may be issued as follows:

Four holes or less played – rain check for 100% of the green fee paid

Five to thirteen holes played – rain check for 50% of the green fee paid

Fourteen or more holes played – considered full round, no rain check issued

Preservation & Improvement Fees

A refund of the Preservation & Improvement fee may be available if:

- a. the sale/disposition/transfer of a previous primary Arizona residence in Sun City is made within one (1) year of the purchase/ acquisition/ transfer/ inheritance* of the other primary Arizona residence in Sun City;
- b. no Owners who paid the Preservation & Improvement Fee for the previous primary Arizona residence in Sun City retain an ownership interest in that property at the time of the sale/disposition/transfer;
- c. the purchaser(s) has/have been a RCSC Member Cardholder(s) in good standing;
- d. an application for a refund was made no more than three (3) years from the date of the last escrow closed;
- e. closing documents showing the sale and purchase of the Sun City properties are presented at the time the application for refund is submitted; and
- f. the Member card(s) from the property sold are returned.

* The Preservation & Improvement Fee may be reimbursed to an heir, if the property is sold to another owner within one year of the inheritance, and the related property/special assessments and fees are current.

In no event will more than one refund be processed for any given Preservation & Improvement fee paid by the Owners of a property.

Access Fees

There are no refunds of Access Fees.

Transfer Fees

The Transfer Fee may be reimbursed to an heir, if the property is sold to another owner within one year of the inheritance, and the related property/special assessments and fees are current.

Otherwise, there are no other refunds of Transfer Fees.

All Other RCSC Fees

There are no refunds of any other fees charged by RCSC.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this 30th day of January, 2014 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

/s/
Jim Brasher, Board President

/s/
Carole Martinez, Secretary