

Non-Accredited U.S. and Canadian Persons are not allowed to purchase memberships.

Membership Agreement for Lots and Villas

To Include All Exhibits, Instructions, Receipts, Covenants, Conditions, and Restrictions

I. RIGHTS OF THE BUYER/MEMBER

- A. Pangaeon Sovereign Alliance, S.A., hereinafter referred to as P.S.A. (for consideration of the amount inserted below) hereby grants to the undersigned the option to purchase a Club Marlin Pacifica Social Membership as part of their Lot purchase and completion of their Villa, and the option to purchase a 1/26 interest in a Club fishing boat as defined and inserted below.
- B. The Member shall have the right to use the Club facilities and fishing boat for the period of weeks as set forth in the Membership Fee Schedule, during each year that he continues to remain a Member in good standing, and is not in default under this agreement.
- C. A Member must reserve his selected period for a Club fishing boat by calling not less than 7 days nor more than 30 days before said period begins. Should a Member not use the reserved Club fishing boat, the Member will be charged with 1/2 day of use from the 14 day allowance for that year and the Club shall be allowed to rent the boat for the balance of the reserved day.
- D. The Member shall have the right to permit use of a fishing boat, by family members, and/or personal guests, but will be responsible for their conduct as well as any payments due P.S.A.
- E. Members shall have the right to transfer or assign their Social and/or Boat Membership hereunder as part of his estate, provided said heir or beneficiary shall execute a new agreement with P.S.A.
- F. The Member may trade the use of the boat during his specific time period with other members of P.S.A. and shall have the further right to join a reciprocal exchange program acceptable by P.S.A. provided that P.S.A. shall have no responsibility and makes no warranties or representations or guarantees concerning the exchange in any such reciprocal exchange program.

II. OBLIGATIONS OF P.S.A.

- A. P.S.A. agrees that for the duration of this Agreement, a member is guaranteed the use of the Resort and use of a fishing boat during his specific time period, as required under this Agreement for the week(s) reserved per Paragraph I.C. above.
- B. P.S.A. will be responsible for providing groundskeepers, as well as maintenance and repair, and replacement of all furniture, fixtures and equipment as defined in the Annual Service Expense Chart for the Club facilities.
- C. P.S.A. will be responsible for the proper maintenance and repair of the structure of the Resort, both interior and exterior, in such a manner as to assure high standards of quality.
- D. P.S.A. will further be responsible for the proper maintenance of facilities located on the premises including, but not limited to, Club facilities, the private beach, recreation areas, parking areas, and staff's quarters.
- E. P.S.A. shall also be responsible to provide a reservation office, as well as proper notification to the Member of any change in annual service cost, confirmations of reservations, etc.
- F. In the event P.S.A. is prevented in whole or in part from performing any obligations hereunder by forces beyond the control of P.S.A., P.S.A. shall be excused from performing such obligations provided, however, that P.S.A. shall, at its sole discretion, provide one of the following:

- 1. Provide the Member an alternative time period in the same Resort or boat in the same year, or,
- 2. Provide an additional time period to the Member in a similar Resort or boat in subsequent year or years.

III. OBLIGATIONS OF MEMBER

- A. The Member agrees to pay to P.S.A. the sum inserted below as a one-time Membership fee. The Member shall have the right to pay said fee as set forth in the escrow instructions.
- B. The Member agrees to pay, in addition to the one time Membership fee, an annual service expense for the Club Marlin Pacifica facilities and fishing boats. P.S.A. shall have the right to increase the annual service expenses after the first year of Membership by the same percentage rate increase sustained by the cost of continuing the Resort. Annual service expense will start six months after each phase is operational.
- C. The Member shall pay, in addition to the annual service expense such hotel room taxes customarily paid by hotel guests in Panama and any park entry fees to the extent applicable to his occupancy of the Resort.
- D. Prior to departure, the Member shall pay all charges incurred by him, or those persons occupying the Resort with his consent, for services, rentals, and food.
- E. Also prior to departure, the Member shall be responsible for the payment of any charges for damage beyond reasonable wear and tear of any furniture, fixtures, and equipment within the Resort and for the loss of any items such as towels, wall hangings, etc.
- F. The Member shall have the right to use the facilities located at the Resort, including the roadways, specified beach area, restaurant, and drinking facilities, provided that the Member shall be responsible for the payment of all charges incurred for the purchase of food services or rental equipment therein.

IV. GENERAL CONDITIONS

- A. P.S.A. may terminate this membership in any of the events as follows:
 - 1. Failure of the Member to pay the one time Membership fee or any balance thereof in accordance with this Agreement.
 - 2. Failure of the Member to pay any charges properly assessed against him in accordance

with the terms of this Agreement.

- 3. Violation by the Member of any of the terms and conditions set forth in Exhibit A, a copy of which the Member shall acknowledge receipt upon the execution of this Agreement. P.S.A. retains the right to amend said terms and conditions, so long as such amendment does not jeopardize the Member's use of the Resort unit as set forth in "Rights of Members" herein.
 - 4. P.S.A. shall have the obligation to notify the Member of any reason for termination of Membership and the member shall have ninety days from receipt of such notification to correct any default.
 - B. The terms and conditions of this Agreement, and C.C.R.s together with the attached Exhibits, Escrow Instructions, Deposit Receipt and Demand for Return of Funds represent the entire Agreement between the parties. Member acknowledges that neither P.S.A. nor any of its agents, has made any representation or promises with respect to the subject matter of this Agreement which are not set forth herein.
 - C. The Members shall have no fee interest in the Resort or in any other portion of P.S.A. property or its operations or any of its facilities, or in the revenues therefrom, except for the right to use the fishing boat, as set forth below in this Agreement. The Member, by execution of the Agreement, acknowledges that he is acquiring ownership occupancy rights hereunder for personal use and not as an Investment.
 - D. The Members hold P.S.A. and its directors, officers, employees and subcontractors harmless from any action or liability of any kind arising out of the development or operation of the Resort. The Member agrees to confine any action as to a redress of grievances or damages to the following:
 - 1. Actions for personal or property damages shall be against and limited to the liability insurance policy carried by P.S.A. as an agent for the Members.
 - 2. Grievances irreconcilable with P.S.A. relating to the operation of the Resort shall require the Member to sell his Membership in the Resort and boat back to P.S.A. at the fair market value.
 - E. P.S.A. reserves the right to terminate any and all Memberships, upon written notice to the Members, if the premises or facilities are substantially damaged or destroyed or if any action in eminent domain or other condemnation proceedings is initiated. In the event of termination of Membership for any reason set forth above, the Members will be entitled to receive a prorated share of their Membership fee from insurance or condemnation proceeds or awards, if any. The Applicant understands that the government of Panama has now, and may expand, regulations and limitations on the use, development, maintenance, operation, access, inspections, and fees that encompass the land, water, and air.
 - F. This Agreement shall be binding upon and inure to the benefit of the personal representatives, successors, heirs, beneficiaries, and assigns of the parties hereto.
 - G. Should it be necessary to institute legal proceedings to enforce the terms and provisions of this Agreement, then the prevailing party shall be entitled to reasonable attorney's fees and costs of such proceedings.
 - H. Should legal action be undertaken by the parties to this Agreement, the venue of such action shall be Panama City, Republic of Panama.
 - I. This offer is void where prohibited or restricted by law. Buyers/Members agree to indemnify and hold harmless P.S.A., the escrow agent, and the sponsor, from any claims, demands, causes of action, liability, damage, judgment, defense costs and attorney's fees in connection with the Club Membership. The Member will be solely and totally responsible for compliance with jurisdictional laws, registration or compliance in the country or state in which they reside or are a citizen.
- I, the undersigned, hereby certify under penalty of perjury, punishable by civil and/or criminal fines and/or imprisonment, that I did not first receive any written, oral, or electronic communication that contained a promotion, inducement to buy, and/or offer to sell a membership, including but not limited to brochures, pamphlets, radio or television scripts, electronic media ads, internet ads, telephone or direct mail solicitations or any other type or means of promotion, including but not limited to drawings, prizes, gifts, discount vacations and/or travel expenses, nor did I sign this or any other contract or agreement connected to this membership sale within the United States of America or any state or territories of the US or Canada.
- (OPTIONAL) SOCIAL MEMBERSHIP—\$1,000**
 Date _____, 2003 Location Signed _____
 Signed _____ Citizenship _____
 Print Name _____ Passport No _____
 Address _____ Bank Name _____
 Telephone _____ Bank Location _____
- (OPTIONAL) FISHING BOAT MEMBERSHIP—\$50,000**
 Date _____, 2006 Type of Boat: 35' Cobo Express
 Signed _____ Membership Fee (price): \$50,000 for
 P.S.A. by _____ each 1/26 interest / No. of Weeks: 14