

New/Prospective Member Background Checks at time of Transfer

The Board is requiring that all incoming new Members (“New Member(s)”) must first undergo criminal background checks for the safety and security of the Ranch Membership and Ranch Staff before the RANCH will Transfer the Membership into their name(s). These background checks will be conducted by an outside third party (“Company”) that will handle contacting the New Member(s), obtaining consent and personal identifying information, and reporting the results of the background check to the RANCH. The cost of the background check will be passed on to the incoming New Member(s) and payment must be received before the background check will be completed.

As this process can potentially result in the selling Member(s) (“Outgoing Member(s)”) transacting their personal property to the New Member(s), but the RANCH refusing to Transfer the Membership Interest in the RANCH to the New Member(s), the Board is implementing the following procedure for all Transfers of Membership, effective immediately:

1. When an Outgoing Member decides to sell/Transfer their Membership, they must first contact the Ranch Office.
2. The Ranch Office will send the Outgoing Member(s) a Transfer Packet with full details of the Transfer process and initiate an Architectural Compliance Inspection of the Outgoing Member’s Site.
 - a. If the Architectural Compliance Inspection **passes**, the Outgoing Member will be notified that their Site is “Approved for Transfer” and may be listed for Sale.
 - b. If the Architectural Compliance Inspection **does not pass**, the Outgoing Member will need to bring their Site into compliance and may not yet list their Site or Membership for sale.
3. Once the Outgoing Member(s)’s site has been **Approved for Transfer**, they may list their property on the Site and their Membership Interest for sale. Only after the Outgoing Member(s)’ Site has been Approved for Transfer may they post “For Sale” signs or list their site on the Black Mountain Ranch Website.
 - a. If the Outgoing Member(s) present a buyer (“Prospective Member(s)”) to the RANCH prior to the completion of the Architectural Compliance inspection, the RANCH will refuse to Transfer the Membership until the Architectural Compliance Inspection has passed and the Site is Approved for Transfer.
4. Once the Outgoing Member(s)’s Site has been **Approved for Transfer** and they have found Prospective Member(s) for their site, they must provide the name and contact information of their Prospective Member(s) to the RANCH. The RANCH will initiate the Prospective Member(s)’ background check:
 - a. The RANCH will contact the Prospective Member(s) and obtain their necessary contact information. The Ranch will also charge each Prospective Member at this time for the cost of performing the background check. Costs currently are thirty dollars (\$30) USD for US citizens and twenty-seven dollars (\$27) for Canadian

citizens, per each background check submitted. *This cost is subject to change based on charges by the Company.*

- b. The RANCH will provide the Company the name and email address of the Prospective Member.
 - c. The Company will contact the Prospective Member(s) and obtain their consent to conduct the background check along with any necessary personally identifying information.
 - d. The Company will provide the RANCH with the results of the background check. The Prospective Buyer(s) may request a copy of the background check if they so desire.
 - e. The RANCH will determine if the background check results pass their criteria for New Member(s).
 - f. The RANCH will notify the Outgoing Member(s) if the Prospective Member(s) is/are approved by the RANCH for Transfer of the Membership.
5. If the Prospective Member(s) **are approved** by the RANCH, the Outgoing Member(s) may then transact their property with their Prospective Buyer(s) with the understanding that the RANCH will likewise Transfer the Membership Interest to the Prospective Buyer(s). **Sale of Member(s) personal property to Prospective Buyer(s) before this time is strongly discouraged by the RANCH!**
6. If the Prospective Member(s) **are not approved** by the RANCH, the Outgoing Member(s) will need to find a new buyer(s) and have any new Prospective Member(s) re-apply for another background check(s), pursuant to #4 above.
7. If the Prospective Member(s) **are not approved by the RANCH, and the Outgoing Member(s) still transact their personal property** with the Prospective Member(s) who have been denied approval by the RANCH, the RANCH will not Transfer the Membership to the Prospective Buyers, and the Membership – and all dues and other obligations contained within these Bylaws and Rules – will remain in the Outgoing Member(s) name(s).
8. If the Outgoing Member(s) do not want to refund the sale of their personal property to the Prospective Member(s), The RANCH will allow the Outgoing Members(s) thirty (30) days to provide Temporary Guest passes to the Prospective Buyer(s) to remove their personal belongings from the RANCH property.
- a. Such guest passes will be limited to business hours (Monday through Friday, 9am-5pm) and only at such times that the RANCH has adequate Security staff to escort the Prospective Buyer(s) to the Outgoing Member(s) Site.
 - b. The Outgoing Member(s) will be responsible for paying all Temporary Guest pass fees.
 - c. The Prospective Buyer(s) are only allowed on site to remove their personal property from the Site; they may not stay overnight or use any of the RANCH facilities or services.

- d. The Outgoing Member(s) will be responsible for making sure the Prospective Buyer(s) follow all Black Mountain Ranch Bylaws and Rules and will be responsible for any violations of such by the Prospective Buyer(s).