

IMPORTANT NOTICE OF MEETING



August 22, 2010

All members and interested friends of Crocus Grove Sun Club are encouraged to attend an extremely important general meeting that will be held soon.

WHEN: Saturday, September 11, 2010 from 12:00 p.m. to 5:00 p.m.

WHERE: Army, Navy & Air Force #1 Legion, 300 - 1395 Ellice Avenue (Empress St. entrance).

At Crocus Grove Sun Club's last general meeting on May 2nd, 2010, members were presented with the broad outline for a plan to re-establish organized social nudism in Manitoba through the acquisition of new land to be held in trust and permanently designated for nudist use. This would ensure that what had happened to our club in April (the loss of the campground we had called home for 40 years) could never happen again. This plan was tentatively called The Legacy Project.

Your Executive Board and others have been working very hard over the past few months to turn The Legacy Project into a reality. We are pleased to report that *substantial* progress has been made (including the formation of a new non-profit corporation), and it's now time for us to share the details of that progress with the membership.

You will find the following material enclosed:

Meeting Agenda
Articles of Incorporation for Naturist Legacy Inc.
New By-laws for Naturist Legacy Inc.
Donor And Prepaid Member Agreement

This is going to be a very important and **very full** meeting, as you will note when you read the agenda. If you have any questions or concerns after reading the enclosed material, we would ask that you please share them with us **before** the meeting because time for addressing questions and concerns during the meeting will be very limited. If a number of you ask the same question or express the same concern privately, we will be sure to address that issue publicly at the meeting.

Please contact either of the following with your questions or concerns:

John Kundert
Mark Brown

QUESTIONS AND ANSWERS

Q: Why did you change your self-financing plan from no-interest loans to advance payment of membership fees?

A: Our lawyers have advised us that because Naturist Legacy Inc. is a non-profit corporation, there may be potential legal issues that could involve the Manitoba Securities Commission if we were to solicit loans from our members. We have therefore chosen to accept your pledges in the form of membership fees paid in advance. These advance fee payments will offer us the capital funding that we will need to purchase our land and construct our basic infrastructure.

Q: Rather than paying our membership fees in advance by writing a cheque for whatever amount we think we can afford, why not just allow us to pay our fees ahead by the year? In other words, why can't we simply pay for a 3 year or 5 year membership?

A: At this point we have no way to know for certain what the dollar values of our annual membership fees will be once we're in a position to start charging them, and so it's not possible for us to put a cost on extended memberships like you mentioned. Establishing our new fee structure will be influenced by factors that are currently unknown, such as how many members we will have at that time, and what the real costs were of our land purchase and the construction of our basic infrastructure.

Q: Why will those who have gifted at least \$1000.00 to the corporation or paid their fees forward at least \$1000.00 in advance be given extra votes at membership meetings?

A: It is our view that those who are willing and able to voluntarily provide us with the necessary capital needed to fund this project deserve a greater voice in how the corporation is run. They will therefore be granted extra votes proportionate to the level of their financial support.

Q: Why is a gift more valuable than paying membership fees in advance?

A: Naturist Legacy Inc. needs both capital funding to purchase land and build infrastructure, and yearly cash flow to pay recurring bills like hydro, insurance and property taxes. Each member who pays their membership in advance will assist us with capital funding, but at the same time they will remove themselves from contributing to Naturist Legacy's yearly cash flow until their advance payments are fully credited back to them (a process which may take years).

Those who make gifts, however, not only help us up front with capital funding which will not need to be credited back over time, but they'll also continue to pay their annual fees, which will help our yearly cash flow.

Q: What will happen to Crocus Grove Sun Club now that they have created Naturist Legacy Inc.?

A: Naturist Legacy Inc. will assume all day-to-day membership operations and financial oversight in order to avoid operational conflicts and overlaps in duties. While it's role may be changing, Crocus Grove Sun Club is **not** being eliminated. It remains an important and recognizable "brand," and it will continue to play an important role in it's advisory capacity to the corporation and with it's organization of social events.