

## DISCLOSURE GUIDE TO RCI POINTS NETWORK AUSTRALIA

### 1. DEFINITIONS

The capitalised terms in this Disclosure Guide to the RCI Points Network ("Disclosure Guide") shall be given the meanings set forth in the RCI Points Network Rules attached as Exhibit "A" to this Disclosure Guide.

### 2. SCOPE AND PURPOSE OF DISCLOSURE GUIDE

The Disclosure Guide is provided to explain the RCI Points Network exchange program ("Network") offered to Members by the Network Administrator. The Network includes the Reservation System through which Members exchange and reserve use of Vacation Time and RCI Points Partners Inventory. This Disclosure Guide is not intended to be an exhaustive description of a Member's rights and obligations within the Network. The Network Administrator should carefully review their Network Participation Agreement, the Rules and the other Network Documents in order to gain a full understanding of the terms, conditions, operation and use of the Network. The Network Administrator is the operator of the Network and is offering the Network as an exchange program. No government agency has approved or disapproved the merits of the exchange program.

### 3. THE EXCHANGE COMPANY

The Network Administrator is RCI Pacific Pty Ltd (ABN 46 084 640 933) ("RCIP") with its principal offices located at: Level 3, Waterside East Tower, Holden Place, Bundall, QLD 4217 AUSTRALIA

The Network is owned and operated by Resort Condominiums International, LLC ("RCI"), but all transactions will be processed at RCIP's principal office location. RCI is a wholly-owned subsidiary of Cendant Corporation, a Delaware corporation.

RCIP provides the Network, the External Exchange Program and other related services and benefits to Members.

RCIP is an independent exchange service company and is not owned, operated or controlled by an Affiliated Resort developer, seller, managing entity or vacation ownership plan participating in the Network or the External Exchange Program.

Any decision to purchase Vacation Time should be based primarily upon the benefits to be gained from the ownership, use and enjoyment of Vacation Time at the Affiliated Resort and not upon the anticipated benefits of the Network. The Affiliated Resort at which Vacation Time is purchased is solely responsible for its financial viability and the quality of its units, facilities, amenities, management and services.

### 4. PARTICIPATION IN THE NETWORK

The Network uses a Deposit system. By executing a Full Member Network Participation Agreement, the Member Deposits with the Network all rights of use, occupancy and enjoyment in respect to his or her Vacation Time, all rights, privileges and entitlements as the same relate to the use and enjoyment of such Vacation Time, and an exclusive easement over, on and to the Vacation Time, inclusive of rights of access, occupancy, use and enjoyment of the Vacation Time. The Member retains title to the Vacation Time, subject to this Deposit. The Deposit is for the benefit, use and enjoyment of the Network Administrator in accordance with the Network Documents. Any sale or transfer of a Member's Deposited Vacation Time shall be subject to the Network Participation Agreement. The Deposit shall be for a term equal to the stated term of the Member's Network Participation Agreement, subject to the Network Documents. However this term of the Participation Agreement will be a period of less than 3 years.

Participation in the Network is voluntary; provided, that where permissible under applicable law, membership in the Network may be a condition of purchasing Vacation Time. The rights of membership and term of such memberships may vary between Members. Membership in the Network may be offered for varying lengths of time.

The Deposit of Vacation Time and availability of RCI Points to a Member does not relieve a Member from his or her obligation to pay maintenance fees, assessments, taxes or other similar charges or fees relating to his or her Vacation Time, by whomsoever levied. Network privileges may be suspended, among other reasons, if a Member's Home Resort maintenance fee, assessment or similar charges

have not been paid when due. Special charges, user fees or government taxes that may not be required by a Member's Home Resort may be charged to the Member by an Affiliated Resort at which that Member obtains a Reservation. If so, it is the Member's obligation to pay those charges, fees or taxes, and not the obligation of the Network, the Network Administrator or any Affiliated Resort. The Network Participation Agreement between a Member and the Network Administrator is a separate and distinct agreement from any agreement that a Member may have with the developer or seller of a vacation plan to purchase or use Vacation Time.

### 5. NETWORK PROCEDURES AND OBLIGATIONS

The terms and conditions of a Member's contractual relationship with the Network and the procedures for utilising the Network are set forth in the Network Rules attached as Exhibit "A" to this Disclosure Guide.

THIS DISCLOSURE GUIDE AND THE NETWORK DOCUMENTS, INCLUDING THE RULES, ARE SUBJECT TO CHANGE BY THE NETWORK ADMINISTRATOR WITHOUT ADVANCE NOTICE, INCLUDING, BUT NOT LIMITED TO, FEES, BENEFITS AND RESERVATION PROCEDURES AND PRIORITIES.

### 6. NETWORK MEMBERSHIP FEES AND TRANSACTION FEES

(a) Membership Establishment Fee. To activate a new RCI Points Network membership, the prospective new member will be required to pay a membership establishment fee.

The 2006 Network Member Establishment Fee is: AUS\$299/NZD\$319.

(b) Network Membership Fees. Membership fees are payable to the Network each Use Year. The 2006 Network Fees are: AUS\$119/NZD\$132.

(c) Transaction Fees. Each time a Member makes a Transaction, including making a Reservation, canceling a Reservation, saving, borrowing and transferring RCI Points, making an External Exchange Reservation, the Member will be charged a Transaction fee.

The 2006 Transaction Fees are:

(d) General Transaction Fees:

Vacation Time Reservations:

Home Week Priority: No charge

Home Resort Priority: No charge

Other Vacation Time Reservations:

Vacation Time Reservations:

For 5 night or greater stay: AUS\$99/NZD\$110

For 4 nights or less: AUS\$21 per night/NZD\$23 per night

RCI Points Partners Inventory Reservation: AUS\$25/NZD\$29

Hotel/Entertainment and Day Experiences: AUS\$49/NZD\$54

Airfares and Car Hire: AUS\$49/NZD\$54

Cruise: AUS\$69/NZD\$76

Guest Certificate: No charge

Transferring Points: AUS\$29/NZD\$32

Borrowing Points: No charge

Saving Points: No charge

External Exchange Program Transaction Fees:

Domestic and Trans-Tasman

External Exchange: AUS\$99/NZD\$110

International External Exchange: AUS\$99/NZD\$110

*All prices listed are inclusive of Australian and New Zealand GST.*

The transaction fees may vary for corporate participation or other programs offered by or through the Network Administrator. From time to time, in order for the Network Administrator to obtain more favorable inventory for its Members, the Network Administrator may waive certain fees. In addition, the Network Administrator may increase or decrease any fees. Members will be advised by the Network Administrator of any fee changes pursuant to the same means by which the Network Administrator informs Members as to amendments to the Rules. Finally, the Network Administrator reserves the right to charge fees in addition to those outlined above, including fees relating to a non-Member's (i.e., guest) use of a Member's RCI Points.

The estimated future cost to a Member of participation in the Network is equal to the Network Membership Fees multiplied by the term of years set forth in the Member's Network Participation Agreement minus one year, plus any transaction fees incurred over the duration of the term. The future cost to the Member of participation in the Network is subject to the

Network Administrator's right to increase or decrease fees or to impose additional fees.

### 7. AFFILIATED RESORTS

Additions or deletions of Affiliated Resorts to the Network are at the sole discretion of the Network Administrator. In making additions of Affiliated Resorts, the Network Administrator may consider factors such as size, location, and quality of the resort and its accommodations. For the calendar year ending 1999 RCI has 3,605 Affiliated Resorts.

### EXHIBIT "A" RCI POINTS NETWORK RULES

#### 1. DEFINITIONS.

The following words in these RCI Points Network Rules ("Rules") shall be given the following meanings:

(a) Affiliated Resort means a Home Resort or Home Group, which has a current Affiliation Agreement with the Network Administrator.

(b) Associate Member means a person, other than a Full Member, whose ability to participate in the Network is set forth in an Associate Member Network Participation Agreement between the person and the Network Administrator.

(c) Daily/Split Reservation means a Reservation of Vacation Time that is less than or greater than seven (7) nights.

(d) Deposit means the deposit or assignment into the Network Depository by a Full Member, pursuant to a Full Member Network Participation Agreement, of Vacation Time for use and Reservation by Members.

(e) External Exchange means the exchange of Vacation Time by a Member through the External Exchange Program.

(f) External Exchange Program means the timeshare exchange program owned and operated by Resort Condominiums International, LLC, known as the RCI Exchange Program, pursuant to which a Member may exchange RCI Points for Vacation Time in the RCI Spacebank®.

(g) Fixed Vacation Time means Vacation Time for which a particular Member has the exclusive right, pursuant to his purchase documentation, to use a specific Unit or a Unit week. Fixed Vacation Time does not include Floating Time.

(h) Floating Time means Vacation Time for which a particular Member has a right to reserve the Vacation Time on a space available, first come, first-served basis.

(i) Full Member means a person who during the relevant period has Deposited Vacation Time in the Network Depository and whose Network Participation Agreement has been accepted by the Network Administrator.

(j) RCI Points mean the Reservation value allocated by the Network Administrator from time to time to Vacation Time and RCI Points Partners Inventory, as well as the Reservation rights allocated by the Network Administrator from time to time to Members.

(k) Home Group means a group of resorts which the Network Administrator has determined qualifies as a Home Group.

(l) Home Group Priority Period means, for any particular Vacation Time, the period beginning 334 days and ending 304 days (approximately 11 to 10 months) prior to the first day of occupancy.

(m) Home Resort means an Affiliated Resort at which a Member owns Vacation Time or an Affiliated Resort at which a Member is assigned Vacation Time by the Member's Home Group to Deposit with the Network.

(n) Home Resort Priority Period means, for any particular Vacation Time, the period beginning 365 days and ending 335 days (approximately 12 to 11 months) prior to the first day of occupancy.

(o) Home Week Priority Period means, with respect to any particular Fixed Vacation Time, the period beginning 396 days and ending 366 days (approximately 13 to 12 months) prior to the first day of occupancy of such Fixed Vacation Time.

(p) Member includes Full Members and Associate Members.

(q) Network means the Reservation System operated by the Network Administrator pursuant to which Members may make Reservations of Vacation Time and Units of RCI Points Partners Inventory.

(r) Network Administrator means RCI Pacific Pty Ltd (ABN 64 084 640 933) ("RCIP") and its successors or assigns in interest.

(s) Affiliation Agreement means the agreement between the

Network Administrator and a timeshare resort or club pursuant to which that resort or club becomes an Affiliated Resort.

(t) Network Depository means that certain operation owned and operated by the Network Administrator.

(u) Network Documents means only those documents adopted by the Network Administrator as amended from time to time, including these Network Rules, the Network Disclosure Guide, the Network Procedures Manual, the External Exchange Program terms and conditions, any Network directory or magazine, the Affiliation Agreement and the Network Participation Agreement.

(v) Network Membership Fees means the annual fee payable by a Member to participate in the Network.

(w) Network Internal Use means the occupancy, enjoyment and use by a Member of Vacation Time or a Unit of RCI Points Partners Inventory by means of the Reservation System.

(x) Network Participation Agreement means the form or forms prescribed by the Network Administrator for the enrollment of Members in the Network.

(y) RCI Points Partners Inventory means benefits, other than Vacation Time at an Affiliated Resort, which the Network Administrator may make available to Members.

(z) Network Procedures Manual means any manual(s) of policies and/or procedures, including these Rules governing Members use of the Reservation System, as published and amended by the Network Administrator from time to time.

(aa) Reservation means a right of a Member for a particular Network Internal Use.

(bb) Reservation System means the method, means or system set forth in the Network Documents pursuant, which Members may obtain a Reservation.

(cc) Standard Reservation Period means, with respect to any particular Vacation Time, the period beginning 303 days (approximately 10 months) prior to the first day of that Vacation Time.

(dd) Transaction means a Reservation request, including but not limited to any Daily/Split Reservation request, the saving of RCI Points, the transferring of RCI Points, the borrowing of RCI Points, the renting of RCI Points, wait list entry, Reservation cancellation and an External Exchange request.

(ee) Unit means any good, service, benefit, or movable or immovable property designed for separate occupancy, including but not limited to any apartment, condominium or cooperative unit, cabin, lodge, hotel or motel room, campground or other private or commercial structure or improvement, whether movable or immovable property, and whether situated on real or personal property. The Network Administrator may provide access to both Units at Affiliated Resorts and Units of RCI Points Partners Inventory.

(ff) Use Year means an annual recurring twelve (12) month period.

(gg) Vacation Time means recurring weeks, days or other increments of time, including occupancy rights allocated by points or timeshare interests (or parts thereof), whether such Vacation Time is owned by such Member as a real estate interest or as a right to use interest.

## 2. APPLICABILITY.

Each Member and guest by use of the Network acknowledges: The Network is not a corporation, legal entity or association of any kind. Instead, the Network is the service name given to the variety of exchange, reservation and use services and related benefits offered from time to time by the Network Administrator, together with such additional services as the Network Administrator may arrange through additional agreements with other service providers. The services to be provided include the operation of the Reservation System and the Network Depository, through which Members exchange and reserve use of Vacation Time and RCI Points Partners Inventory.

## 3. CONDITIONS TO PARTICIPATION.

(a) Prerequisites. In order for any person to make a Reservation in the Network, the following conditions must be met:

(i) For Full Members:

(1) The person must have entered into a current Full Member Network Participation Agreement with the Network Administrator, which has been accepted by the Network Administrator;

(2) The Vacation Time sought to be Deposited or which

has been Deposited must be at an Affiliated Resort in good standing with the Network; and

(3) The applicable Network Membership Fees must have been submitted to the Network Administrator by, or on behalf of, the person.

(ii) For Associate Members:

(1) The person must have entered into a current Associate Member Network Participation Agreement with the Network Administrator, which has been accepted by the Network Administrator; and

(2) The applicable Network Membership Fees must have been submitted to the Network Administrator by, or on behalf of, the person.

(b) Network Fees. Each Member is required to pay Network Membership Fees in an amount determined by the Network Administrator. The Network Membership Fees may vary from time to time and among Members. As to any Full Member, his Network Membership Fees will also include a subscription to the External Exchange Program.

(c) Membership Establishment Fee. The Network Administrator reserves the right to charge a Member a royalty fee payable upon commencement of his membership. The amount may vary from time to time and among Members.

## 4. RCI POINT VALUATION.

All Vacation Time and Units of RCI Points Partners Inventory will be assigned a RCI Point value by the Network Administrator. The value assigned to Vacation Time will be based upon such factors as determined by the Network Administrator, including supply and demand for Units at the Affiliated Resort, Unit type, seasonality, and historical occupancy percentages and amenities at the Affiliated Resort. The Network Administrator may revalue Vacation Time and Units of RCI Points Partners Inventory from time to time, which may lead to an increase or decrease in the assigned RCI Point value for that Vacation Time or Unit of RCI Points Partners Inventory.

## 5. RCI POINTS ALLOCATION, USE YEAR.

(a) For administrative convenience in the operation of the Network and in the determination of the respective rights of Members, Members are allocated a certain number of RCI Points. Each Full Member shall receive a certain number of RCI Points in exchange for Deposit of Vacation Time into the Network Depository. Each Associate Member shall receive a certain number of RCI Points upon fulfilling the conditions set forth in his Network Participation Agreement. RCI Points are symbolic of the power to make a Reservation for the use and enjoyment of Vacation Time and RCI Points Partners Inventory through the Network during a particular Use Year.

(b) The initial allocation of RCI Points to a Member is established when a person becomes a Member of the Network. Subsequent allocations will occur upon the Deposit of additional Vacation Time. Once a Member has been assigned RCI Points, such amount will not change, and Members will be allocated the same number of RCI Points each Use Year. Notwithstanding the foregoing, if a Member Deposited Fixed Vacation Time and the Network Administrator increases or decreases the RCI Point value of that Vacation Time, the RCI Points allocated to that Member will increase or decrease by the same amount. If a Member Deposited other than Fixed Vacation Time and the Network Administrator increases or decreases the RCI Point value of that Vacation Time, the Network Administrator may, in its discretion, increase or decrease the RCI Points allocated to that Member for a period of time or for purposes of making certain Reservations.

(c) The number of RCI Points which a Full Member receives annually is the aggregate of RCI Points allocated to the Member. The number of RCI Points which an Associate Member receives annually is the amount set forth in the Associate Member's Network Participation Agreement.

(d) The Use Year for each Full Member shall be an annual recurring twelve (12) month period. The Use Year for an Associate Member shall be the period set forth in the Associate Member's Network Participation Agreement. A Member's Use Year shall begin on the date determined in accordance with the procedures set by the Network Administrator.

IF WITHIN A GIVEN USE YEAR A MEMBER DOES NOT MAKE A RESERVATION WITHIN THE NETWORK AND THAT MEMBER OTHERWISE FAILS TO USE ANY OR

ALL ASSIGNED RCI POINTS DURING THAT USE YEAR (INCLUDING TRANSFERRING THOSE RCI POINTS) AND THOSE RCI POINTS ARE NOT ELIGIBLE TO BE SAVED (AND AS A RESULT ARE NOT SAVED), THE MEMBER LOSES THE USE OF THOSE RCI POINTS (AND ANY DEPOSITED VACATION TIME) AND THE OUTSTANDING RCI POINTS EXPIRE.

## 6. RESERVATIONS.

(a) Reservation Requests. A Member may request a Reservation any time after the Network Administrator accepts that Member's Network Participation Agreement. A Member shall only be permitted to make a Reservation through the Network if the Member is current in any and all obligations owed to the Network Administrator, his membership is otherwise valid and he is otherwise in compliance with the Network Documents. RCI Points Partners must be booked at least 21 days in advance.

(b) RCI Points Usage, Priority. In order to make a Reservation for use of particular Vacation Time or of a Unit of RCI Points Partners Inventory during any Use Year, a Member may only use RCI Points allocated in that Use Year and any RCI Points saved, borrowed, transferred or rented in or into that Use Year. A Member may make a Reservation for use of Vacation Time or a Unit of RCI Points Partners Inventory in any future Use Year; provided that Use Year is within the term of the Member's Network Participation Agreement. RCI Points shall be used in the following order: saved, current, rented, transferred saved, transferred current, and transferred rented. Limited Use Points may only be used to make a Reservation of Vacation Time at an Affiliated Resort 90 days or less prior to the start of that Vacation Time.

(c) Reservation Periods. The Network contains a variety of Reservation periods.

(i) Home Week Priority Period. The Home Week Priority Period is designed to support a Full Member's use of his Fixed Vacation Time. During the Home Week Priority Period, a Member who Deposited Fixed Vacation Time has the exclusive right to reserve the use of that Vacation Time, subject to the Network Documents. The Home Week Priority Period is 396 days to 366 days (approximately 13 to 12 months) prior to the first day of occupancy of the Fixed Vacation Time.

(ii) Home Resort Priority Period. The Home Resort Priority Period is designed to support a Full Member's use of Vacation Time at his Home Resort. During this period, Reservations of Vacation Time in the Home Resort are available on a first come first served basis with only Full Members who Deposited Vacation Time at that Home Resort eligible to make a Reservation. The Home Resort Priority Period is 365 days to 335 days (approximately 12 to 11 months) in advance of the start date of the relevant Vacation Time. If a Member makes a week-long Home Resort Priority at an Affiliated Resort where that Member deposited Floating Time and the Reservation is during his floating use period, then the Member will use his entire allocation of RCI Points arising out of that Vacation Time to make that Reservation. If the Member's total number of allocated RCI Points is not sufficient to make the Reservation, the Network Administrator will still allow the Member to make that Reservation, deducting only the number of RCI Points to the member allocated as a result of that Vacation Time.

(iii) Home Group Priority Period. The Home Group Priority Reservation Period is designed to support a Full Member's use of Vacation Time at resorts in his Home Group (or the continued use of his Home Resort if his Home Resort is not part of a Home Group). During this period, Reservations of Vacation Time in the Home Group are available on a first come first served basis with only Full Members who Deposited Vacation Time in that Home Group eligible to make a Reservation. The Home Group Priority Period is 334 days to 304 days (approximately 11 to 10 months) prior to the start date.

(iv) Standard Reservation Period. The Standard Reservation Period is the time period during which all Vacation Time at Affiliated Resorts becomes available for Reservation by all Members on a first come, first served basis. The Standard Reservation Period begins 303 days (approximately 10 months) in advance of the start date of the relevant Vacation Time.

(v) Nonstandard Periods. The Network Administrator reserves the right to designate for a particular Affiliated Resort or specific Vacation Time a different Home Week Priority Period, Home Resort Priority Period, Home Group Priority Period or

Standard Reservation Period than that provided for above.

(d) Priority Reservations. A Member may only use up to the number of RCI Points allocated to him from his deposit of particular Vacation Time, in order to make a Reservation of Vacation Time during the Home Week Priority Period and Home Resort Priority Period relating to that Vacation Time. So long as the number of RCI Points used to make the Home Week Priority or Home Resort Priority are equal to or less than the number of RCI Points allocated to the Member as a result of the deposit of the relevant Vacation Time, the actual source of the RCI Points is not relevant. Thus, a Member may use transferred or borrowed RCI Points for a Home Week Priority, if he had previously used current RCI Points for another Reservation.

(e) Daily/ Split Reservations. A Daily/ Split Reservation entitles the Member who obtains such a Reservation to use a Unit at an Affiliated Resort on less than or more than a full week basis, including daily use or split week use. Minimum lengths of stay and the Reservation window applicable to a Daily/ Split Reservation will be determined by the Network Administrator for each Affiliated Resort. A Member may not make a Daily/ Split Reservation during the Home Week Priority Period and the Home Resort Priority Period. Daily and Split Reservations are only available at participating resorts. An additional cleaning and incidentals charge may be required, this charge will be collected at the resort and payable by the member.

ALL VACATION TIME AT AFFILIATED RESORTS AND UNITS OF RCI POINTS PARTNERS INVENTORY ARE SUBJECT TO AVAILABILITY BASED UPON ALLOCATION OF RCI POINTS TO A RESPECTIVE MEMBER AND AS DETERMINED BY THE NETWORK ADMINISTRATOR IN ACCORDANCE WITH THE NETWORK DOCUMENTS. ALL RESERVATIONS, WITH THE EXCEPTION OF DURING THE HOME WEEK PRIORITY PERIOD, ARE ON A SPACE AVAILABLE, FIRST COME, FIRST SERVED BASIS. ALL RESERVATIONS ARE CONTINGENT UPON THE MEMBER REQUESTING THE RESERVATION AND HAVING SUFFICIENT RCI POINTS TO OBTAIN THE DESIRED VACATION TIME OR RCI POINTS PARTNERS INVENTORY. BLACKOUT DATES MAY APPLY AT SOME RESORTS AND WITH RESPECT TO SOME RCI POINTS PARTNERS INVENTORY. THE NETWORK ADMINISTRATOR CANNOT ENSURE THE AVAILABILITY OF A RESERVATION OF ANY SPECIFIC VACATION TIME THROUGH THE NETWORK, AS AVAILABILITY WILL VARY. THE EARLIER A RESERVATION IS REQUESTED, THE BETTER THE POSSIBILITY THAT A CONFIRMED RESERVATION CAN BE OBTAINED.

(f) Making a Reservation, Confirmation. Reservations may be made in person, by mail, by facsimile or by telephone. Reservation requests are to be made to the Network Administrator as follows:

- (1) By telephone: Aus 1300 36 9476 NZ 0800 56 9476
- (2) By facsimile: Aus 1300 659463 NZ 0800 469476
- (3) By mail: RCI Pacific Pty Ltd PO Box 6495 GCMC QLD 9726 AUSTRALIA
- (4) In person: RCI Pacific Pty Ltd, Level 3, Waterside East Tower, Holden Place Bundall Qld AUSTRALIA
- (5) By Email: info@rcipoints.com.au info@rcipoints.co.nz

Written confirmation, including a written confirmation number, will be returned to the requesting Member upon confirmation of a Reservation. Written confirmations must be presented upon check-in or, if not available, then a confirmation number must be provided.

(g) Alternate Reservation Procedure (Floating Time). The Network Administrator may determine that for certain Affiliated Resorts that the Home Week, Home Resort or Home Group Reservations be made directly with the Home Resort or Home Group. In that case, a Member will make only those Reservations with the Home Resort or Home Group, with all other Reservations made with the Network Administrator.

## 7. RESERVATION SYSTEM PRIORITIES.

The Network Administrator's ability to provide a confirmed Reservation for Members, except as provided below, is based upon: (i) the availability of Vacation Time Deposited by Full Members in the Network or RCI Points Partners Inventory otherwise obtained by the Network Administrator and (ii) the Member having a sufficient number of RCI Points to obtain the desired Vacation Time or RCI Points Partners Inventory. To make a Reservation through the Network, a Member

must have the necessary RCI Points to reserve the desired Vacation Time or obtain the RCI Points Partners Inventory. Neither the Network Administrator nor resort personnel may represent that specific resort choices, any additional benefits and/or specific Vacation Time can be guaranteed through the Network.

Members requesting a Reservation at their Home Resort or Home Group may receive priority over other Members who do not own Vacation Time at that Home Resort or Home Group. Reservation requests can only be honored if sufficient RCI Points in relation to the desired Vacation Time or RCI Points Partners Inventory are available to the Member making the Reservation request. Other limitations, restrictions and priorities may be employed in the operation of the Network, including limitations based on seasonality, Unit size or other factors. These limitations may not be uniformly applied and as a result certain Vacation Time or RCI Points Partners Inventory may be restricted in availability based upon applicable priorities and classification grouping of resorts, Vacation Time or benefits. The Network Administrator may set aside Deposited Vacation Time to match bulk and other Reservation requests and other demand needs. In the event such Reservations are not confirmed, the Vacation Time will be utilized to confirm other Reservations. Demand and supply and, therefore, RCI Points allocated to Vacation Time, may be influenced by many different factors. Location, quality, timing, region and comparability are among those factors, any or all of which may change constantly.

To increase the likelihood that specific resort choices and Vacation Time may be confirmed, Members are encouraged to submit a Reservation request as far as possible in advance of requested Vacation Time.

## 8. TRANSACTION FEES.

Each time a Member requests a Transaction, the Network Administrator will collect the applicable Transaction fee. Transaction fees are established by the Network Administrator and may change from time to time and among Members.

## 9. BORROWING RCI POINTS.

A Member may borrow RCI Points from the next succeeding Use Year so long as that Use Year is within the term of the Member's Network Participation Agreement. The borrowing of RCI Points and the use of borrowed RCI Points may be suspended or otherwise limited by the Network Administrator from time to time.

## 10. SAVING RCI POINTS.

(a) At any time, a Member may elect to save RCI Points allocated to him in the current Use Year into the subsequent Use Year for purposes of making a Reservation in that subsequent Use Year. If RCI Points are saved, used for a Reservation and such Reservation is then cancelled, the saved RCI Points shall remain in the Use Year into which saved. Rented RCI Points, Limited Use Points and RCI Points that have been previously saved cannot be saved into the next Use Year.

(b) If a Member has not used all of his RCI Points by the end of a Use Year, the RCI Points eligible to be saved will be automatically saved into the Member's next Use Year. RCI Points that have been saved must be used in the Use Year into which they were saved. Thus, if RCI Points are not used in the Use Year in which they have been saved, they will expire. Saved RCI Points may be transferred to another Member, but those RCI Points are usable only within the transferee Member's current Use Year and may not be saved again. The saving of RCI Points and the use of saved RCI Points may be suspended or otherwise limited by the Network Administrator from time to time.

## 11. TRANSFERRING RCI POINTS.

A Member may transfer his or her RCI Points to another Member for use in the transferee Member's Use Year. The transferee Member may transfer transferred RCI Points back to the transferor Member, but not to another Member. In order to transfer RCI Points, the Network Administrator must have received a completed authorization, in the form established by the Network Administrator. If a Reservation fulfilled through the use of transferred RCI Points is cancelled, such transferred RCI Points shall be returned to the account of the Member who made the Reservation. Limited Use Points may not be transferred. The transferring of RCI Points and the use

of transferred RCI Points may be suspended or otherwise limited by the Network Administrator from time to time.

## 12. RENTING RCI POINTS.

The Network Administrator may, in its discretion, offer Members the opportunity to rent RCI Points for use in a particular Use Year. The rental rate for RCI Points is determined by the Network Administrator and may change from time to time. Rented RCI Points may only be used in the current Use Year and cannot be saved nor transferred. The Network Administrator reserves the right to restrict the total number of RCI Points that can be rented within the Network in any one Use Year, the total number able to be rented by a Member during a Use Year, and/or the Reservations for which rented RCI Points can be used. Payment must be made by the Member renting such RCI Points at the time of rental. The renting of RCI Points may be suspended or otherwise limited by the Network Administrator from time to time.

## 13. CANCELLATIONS.

If a Member or guest cancels a Reservation there will be no refund of the Transaction fee charged. The amount of RCI Points refunded and the restriction upon the use of those RCI Points, if any, depends upon the type of Reservation that is cancelled.

(a) Vacation Time at an Affiliated Resort. If a Member or guest cancels a Reservation for Vacation Time at an Affiliated Resort 90 days or more before the start time of the Vacation Time, the Member will receive a full refund of the RCI Points used to make that Reservation. If a Member or guest cancels a Reservation for Vacation Time at an Affiliated Resort on or after 89 days before the start time of the Vacation Time, the Member will receive a full refund of the RCI Points used to make that Reservation; however, the refunded RCI Points will be Limited Use Points.

(b) RCI Points Partners Inventory. If a Member or guest cancels a Reservation of RCI Points Partners Inventory, the time period between the date of cancellation and the start date of the RCI Points Partners Inventory will determine the number of RCI Points refunded to the Member. If the RCI Points Partners Inventory consists of a certificate received by the Member from the RCI Points Partners, the Member may only cancel that certificate in accordance with the terms of the certificate, and the Member will not receive a refund of RCI Points.

(c) Other Cancellations. A Member will not receive an RCI Points refund for a cancellation by the Network Administrator pursuant to Rule 18(f). A cancellation of an External Exchange Reservation is governed by the terms and conditions of the External Exchange Program, as discussed in Rule 15 below.

## 14. WAIT LISTS.

The Network Administrator may establish wait lists for particular Vacation Time. Only Members current in the payment of Network Fees and all other amounts as may be owed respecting the Network may be placed on a wait list. The Network Administrator reserves the right to limit the number of Members that may be on any wait list.

## 15. EXTERNAL EXCHANGE PROGRAM.

Members will have access to the External Exchange Program. A Member may make a Reservation of available External Exchange inventory upon redemption of the number of RCI Points set forth in External Exchange grids published by the Network Administrator. If an External Exchange is requested and space is unavailable, the Member may submit an ongoing request. RCI Points are deducted at the time the Reservation is made. If a Member cancels an External Exchange Program Reservation, the RCI Points used to make that Reservation are not refunded to the Member. Instead, the Member may, in accordance with the terms and conditions of the External Exchange Program, reserve substitute Vacation Time in the External Exchange Program. The standard terms and conditions of the External Exchange Program, in addition to these Rules, apply to an External Exchange. If there is a conflict between the Rules and the terms and conditions of the External Exchange Program, these Rules shall control.

## 16. GUESTS.

A Member may arrange use of Vacation Time and of RCI Points Partners Inventory by a guest. Reservations for guests must be made by the Member and may be made in the guest's name.



## 17. RCI POINTS PARTNERS INVENTORY.

The Network Administrator anticipates the offering of RCI Points Partners Inventory. The Network Administrator shall not be required to make RCI Points Partners Inventory available, but may do so in its discretion. Members of the Network may have the option to use their RCI Points to book airline reservations, rental cars, cruises and hotel stays as may be made available by the Network Administrator. Each of these Transactions may require a combination of fees paid and RCI Points used. Limited Use Points may not be used to make Reservations of RCI Points Partners Inventory.

## 18. ADMINISTRATION.

(a) Records, Statements. The Network Administrator will maintain records of all Reservations, use and allocation of RCI Points. The Network Administrator will make available to each Member a RCI Points Statement, on a Use Year basis, which shall contain the activity of the Member for the prior Use Year.

(b) Late Check-In. Unless a Member informs the Network Administrator or check-in desk at a particular resort that they anticipate checking in at the resort later than the arrival time designated within a confirmed Reservation, the arriving Member risks forfeiture of such Reservation and the RCI Points used to make such Reservation, consistent with Rule 13.

(c) Applicable Limitations. Various limitations exist for Affiliated Resorts and with respect to RCI Points Partners Inventory (e.g., occupancy limitations, baggage limitations). Applicable occupancy limitations shall be observed by each Member and guest.

(d) Separation of Network, Vacation Time and RCI Points Partners Inventory. The Network, the Affiliated Resorts and the providers of RCI Points Partners Inventory are separate and distinct entities and the services provided by the Network are separate and distinct from the products or services that are sold by or on behalf of the Affiliated Resort and RCI Points Partners Inventory provider. While the Network Administrator may have entered into an Affiliation Agreement with a Home Resort or Home Group or an agreement with an RCI Points Partners Inventory provider, the Network Administrator does not have the ability to control the operations of the Home Resort or Home Group or the RCI Points Partners. Thus, the Network Administrator cannot be responsible or liable for the actions or omissions of Affiliated Resorts or of RCI Points Partners Inventory providers.

(e) Information on Affiliated Resorts and RCI Points Partners Inventory. Information about Affiliated Resorts and RCI Points Partners Inventory provided by the Network is based on information obtained from Affiliated Resorts and RCI Points Partners Inventory providers. While the Network Administrator will make reasonable efforts to ensure that information provided by the Network to the Members is accurate and complete as of the date such information is published by the Network, RCI expressly disclaims any liability for inaccurate, incomplete or misleading information concerning any Affiliated Resort or RCI Points Partners Inventory.

(f) Cancellation by Network Administrator. Reservations may be cancelled by the Network Administrator in respect to any resort which ceases to be an Affiliated Resort. Upon any such cancellation, the relevant RCI Points will be returned to the Member. The Network Administrator may also cancel a Reservation due to a natural disaster, act of God, civil unrest or other unforeseeable circumstance outside the control of the Network Administrator which renders the Unit uninhabitable or unusable. Upon any such cancellation, the Member will not receive a refund of RCI Points used for that Reservation. In addition, the Network Administrator may cancel a Reservation following the suspension or termination of a Member's membership in the Network. Upon any such cancellation, the Member will not receive a refund of RCI Points used for that Reservation.

(g) Withdrawal of Benefits. The Network Administrator may withdraw benefits, including Vacation Time at Affiliated Resorts and Units of RCI Points Partners Inventory, or suspend or terminate the affiliation of Home Resorts or Home Groups with the Network in accordance with the following:

(i) A resort may be terminated as an Affiliated Resort if it is not operated in a commercial or reasonable manner that enables it to meet its obligations or is otherwise not in compliance with the rules, regulations, policies and procedures of the Network or the termination of the Affiliation Agreement;

(ii) If a resort is destroyed or condemned or otherwise not suitable for use, the Resort may be withdrawn from

the Network;

(iii) If the legal existence of the property regime at the resort is terminated, then the resort may be withdrawn;

(iv) In the event the Affiliation Agreement is terminated or expires, or the Affiliated Resort is otherwise terminated from its relationship with the Network, the Affiliated Resort will no longer be considered an Affiliated Resort. In such event, the Network Administrator shall use reasonable efforts to seek to make available alternative accommodations for Members whose confirmed Reservations are cancelled; provided, the Network Administrator has no obligation to reimburse a Member for any cost or expenses or otherwise satisfy specific requests;

(v) In the event that the agreement between the RCI Points Partners Inventory provider and the Network either expires or is terminated; or

(vi) In the event that the Network Administrator terminates the operation of the Network.

(h) Re-Enrollment. If a Member's membership terminates or is terminated by the Network Administrator for any reason, and the Member desires re-enrollment in the Network, the Member must execute a new Network Participation Agreement. The Member's re-enrollment is subject to the Network Administrator's right to refuse any Participation Agreement and the applicable fees that are presented to it.

(i) Non-Commercial Use. Network use by a guest or a Member may not be for commercial purposes, including rental or sale.

(j) Failure to Pay. Network Fees shall be paid when billed by the Network Administrator. If not paid within thirty (30) days after date of the bill, Network Fees will accrue interest at 1\_% per month (18% per annum) and a late fee in an amount of AUSD\$10.00.

(k) Additional Fees, Damages. Members are responsible for payment of applicable taxes, personal expenses, utility charges, security deposits and other fees or charges levied with respect to Vacation Time at an Affiliated Resort or a Unit of RCI Points Partners Inventory. Members are also responsible for any damages caused by themselves or their guests.

(l) Monitoring. Communications to and from representatives of the Network may be recorded for training or quality control purposes.

(m) Additional Products, Services. Representatives of the Network may on occasion offer products and services through telephone solicitations. By participating in the Network, each Member consents to such solicitation, including but not limited to solicitation through automatic dialing equipment and/or pre-recorded messages. Further, each Member consents to being informed of such products and services even if his membership has been suspended or has otherwise expired or been terminated.

## 19. MEMBER SUSPENSION AND TERMINATION.

(a) Suspension. A Member may be suspended by the Network Administrator from participation in the Network and use of his allocated RCI Points if:

(b) the Member breaches any provision of the Network Documents or these Rules;

(ii) the Member fails to pay any fees due and owing respecting the Network or any Affiliated Resort, including resort maintenance fees at such resort;

(iii) the Member fails to remain current in the payment of any purchase money obligations respecting Vacation Time Deposited by that Member; or

(iv) the Affiliated Resort associated with the Member's Deposited Vacation Time is not then in good standing with the Network. If a Member is suspended, the Member may not avail him or herself of the benefits of the Network, inclusive of the following:

(i) the Member may not obtain Reservations;

(ii) the Network Administrator may cancel confirmed Reservations and remove the Member from any wait lists; and

(iii) the Member may not be allocated RCI Points for a respective Use Year during suspension.

Any suspension of use of RCI Points shall not release a Member nor his Vacation Time from the Network Participation Agreement.

(b) Termination. The Network Administrator may terminate a person's membership or a particular Network Participation Agreement upon the occurrence of any of the following:

(i) upon the termination or expiration of all the Member's outstanding Network Participation Agreements;

(ii) following suspension if the Member fails to cure the reasons for such suspension within such time as determined by the Network Administrator;

(iii) in the event that the Network terminates, all memberships shall terminate; or

(iv) the Affiliated Resort at which the Member Deposited his Vacation Time is no longer an Affiliated Resort.

Notwithstanding the termination of the Member, all fees and other amounts owing to the Network Administrator by such Member shall be immediately due and payable to the Network Administrator. Upon termination, use rights associated with the Vacation Time will remain subject to the assignment to the Network pursuant to the terms of the relevant Network Participation Agreement, unless released by the Network Administrator.

## 20. MEMBER WITHDRAWAL.

A Member may not withdraw from the Network until the expiration of all of the Member's outstanding Network Participation Agreements.

## 21. LIMITATION OF LIABILITY.

The Network liability, including the liability of the Network Administrator, to a Member or guest with respect to their use of or inability to use the Network shall be limited to the fees paid to the Network Administrator for the relevant use. In no case shall the Network or the Network Administrator be liable for special, consequential or punitive damages.

## 22. RIGHTS OF NETWORK ADMINISTRATOR.

The Network Administrator may waive the application of any requirement, including Transaction fees, otherwise existing in the Network Documents. When a Member uses his RCI Points to make a Reservation of RCI Points Partners Inventory, those RCI Points are assigned to the Network Administrator for its use in promoting and operating the Network. The Network Administrator may use those RCI Points to make a Reservation of Vacation Time, to make those RCI Points available for Associate Members, or to otherwise use or dispose of those RCI Points. Based upon anticipated demand, the Network Administrator may exchange Vacation Time in the Network Depository for Vacation Time in the External Exchange Program. Further, the Network Administrator may, at any time, dispose of Vacation Time it reasonably determines will likely go unused, and the Network Administrator may dispose of any Vacation Time that is not the subject of a Reservation ninety (90) days prior to the start date of that Vacation Time. Finally, the Network Administrator may, in its sole discretion, accept or reject any Network Participation Agreement.

## 23. NETWORK INTEGRITY.

In addition to all other rights provided to the Network Administrator in the Network Documents, the Network Administrator shall have the right to take such actions, as determined by the Network Administrator in its discretion, to ensure the continuing integrity of the Network. Such actions may include, but not be limited to, restricting Members' ability to access RCI Points Partners Inventory, restricting the timing or amount of RCI Points that may be saved, borrowed, transferred or rented, and adjusting the RCI Point value of Vacation Time and of Units of RCI Points Partners Inventory.

## 24. AMENDMENT.

The Network Administrator may amend these Rules at any time. Notice of any amendment affecting Members shall be delivered by the Network Administrator to each Member at the last known mailing address as set forth in the records of the Network Administrator. Alternatively, notice of amendments may be made by newsletter, publication or annual mailings. An amendment to any Network Documents will be effective on publication or mailing.

## 25. EXCLUSIVE JURISDICTION.

These Rules shall be governed exclusively by the laws of New South Wales. Any action at law or in equity by a Member or guest to seek any remedy against the Network or the Network Administrator must be submitted exclusively to the jurisdiction of the courts of New South Wales. In the event an action at law or in equity is initiated by a Member or guest and the Network prevails, that Member or guest shall pay all costs incurred by the Network in defending such action, including reasonable legal fees.