

TERMS AND CONDITIONS OF RCI WEEKS SUBSCRIBING MEMBERSHIP

These Terms and Conditions of RCI Weeks Subscribing Membership (the "Terms and Conditions") govern a subscribing membership in the RCI Weeks Exchange Program (the "Program"). The Program is contained and described in the Enrollment Application, the Disclosure Guide to the RCI Weeks Exchange Program and these Terms and Conditions, as amended by RCI from time to time (collectively, the "Program Documents"). The Program Documents comprise the terms of a binding contract between RCI and Members and by becoming a Member of or participating in the Program, Members agree to be bound by such contract.

1. Definitions. The following definitions apply:

A. "Affiliated Resort" means a Resort, or Inventory provider authorized by an effective Affiliation Agreement with RCI to offer participation in the Program.

B. "Affiliation Agreement" means the agreement between RCI and an entity owning, controlling, or managing a Resort or Inventory provider, to offer participation in the Program.

C. "All-Inclusive Fees" means those fees charged by the provider of an All-Inclusive Package.

D. "All-Inclusive Package" means a package of food, beverages, or other amenities required or offered by an Inventory provider or Alternate Inventory provider for an additional fee.

E. "Alternative Inventory" means additional Inventory, products or services, such as cruises, which in some cases may be acquired by RCI from third parties, not deposited by or on behalf of a Member, and which may be made available to Members.

F. "Annual Membership Year" means the annual recurring twelve (12) month period for each Member as determined by RCI after acceptance of the Enrollment Application and the Subscription Fee.

G. "Business Day" means the regular business hours of operation for RCI's Carmel, Indiana Call Center.

H. "Combined Deposit" means a Deposit resulting from the combining of two or more Deposits and/or Deposit Credits. Combined Deposits may themselves be combined or combined with Deposits and/or Deposit Credits to obtain a new Combined Deposit.

I. "Confirmation" means a written or electronic acknowledgement to a Member that an Exchange Request has been fulfilled.

J. "Confirmed Exchange" means a completed Exchange Request.

K. "Corporate Participant" means a person whose annual Subscription Fee and/or Transaction fees may be paid to RCI by an entity or organization with which RCI has a contractual agreement to offer the Program. Unless expressly indicated otherwise, all references to "Member" or "RCI Weeks Subscribing Member" shall include a Corporate Participant.

L. "Deposit" means a unit of Vacation Time for which the use rights have been relinquished to RCI for use by RCI as described in the Program Documents; Deposit may also include Deposit Credits and/or Combined Deposits.

M. "Deposit Credit" means a non-monetary credit that may be used towards a future vacation or Combined Deposit, placed on a Member's account after the Member makes an exchange using a Deposit, Combined Deposit or other Deposit Credit which has a higher Deposit Trading Power than the Exchange Trading Power of the Confirmed Exchange the Member has reserved.

N. "Deposit Trading Power" is the symbolic value derived by RCI and assigned to: (1) a unit of Vacation Time upon Deposit of that Vacation Time; or (2) the symbolic value derived when making a Combined Deposit; or (3) the residual symbolic value of a Deposit Credit.

O. "Enrollment Application" means the form or forms prescribed by RCI from time to time for enrollment of Members in the RCI Weeks Exchange Program.

P. "Exchange Fee" means the amount paid to RCI to obtain a Confirmed Exchange or to initiate an Exchange Request.

Q. "Exchange Request" means a Member's formal request to obtain access to Inventory or, to the extent made available, Alternative Inventory, in accordance with the Program Documents. Such Exchange Request requires the payment of an Exchange Fee.

R. "Exchange Trading Power" means the symbolic value required to obtain a Confirmed Exchange.

S. "Floating Vacation Time" means a type of Vacation Ownership in which the use rights to that Vacation Ownership may attach to a different week, unit or unit configuration from year to year.

T. "Guest Certificate" means a certificate purchased from or otherwise provided by RCI, in its sole discretion, allowing the use of Inventory or Alternative Inventory or certain other benefits of membership, for noncommercial purposes, as a gift to friends or family.

U. "Guest Pass" means the giving of the benefits of a Guest Certificate on multiple occasions during the

stated period without having to pay an individual Guest Certificate fee for each Transaction.

V. "Home Group" means a group of Resorts under common ownership, control or contractual arrangement with a Home Resort or a group of Resorts which RCI has determined qualifies as a Home Group.

W. "Home Resort" means a Resort at which a person has Vacation Ownership or a Resort at which a person is assigned Vacation Time for the purpose of depositing such Vacation Time with RCI.

X. "Internal Exchange" means an exchange by a Member back into the same Home Resort or Home Group as the Deposit used for that exchange.

Y. "Inventory" means any Vacation Time, good, service, benefit, or movable or immovable property that is utilized in the Program designed for separate occupancy or consumption, and includes, without limitation, any right to occupy an apartment, condominium or cooperative unit, cabin, lodge, hotel or motel room, campground or other private or commercial structure or improvement, whether situated on real or personal property.

Z. "Member" or "RCI Weeks Subscribing Member" means someone who is authorized to participate in the RCI Weeks Exchange Program. The terms "RCI Weeks Subscribing Member" and "Member" shall be deemed to include a Corporate Participant unless expressly indicated otherwise. Generally, membership denotes a subscription to *Endless Vacation* magazine; Program Benefits (as defined hereinafter) are generally obtained via this subscription.

AA. "Reservation" See Confirmed Exchange

BB. "Resort" means a resort, resort group, vacation club, vacation plan, hotel, condominium, or other private or commercial structure.

CC. "Transaction" means any activity conducted by the Member, through the Program, including but not limited to any Exchange Requests; extending a Deposit; combining Deposits; transferring Vacation Time and purchasing a Guest Certificate or Guest Pass.

DD. "Unaffiliated Resort" means a Resort that is not subject to a current and valid Affiliation Agreement.

EE. "Vacation Owner" is a person, corporation or other entity who has Vacation Ownership and upon becoming a Member may deposit his or her Vacation Time in the Program.

FF. "Vacation Ownership" means the legal right to own, occupy or use accommodations at a Resort.

GG. "Vacation Ownership Expenses" means all obligations associated with or appurtenant to Vacation Ownership by whomsoever levied (including but not limited to Resorts, any state, local, federal or any other government entity or its equivalent if the property is located in a foreign country), including, but not limited to, any obligation for the payment of maintenance fees, assessments, common expenses, housekeeping fees, recreational fees, promissory notes, mortgage payments, taxes or applicable All-Inclusive Fees.

HH. "Vacation Time" means use rights for a period of time at a Resort which are deposited with RCI.

2. **Membership.**

Under the Program Documents, RCI allows participation in the Program to all Members who are in compliance with the Program Documents, and offers a subscription to RCI's *ENDLESS VACATION* magazine and access to other printed or electronic publications, RCI's website at www.rci.com, an exchange service for their deposited Vacation Time, and other travel and leisure benefits (collectively, the "Program Benefits"). RCI reserves the right, in its sole discretion, and, without advance notice, to add, modify or delete Program Benefits. Program Benefits may not be available to all Members.

A. An initial RCI membership begins with RCI's receipt and acceptance of an Enrollment Application and the applicable Subscription Fee. Some exceptions may apply such as in the case of a Corporate Participant. RCI reserves the right to refuse any applications and Subscription Fees.

B. If the Vacation Time is owned by a proposed Member that is a corporation, partnership, trust or other entity, the Enrollment Application must be completed on behalf of the owner in the name of an individual officer, partner or trustee of the entity, and RCI shall be entitled to treat that named individual as the Member for all purposes. No more than two co-owners of a single Vacation Time may apply for a single Program membership. RCI may honor instructions from any person listed in RCI's records as a co-owner of Vacation Time and, in the event of conflicting instructions, RCI, in its sole discretion, may refuse to honor any instructions received.

C. The Program is for the personal use of Members and, if permitted, their guests, and neither Members nor guest may use the Program for commercial purposes, or monetary or other consideration, including without limitation, auction, barter, rental, raffle or sale of a Confirmed Exchange, Deposited Vacation Time, Inventory or Guest Certificate, for example, and RCI reserves the right to limit the number of Transactions by a Member. Any commercial use shall be grounds for immediate termination of Member's membership and cancellation of any Exchange Request, Confirmed Exchange or other

benefits of the Program without prior suspension of or notice to the Member and any other rights or remedies RCI may have at law.

D. Membership Tiers. RCI in its sole discretion may, but shall not be required to, offer membership tiers, which may include additional benefits. Such benefits may include but are not limited to last minute unit upgrades, advance access to unique acquired inventory, waiver of certain fees, and rebates and discounts on other products and services, and may be offered on a first-come, first-served basis. Any additional fees which may be required, and the availability, type, and quantity of such benefits shall be determined by RCI in its sole discretion and may change from time to time without advance notice to the Member. RCI may discontinue offering or administering any such membership tiers and benefits therein any time in its sole discretion. Membership tiers may be subject to additional terms and conditions and other restrictions may apply. Transactions may require a combination of fees, cash paid and Vacation Time use, and may be subject to applicable taxes. Some products and services may be provided by third parties and may be subject to separate terms and conditions of such third parties. RCI does not warrant and is not liable for the availability, value or safety of any such third party benefits. If membership tiers are available to Members, terms and conditions of such membership tiers, including pricing information can be found at www.rci.com. Membership tiers may not be available to all Members.

E. It is the Member's responsibility to promptly notify RCI of any changes to Member's information including, without limitation, change of address, phone number, email address or ownership.

3. RCI Inventory.

RCI obtains Inventory from Members, as well as from Affiliated Resorts and other sources. Members may be required to comply with additional terms, conditions, fees and any applicable taxes in order to use a particular unit of Inventory.

4. Affiliated Resorts.

A. RCI authorizes Affiliated Resorts to provide copies of the Program Documents to people who purchase Vacation Ownership at or through an Affiliated Resort, so that any such purchasers can consider whether to become a Member. RCI is a separate and distinct entity from Affiliated Resorts, developers, marketers, or sellers of Vacation Ownership, or other providers of Inventory or Alternative Inventory used in the Program. Affiliated Resorts are subject to Affiliation Agreements, and are not permitted to make any representations about RCI or the Program that are different from the statements in the Program Documents.

B. RCI was not and will not be a party to any contract or agreement that the Member may have entered into with an Affiliated Resort or other seller for the purchase of a Vacation Ownership. The Affiliated Resort or other seller of Vacation Ownership are separate and distinct from RCI, and any contract that the Member may have with an Affiliated Resort or other seller of Vacation Ownership is separate and distinct from the Program Documents.

5. Conditions Of Participation.

Once accepted as a Member, a Vacation Owner may participate in the Program if all of the following conditions are first met:

A. If the Member's Home Resort or Home Group is affiliated with the Program, it must be in full compliance with all terms of any applicable Affiliation Agreement, as determined by RCI. In addition, the Home Resort or Home Group must be operated in a commercially reasonable manner that will enable it to meet the expectations of RCI and its Members, as determined by RCI in its sole discretion including without limitation the ability to honor Confirmed Exchanges.

B. If the Member's Vacation Time is at an Unaffiliated Resort, that Unaffiliated Resort must be operated in a commercially reasonable manner, and offer sufficient space, quality and amenities to meet the expectations of RCI and its Members, as determined by RCI in its sole discretion, including, without limitation, the ability to honor Confirmed Exchanges.

C. The Member must be current in fulfilling all obligations to RCI as set forth in the Program Documents.

D. The Member must be current in Vacation Ownership Expenses. If there is a maintenance fee block on a Vacation Owner's RCI account, RCI will deem the Vacation Owner to have failed to meet this condition, until such time as the Home Resort, Home Group or Unaffiliated Resort provides RCI with confirmation that all obligations of the Vacation Owner have been fulfilled.

6. Depositing Vacation Time.

A. Members in compliance with the Program Documents may deposit Vacation Time into the Program during the time period from twenty four (24) months to fourteen (14) days before the start date of the Vacation Time to be deposited. To receive the maximum Deposit Trading Power, Vacation Time should be deposited at least two hundred seventy one (271) days prior to the start date of such Vacation Time. Vacation Time deposited less than two hundred seventy one (271) days from the start date may receive a lower Deposit Trading Power in accordance with the Trading Power Adjustment

Schedule found on RCI.com. RCI may, in its sole discretion, accept a Deposit of Vacation Time less than fourteen (14) days before the start date of the Vacation Time and may require the payment of an additional fee. RCI generally considers requests for such Deposits only in areas where there is high demand for Inventory.

B. Only Vacation Time that is available for exchange may be deposited. By depositing Vacation Time the Member warrants to RCI that: (1) the Member has or will have the legal right to use and assign the use of the deposited Vacation Time and all other resort amenities to which the Member has access; (2) the deposited Vacation Time has not been and will not be assigned, offered or made available by the Member to any third party; and (3) the physical accommodations are in good and usable condition. Vacation Time may be deposited by mail, facsimile, telephone, in person at RCI's Carmel, Indiana facility or through RCI's website at www.rci.com. Members who wish to deposit Floating Vacation Time may be required to obtain unit and week assignments from their Home Resorts or Home Group before their Vacation Time can be deposited. In some instances, Members may be required to contact their Home Resort or Home Group and ask the Home Resort or Home Group to make a Deposit on the Member's behalf.

C. In order to deposit Vacation Time with RCI, the Member must provide RCI with the following information: RCI Member name and membership number, week number, resort ID number, number of bedrooms, and such other information as RCI requests.

D. Members who have properly deposited available Vacation Time or have had Vacation Time deposited on their behalf, will receive a written or electronic Deposit acknowledgment.

E. Once deposited, a Member's Vacation Time may be placed into a protected pool which restricts the Program's use of that Vacation Time until the Member's Home Resort authorizes the Deposit or as otherwise required by an Affiliation Agreement. A Deposit may be returned if a Member is delinquent on their Vacation Ownership Expenses.

F. By depositing Vacation Time with RCI, a Member relinquishes all rights to use that Vacation Time to RCI.

G. Member agrees and acknowledges that any deposited Vacation Time may be used by RCI for any commercially reasonable purpose. For example, RCI rents, uses or disposes of Inventory for several reasons that include but are not limited to the satisfaction of Exchange Requests by Members, rentals to Members and non-members, promotions, sale, marketing, a determination that Inventory likely will go unused, or Inventory that is not the subject of a Reservation sixty (60) days prior to the start date of Vacation Time, or to W8

offset the costs associated with acquiring Inventory from third party sources which is exchanged into by a Member, or to offset the costs associated with providing Members the opportunity to acquire Alternative Inventory and other vacation-related products or benefits.

H. Each deposit of Vacation Time made more than 10 months in advance of the start date of such vacation, if made by or on the behalf of a Member for the purpose of an exchange shall be available exclusively for exchange by Members and eligible members of the RCI Points exchange program for a period of 31 days from the date of deposit including the initial day of deposit and shall not be available for any other purpose during such 31 day period, including, without limitation, rental.

I. RCI, in its sole discretion may offer Members the option of joining the Auto-Deposit Program. The Auto-Deposit Program allows the annual automatic deposit of Vacation Time by eligible Members who wish to participate. Upon enrollment, the Vacation Time selected will be automatically deposited into the RCI Weeks Exchange Program a specified number of months in advance of the start date of the Member's Vacation Time, as established by RCI. A Member who is delinquent on their Vacation Ownership Expenses may be denied participation in the Auto-Deposit Program until the Home Resort or Home Group determines and confirms to RCI that such fees are paid in full. Additional restrictions may apply. Members may opt out of the Auto-Deposit Program by providing notice to RCI before the annual automatic deposit of their Vacation Time.

J. A Combined Deposit receives the Deposit Trading Power equal to the sum of all the individual Deposit Trading Power of the Deposits used to make the Combined Deposit. RCI may charge a Combined Deposit Fee. RCI reserves the right to discontinue offering Combined Deposits, to modify the terms regarding the Combined Deposits, and to change the fee(s) for combining in its sole discretion. Any fee(s) for Combined Deposit Fees are posted on RCI's website at www.rci.com.

K. Members may be able to extend the useful life of a Deposit, a Combined Deposit or Deposit Credit by requesting a Deposit extension, in increments of one, three, six or twelve months, up to and including a maximum Deposit extension of two years. RCI may require a Deposit Extension Fee for each such extension. RCI reserves the right to discontinue offering Deposit extensions, to modify the terms of Deposit extensions, and to change the Deposit Extension Fees in its sole discretion. Deposit Extension Fees are posted on RCI's website at www.rci.com.

L. Notwithstanding anything herein to the contrary, RCI shall have the right to limit the maximum number of weeks a Member may deposit in a given year, or the seasonality of such weeks subject to the terms and conditions of the Program Documents.

7. Obtaining And Confirming An Exchange.

A Member may seek a Confirmed Exchange in accordance with the following procedures:

A. An Exchange Request is “properly submitted” when:

i. The Member has deposited Vacation Time into the Program and the Deposit has been authorized by the Home Resort or Home Group or the Member has a Deposit Credit or Combined Deposit on his or her RCI Subscribing Member account;

ii. The Members Subscription Fees are paid in full through the start date of the vacation requested for exchange by the Member and the Member is otherwise in compliance with the Program Documents;

iii. The Member provides RCI with at least four (4) or more unique and specific Resort choices;

iv. The Member submits the request at least 31 days prior to the start date of the requested vacation;

v. The start date of the requested vacation is not earlier than one (1) year before or later than two (2) years after the start date of the Deposit, used to confirm the Exchange Request. Exchange Request periods may vary for Combined Deposits and Deposit Credits;

vi. The Member has paid RCI the appropriate Exchange Fee; and

vii. The Member is in compliance with all other applicable terms and conditions, including without limitation those terms and conditions of Inventory and Alternative Inventory providers.

B. A Member may make an Exchange Request in person, by mail, facsimile, telephone or through RCI's website at www.rci.com.

- i. Mailed requests must be sent to:
RCI Weeks Exchange Program
Attn: RCI Weeks Exchange Request
P. O. Box 2099
Carmel, IN 46082**
- ii. Telephone Requests: 1-800-338-7777**
- iii. Facsimile Requests: 1-317-805-9335**
- iv. Website Requests: www.rci.com**
- v. In Person at:
9998 North Michigan Road
Carmel, Indiana 46032**

C. Members are encouraged to submit Exchange Requests as far as possible in advance of requested

travel dates. Members are also encouraged to request seasons and unit occupancies that are the same as the season and unit occupancy of their deposited Vacation Time. In the event the requested vacation is not immediately available, Members may be offered alternative choices based upon availability or the opportunity to submit an on-going Exchange Request for Inventory which may later become available.

D. On-going Exchange Request

i. If RCI is unable to provide a Confirmed Exchange within nine (9) months of submission of an on-going Exchange Request, then upon request, the Exchange Fee may be either applied to a future Exchange Request made by the Member or refunded to the Member; provided, however, if a Member has not requested a refund of the unused Exchange Fee, and has not requested that the Exchange Fee be applied to a future on-going Exchange Request, prior to the expiration of the Member's RCI Weeks subscribing membership or within twelve (12) months of the cancellation or termination of an on-going Exchange Request, whichever comes first, the amount of the unused Exchange Fee shall be automatically applied toward the next Subscription Fee owed by the Member to renew his/her membership; and provided, further, that an unused Exchange Fee shall not be refundable to a Member or otherwise available to the Member under this paragraph if the Member is no longer a Member of the Program or is not in compliance with the Program Documents.

ii. A Member may request that RCI cancel his or her ongoing Exchange Request at any time before RCI provides a Confirmed Exchange. In such case, upon successful cancellation and upon request, RCI will issue the Member a refund of his or her Exchange Fee or apply the refund towards another Exchange Request, provided that in either instance the Member is in compliance with the Program Documents at such time.

iii. If an Exchange Fee paid as part of an on-going Exchange Request is subsequently refunded to a Member, applied toward a future on-going Exchange Request or applied toward the next Subscription Fee owed by the Member pursuant to this Par. 7 and the Member does not cancel the original on-going Exchange Request for which the refunded or reapplied Exchange Fee was paid, then in the event that RCI is subsequently able to fulfill that original on-going Exchange Request the Member will be required to pay the then current Exchange Fee in order to confirm the vacation.

iv. This Par. 7D is not applicable to Corporate Participants.

E. If RCI is able to confirm an Exchange Request, the Member will receive a Confirmation from RCI. The Confirmation must be presented upon check-in.

F. A Confirmation is valid only if issued by RCI or a party authorized by RCI. Upon receipt, the Member should review all the details in the Confirmation and notify RCI immediately if any information in the Confirmation is incorrect. Subsequent changes to any aspect of the Confirmation may be treated as a cancellation.

G. Members requesting an Internal Exchange may receive priority over other Members who do not have Vacation Ownership at that Home Resort or Home Group provided such Members have the requisite Deposit Trading Power with which to obtain the exchange. Any of the foregoing may be waived in RCI's sole discretion.

8. Exchange System Priorities.

A. Deposit Trading Power may vary from Deposit to Deposit and from year to year (based on the criteria stated herein).

B. RCI, in its sole discretion, may reevaluate the symbolic value it assigned to a unit of deposited Vacation Time. Upon such reevaluation if the symbolic value assigned to the unit of deposited Vacation Time by RCI has increased the Deposit Trading Power of such unit or the associated Combined Deposit or Deposit Credit may be adjusted accordingly.

C. Exchange Trading Power is subject to change based on system activity and the factors listed in this Par. 8 and may differ from the Deposit Trading Power of the Vacation Time.

D. In fulfilling an Exchange Request, RCI will compare the Deposit Trading Power to the Exchange Trading Power of the vacation the Member would like to obtain. If the Exchange Trading Power is less than or equal to the Deposit Trading Power, then an exchange may occur, subject to terms of the Program Documents.

E. In deriving Deposit Trading Power and Exchange Trading Power RCI considers such factors as:

i. the demand, supply, classification, grouping, and utilization of the Vacation Time, and the Affiliated Resort and geographic regions associated with the Vacation Time;

ii. the seasonal designation of the Vacation Time;

iii. the size and type of the unit (i.e., number of bedrooms, kitchen type and maximum/private occupancy of the physical unit);

iv. comment card scores that RCI compiles from comments submitted by Members who visit the Affiliated Resort;

v. the date deposited and the start date of the Deposit.

F. From time to time and as determined by RCI in its sole discretion, in order for RCI to obtain more favorable Inventory for Members, or accommodate new products or services, RCI may waive any of the Exchange System Priorities described in this Par. 8. RCI may also, in its sole discretion, waive certain fees or conditions as described in the Program Documents.

G. RCI may in its sole discretion enter into agreements with Affiliated Resorts to assign Deposit Trading Power to certain units of Vacation Time based on a derived average Deposit Trading Power for such units.

H. Corporate Participants may request an exchange which does not require the Member to first deposit Vacation Time.

I. In addition, Inventory is shared regionally to facilitate Member exchanges. RCI may set aside deposited Vacation Time to match regional Exchange Requests and other anticipated demands.

9. No Guarantee of Particular Exchange Requests.

A. RCI does not guarantee particular Exchange Requests, including specific Inventory or Alternative Inventory choices, Resort choices, regions, travel dates, types or sizes of accommodations or specific unit assignments for example and no third-parties are authorized by RCI to make any such representations.

INVENTORY IS SUBJECT TO AVAILABILITY AND IS OFFERED ON A SPACE AVAILABLE, FIRST-COME, FIRST-SERVED BASIS EXCEPT AS OTHERWISE INDICATED HEREIN. ALL EXCHANGE REQUESTS ARE CONTINGENT UPON THE MEMBER MAKING THE EXCHANGE REQUEST HAVING SUFFICIENT DEPOSIT TRADING POWER TO OBTAIN THE EXCHANGE AND BEING IN COMPLIANCE WITH THE PROGRAM DOCUMENTS. RESTRICTIONS OR LIMITATIONS MAY APPLY. GENERALLY, THE EARLIER AN EXCHANGE REQUEST IS MADE, THE BETTER THE POSSIBILITY A CONFIRMED EXCHANGE CAN BE OBTAINED.

10. Fees Due to RCI.

Each Member commits to make certain payments to RCI, in an amount determined by RCI, in exchange for the Program Benefits. All Program fees must be paid

when due. For complete listing of fees go to www.rci.com.

A. Members must pay, or a developer or Affiliated Resort must pay on a Member's behalf, a Subscription Fee to RCI for membership in the Program.

B. Members may renew or extend their memberships by forwarding to RCI the applicable Subscription Fee, in the amount posted on www.rci.com. Members may opt to enroll in a program to automatically renew their Subscription Fees.

C. Member status ceases, if a Member fails to submit the applicable Subscription Fee within ninety (90) days after the membership period expires. If a former Member seeks to reactivate his or her membership, RCI reserves the right to charge the Member a reactivation fee in addition to the applicable Subscription Fee. The payment of all fees due to RCI is a condition of renewal or reactivation of membership. RCI reserves the right to refuse to renew or reactivate any membership, for any reason. RCI in its sole discretion may impose other requirements and fees as a condition of reinstatement.

D. During the membership period, Members are responsible for payment to RCI of all other fees described in these Terms and Conditions, as well as any other applicable fees, in the amounts set by RCI for its Members and disclosed on its website at www.rci.com.

E. Members will be advised by RCI of any RCI fee changes in the manner set forth in these Terms and Conditions.

11. Obligations and Fees Due to Others.

A. Affiliated Resorts and other Inventory providers or Alternative Inventory providers may impose their own limitations and requirements regarding occupancy limits for particular accommodations, behavior while at the resort, and other issues. Each Member and guest is subject to such limitations and requirements and shall comply with any terms and conditions set forth by the respective Inventory provider or Alternative Inventory provider.

B. Unless a Member or guest informs the check-in desk at a particular Inventory provider or Alternative Inventory provider that they anticipate checking in later than the arrival time designated within a Confirmation, the arriving Member or guest risks forfeiture of the Confirmed Exchange and the Deposit used to make such Confirmed Exchange. Inventory providers and Alternative Inventory providers may reserve the right to refuse check-ins other than as provided for on a Confirmation.

C. Members and guests are responsible for occupying and using any Inventory or Alternative Inventory into which they or their guests have

exchanged, or to which Members or guests otherwise have access, in a responsible, careful and secure manner and in accordance with the rules and regulations of the Inventory provider or Alternative Inventory provider. Members and guests are responsible for the payment of any applicable taxes, port charges, gratuities, personal expenses, utility charges, security deposits, and other fees or charges levied with respect to Vacation Time at a Resort or Alternative Inventory, for the use of amenities and facilities. Notwithstanding the foregoing, Members are ultimately responsible for any damage, theft or loss, and/or expenses incurred or caused by themselves or guests.

D. If a Member's Exchange Request is confirmed for a vacation at an all-inclusive Inventory provider or Alternative Inventory provider, the Member understands that use of that Confirmed Exchange may require payment of All-Inclusive Fees by the Member to the all-inclusive Inventory provider or Alternative Inventory provider for the All-Inclusive Package, under the separate terms and conditions set by that Inventory provider or Alternative Inventory provider. Any such All-Inclusive Fees, and terms and conditions are determined solely by the applicable Inventory provider or Alternative Inventory provider, and are subject to change at any time. The Inventory provider or Alternative Inventory provider may require payment of All-Inclusive Fees before or at the time of check-in. Member acknowledges responsibility for (i) confirming in advance with the applicable Inventory provider or Alternative Inventory provider the price of the All-Inclusive Fees and whether All-Inclusive Fees must be paid prior to check-in, and (ii) making such payment in advance if so required. All-Inclusive Packages may vary in price and in the types of food, beverages, and amenities included. The Member may be required to purchase the All-Inclusive Package as a condition for use of the accommodations, or the All-Inclusive Package may be optional and Members may not be required to choose whether to purchase it as a condition for use of the accommodations. Food, beverages, and amenities may not be available at the Resort or Alternative Inventory if the Member chooses not to purchase an optional All-Inclusive Package.

E. Inventory providers and Alternative Inventory providers may impose their own limitation and requirements which RCI may enforce in its sole discretion. Each Member and guest are subject to such limitations and requirements and shall comply with any terms and conditions set forth by the Inventory provider or Alternative Inventory provider. Such limitations and requirements may include, but are not limited to, occupancy limits, resort behavior, prohibiting Members or their guests from exchanging into the same resort more than once in a specified period, determining when Deposits will become available for exchange, prohibiting exchanges to all designated resorts located in the same geographic area or region as the Resort at which a Member owns Vacation Time, minimum age requirements, or requirements for mandatory All-

Inclusive Packages or other fees charged by Inventory providers or Alternative Inventory providers.

12. Withdrawing Vacation Time.

Members may request withdrawal of deposited Vacation Time from the Program, which RCI may withdraw in its sole discretion and only if:

A. (i) any Vacation Time or a portion thereof, whether used as part of a Combined Deposit or otherwise has not been assigned by RCI; and (ii) the Member has not received a Confirmed Exchange as a result of the Deposit or any portion thereof.

B. Once withdrawn, Vacation Time may not be redeposited unless RCI chooses, in its sole discretion, to accept such redeposit. Fees for redepositing may be applicable.

13. Losing the Opportunity to Exchange Vacation Time.

There are some circumstances in which Members can lose the use of deposited Vacation Time they have deposited with RCI and/or be ineligible to receive a Confirmed Exchange for that deposited Vacation Time:

A. **If the Member does not properly submit an Exchange Request and/or does not accept an available alternative resort choice and/or travel date within twenty-four (24) months after the start date of the deposited Vacation Time (or longer if the Member has obtained Deposit Extension(s)).**

B. **If (i) the Affiliated Resort, its developer or owners' association fails or is unable to perform any contractual obligations to RCI; or (ii) if the resort's Affiliation Agreement expires without renewal or is terminated, either by RCI or by the Affiliated Resort or as a matter of law.**

C. **If the Member's payment is rejected by the Member's bank or credit card company, or the Member has failed to meet any of the obligations described in these Terms and Conditions.**

D. **Upon Cancellation, Termination or Suspension of a Member's membership pursuant to Par. 23.**

14. Trading Power Protection.

Trading Power Protection offers Members the opportunity to protect only the Deposit Trading Power used to make a Confirmed Exchange. If Trading Power Protection is purchased for a Confirmed Exchange and that Confirmed Exchange is cancelled or modified for any reason, the full Deposit Trading Power used to make the Confirmed Exchange is restored to the Member's

account. However, the Transaction fee(s) paid for the Confirmed Exchange will not be protected. The fee for Trading Power Protection may vary based on the purchase date. Trading Power Protection may be cancelled for a refund by contacting the Call Center before the close of the next Business Day after the date of purchase. Trading Power Protection cannot be cancelled online. Trading Power Protection may not be available for purchase for all Confirmed Exchanges.

15. Unavailability or Problems with a Confirmed Exchange.

A. After a Confirmed Exchange is issued, if RCI cancels such Confirmed Exchange for reasons within RCI's reasonable control, then RCI will make commercially reasonable efforts to locate an equivalent alternative accommodation from RCI's inventory located within the same geographic vicinity or a similar location. If after using such commercially reasonable efforts a Member cannot be relocated, RCI may reimburse the Member for any Transaction fees or Deposit Trading Power used to make the Confirmed Exchange. RCI shall have no additional liability whatsoever to the Member or guest.

B. **If RCI is prevented, hindered or delayed in the performance of any obligation to a Member (including, but not limited to, providing lodging or other accommodations) due to an Event of Force Majeure, then RCI shall be excused from further performance upon notice to the affected Member stating the reason for such nonperformance, without obligation to refund or return the Deposit used for the Confirmed Exchange or any amounts that were paid by the affected Member before such notice.** The term "Event of Force Majeure" shall mean:

i. an act of God or of a public enemy, fire, explosion, perils of the sea, lightning, earthquake, storm, flood, nuclear disaster, declared or undeclared war, revolution, insurrection, riot, act of piracy, act of terrorism, sabotage, blockade, embargo, accident, epidemic or quarantine;

ii. action by a governmental authority, a court, appointment of a receiver or mortgagee in possession, or an assignment for the benefit of creditors;

iii. a strike, lockout or other labor unrest resulting from any cause and whether or not the demands of the employees involved are reasonable or within RCI's power to concede; or

iv. any other cause or circumstance beyond RCI's reasonable control.

C. Complaints about accommodations or services provided at or by an Inventory provider should be made at the earliest opportunity to a person of authority at the Inventory provider. If this does not produce a satisfactory

result, the Member, if calling from the United States or Canada should contact RCI by calling 1-800-338-7777. Members calling from outside of the United States or Canada should contact the nearest RCI servicing office. Members may also contact RCI's Customer Care department online at www.rci.com. Alternatively, the Member should send an e-mail directly to feedback@rci.com, or send a letter to RCI's Customer Care department at PO Box 2099, Carmel, IN 46082. Please provide full details of the complaint within thirty (30) days of your return.

16. Transfer of Membership.

Subject to RCI's approval, a Member may transfer the remaining term of his/her Program membership to a person permanently acquiring that Member's Vacation Ownership.

A. The parties to the Membership Transfer Application must submit to RCI a completed Membership Transfer Application, by mail or facsimile, and pay the applicable fee, listed on RCI's website at www.rci.com, for each such transfer.

B. If the Member has deposited Vacation Time for dates that will occur after the sale or transfer, the transferee must honor the obligation to provide RCI or its designee with the exclusive use of the Vacation Time for that period.

C. RCI is free to approve or reject the transfer, for any reason in its sole discretion. If RCI rejects the transfer, RCI will refund the transfer fee paid.

17. Transfer of Deposited Vacation Time, Combined Deposits or Deposit Credits.

Subject to RCI's approval, a Member may transfer a Deposit to another Member, if the transferring Member a) submits to RCI a completed authorization in the form established by RCI; b) pays the applicable fee, listed on RCI's website at www.rci.com, for each such transfer; and c) the transferor and transferee each represents to RCI that the transfer is not in return for compensation or commercial use. RCI reserves the right, in its sole discretion to limit the number of Deposit transfers a Member may make.

18. Member Cancellation of a Confirmed Exchange.

A Member may cancel or change a Confirmed Exchange online, by notifying RCI by telephone or in person at RCI, 9998 North Michigan Road, Carmel, Indiana 46032. A guest cannot cancel a Confirmed Exchange.

A. Upon cancellation, the Deposit Trading Power of the Member's Deposit may be recalculated and RCI may refund the Exchange Fee paid for the cancelled Confirmed Exchange according to the following guidelines:

i. If a Member makes a Confirmed Exchange three (3) or more days prior to the start date and the Confirmed Exchange is cancelled before the end of the next Business Day, the Member will receive a full refund of the Exchange Fee paid and the full Deposit Trading Power used to make such Confirmed Exchange; or

ii. If a Member makes a Confirmed Exchange three (3) or more days prior to the start date and the Confirmed Exchange is cancelled after the end of the next Business Day the Member shall not be entitled to any refund of the Exchange Fee paid. The Deposit Trading Power, or a portion thereof, used to make the Confirmed Exchange shall be redeposited into the Member's RCI account. The amount of Deposit Trading Power redeposited into the Member's RCI account shall be calculated in accordance with the Trading Power Adjustment Schedule found on RCI.com, unless the Member has purchased Trading Power Protection in accordance with Par. 14; or

iii. If a Member makes a Confirmed Exchange two (2) or less days prior to the start date and the Confirmed Exchange is cancelled the Member shall not be entitled to any refund of the Exchange Fee paid regardless of when the cancellation occurs. The Deposit Trading Power, or a portion thereof, used to make the Confirmed Exchange shall be redeposited into the Member's RCI account. The amount of Deposit Trading Power redeposited into the Member's RCI account shall be recalculated in accordance with the Trading Power Adjustment Schedule found on RCI.com unless the Member has purchased Trading Power Protection in accordance with Par. 14.

B. Except as otherwise stated in these Terms and Conditions, when cancellation occurs prior to the start date of a Confirmed Exchange, the Member may request another exchange without making an additional Deposit. The then current Deposit Trading Power, Exchange Fees and policies will apply.

19. Reserving and Cancelling Alternative Inventory.

A. Members in compliance with these Terms and Conditions and all other obligations to RCI may contact RCI or its third-party provider, by telephone or in writing, to make Reservations to use Alternative Inventory. Use of Alternative Inventory may require a payment from the Member in addition to or in lieu of a Deposit. Additionally, the Member may be required to pay Transaction fees and any and all other applicable fees as may be required by RCI or the Alternative Inventory provider. Payment of all such amounts may be due in full when a Reservation is made. Once Alternative Inventory is confirmed a Confirmation to the Member will be issued.

B. The following cancellation provisions apply to Alternative Inventory Reservations, in addition to any terms and conditions of the applicable provider of the

Alternative Inventory, including, without limitation, any additional cancellation policies:

i. If a Member makes a Confirmed Exchange for Alternative Inventory three (3) or more days prior to the start date and the Confirmed Exchange is cancelled before the end of the next Business Day, the Member will receive a full refund of the fees paid to RCI for such Confirmed Exchange and if applicable the full Deposit Trading Power used to make such Confirmed Exchange; or

ii. If a Member makes a Confirmed Exchange for Alternative Inventory three (3) or more days prior to the start date and the Confirmed Exchange is cancelled after the end of the next Business Day, the Member shall not be entitled to any refund of the fees paid to RCI for such Confirmed Exchange. If applicable, the Deposit Trading Power, or a portion thereof, used to make the Confirmed Exchange shall be redeposited into the Member's RCI account. The amount of Deposit Trading Power redeposited into the Member's RCI account shall be recalculated in accordance with the Trading Power Adjustment Schedule found on RCI.com; or

iii. If a Member makes a Confirmed Exchange two (2) or less days prior to the start date and the Confirmed Exchange is cancelled, the Member shall not be entitled to any refund of the fees paid to RCI for such Confirmed Exchange, regardless of when the cancellation occurs. If applicable, the Deposit Trading Power, or portion thereof, used to make the Confirmed Exchange shall be redeposited into the Member's RCI account. The amount of Deposit Trading Power redeposited into the member's RCI account shall be recalculated in accordance with the Trading Power Adjustment Schedule found on RCI.com

In cases where Trading Power Protection applies to an Alternative Inventory Reservation and such protection has been purchased, the above referenced cancellation policy may not apply.

The terms listed above may not apply to special programs offered by or through RCI, such as nonrefundable programs.

20. Guest Certificates and Guest Passes.

By obtaining Guest Certificates or Guest Passes, Members may give a Confirmed Exchange or the right to seek an exchange for deposited Vacation Time to a friend or family member.

A. A Member may purchase the Guest Certificate from RCI at the then current rate specified on RCI's website at www.rci.com. A Guest Certificate will be issued in the name of a designated guest, and sent to the Member. **Guest Certificates may only be used by the individual(s) named on the certificate and may not be used by persons under the age of twenty-one**

(21), unless otherwise permitted by law or by the Inventory provider or Alternative Inventory provider. However, Inventory providers or Alternative Inventory providers may impose a minimum age greater than twenty-one (21). RCI will fully refund the Guest Certificate fee when the Guest Certificate is cancelled more than 60 days before the start date, but otherwise the Guest Certificate fee is non-refundable.

B. A Member may purchase a Guest Pass from RCI at the then current rate, specified on RCI's website at www.rci.com. A Guest Pass will be issued in the name of a designated guest, and sent to the Member. A Guest Pass allows the Member to give a named Guest Pass recipient the benefits of a Guest Certificate on multiple occasions during the stated period without the Member being required to pay an individual Guest Certificate fee for each Transaction. **Guest Passes may only be used by the individual(s) named on the Guest Pass and may not be used by persons under the age of twenty-one (21), unless otherwise permitted by law or by the Inventory provider or Alternative Inventory provider. However, Inventory providers or Alternative Inventory providers may impose a minimum age greater than twenty-one (21).** The Member may terminate a Guest Pass at any time. The Guest Pass fee is non-refundable.

C. A Member must remain current in all fees and obligations to RCI through the start date of any Confirmed Exchange made using a Guest Certificate or Guest Pass or the Confirmed Exchange may be cancelled without refund of the Exchange Fee, the Guest Certificate or Guest Pass fee or the Deposit or portion thereof used to obtain the Confirmed Exchange. Member acknowledges and undertakes the responsibility of forwarding all RCI correspondence and information regarding RCI Terms and Conditions, Guest Certificates, Guest Passes and Confirmations to the guest. Member further acknowledges that Member is sharing information about the guest with RCI and that Member is responsible for informing the guest that such information has been shared with RCI.

D. Guest Certificates and Guest Passes may not be used for any commercial purpose, or monetary or other consideration, by Member or guest, including without limitation auction, barter, rental, raffle or sale of the Guest Pass or Guest Certificate or the underlying Confirmed Exchange. RCI, in its sole discretion, may limit the number of Guest Certificates or Guest Passes a Member may purchase, or the number of Exchange Requests or Confirmed Exchanges which may be made by or on behalf of a guest. Their use is also subject to any conditions, restrictions or limitations which may be imposed by an Inventory provider or Alternative Inventory provider.

E. Members are responsible for all acts and omissions of their guests and for any damage caused or

expenses incurred by their guests while using any Inventory in the Program, including people who are using Guest Certificates or Guest Passes.

F. RCI reserves the right, in its sole discretion (without refund or credit) and without limitation to do the following: revoke a Confirmed Exchange, Guest Certificate or Guest Pass; terminate or suspend the membership of the relevant Member; or deny access to any of the products or services offered in connection with membership in the event of any failure to comply with these Terms and Conditions, by any Member, guest of a Member, or the holder of a Guest Certificate or Guest Pass.

21. Representations and Acknowledgments by Member.

By enrolling in or utilizing the Program, the Member acknowledges, represents and warrants to RCI as follows:

A. The Member and/or all persons signing the Enrollment Application for Member have full power and authority and have been duly authorized to enter into and perform or cause performance of Member's obligations under the Program Documents. If applicable, the Member has obtained all necessary approvals of its controlling entities, including but not limited to owners or owners associations, Boards of Directors and lenders; and

B. The Member and all persons signing the Enrollment Application represent that their decision(s) to purchase Vacation Ownership at a Resort was based primarily upon the benefits to be gained from the ownership, use and enjoyment of such Resort, and not upon any anticipated benefits of the Program; and

C. By depositing Vacation Time or allowing it to be deposited on the Member's behalf, the Member represents and warrants to RCI that: (1) all rights to use and assign Vacation Time are relinquished to RCI; (2) the Member has or will have the legal right to use and assign the use of the deposited Vacation Time and all other amenities to which such Member has access; (3) the deposited Vacation Time has not been and will not be assigned, offered or made available to any third party by Member; (4) the physical accommodations in which the Member owns Vacation Time are in good and usable condition; and (5) all Vacation Ownership Expenses have been paid or will be paid by the Member when due; and

D. Member shall not use the Program for commercial purposes or monetary or other consideration as described further in Par. 2C; and

E. To the best of Member's knowledge, neither Member, Member's guests or Member's employees, or if Member is an entity, Member's owners, officers, managers, directors or employees nor anyone else affiliated or associated with Member, whether by common

ownership, by contract, or otherwise, has been designated as, or is, a terrorist, a "Specially Designated National" or a "Blocked Person" under U.S. Executive Order 13224, in lists published by the U.S. Department of the Treasury's Office of Foreign Assets Control, or otherwise identified on any watch list; and

F. All written information the Member submits to RCI about the Member's Home Resort or Home Group, Member, Vacation Ownership and Vacation Ownership Expenses is true, accurate and complete, containing no misrepresentations or omissions of any material facts that might otherwise cause such information to be misleading. **Any such misrepresentation is grounds for immediate termination of the Member, at RCI's election and in its sole discretion;** and

G. Each Member acknowledges that RCI, or third parties with the permission of RCI, may offer additional products and services through solicitations and advertisements made by mail, email, telephone (including automated dialing equipment and artificial and prerecorded messages), facsimile machine or other means. Although not required as a condition of membership, the Member hereby expressly requests and consents to receive such solicitations and advertisements from RCI, its affiliates and third parties at the telephone and facsimile number(s), and mailing and email address(es) provided by the Member to RCI. The Member acknowledges that such consent and request to receive solicitations continues, whether or not the Member's membership is terminated or expires, for the maximum period of time permitted by law or until the Member expressly withdraws such consent; and

H. Member acknowledges that Member's information is subject to RCI's privacy policy, which is available at www.rci.com, and can also be obtained in printed form from RCI upon Member's telephone, mail or email request; and

I. Each Member understands and acknowledges RCI may monitor and/or record conversations between the Member and RCI representatives for training, quality control, and other lawful purposes; and

J. Each Member acknowledges that Inventory or Alternative Inventory for which the Member receives a Confirmed Exchange is subject to change in the Inventory provider's or Alternative Inventory provider's sole discretion and is not subject to RCI's control and may differ in assignment, unit size, design, furnishings, amenities, facilities and accessibility for individuals with disabilities from the accommodations of the Member's Vacation Time. Each Member acknowledges that it is the sole responsibility of the owner, lessor, lessee or operator of any Inventory or the providers of Alternative Inventory, and not the responsibility of RCI, to ensure that its accommodations, facilities and amenities are accessible to and usable by individuals with disabilities

in compliance with all applicable state, federal and local laws; and

K. Neither RCI nor any person acting on RCI's behalf has made any oral or written representation or promise to the Member that is different from or not contained in the Program Documents. Member is not relying on any such oral or written representation or promise in submitting the Enrollment Application or agreeing to the terms of the Program. Member releases any and all claims against RCI and RCI's agents based on any oral or written representation or promise not stated in the Program Documents.

22. Inventory Unavailability.

Exchange Requests and Confirmed Exchanges, in addition to all other Program Benefits, may be suspended, cancelled, or terminated by RCI, in its sole discretion, if the Resort, Inventory provider or Alternative Inventory provider cease participation in the Program for reasons which include but are not limited to the following:

A. the Resort, Inventory provider or Alternative Inventory provider is not operated in a manner that enables it to meet its obligations or is otherwise not in compliance with applicable laws, rules, regulations, policies or procedures;

B. the Resort, Inventory or Alternative Inventory is destroyed, condemned, uninhabitable or otherwise not suitable for use for reasons other than an Event of Force Majeure;

C. the Resort, Inventory provider or Alternative Inventory provider is the subject of a foreclosure suit, or the subject of a motion or other proceeding to place it under the control of a receiver, mortgagee in possession or bankruptcy trustee; or

D. the Affiliation Agreement between RCI and an Affiliated Resort or a Resort's Home Group, or an Inventory provider, or the agreement with an Alternative Inventory provider, is terminated or expires.

23. Cancelling a Membership.

A. A Member may cancel a membership at any time before its expiration or termination. **Members must contact RCI by telephone or in writing for complete cancellation procedures and additional items required by RCI in order to complete such cancellation, which may include, but not be limited to, additional signed documents by Member(s).** In the event of such a cancellation, RCI will pay the Member a prorated refund of the Subscription Fee for the remaining membership period as applicable, if the Member paid such a fee to RCI and is otherwise in compliance with the Program Documents. RCI will calculate the prorated refund by multiplying i) one-twelfth

(1/12) the cost of a single year membership at the time of cancellation, even if a multi-year membership was purchased, times ii) the number of months of the membership period that have passed, and iii) then deducting that amount from the actual amount the Member paid for that membership or renewal period. The difference, if any, less any amounts due and owing RCI will be refunded to the Member if applicable. RCI will also, upon request, refund to the Member any unused Exchange Fees relating to unsuccessful or cancelled Exchange Requests that have not been applied to a future Exchange Request or against the Member's Subscription Fee, provided the Member is in compliance with the Program Documents at the time the request for refund is made by the Member. RCI may also cancel any Confirmed Exchanges that are scheduled to occur after the date of the membership cancellation, without refunding any Exchange Fee or other payment made by the Member. All Deposits, or any portion thereof will remain the property of RCI, unless released by RCI in its sole discretion.

B. Membership automatically ceases if a Member fails to renew within 90 days following the expiration of a Membership. If a former Member seeks reinstatement as a Member, RCI may require payment of a reactivation fee and the Subscription Fee, and in its discretion may impose other requirements and fees as a condition of reinstatement.

C. RCI, in its sole discretion, may suspend or terminate a membership and rights to participate in the Program. Suspension is not a precondition to termination and RCI may, in its sole discretion terminate a Member without first suspending that Member or providing advance warning to the Member of such termination. Reasons for suspension or termination include, but are not limited to one or more of the following:

i. upon the termination or expiration of the Member's subscription;

ii. for any failure by a Member, or guest to comply with the terms, conditions or other requirements of the Program Documents including but not limited to use of the Program for commercial purposes and those terms and conditions of Inventory providers or Alternate Inventory providers, including but not limited to failure to pay any sums owed to any Inventory or Alternative Inventory provider;

iii. for failure by a Member to remain current in any sums owed to RCI or Vacation Ownership Expenses;

iv. if a cure period is extended to a Member and the Member fails to cure the cause for a suspension within such time as determined by RCI;

v. upon termination of the affiliation with RCI of any Affiliated Resort or other Inventory provider at which a Member has Vacation Ownership;

vi. upon termination of the Program;

vii. upon any requirement to do so by any local, state or federal governmental entity (or its equivalent if a foreign country) or by any laws, rules, regulations or courts of competent jurisdiction that may apply;

viii. upon any determination by RCI, in its sole discretion, that a Member, guest or holder of a Guest Certificate or Guest Pass is abusive to any RCI, Inventory or Alternative Inventory provider personnel; or

ix. for any other reason as determined by RCI in its sole discretion.

D. If a Member's membership is suspended or terminated, the Member may not utilize the Program Benefits. Suspension or termination of membership may preclude without limitation the Member from obtaining Confirmed Exchanges and RCI may cancel any Confirmed Exchange and terminate any pending Exchange Requests, all without any refund of fees or Deposits or any portion thereof to the Member. Use rights associated with Deposits will remain the property of RCI, unless released by RCI in its sole discretion. Additionally, all fees and other amounts due RCI shall be immediately due and payable to RCI.

In the case of a suspension, the Member's Program privileges will remain suspended until such time as RCI has determined in its sole discretion that the Member has come into full compliance with the Program Documents. In the event that the Member fails to come into full compliance with the Program Documents, then RCI, in its sole discretion, may terminate the Member.

E. In the event of termination, RCI may, in its sole discretion, grant a request by the former Member to re-activate membership. RCI may require payment of a new Subscription Fee, among other conditions.

F. If RCI terminates the Program, all memberships and benefits of the Program shall terminate. Any refund of prepaid Subscription Fees and unused Exchange Fees, if applicable, shall be calculated in accordance with Par. 23A above. All Deposits, or any portion thereof will remain the property of RCI in accordance with Par. 21.C, unless released by RCI in its sole discretion.

24. Indemnification. The Member will indemnify, defend and hold harmless RCI, together with its officers, managers, employees, directors, shareholders, agents, representatives, corporate affiliates and the predecessors, successors and assigns of all of them (the "Indemnitees"), to the fullest extent permitted by law, from and against certain losses and expenses.

A. Member will indemnify any Indemnitee for losses and expenses incurred by any Indemnitee for any investigation, claim, action, suit, demand, administrative or alternative dispute resolution proceeding, relating to or arising out of any Transaction, occurrence or service at or with a Resort, other Inventory provider or Alternative Inventory provider, or involving personal injury or property damage, or any breach or violation of any contract or any law, regulation or ruling by, or any act, error or omission of the Member, the Member's guests, any party associated or affiliated with the Member or guests, or any of the owners, officers, directors, employees, agents or contractors of the Member or the Member's affiliates or Member's guests.

B. The Member has no obligation to indemnify an Indemnitee for damages or other expenses arising from allegations of property damage or personal injury to the extent that a court of competent jurisdiction makes a final decision, not subject to further appeal, that the Indemnitee engaged in negligence, gross negligence or willful misconduct, or intentionally caused such property damage or bodily injury.

C. The Member will respond promptly to any matter described in the preceding paragraphs, and defend the Indemnitee. The Member will reimburse the Indemnitee for all costs of defending the matter, including reasonable attorneys' fees and other expenses incurred by the Indemnitee, if the Member's insurer or the Member does not assume defense of the Indemnitee promptly when requested, or if any Indemnitee determines, in his or its sole discretion that separate and independent counsel is appropriate because of potential conflicts of interest, in which case that Indemnitee has the right to retain counsel of its choosing at its expense. RCI must approve any resolution or course of action in a matter that could directly or indirectly have any adverse effect on RCI, or could serve as a precedent for other matters.

25. LIMITATION OF LIABILITY AND REMEDIES.

MEMBER UNDERSTANDS AND AGREES THAT RCI OPERATES THE PROGRAM AND DOES NOT SUPPLY TRAVEL SERVICES, AND NEITHER RCI NOR ANY INDEMNITEE IS RESPONSIBLE FOR OR CONTROLS THE TRAVEL-RELATED SERVICES OR BENEFITS THAT MAY BE MADE AVAILABLE TO MEMBERS BY THE PROGRAM, AND MEMBER FURTHER UNDERSTANDS AND AGREES THAT THE LIABILITY OF AND REMEDIES AVAILABLE FROM RCI AND/OR ANY INDEMNITEE ARISING OUT OF THESE TERMS AND CONDITIONS, OR ANY OTHER PROGRAM DOCUMENTS ARE AND SHALL BE LIMITED AS FOLLOWS:

A. IN THE EVENT THAT RCI AND/OR ANY INDEMNITEE IS FOUND TO BE LIABLE FOR ANY DAMAGES, THE TOTAL AMOUNT OF DAMAGES A MEMBER OR GUEST MAY RECOVER SHALL BE LIMITED TO THE AMOUNT OF SUBSCRIPTION FEES

AND OTHER FEES THAT SUCH MEMBER ACTUALLY HAS PAID TO RCI DURING THE ANNUAL MEMBERSHIP YEAR IN WHICH THE LIABILITY AROSE.

B. IN NO EVENT SHALL RCI BE LIABLE TO A MEMBER OR GUEST FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE MEMBER'S PARTICIPATION IN OR USE OF THE PROGRAM.

C. RCI OR INDEMNITEE SHALL NOT BE RESPONSIBLE, IN CONTRACT, TORT OR BY STATUTE, FOR THE ACTS OR OMISSIONS AND/OR REPRESENTATIONS (WHETHER ORAL OR WRITTEN) OF ANY THIRD PARTIES, INCLUDING BUT NOT LIMITED TO RESORTS, INVENTORY PROVIDERS OR ALTERNATIVE INVENTORY PROVIDERS, AND MEMBER WAIVES AND RELEASES ANY CLAIM AGAINST RCI OR ANY INDEMNITEE FOR SUCH ACTS OR OMISSIONS.

D. MEMBER ACKNOWLEDGES AND UNDERSTANDS THAT NEITHER RCI NOR ANY INDEMNITEE HAS THE ABILITY TO CONTROL THE OPERATIONS OF RESORTS, INVENTORY PROVIDERS OR ALTERNATIVE INVENTORY PROVIDERS (TO THE EXTENT ALTERNATIVE INVENTORY IS MADE AVAILABLE), INCLUDING THE FORM OF ACCESS PROVIDED TO THEIR FACILITIES (INCLUDING ACCESS FOR INDIVIDUALS WITH DISABILITIES), AND NEITHER RCI NOR THE INDEMNITEE SHALL BE RESPONSIBLE FOR THE ACTIONS OR OMISSIONS OF RESORTS, INVENTORY PROVIDERS OR ALTERNATIVE INVENTORY PROVIDERS.

E. MEMBER ACKNOWLEDGES AND UNDERSTANDS THAT NEITHER RCI NOR ANY INDEMNITEE IS RESPONSIBLE FOR THE FINANCIAL VIABILITY OR THE QUALITY OF ACCOMMODATIONS, FACILITIES, AMENITIES, MANAGEMENT AND SERVICES THAT MAY BE MADE AVAILABLE THROUGH THE PROGRAM, OR FOR ENSURING COMPLIANCE WITH ALL LAWS, RULES AND REGULATIONS BY INVENTORY OR ALTERNATIVE INVENTORY PROVIDERS.

F. THE INFORMATION THAT RCI PROVIDES TO MEMBERS AND GUESTS ABOUT INVENTORY AND ALTERNATIVE INVENTORY IS BASED ON INFORMATION OBTAINED FROM THE INVENTORY OR ALTERNATIVE INVENTORY PROVIDERS. RCI DISCLAIMS LIABILITY RESULTING FROM INACCURATE, INCOMPLETE OR MISLEADING INFORMATION CONCERNING ANY INVENTORY OR ALTERNATIVE INVENTORY PROVIDED BY SUCH PROVIDERS.

G. MEMBER ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH 25 SHALL APPLY IF ANY LOSS, DAMAGE OR INJURY, IRRESPECTIVE OF CAUSE OR ORIGIN, RESULTS DIRECTLY OR INDIRECTLY FROM THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS IMPOSED BY RCI OR FROM NEGLIGENCE, ACTIVE OR OTHERWISE, STRICT LIABILITY, VIOLATION OF ANY APPLICABLE CONSUMER PROTECTION LAW, OR ANY OTHER ALLEGED FAULT ON THE PART OF RCI OR ANY INDEMNITEE.

26. Rights of RCI.

As provided to RCI in the Program Documents, the rights provided to RCI include, but are not limited to:

A. All rights of use occupancy, access and enjoyment in respect to deposited Vacation Time;

B. In its sole discretion, waiving or modifying the application of any requirement, including, but not limited to Transaction fees otherwise existing in the Program Documents;

C. Permitting a Resort or Inventory provider to make a Confirmed Exchange or Deposit and provide the Confirmed Exchange or Deposit to a Member;

D. Accepting or rejecting any Enrollment Application;

E. Exchanging Vacation Time in the Program for Vacation Time in other RCI exchange programs;

F. Renting, using or disposing of Inventory or Deposits for the use of Members and non-members,

With respect to this Par. 26.F, RCI rents, uses, or disposes of Inventory for several reasons that include but are not limited to: a determination that Inventory likely will go unused; or Inventory that is not the subject of a Reservation sixty (60) days prior to the start date of Vacation Time; or to offset the costs associated with acquiring Inventory from third party sources which is exchanged into by a Member; or to offset the costs associated with providing Members the opportunity to acquire Alternative Inventory and other vacation-related products or benefits.

27. Program Integrity. In addition to all other rights provided to RCI in the Program Documents, RCI shall have the right to take such actions, as determined by RCI in its sole judgment and discretion, to ensure the continuing integrity and/or profitability of the Program. Such actions may include, but not be limited to, restricting the number of weeks a Member may deposit; adding, deleting or restricting access to Program Benefits; adjusting Deposit Trading Power and

Exchange Trading Power; or restricting the number of Guest Certificates a Member may obtain.

28. Other Legal Matters.

A. Partial Invalidity. If all or any part of a provision of these Terms and Conditions is declared invalid or unenforceable, for any reason, the remainder of the Terms and Conditions shall be enforced to the fullest extent permitted by law. Any such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties as set forth herein.

B. No third party beneficiaries. These Terms and Conditions are exclusively for the benefit of the parties. There are no third party beneficiaries. No agreement between RCI and any other party is for Member's benefit.

C. Waivers, Modifications and Approvals. All modifications, waivers, approvals and consents of or under these Terms and Conditions by RCI must be in writing and signed by RCI's authorized representative to be effective. RCI's silence or inaction will not be or establish a waiver, consent, course of dealing, implied modification or estoppel. If RCI allows any Member to deviate from these Terms and Conditions, as confirmed in writing, RCI may insist on strict compliance with such term, condition or obligation by that Member at any time upon written notice.

D. Notices.

i. Notices to Members will be effective and deemed given on the date first published on RCI's web site at www.rci.com. Alternatively, RCI may deliver notices to Members in writing by mail, or by electronic mail to an email address provided by the Member to RCI or by publication in RCI's *ENDLESS VACATION* magazine or the *RCI Directory of Affiliated Resorts*. Member consents to receive electronic mail from RCI for notice purposes. Such alternative notices shall be deemed given on the date sent to Members or publicized.

ii. Notice to RCI will be effective if delivered in writing by mail, or by electronic mail, at the addresses set forth in Par. 7.B.i. Notices shall be deemed effective on the date received by RCI.

E. Miscellaneous. The section headings in these Terms and Conditions are for convenience of reference only.

29. Trademarks.

ENDLESS VACATION, RESORT CONDOMINIUMS INTERNATIONAL, WYNDHAM EXCHANGE AND RENTAL, WYNDHAM DESTINATIONS and RCI and

any respective marks and designs are trademarks or service marks that may not be used without the prior written permission of the owners of such marks. Other brand names may be trademarks or service marks of their respective owners.

30. Dispute Resolution, Choice of Law and Venue.

A. Governing Law. These Terms and Conditions and the Program will be governed by and construed under the laws of the State of New Jersey, without regard to its conflicts of law principles.

B. Jurisdiction. Each Member consents and waives any objection to the exclusive personal jurisdiction of and venue in the New Jersey state courts situated in Morris County, New Jersey and the United States District Court for the District of New Jersey for all disputes arising out of or relating to the Program or the relationship between any Member or any guest of a Member, and RCI or any of the Indemnitees.

C. WAIVER OF JURY TRIAL. THE PARTIES, FOR THEMSELVES AND FOR THEIR SUCCESSORS AND ASSIGNS, WAIVE ANY RIGHT TO A JURY TRIAL FOR ANY ACTION ARISING OUT OF OR RELATING TO THE PROGRAM OR THE RELATIONSHIP BETWEEN ANY MEMBER OR ANY GUEST OF A MEMBER, AND RCI OR ANY OF THE INDEMNITEES.

D. Legal Fees. If any legal action is initiated by a Member or guest or by RCI pertaining, directly or indirectly, to RCI, the Program, or the Program Documents (including these Terms and Conditions), and RCI prevails, Member and guest agree that they shall, without limitation, pay all costs incurred by RCI in defending or pursuing such action, including reasonable attorneys' fees, and costs.

31. Entire Agreement.

A. There are no express or implied covenants or warranties, oral or written, between RCI and Member except as expressly stated in the Program Documents.

B. RCI may amend the Program Documents at any time without advance notice in its sole discretion upon compliance with the notice provisions set forth in Par. 28.D.i.

C. The Program Documents constitute the entire agreement between RCI and the Member with respect to the subject matter set forth in those documents, and supersedes all previous and contemporaneous communications, representations, or agreements, either oral or written, between the parties relating to that subject matter.