

Marriott Vacation Club Destinations™
Exchange Program



EXCHANGE PROCEDURES

**EXCHANGE PROCEDURES
FOR
MARRIOTT VACATION CLUB DESTINATIONS EXCHANGE PROGRAM**

Introduction

These Exchange Procedures for Marriott Vacation Club Destinations Exchange Program (“**Exchange Procedures**”) are specifically promulgated for the Marriott Vacation Club Destinations Exchange Program (“**Program**”) by Marriott Resorts, Travel Company, Inc. d/b/a MVC Exchange Company, a Delaware corporation, as Exchange Company (as defined in Schedule “1”). These Exchange Procedures have been designed to facilitate Program Members’ (as defined in Schedule “1”) ability to reserve and exchange the use of Accommodations (as defined in Schedule “1”), facilities, services, and experiences offered through the Program each year, and corresponding exchange of access to any Accommodations, facilities, services, and experiences that are a part of any other Affiliate Program (as defined in Schedule “1”).

Exchange Company has the specific right to implement procedures to facilitate the exchange of the Accommodations that are part of Components (as defined in Schedule “1”), other Affiliate Programs affiliated with the Program or Special Benefits (as defined in Schedule “1”). There may be different methods or procedures by which Exchange Points (as defined in Schedule “1”) are assigned at a particular Component or within a particular Affiliate Program. Exchange Company, subject to the terms of these Exchange Procedures, may further modify these Exchange Procedures in its sole discretion and in a manner it deems for the benefit of the Program Members as a whole.

I. DEFINITIONS

Capitalized terms shall have the meaning set forth on **Schedule “1.”**

II. EXERCISE OF MEMBERSHIP PRIVILEGES; PROGRAM MEMBER’S DISTRIBUTION

A. Direct Members. This section only applies to Direct Members. Membership in the Program is not an appurtenance to Interests. In order to enjoy the benefits of Membership in the Program as a Direct Member, the Affiliate Program Manager and/or Association of your Affiliate Program must have voluntarily entered into an Affiliation Agreement with Exchange Company, pursuant to which the Affiliate Program Manager and/or Association is affiliated with the Program. Direct Members must comply with all of the terms and conditions of Membership in the Program. During the term of the applicable Affiliation Agreement, Direct Members will have the right to reserve and use the Accommodations, facilities, services, and experiences that are a part of the Program or an Affiliate Program in accordance with these Exchange Procedures. Unless otherwise provided pursuant to the applicable Affiliation Agreement, Direct Members have the right to reserve and use the Accommodations, facilities, services, and experiences that are a part of the Direct Member’s Affiliate Program in accordance with that Affiliate Program’s Affiliate Program Reservation System. If a Direct Member desires to use the Special Benefits that may be offered by Exchange Company from time to time, the Direct Member may voluntarily participate in the Program as described in these Exchange Procedures.

Membership in the Program automatically terminates for a given Direct Member if the Direct Member voluntarily or involuntarily transfers the Direct Member’s Interest and owns no other Interest, or if the Direct Member’s Affiliate Program ceases to be affiliated with the Program because such Affiliate Program’s Affiliation Agreement is terminated or is not renewed.

B. Exchange Members. This section only applies to Exchange Members. Membership in the Program is not an appurtenance to Interests. In order to enjoy the benefits of Membership in the Program as an Exchange Member, an owner of an Interest must have either: (i) voluntarily entered into an Enrollment Agreement with Exchange Company, or (ii) be a Member in Good Standing of an Affiliate Program and voluntarily entered into an Enrollment Agreement with such Affiliate Program which has voluntarily entered into and maintains an Affiliation Agreement with Exchange Company (“**Affiliated Member**”). Exchange Members must comply with all

of the terms and conditions for Membership in the Program. During the term of the Exchange Member's Enrollment Agreement with Exchange Company and so long as an Exchange Member remains enrolled in the Program, or so long as the Affiliated Member is a member of the Affiliate Program and an Affiliation Agreement between Exchange Company and such Affiliate Program is in effect, Exchange Members will have the right to reserve and use the Accommodations, facilities, services, and experiences that are a part of the Program in accordance with these Exchange Procedures. In addition, an Affiliation Agreement may also require that the Association for a Component execute an Acknowledgment. If an Exchange Member desires to use the Accommodations outside the Exchange Member's Affiliate Program or access Special Benefits (to the extent offered), from time to time, the Exchange Member may voluntarily participate in the Program described in the Disclosure Guide and these Exchange Procedures.

Membership in the Program automatically terminates for a given Exchange Member if the Exchange Member voluntarily or involuntarily transfers the Exchange Member's Interest and owns no other enrolled Interest, if the Exchange Member's Enrollment Agreement is terminated or not renewed, or the Exchange Member's Affiliate Program ceases to be affiliated with the Program because such Affiliate Program's Affiliation Agreement is terminated or is not renewed.

III. PROGRAM OPERATION AND EXCHANGE POINTS

A. Management. The Program shall be operated and managed by Exchange Company pursuant to the terms of the Exchange Company Documents. Exchange Company is expressly authorized to take such actions as it deems are necessary or appropriate for the operation of the Program, including, without limitation, the performance of all duties outlined in these Exchange Procedures and the delegation to a third party of any such duties. In addition, Exchange Company reserves the right, to be exercised in Exchange Company's sole discretion from time to time, to limit reservations of Use Periods made: (i) for Accommodations in a particular Affiliate Program or Component; (ii) from the Program into a particular Affiliate Program; or (iii) from a particular Affiliate Program into the Program (or into one or more Affiliate Programs), in order to adequately balance demand and use of the Accommodations.

The Program currently utilizes software, hardware, and related equipment and technology owned, licensed, or leased by the Exchange Company. The rights granted to Program Members to participate in the Program pursuant to these Exchange Procedures do not create for Program Members or any other party any ownership interest or other right, title, or interest in or to any software, hardware, equipment or technology utilized by or in connection with the Program.

B. Distribution.

1. Direct Members. For administrative convenience in the operation of the Program and for determination of the respective rights of Program Members to enjoy the benefits of the Program, each Direct Member will be assigned a Distribution each Use Year. The Distribution represents the reservation rights of the Direct Member's Interests during a particular Use Year in relation to other Interests participating in the Program during that Use Year. A Direct Member will be permitted to use his or her Affiliate Program points each Use Year to make a reservation for Accommodations that are part of the Program Member's Affiliate Program or the Program Member may voluntarily participate in the Program by converting all or a portion of his or her Affiliate Program points into Exchange Points for the purpose of making a reservation through the Program. Unless otherwise provided by Exchange Company, a Program Member may not convert his or her Affiliate Program points into Exchange Points except in connection with making a reservation through the Program. Currently, the conversion of Affiliate Program points into Exchange Points is one-to-one; however, Exchange Company reserves the right to vary the conversion ratio in Exchange Company's sole discretion, including, but not limited to, on an Affiliate Program-by-Affiliate Program basis.

2. Exchange Members. Each calendar year, an Exchange Member may Deposit Use Periods associated with the Exchange Member's Interest with the Exchange Company during the applicable Deposit Window. Exchange Members are required to Deposit Use Periods in 7-consecutive evening increments (in

accordance with the governing documents associated with the Exchange Member's Component). Lock-off portions of an Accommodation are not eligible to be deposited. Deposits may only be made during the Deposit Window for the Use Period that the Exchange Member desires to Deposit. With respect to an Exchange Member who owns an alternate year Interest, unless the Exchange Member banks or borrows Exchange Points as may be permitted by these Exchange Procedures, such Exchange Member will be entitled to Deposit Use Periods associated with his or her Interest for usage of Exchange Points only during the calendar year in which such Exchange Member's use rights occur, and will be required to use their Exchange Points during the same calendar year; provided, however, such Exchange Member will be assessed Exchange Company Dues on an annual basis (as applicable).

For administrative convenience in the operation of the Program and for determination of the respective rights of Exchange Members to enjoy the benefits of the Program, the Exchange Company will assign a Distribution of Exchange Points to each Exchange Member for Use Periods Deposited by the Exchange Member for exchange each Use Year. The number of Exchange Points in a Distribution for a particular Use Period is based on various factors such as relative daily and seasonal demand, Accommodation capacity, size, view, and furnishings, and other valuation parameters established by the Exchange Company and may vary periodically by such factors. The number of Exchange Points in a Distribution is not in any way intended to be reflective of the economic value of any Interest and may vary from year to year based on the forgoing factors.

When an Exchange Member Deposits a Use Period with Exchange Company, such Exchange Member assigns and Exchange Company will automatically have all of such Exchange Member's rights to reserve and use such Use Period for the given Use Year. Once such Use Period has been Deposited with Exchange Company, it may not be withdrawn.

3. All Program Members. The Exchange Points necessary to reserve a Use Period are identified on the Exchange Point Schedule. **Exchange Company will review the Exchange Point Schedule at least annually and amend the Exchange Point Schedule as necessary to maintain an equitable distribution of the usage requirements based on various factors such as relative daily and seasonal demand, Accommodation capacity, size, view, and furnishings, and other valuation parameters established by Exchange Company or as might be required by law. Any such modification to the Exchange Point Schedule shall not require approval by the Program Members or amendment of these Exchange Procedures.** Exchange Company may also temporarily discount the number of Exchange Points otherwise required on the Exchange Point Schedule from time to time to reduce the number of Exchange Points required to reserve specific Use Periods at specific Accommodations in the event Exchange Company deems such discounts beneficial to the Program. Such temporary adjustments of the Exchange Point Schedule shall not require an increase in the number of Exchange Points required to reserve other Use Periods within the Program.

Unless banked into subsequent Use Years as may be permitted by these Exchange Procedures, if a Program Member fails to use any or all of a Program Member's Distribution during a given Use Year the unused Exchange Points allocated during such Use Year expire and the Program Member shall not have use of that Use Year's unused Exchange Points during succeeding Use Years. A Program Member may use borrowed Exchange Points from the following Use Year's Distribution and any banked Exchange Points to reserve a Use Period(s) during the appropriate Reservation Window.

Each Program Member may use the Program Member's Distribution each Use Year in order to reserve Use Period(s) or other products or programs during that Use Year in accordance with these Exchange Procedures, as they may be amended from time to time. A Program Member who is unable to use any available Use Period is not relieved of the obligation to remain a Member in Good Standing at all times. When confirming a reservation, Exchange Points that will expire soonest will generally be utilized first, unless the Exchange Company, in its sole discretion, establishes systems or procedures which a Program Member may use to direct that the Exchange Company use other Exchange Points held by such Program Member for the reservation.

C. Use of Exchange Points for Use Periods. Program Members may use their Distribution of Exchange Points with respect to a given Use Year to reserve available Use Periods that occur during such Use Year.

With the exception of Exchange Points that have been banked for use in subsequent Use Years, Exchange Points that are from a particular Use Year's Distribution shall only be used before they expire.

All or a portion of the Distribution may be used to make reservations for one or more of: (i) the Program Member; (ii) Family Members or Guests staying in separate Accommodations at the same Component during the same period as a Program Member residing there; or (iii) Family Members or Guests staying in an Accommodation without the Program Member present. All reservations must be made by a designated Delegate. Exchange Company retains the right, to be exercised in Exchange Company's reasonable discretion, to limit the number of Accommodations a Program Member may reserve for use by Family Members or Guests, regardless of the number of Exchange Points the Program Member has available for use. No additional Exchange Points are required to reserve Accommodations for a Program Member accompanied by Family Members or Guests in the same Accommodation as the Program Member.

Exchange Company (or its designees) shall have the exclusive right to utilize Exchange Points assigned to Exchange Company's Interests or any other Exchange Points that Exchange Company is entitled to use for any purpose in its sole discretion, including, but not limited to, (i) the purposes of customer relations, public relations and employee relations; (ii) marketing, promoting, and selling of the Program, Interests, vacation ownership interests, programs, or vacation products at other resort condominiums or club resorts, or such other vacation ownership, multisite vacation ownership and membership or exchange plans developed, managed or marketed by Exchange Company or its affiliates from time to time; (iii) utilizing Use Periods or Exchange Points in manners which will enhance or expand the Program or any Affiliate Program; or (iv) the purpose of renting unreserved Use Periods to third parties, the revenue for which shall benefit the Exchange Company or its affiliates. Exchange Company (or its designees) is specifically entitled to charge Program Members for the use of any Exchange Points that are owned by, allocated to or controlled by Exchange Company for the use of the Accommodations or other benefits offered or made available through the Affiliate Program Reservation System. If PlusPoints are offered by Exchange Company, Exchange Company may fulfill a Program Member's request to access Accommodations or other benefits by the use of PlusPoints in accordance with the following priorities (in the order provided): (i) Exchange Company's right to charge for any PlusPoints allocated to or controlled by Exchange Company; and (ii) the Affiliate Program developer's right to charge for any PlusPoints allocated to or controlled by such developer. The ability to reserve Accommodations by utilizing PlusPoints is a Special Benefit, and may not be available to all Program Members. The Affiliation Agreement for a particular Affiliate Program may contemplate that PlusPoints will not be available for Exchange Members of such Affiliate Program. An Exchange Member who does not make a Deposit in a given calendar year is not entitled to utilize PlusPoints in such calendar year. The ability to utilize PlusPoints for reservations may not be available for all Accommodations. If PlusPoints are used to make a reservation, additional fees may be required to complete the reservation. The ability to use PlusPoints to reserve Accommodations is not available for Guests' reservations if unaccompanied by a Program Member or a Family Member of the Program Member. The rights reserved to Exchange Company in this paragraph may be assigned by Exchange Company.

D. Banking Exchange Points. Exchange Points assigned to Members, Select Members and Executive Members for a given Use Year may be banked by the Program Member for use during the immediately following Use Year. Exchange Points assigned to Presidential Members for a given Use Year may be banked by the Program Member for use during the immediately following Use Year and the first six (6) months of the Use Year thereafter. Exchange Points assigned to Chairman's Club Members for a given Use Year may be banked by the Program Member for use during the immediately following two (2) Use Years. If Exchange Points have been banked for use during a subsequent Use Year or Use Years, as applicable, the banked Exchange Points may only be used to make reservations during the Use Year or Use Years, as applicable, for which the Exchange Points were banked and may not be withdrawn by the Program Member for use during any other Use Year. Failure to use Exchange Points during the Use Year or Use Years for which they are banked will result in the expiration of those Exchange Points as set forth in Section III.B. of these Exchange Procedures.

Unless further restricted or limited as provided in Section III.F., Members and Select Members may bank their Exchange Points from twelve (12) months until six (6) months before the expiration date of such Exchange Points. Members' and Select Members' Exchange Points may not be banked any less than six (6) months

prior to the expiration date of such Exchange Points. Executive Members, Presidential Members and Chairman's Club Members may bank their Exchange Points from twelve (12) months until four (4) months before the expiration date of such Exchange Points. Executive Members', Presidential Members' and Chairman's Club Members' Exchange Points may not be banked any less than four (4) months prior to the expiration date of such Exchange Points. Program Members must be current on all purchase money payments owed, if any, and all fees, dues, and other amounts owed by the Program Member to the Association and Exchange Company, if any, to be eligible to bank any Exchange Points. Banked Exchange Points may not be transferred and purposes for which banked Exchange Points may be used may be limited by Exchange Company from time to time in Exchange Company's sole discretion. Exchange Points transferred into a Program Member's Holding Account and PlusPoints are not eligible for banking.

E. Borrowing Exchange Points. Unless restricted or limited as provided in Section III.F., a Program Member may borrow all or a portion of the Exchange Points allocated for a particular Use Year up to twenty-five (25) months prior to the first day of such Use Year. Borrowed Exchange Points may be used to make reservations for Use Periods that occur during the Use Year for which the Program Member is currently entitled to make reservations. Borrowed Exchange Points may be used for a wait list reservation as set forth in these Exchange Procedures. In the event that a reservation request using borrowed Exchange Points is not confirmed, the borrowed Exchange Points must be utilized prior to the end of the Use Year from which such Exchange Points were borrowed and will expire at the end of such Use Year as set forth in Section III.B. of these Exchange Procedures. A Program Member who desires to borrow Exchange Points may be required to remit an amount to be applied against the following year's purchase money payments, maintenance fees, and ad valorem taxes, as determined by Exchange Company in its sole discretion from time to time and such amounts shall be held in escrow to the extent required by applicable law. Borrowed Exchange Points may not be banked for use in a subsequent Use Year; however, borrowed Exchange Points do not expire until the end of the Use Year from which such Exchange Points were borrowed. A Program Member may borrow Exchange Points in order to make an Advance Priority Reservation. Borrowed Exchange Points may not be transferred to other Program Members and purposes for which borrowed Exchange Points may be used may be limited by Exchange Company from time to time in Exchange Company's sole discretion. When an Exchange Member borrows Exchange Points, the Exchange Member will be deemed to have Deposited the Use Period designated by the Exchange Member with Exchange Company, and Exchange Company will automatically have all of such Exchange Member's rights to reserve and use such Use Period for the given Use Year.

F. Limitations on and Modifications to Banking and Borrowing. Notwithstanding anything set forth in Sections III.D. and III.E. of these Exchange Procedures, the ability of Program Members to bank or borrow Exchange Points, including, without limitation, the number of Exchange Points that may be banked or borrowed at any time by Program Members and the number of banking and borrowing transactions that may occur for any given Use Year, may be limited or expanded by Exchange Company in its sole discretion. Exchange Company also reserves the rights to suspend, terminate, or limit all banking and borrowing of Exchange Points at any time, or to revise the time periods during which banking or borrowing is permitted, and to charge fees to Program Members for each banking or borrowing transaction conducted by the Program Members.

G. Transfer of Exchange Points. Subject to limitations implemented from time to time by Exchange Company, in Exchange Company's sole discretion, Program Members may transfer Exchange Points, excluding PlusPoints and banked or borrowed Exchange Points, for immediate use in any increment, to other Program Members. Transferred Exchange Points will retain their original expiration date and transferred Exchange Points may not be banked for future use and may not be transferred to another Program Member after the initial transfer. If a reservation made with transferred Exchange Points is cancelled, the transferred Exchange Points will be subject to the cancellation policies set forth in these Exchange Procedures. PlusPoints are not eligible to be transferred. Both the transferring and receiving Program Members must be current on all purchase money payments owed, if any, and fees and dues owed by the Program Member to the Association and Exchange Company, if any, to facilitate a transfer of Exchange Points pursuant to this Section. Exchange Company may require written confirmation from the transferring Program Member of any transfer of Exchange Points. Exchange Company, in Exchange Company's sole discretion may limit, condition, suspend, terminate, or charge a fee for transfers of Exchange Points.

H. Wait Lists. If offered by Exchange Company, and, only then, subject to availability and Exchange Company's right to limit or eliminate wait list requests, in the event a reservation requested by a Program Member is not available at the time of request, the Program Member may request to be placed on a wait list for such reservation. Wait list requests may include, but shall not be limited to, Accommodation size, number of Accommodations, and view type, if applicable. Wait list requests shall be subject to minimum Exchange Point requirements and Reservation Window requirements as set forth in these Exchange Procedures. Wait list requests for Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, will not be accepted prior to six (6) months in advance of the first day of a given Use Period; Exchange Company may accept wait list requests for all other Accommodations twelve (12) months in advance of the first day of a given Use Period. If a wait list requested reservation becomes available, the reservation will be confirmed upon availability and notification of the confirmation will be sent to the requesting Program Member by electronic mail or by telephone in accordance with these Exchange Procedures. Cancellation of any wait list reservation that is confirmed must occur within forty-eight (48) hours of the Program Member being notified of the confirmation and any such cancellation shall be subject to the terms and conditions of Section IV.D. of these Exchange Procedures. Upon the cancellation of a confirmed wait list reservation, all remaining wait list requests can be reinstated. Program Members may enter a wait list request for a single Use Period which lists more than one (1) Component that will be acceptable to the Program Member for the requested Use Period, subject to any limitations placed on the number of Components that may be included in such requests. A request for multiple Components for a single Use Period shall be considered a single request for purposes of determining the number of concurrent wait list requests that a Program Member has at any given time. If multiple Components are listed on a single request, the Program Member must have available for use a sufficient number of Exchange Points to reserve the Component requiring the highest number of Exchange Points. Wait list requests will be held until the expiration date of such wait list request as determined by the Program Member at the time the wait list request is made. Upon the expiration of the wait list request, the wait list request will be cancelled; provided, however, if the wait list request was for additional nights at a Component already reserved by the Program Member, the wait list request will be honored if such additional nights become available any time prior to the Program Member's check-in at the Component and Program Member possesses sufficient Exchange Points. Program Members may have multiple wait list requests for different Use Periods provided that the total number of Exchange Points of all such requests may not exceed the total Exchange Points available for use by the Program Member at the time such requests are made. Notwithstanding anything in these Exchange Procedures to the contrary, Exchange Company reserves the right to limit wait list requests to certain levels of Membership from time to time. Exchange Company reserves the right to establish priority policies which grant priority to wait list requests entered by certain levels of Membership or other specified groups of Program Members. Any such priority policies will be subject to any limits, parameters, terms or conditions established by Exchange Company for such policies from time to time. Program Members must be current on all purchase money payments owed, if any, and all fees and dues owed by the Program Member to the Association and Exchange Company, if any, to make or maintain any wait list requests and Exchange Company may cancel any pending requests if a Program Member is more than ten (10) days delinquent on any fees or dues owed by the Program Member.

I. Use of Remaining Exchange Points. **There is no guarantee that a Program Member will be able to use all of the Exchange Points in a Program Member's Distribution each Use Year because the ability of a Program Member to use all of the Program Member's Exchange Points in a given Use Year will depend on: (i) the Use Periods reserved by the Program Member, (ii) the Use Periods reserved by other Program Members, and (iii) the number of Exchange Points banked for use in subsequent Use Years. Consequently, Exchange Points may remain in the Program Member's Distribution at the end of a given Use Year which are insufficient to reserve any Use Period or Special Benefit and, thus, the Program Member will not be able to use such Exchange Points, and will not be permitted to carry over the unused, unbanked Exchange Points to the next Use Year.**

A Program Member's ability to reserve a Use Period in a particular Accommodation or Component will depend on, among other factors, the number of Exchange Points required to reserve the various Accommodations that have been affiliated with the Program, the number of Exchange Points available to the Program Member at the time of the reservation request, and other Program Member reservations that may have preceded the requested reservation. Additionally, the ability of a Program Member to reserve a Use Period at a particular Component may be severely limited due to the limited number of Accommodations that

may be committed to the Program at that Component. Please refer to the Exchange Point Schedule for more information regarding the number of Accommodations available at any particular Component, from time to time. Neither Exchange Company, nor any other party can guarantee the fulfillment of a specific reservation request.

J. Affiliate Program Reservation System Operations. Exchange Company may, from time to time, operate and manage reservation systems or exchange programs for other vacation ownership programs and facilitate usage by members of such programs, in addition to operation of the exchange facilities and related services in the Program. When providing reservation services for another program, which is also an Affiliate Program, Exchange Company shall provide the reservation services and exchange services in a manner consistent with the applicable Affiliation Agreement and the applicable Affiliate Program Reservation Procedures. The Affiliate Program Reservation Systems may vary and have priority windows or reservation restrictions that are different from those of the Program or other Affiliate Programs. In such cases, Exchange Company will use commercially reasonable efforts to integrate all Affiliate Programs into the Program.

IV. PROCEDURES FOR RESERVING USAGE

A. Reservation Services. Program Members must contact Exchange Company or its agent (as directed by Exchange Company) to make reservations in accordance with the reservation request priorities applicable to the Program Member. Program Members shall be required to deposit with Exchange Company the total number of Exchange Points, Use Periods, or Interests, as applicable, necessary to make a reservation for requested Use Periods based on the Exchange Point Schedule, and Program Member's available Distribution will be reduced by the total number of Exchange Points required for such Use Periods.

1. Reservation Requests. To reserve a Use Period, a Program Member must determine if the Program Member has the necessary Exchange Points to reserve the desired Use Period. To determine the number of Exchange Points necessary to make a reservation, the Program Member may either visit www.owners.marriottvacationclub.com or utilize the then-current Exchange Point Schedule. Next, a Program Member must submit a reservation request to Exchange Company by such means of communication as may be made available by Exchange Company from time to time. Such means of communication may, but will not necessarily, include the following: mail/surface mail, facsimile, e-mail, internet, and telephone. Details of such means of communication will be made available to Program Members by Exchange Company from time to time or will be available at www.owners.marriottvacationclub.com.

2. Designation of Delegates. The owner(s) of an Interest owned by more than one person or by an entity such as a family trust, limited liability company, or the like, shall designate at least one (1) and up to four (4) Delegates from time to time by notifying Exchange Company through written notice or other approved means. Individual owners of Interests may, but are not required to, designate at least one (1) and up to four (4) Delegates from time to time by notifying Exchange Company through written notice or other approved means. Notices of Delegates shall be executed (or verified to the satisfaction of Exchange Company if delivered by means other than in writing) by all individuals holding the Interest or by an authorized representative of the business entity, as applicable. Delegates shall be authorized to make reservations, receive confirmations and other services, perform administrative functions with respect to the Interest owned, and exercise other privileges as permitted by Exchange Company from time to time. Exchange Company may rely, without liability, on the requests made by Delegates of record with the Exchange Company. Exchange Company may charge an administrative fee, as Exchange Company may determine from time to time, for each request to change, add, or delete a Delegate designation. In the event of a conflict among the owners of an Interest with respect to the designation of Delegate, Exchange Company may make its determination based on the Exchange Company's files and records. In the event a designated Delegate owns Interests other than the Interest for which the Delegate has been designated, the Exchange Points assigned to the Delegate's Interests may not be combined with the Exchange Points assigned to the Interest for which the Delegate has been designated for any purposes including, without limitation, making reservations.

B. Delinquency; Advance Payments.

1. Delinquency. Subject to applicable law and the provisions of the Affiliate Program Documents, only Members in Good Standing may exercise Membership privileges. Exchange Company has the right to deny or cancel a reservation request if the Program Member is not a Member in Good Standing. A Program Member who is not a Member in Good Standing has no right to reserve a Use Period, and any previously confirmed Use Period reservation may be cancelled by Exchange Company. No further reservations may be made until any delinquency is satisfied in full. Exchange Company may collect any delinquent fees and dues, special assessments, or purchase money payments owed by the Program Member, by credit card or other form of payment as determined by Exchange Company from time to time.

2. Advance Payments. If the Program Member has not yet been assessed such maintenance fees, value added tax, goods and services tax and/or ad valorem taxes, if any, the Program Member may be required to remit to Exchange Company, as a condition to acceptance by Exchange Company of the reservation request, an amount equal to the estimated maintenance fees, value added tax, goods and services tax and/or ad valorem taxes which ultimately will become due, as determined by Exchange Company in its sole discretion. Exchange Company shall remit such estimated amounts collected to the Affiliate Program Manager.

C. Confirmations; Accommodation Preferences. Confirmations for reservations will be sent to the appropriate Delegate by Exchange Company by such means of communication as determined by Exchange Company in its sole discretion from time to time (which may include the following: mail/surface mail, facsimile, e-mail, internet, or telephone). Exchange Company will attempt to accommodate all requests to reserve particular Use Periods and Accommodations based upon availability, on a first-come, first-served basis (and any other procedures determined by Exchange Company). **Exchange Company does not guarantee that any particular Use Period will be available. Reservation requests for exchange of Use Periods will be taken on a first-come, first-served, subject-to-availability basis, within the applicable Reservation Window, in accordance with the reservation priorities set forth on Schedule “2”.**

From time to time, certain Use Periods or Accommodations may not be available for reservation or use by Program Members as a result of maintenance being performed by the Affiliate Program Manager or Component Manager. Moreover, in the case of extended maintenance or major renovations, certain Accommodations or Components may not be available for use for extended periods of time.

Exchange Company reserves the right to create alternative confirmation periods with regard to Components which may in the future become a part of a program. Additionally, there may be different methods by which accommodations are assigned within a particular Component. Exchange Company has the specific right to implement procedures which will facilitate reciprocal, exchange, or similar uses by and among the Components affiliated with the Program offered by Exchange Company.

D. Cancellations and No-Shows.

1. If a Program Member wishes to cancel or release a confirmed reservation of a Use Period, and Exchange Company receives written cancellation (or other means of verifiable communication acceptable to Exchange Company) at least sixty-one (61) days prior to the first day of such confirmed Use Period, no cancellation fee will apply, and such cancellation will result in unrestricted restoration of the related Exchange Points to the Program Member for further use during that Use Year (or if borrowed Exchange Points, for use prior to the end of the Use Year from which they were borrowed); provided, however, that in the case of an Advance Priority Reservation, Exchange Points required to obtain such Advance Priority Reservation over and above the number of Exchange Points that would be required to reserve the same Accommodations during the Priority 2 Period, Priority 3 Period, or Open Reservation Period will be restored to the Program Member's Holding Account, subject to the restrictions on Holding Accounts as set forth in these Exchange Procedures.

2. If Exchange Company receives written cancellation sixty (60) days or less prior to the first day of a confirmed Use Period, no cancellation fee will apply; however, such cancellation will result in

assignment of the related Exchange Points, including borrowed Exchange Points, to the Program Member's Holding Account, subject to the restrictions on Holding Accounts as set forth in these Exchange Procedures; provided, however, that in the case of an Advance Priority Reservation, Exchange Points required to obtain such Advance Priority Reservation over and above the number of Exchange Points that would be required to reserve the same Accommodations during the Priority 2 Period, Priority 3 Period, or Open Reservation Period will not be restored and will be forfeited by the Program Member. Borrowed Exchange Points in a Program Member's Holding Account expire at the end of the Use Year from which such Exchange Points were borrowed.

3. If a reservation is modified prior to the first day of a confirmed Use Period to result in a shorter duration than would have been permitted at the time the reservation was made, any Exchange Points restored to the Program Member shall be placed into the Program Member's Holding Account, subject to the restrictions on Holding Accounts as set forth in these Exchange Procedures.

4. If a Program Member cancels a reservation or modifies a reservation by shortening the duration of the reservation on or after the first day of a confirmed Use Period, all Exchange Points utilized for such reservation (if cancelled) or attributed to the days that were eliminated from the reservation (if shortened) shall be forfeited by the Program Member and will not be restored to the Program Member or the Program Member's Holding Account. If the Program Member does not cancel the reservation, but does not check in on the first day of a confirmed Use Period, the reserved Use Period will be held for the Program Member so that the Program Member may check in at any time during the reserved Use Period.

5. If a Program Member sells, assigns, or otherwise transfers ownership of any of Program Member's Interests, and the Exchange Points allocated to such Interests have been used to make a reservation, or the Program Member provides notice to Exchange Company of a pending sale, assignment, or transfer of such Interest, Exchange Company may cancel all pending reservations made with the Exchange Points allocated to such Interest.

Exchange Company, in its sole discretion, is entitled to amend these Exchange Procedures to modify or establish additional cancellation policies and charge cancellation fees from time to time.

E. Check-In and Check-Out; Early Check-Out. Each Component may have the right to establish the check-in and check-out times for such Component. Consequently, each Component may have different check-in and check-out times, and Program Members will be restricted to the established times. All of the Exchange Points applied to a confirmed reservation are considered used starting on the first day of the reserved Use Period. Program Members are not entitled to a partial refund of Exchange Points if the Program Member checks in after the first day of the confirmed Use Period or checks out before the scheduled departure date.

F. Pre-Arrival Notification. Exchange Company will confirm Use Period dates at the time a reservation is confirmed for a Program Member. A Program Member requesting Accommodations for a Family Member or Guest must provide Exchange Company with such Family Member's or Guest's name, e-mail address, address, and telephone number at least thirty (30) days prior to the requested Use Period, or, for Open Reservation Time usage, at the time of such confirmation if it occurs within thirty (30) days of arrival, so that Exchange Company can forward an appropriate confirmation notice to the Program Member, Family Member, or Guest, as applicable. Failure to provide the Family Member's or Guest's name, e-mail address, address, and telephone number by such time may result in cancellation of the reserved Use Period by Exchange Company. The pre-arrival notification set forth in this paragraph is only required if a Family Member or Guest is utilizing an Accommodation other than the Accommodation in which the Program Member is staying.

G. Fees or Charges. As set forth in the Affiliation Agreement with Exchange Company, if any, or Enrollment Agreement, in addition to Exchange Company Dues, Exchange Company has the right to charge transaction fees (including, but not limited to, cancellation fees) as it deems appropriate in its sole discretion from time to time. Program Members shall be responsible for all unpaid fees assessed in accordance with these Exchange Procedures or any charges resulting from use of a Use Period including charges relating to damage or otherwise, and including those fees not paid by Family Members or Guests.

Currently, the only transaction fee charged by Exchange Company is the initiation fee as detailed in Section VII.D.

H. Base Exchange Benefits, Base Plus Exchange Benefits, and Special Benefits. Exchange Company may offer Special Benefits and/or Base Plus Exchange Benefits through the Program to certain Program Members and not others (which may include, but is not limited to, variance among Affiliate Programs(s) and levels of Membership), from time to time. Such Special Benefits may vary, are not part of the Affiliate Program (or its reservation system), and are provided solely as part of the Program at the sole discretion of Exchange Company. Exchange Company has the right to establish such rules and regulations as it deems necessary to adequately govern Program Member access to such Special Benefits, which may include certain fees. In addition, Exchange Company has the right to restrict use of any Base Plus Exchange Benefits and Special Benefits offered by Exchange Company to certain Program Members, including, without limitation, only to those Program Members who (i) purchase an Interest from or through an **“Approved Broker”** which includes: (a) the developer of the Program Member’s Affiliate Program or Component; or (b) such other entity approved by Exchange Company, from time to time; (ii) acquire the Interest by virtue of being a Family Member by gift, will, divorce decree, testamentary disposition, intestate succession or trust from a Program Member; or (iii) is otherwise granted Membership by Exchange Company, upon the terms and conditions then determined by Exchange Company in Exchange Company’s sole discretion. If a Program Member does not satisfy the criteria set forth above in this Section IV.H., such Program Member may be limited to only Base Exchange Benefits, or upon payment of the initiation fee, if permitted in Exchange Company’s sole discretion, Base Plus Exchange Benefits. Any offered Special Benefits are subject to separate terms and conditions, which may be changed, substituted, or eliminated without prior notice. Some Special Benefits may be provided by independent third parties and Exchange Company expressly disclaims responsibility for the acts or omissions of any independent third parties providing Special Benefits, to the extent permitted by applicable law. Special Benefits are only available to Guests that are accompanied by a Program Member or a Family Member of the Program Member.

V. RESERVATION REQUEST PRIORITIES

Subject to any applicable limitations in an Affiliate Program Reservation System and the Affiliation Agreement applicable to an Affiliate Program, reservation requests for exchange of Use Periods will be taken on a first-come, first-served, subject to availability basis, within the applicable Reservation Window, in accordance with the reservation priorities set forth on **Schedule “2”**. **ANY PRIORITY A PROGRAM MEMBER MAY HAVE FOR THE RESERVATION OF USE PERIOD(S) WILL END UPON THE BEGINNING OF THE SUBSEQUENT RESERVATION WINDOW.**

Prior to confirmation of a reservation of a specific Use Period in an Accommodation at a specific Component, a reservation cannot be assured as availability will vary. The earlier a reservation request is submitted within the relevant Reservation Window, the better the chance that a reservation confirmation will be secured. Program Members are encouraged to submit requests as far in advance as possible, within the Reservation Window, to obtain the best choice of Accommodations.

Exchange Company shall have the right to forecast anticipated reservations and use of the Accommodations and is authorized to demand balance, reserve, deposit, or rent the Accommodations for the purpose of facilitating the use or future use of the Accommodations or other benefits made available to Program Members through the Program in its sole discretion.

Unless the Affiliate Program Documents provide otherwise, Exchange Company has the right to establish priority lists, lottery systems, or other alternative methods of reserving Accommodations in an effort to ensure the fair and equitable reservation and use of Accommodations during holidays, events, and other high demand periods. If implemented, access to certain Use Periods by a Program Member may be restricted in a given year based upon the Program Member’s ranking in a lottery or some other allocation methodology established by Exchange Company. Exchange Company may establish an administrative fee for this service. Exchange Company may restrict the number of weeks or days that may be reserved by a Program Member during holidays, events, or other high demand periods and Exchange Company may create alternate reservation procedures and the Exchange Point

Schedule may be revised on a Market-specific or Component-by-Component basis to account for discrepancies in Markets, legal structures, travel patterns, or other factors as determined by Exchange Company from time to time. Exchange Company also has the right to establish certain priorities or alternate methods of reserving Accommodations for, or designate specific Accommodations or Use Periods that may only be reserved by Program Members during, the first twelve (12) months of the Program Members' participation in the Program, for purposes of educating and facilitating the use of the Program by such new Program Members.

Advance Priority Reservations may be made by Members who were granted the right to make an Advance Priority Reservation by Exchange Company in exchange for the number of Exchange Points required for the exercise of such right. The number of Exchange Points required to reserve a Use Period with an Advance Priority Reservation may be up to twenty-five percent (25%) greater than the number of Exchange Points that would otherwise be required to reserve the same Use Period during the Priority 2 Period, Priority 3 Period, or Open Reservation Period. The number of Exchange Points required for Advance Priority Reservations may be adjusted by Exchange Company from time to time to account for particular Components, seasonality, demand patterns, or other factors.

Exchange Company may apply additional weekend reservation restrictions on a Market-specific or Component-by-Component basis and may restrict the number of Accommodations that may be reserved by a Program Member for weekend-only reservations at any one time.

VI. EXCHANGE COMPANY DUES

1. Direct Members. As further described in the Affiliation Agreement for each Affiliate Program, Exchange Company may charge Exchange Company Dues to each Affiliate Program Manager or Association, and Direct Members may be obligated to pay such Exchange Company Dues through their payment of periodic assessments levied by the applicable Affiliate Program Manager or Association. In accordance with the Affiliation Agreement for each Affiliate Program, Exchange Company reserves the right to establish distinct Exchange Company Dues from Affiliate Program to Affiliate Program as determined by Exchange Company, and based on those factors that Exchange Company determines, in its sole discretion, to be reasonable.

2. Exchange Members. Except for Affiliated Members who may be assessed by the Affiliate Program Manager for such Affiliate Program, Exchange Company will assess each Exchange Member directly for each Exchange Member's share of the Exchange Company Dues on an annual basis. In accordance with the Enrollment Agreement for an Exchange Member, or Affiliation Agreement, where applicable, Exchange Company reserves the right to establish the Exchange Company Dues, as determined in the sole discretion of Exchange Company, and based on factors Exchange Company determines to be reasonable, as determined in its sole discretion. Exchange Members will be personally responsible for paying the Exchange Member's annual Exchange Company dues and fees, if any.

VII. MISCELLANEOUS

A. Membership Recognition Levels. Program Members meeting the qualifications established by Exchange Company from time to time shall be eligible to become Select Members, Executive Members, Presidential Members or Chairman's Club Members, as applicable, and shall be entitled to the benefits and privileges afforded to Select Members, Executive Members, Presidential Members or Chairman's Club Members as determined by Exchange Company. In addition to other qualifications as may be established by Exchange Company from time to time, to become a Select Member, Executive Member, Presidential Member or Chairman's Club Member, a Program Member will be required to own Interests with an aggregated minimum number of Exchange Points assigned to such Interests as established by Exchange Company from time to time. The number of Exchange Points or other criteria required to render a Program Member eligible to become a Select Member, Executive Member, Presidential Member or Chairman's Club Member may be revised by Exchange Company from time to time (any such revisions to be applicable to all Program Members, whether or not previously enrolled in the Program) and Exchange Company reserves the right to eliminate or add any ownership recognition levels or benefits and privileges as Exchange Company may determine in its sole discretion. With respect to an Affiliated Member of the Lion & Crown

Exchange Program who owns an Interest(s) in a Component with an annual reservation calendar which provides for use and occupancy of such Interest(s) on a rotating basis, the number of Exchange Points deemed held by such Program Member for the purpose of determining Select Member, Executive Member, Presidential Member or Chairman's Club Member status may be either (i) the actual number of Exchange Points allocated to the Program Member's Interest(s) with respect to such reservation calendar for the current year, or (ii) the average of the number of Exchange Points allocated to the Program Member's Interest(s) for all of the Component's reservation calendars that have been prepared pursuant to the governing documents of the Component and/or as filed with governmental authorities for approval, as applicable, at the time of such determination, all as determined by the Exchange Company in its sole discretion; provided, however, with respect to an Affiliated Member of the Lion & Crown Exchange Program who owns an Interest(s) in a Component that requires the Program Member to reserve specific dates for use and occupancy for a portion of that Interest(s) each year, with respect to that portion of such Interest(s) only, the number of Exchange Points deemed held by such Program Member shall be determined based on the weekly average number of points assigned for all weeks available for reservation in the applicable year with respect to such portion of that Interest(s), all as determined by the Exchange Company in its sole discretion. With respect to an Affiliated Member of the Lion & Crown Exchange Program who owns an Interest(s) in a Component with such Program Member having to reserve specific dates for use and occupancy for the entire Interest(s) each year, the number of Exchange Points deemed held by such Program Member for the purpose of determining Select Member, Executive Member, Presidential Member or Chairman Club's Member status shall be the Exchange Points allocated to the Program Member's Interest(s) determined based on the daily average number of points assigned to an Accommodation of the same type as the Interest(s) owned by such Program Member and multiplied by the number of days of usage attributed to such Program Member's Interest(s) on an annual basis, as determined by the Exchange Company in its sole discretion.

In the event the minimum number of Exchange Points required to maintain Select Member, Executive Member, Presidential Member or Chairman's Club Member eligibility is raised above the number of Exchange Points allocated to a Program Member's Interests at any given time, the Program Member will be entitled to enjoy the benefits and privileges afforded to Select Members, Executive Members, Presidential Members or Chairman's Club Members, as applicable, until the end of the calendar year following that in which the Program Member no longer meets the respective Select Member, Executive Member, Presidential Member or Chairman's Club Member eligibility requirements. If the Program Member purchases Interests with sufficient Exchange Points to reestablish Select Member, Executive Member, Presidential Member or Chairman's Club Member eligibility prior to the end of such calendar year, the Program Member shall maintain eligibility to be a Select Member, Executive Member, Presidential Member or Chairman's Club Member, as applicable. **In the event that the minimum number of Exchange Points required to maintain Select Member, Executive Member, Presidential Member or Chairman's Club Member eligibility is greater than the number of Exchange Points allocated to a Program Member's Interests due to the transfer of any of Program Member's Interests, Program Member's eligibility to enjoy the benefits and privileges afforded to Select Members, Executive Members, Presidential Members or Chairman's Club Members shall not be extended for any period and shall be terminated on the first day of the month following the applicable transfer of the Program Member's Interests.** Any Exchange Points assigned to an Interest that is owned by more than one Program Member shall be included in calculating the number of Exchange Points attributed to each Program Member owning such Interest when determining whether such Program Members are eligible to become Select Members, Executive Members, Presidential Members or Chairman's Club Members. Select Members, Executive Members, Presidential Members or Chairman's Club Members may be assessed additional fees or charges for certain benefits and privileges granted to Select Members, Executive Members, Presidential Members or Chairman's Club Members, as applicable, and as determined by Exchange Company from time to time. Exchange Company reserves the right to deny Select, Executive, Presidential or Chairman's Club status to any Program Member or group of Program Members which Exchange Company determines in Exchange Company's sole discretion has structured its ownership in a manner to achieve such status by circumventing the intent of only recognizing Program Members or groups of Program Members who are joined by customarily recognized affinities.

B. Residential Use and Prohibition on Commercial Use. Accommodations, Base Exchange Benefits, Base Plus Exchange Benefits, Special Benefits, and Use Periods may not be used for any commercial purpose. This prohibition on commercial use includes, but is not limited to, any illegal activity or a pattern of occupancy, rental,

leasing, or use by a Program Member that Exchange Company, in its reasonable discretion, could conclude constitutes a commercial enterprise or practice. In the event a Program Member is determined to be reserving or using the Accommodations, Base Exchange Benefits, Base Plus Exchange Benefits, Special Benefits or Use Periods for any commercial purpose Exchange Company may immediately cancel any current reservation(s) made by such Program Member and may impose such additional penalties or restrictions as determined by Exchange Company, in its sole discretion, from time to time. The restrictions of this paragraph do not apply to Exchange Company or its affiliates or designees.

C. Amendments. These Exchange Procedures may be amended by Exchange Company from time to time in accordance with applicable law, which amendments may include, but are not limited to, the items set forth in this Section VII.C. Amendments may be adopted by Exchange Company in Exchange Company's sole discretion for purposes of:

- (1) creating additional levels or types of memberships and creating or modifying the reservation rights and other privileges granted to the different membership levels;
- (2) modifying or restricting the benefits and privileges granted to Members, Select Members, Executive Members, Presidential Members or Chairman's Club Members;
- (3) assessing additional fees or charges to Members, Select Members, Executive Members, Presidential Members or Chairman's Club Members for benefits and privileges granted to such Program Members and revising the amount of such fees and charges from time to time;
- (4) modifying the Exchange Point-level requirements or other criteria established for qualification for Member, Select Member, Executive Member, Presidential Member or Chairman's Club Member membership levels;
- (5) merging the ownership, membership, recognition, or affinity levels of other timeshare plans, vacation clubs, exchange programs, or similar programs with the Program;
- (6) restricting the number of weeks or days that may be reserved for holiday, weekend, event, or other high demand Use Periods;
- (7) modifying or cancelling the availability of Open Reservation Time;
- (8) modifying the Exchange Point Schedule or modifying the number and types of Exchange Point Schedules available from time to time;
- (9) restricting the number of Program Members that are permitted to check-in on certain days at a given Component;
- (10) modifying current check-in times, creating additional check-in times or creating check-in days;
- (11) modifying the start of a Program Member's Use Year or otherwise amending such Use Year;
- (12) creating alternative confirmation periods with regard to Components or Affiliate Programs which may in the future become a part of the Program, and implementing procedures to facilitate reciprocal, exchange or similar uses with the Program;
- (13) modifying or limiting the number of requests for any wait list and creating additional wait list restrictions or requirements or eliminating wait lists;
- (14) using electronic methods to communicate with Program Members, including, without limitation, communications regarding confirmed reservations and notification of amendments to these Exchange Procedures;
- (15) creating additional usage products for current or future Components or Accommodations, including, without limitation, fixed, holiday, or event usages;

- (16) creating or modifying penalties and fees applicable to cancellation or modification of reservations;
- (17) assessing a special charge or annual fee to Program Members residing in countries other than the United States, Canada, and Puerto Rico and/or Program Members who reside in the United States, Canada, or Puerto Rico but who have mailing addresses, telephone numbers or facsimile numbers outside of the United States, Canada, or Puerto Rico;
- (18) creating system-wide reservation procedures which may be applicable to all Affiliate Programs and Components;
- (19) creating special exchange relationships between the Program and any other system pursuant to which Program Members access selected non-affiliated resorts;
- (20) establishing priority lists or other alternative reservation methods other than first-come, first-served for high demand Use Periods at a given Component or regional market for the purpose of more equitably permitting Program Members to have an opportunity to reserve certain high demand Use Periods;
- (21) amending Reservation Windows;
- (22) establishing a reservation priority system based on, among other things, length of stay;
- (23) establishing requirements to reserve certain days in combination with one another (*e.g.*, requiring Program Members to reserve Friday in order to reserve the following Saturday);
- (24) creating special Guest of Program Member programs (which may include fees) where a Program Member's Guest(s) may only occupy certain Accommodations or Use Periods while the Program Member is not in residence;
- (25) creating corporate membership programs;
- (26) allowing Program Members from Affiliate Programs to make reservations; provided, however, that such access can not be granted earlier than the Reservation Windows applicable to such Affiliate Programs;
- (27) adding fixed week reservation preferences, priorities, or rights;
- (28) restricting the number of Accommodations or Use Periods that may be reserved by a single Program Member at any one time;
- (29) creating restrictions or limitations on the reservation of weekend days on a Component-by-Component basis;
- (30) creating additional conditions, limitations, or restrictions with respect to Exchange Points that are transferred between Program Members;
- (31) altering the minimum length of stay required for reservations of certain Use Periods and requiring minimum length of stay for certain Accommodations;
- (32) limiting the characteristics of, and creating restrictions on, the use of transferred Exchange Points within various reservation windows;
- (33) revising the days, length-of-stay categories, or other provisions of the Call-In Calendar as set forth in these Exchange Procedures; and
- (34) taking any other action or implementing any such change as Exchange Company deems, in its reasonable discretion, to be beneficial to the Program as a whole or to more equitably allocate the benefits and privileges of the Program among the categories of Program Members.

Notice of any amendment shall be made by newsletter, electronic mail, annual mailings or other appropriate means, as permitted by applicable law. In the case of more than one Program Member or ownership by a business entity, such notice may be provided only to a designated Delegate.

D. Effect of Transfer of Program Member's Interest. Unless otherwise agreed to in writing by the parties to a sale, assignment, or transfer, if a Program Member ("**Selling Program Member**") sells, assigns, or transfers the Selling Program Member's Interest to another party ("**New Program Member**"), the Selling Program Member will lose any and all rights to utilize the Exchange Points associated with such Interest, including but not limited to the right to reserve a Use Period or to use any previously-reserved Use Period. Each New Program Member will be required to remit to the Exchange Company an initiation fee; provided, however, an initiation fee shall not be required to be paid if the New Program Member is a Family Member of the Selling Program Member. The current initiation fee is \$750 per Interest with a \$3,000 minimum initiation fee; however, Exchange Company reserves the right to adjust the amount of the initiation fee from time to time and to waive the initiation fee on a case-by-case basis in Exchange Company's sole discretion. Exchange Company will, within fourteen (14) business days of receipt from a New Program Member of the initiation fee, if required, and a certified copy of the recorded deed transferring an Interest to the New Program Member, change Exchange Company's official records to reflect such transfer of an Interest from a Selling Program Member to a New Program Member. Further, with respect to Direct Members, until payment of any required initiation fee is received (or waived by Exchange Company), the New Program Member may not be entitled to Base Plus Exchange Benefits or Special Benefits in Exchange Company's sole discretion; however, payment of the initiation fee (or waiver by Exchange Company) will allow access to the Base Plus Exchange Benefits. With respect to Exchange Members, until payment of the initiation fee, the New Program Member will not be entitled to participate in the Program. If the purchase of an Interest is not made from an Approved Broker, then the owner of such Interest(s) may not be entitled to Special Benefits in Exchange Company's sole discretion, even if the initiation fee is paid. Unless otherwise agreed to in writing by the parties, all existing reservations previously made by the Selling Program Member will be cancelled. The New Program Member will also be given possession of the Selling Program Member's Exchange Points remaining as of the date of Exchange Company's recognition of such transfer. Exchange Company shall, from time to time, within fourteen (14) business days after receipt of written request from any Program Member execute, acknowledge and deliver to such Program Member or to any existing or prospective purchaser or mortgagee designated by such Program Member, a certificate stating the number of Exchange Points that the Program Member has used and/or has available for use during the current Use Year, any borrowed Exchange Points, and the details of any reservations currently held by the Program Member. Exchange Company may charge a fee in connection with providing such a certificate.

E. Taxes. Some jurisdictions have imposed a tax on the occupant of resort accommodations. Consequently, any bed tax, transient occupancy tax, or similar tax or imposition that is payable shall, in those circumstances, be the responsibility of the Program Member. **Exchange Company makes no representations regarding taxes or other impositions due in connection with any reservations, exchanges made through the Program or the use of Accommodations.** Additionally, Program Members are responsible for all personal charges (e.g., telephone calls and meals) at the host Component, and any utility surcharge or other charge imposed by a Component, as well as any damage, loss, or theft to the host Component Accommodations or facilities that is caused by the Program Member or the Program Member's Guest or Family Member. Fees, if any, charged by a Component for the use of some of the amenities or facilities are determined and levied by each Component. Should the Program Member desire to use such amenities or facilities, the fees charged by the Component are the responsibility of the Program Member. These fees vary from Component to Component, and may be increased from time to time without notice.

F. Limitations on Liability. Exchange Company's liability in the event that any Accommodations reserved by or on behalf of the Program Member are not available for occupancy on the specified check-in date shall be limited to amounts necessary to obtain comparable alternate accommodations, if available, for the Program Member or the Program Member's Guests or Family Members, as applicable. Exchange Company shall not be liable for any additional costs or expenses incurred by a Program Member or the Program Member's Guest or Family Members including, but not limited to, travel, lodging, meals, or similar expenses.

G. Waiver. No failure of Exchange Company to enforce any provision under these Exchange Procedures, exercise any power given under these Exchange Procedures, or to insist upon strict compliance with any obligation specified in these Exchange Procedures, and no custom or practice at variance with the terms of these Exchange Procedures, shall constitute a waiver of Exchange Company's right to demand exact compliance with the terms and conditions of these Exchange Procedures.

H. Intent of Rules. **The intent of these Exchange Procedures and the design of the Program(s) is to facilitate broad flexibility and utilization across a broad range of varied Accommodations, Components, facilities and Affiliate Programs. These Exchange Procedures are not designed or intended to afford any specific rights in or access to any particular Accommodation or to guarantee that any variable, including Exchange Point levels, check-in days or times, or access will remain constant over time.**

SCHEDULE “1”

Accommodation means any condominium unit, apartment, cooperative unit, single family home, efficiency cabana, cottage, attached or free standing townhome or villa, fee interest, leasehold interest, unit located in a multi-unit building, and any other similar type of sleeping accommodation affiliated with or offered through the Program.

Acknowledgment means that certain Acknowledgment of and Joinder to Affiliation Agreement among a Component Association, The Lion & Crown Travel Co., LLC, and Marriott Resorts, Travel Company, Inc., that a Component Association may be required by an Affiliation Agreement to execute and maintain in effect in order for the Exchange Members in such Component to participate in the Program.

Advance Priority Reservation means a confirmed reservation made during the Priority 1 Period by a Member who was granted the right to make such Advance Priority Reservation by Exchange Company in exchange for the number of Exchange Points required for an Advance Priority Reservation as established by Exchange Company from time to time; provided, however, that Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, may not be reserved using an Advance Priority Reservation.

Affiliate Program means a program of benefits and services, as they may exist from time to time, the operator of which has entered into an agreement with Exchange Company through which the Affiliate Program’s members participate in the Program. Participation in the Program is made available on a voluntary basis to Program Members of an Affiliate Program in accordance with the terms and conditions established by Exchange Company from time to time, in its sole discretion. Program Members have the right to reserve and use the Accommodations, facilities, services, and experiences that are a part of the Program Members’ Affiliate Program in accordance with the Affiliate Program Reservation System for that Program Member’s Affiliate Program. If a Program Member desires to use the Accommodations, facilities, services, and experiences that are a part of another Affiliate Program, the Program Member may voluntarily participate in the Program described in these Exchange Procedures. An Affiliate Program may be, but is not limited to, a trust, club, or other legal entity or program.

Affiliate Program Documents mean those documents governing the reservation, use, and occupancy of the Accommodations of a particular Affiliate Program.

Affiliate Program Manager means a company offering the Affiliate Program opportunities.

Affiliate Program Reservation System means the method, means or system by which Program Members of a particular Affiliate Program are required to compete against other members of that Affiliate Program in order to reserve the use of any Accommodations, facilities, services, and experiences of a particular Affiliate Program pursuant to the applicable Affiliate Program Documents.

Affiliated Member has the meaning set forth in Section II.B. of these Exchange Procedures.

Affiliation Agreement means the contract among Exchange Company, the developer of an Affiliate Program, any applicable Association, and the applicable Affiliate Program Manager, as the case may be, as such contract is amended from time to time, pursuant to which Accommodations, facilities, services, and experiences of the Affiliate Program are included as a part of the Program and Membership in the Program is made available on a voluntary basis to Program Members in the Affiliate Program.

Approved Broker has the meaning set forth in Section IV.H. of these Exchange Procedures.

Association means the governing body or owners’ association, if any, of a particular Affiliate Program’s members, whether incorporated, unincorporated, or voluntary.

Base Exchange Benefits mean the limited ability to make exchanges during the Open Reservation Period and access to such other programs and services defined and offered by Exchange Company as Base Exchange Benefits, from time to time, in Exchange Company's sole discretion.

Base Interest shall have the same meaning as set forth in a Program Member's Affiliate Program Documents.

Base Plus Exchange Benefits mean the ability to make exchanges during all the Reservation Windows subject to these Exchange Procedures and access to such other programs and services defined and offered by Exchange Company as Base Plus Exchange Benefits, from time to time, in Exchange Company's sole discretion. The ability to utilize a Base Plus Exchange Benefit may not be available to all Program Members.

Call-in Calendar means the schedule promulgated from time to time by Exchange Company that establishes the days during any given month that a Program Member may first determine the availability of any Use Period as further described in these Exchange Procedures.

Chairman's Club Member means a Program Member who has achieved a "Chairman's Club" level of membership by meeting the qualifications for such level of membership as established by the Exchange Company from time to time. "Chairman's Club Member" shall also include such Program Members who held at least 13,000 Exchange Points as of April 29, 2015; provided, however, that such Program Member shall only be entitled to retain the classification as a Chairman's Club Member for so long as such Program Member holds not less than 13,000 Exchange Points; if such Program Member ever holds less than 13,000 Exchange Points, such Program Member's level of membership shall thereafter be determined by the then-current qualifications for levels of membership established by Exchange Company. For the purpose of determining Chairman's Club Member status, Program Members shall be deemed to hold all Exchange Points related to Interests that are titled in their name, either independently or as a named titleholder among a group of titleholders, which are enrolled with Exchange Company if required to do so. In the event a Program Member transfers any of the Program Member's Interests, only the Interests retained by the Program Member after the transfer shall be considered in determining the number of Exchange Points deemed held by the Program Member. Exchange Company shall have the reserved right to add, create or revise qualification criteria from time to time such as, for example, qualifying status based on the manner in which and from whom Exchange Points were acquired. Exchange Company shall have the right to determine who constitutes a Chairman's Club Member based on criteria and conditions it determines from time to time, in its sole discretion, all of which shall remain subject to modification by Exchange Company from time to time in its sole discretion.

Component means the location containing Accommodation(s) of a site or resort that is part of the Program or an Affiliate Program. Exchange Company retains the right to determine what constitutes a Component, in Exchange Company's sole discretion from time to time.

Component Manager means the person or entity responsible for the management and operation of a particular Component.

Delegate means a designated individual with whom Exchange Company may deal with for purposes of making reservations, sending confirmations, and providing other services with respect to a particular Interest.

Deposit means the submission to the Exchange Company by an Exchange Member of a 7-consecutive evening Use Period that is part of the Program Member's Interest during the applicable Deposit Window. In exchange for each Deposit, Exchange Company will assign the Program Member with a Distribution of Exchange Points for use during the Use Year for the Deposited Use Period. The number of Exchange Points that a Program Member receives for the Deposited Use Period will be determined by the Exchange

Company in Exchange Company's sole discretion. Program Members are required to submit Use Periods in 7-consecutive evening increments.

Deposit Window means the period during which an Exchange Member may Deposit a Use Period in exchange for a Distribution. The Deposit Window begins at such time as Exchange Company begins accepting Deposits as determined by Exchange Company, in Exchange Company's sole discretion, and ends (i) with respect to Members, Select Members and Executive Members, on September 30th of the year prior to the year that contains the first evening of the Use Period being Deposited and (ii) with respect to Presidential Members and Chairman's Club Members, on October 31st of the year prior to the year that contains the first evening of the Use Period being Deposited. Notwithstanding anything herein to the contrary, for Affiliated Members of the Lion & Crown Exchange Program whose Association has signed an Acknowledgment, Exchange Company may extend the Deposit Window to accept Deposits for Use Periods for an extended time period for a particular Component for the then-current and/or subsequent Use Year in which the Acknowledgment for such Component has become effective, which extended time period may differ for each such Component (please check with reservation services for any extended Deposit Window for your Component), and, for such Use Periods being Deposited, the extended Deposit Window shall be closed no less than forty-five (45) days prior to the check-in day, but in any event not later than, (i) with respect to Members, Select Members and Executive Members, September 30th of the subsequent Use Year, and (ii) with respect to Presidential Members and Chairman's Club Members, October 31st of the subsequent Use Year, as such Deposit Window may be amended from time to time. The extended Deposit Window may differ for each Lion & Crown Exchange Program Component and members of the Lion & Crown Exchange Program must check with reservation services for any extended Deposit Window applicable to their Lion & Crown Exchange Program Component.

Direct Member means the owner of an Interest in an Affiliate Program, for whom a separate enrollment agreement with the Exchange Company is not required, and who is not an Exchange Member.

Distribution means the total number of Exchange Points assigned to a Program Member, based on the number of Interests offered for exchange by the Program Member through the Program, excluding the receipt of PlusPoints.

Enrollment Agreement means the agreement between (i) an Exchange Member and the Exchange Company, whereby the owner agrees to become a Program Member (as an Exchange Member) in the Program subject the Exchange Company Documents, or (ii) an Affiliated Member and an Affiliate Program.

Exchange Company means Marriott Resorts, Travel Company, Inc. d/b/a MVC Exchange Company, a Delaware corporation, or its successors and assigns, which is the company offering the Program through Membership to members of Affiliate Programs. Exchange Company is an exchange company for the purpose of offering exchange and reservation services and related vacation and travel benefits to Program Members.

Exchange Company Documents mean those instruments governing the use and operation of the Program, including, (as applicable to any specific Program Member), but not limited to, an Affiliation Agreement, Disclosure Guide, Enrollment Agreement (for certain Exchange Members), Exchange Point Schedule, and these Exchange Procedures, as such Exchange Company Documents are promulgated, executed, or amended by Exchange Company from time to time in its sole discretion.

Exchange Company Dues mean the charges assessed by Exchange Company in connection with the operation of the Program that are assessable to the applicable Exchange Member, Association, or Affiliate Program Manager, as the case may be, each calendar year. For Direct Members, the Exchange Company Dues shall be determined in accordance with the Affiliation Agreement, and may be charged in different amounts for each Affiliate Program.

Exchange Member means (i) the owner of an Interest in an Affiliate Program who has voluntarily entered into an Enrollment Agreement with Exchange Company; or (ii) an Affiliated Member.

Exchange Point means the symbolic use measurement assigned to a Program Member's Interest(s) (or membership in an Affiliate Program) which enables the Program Member to access Program Accommodations, services, and benefits.

Exchange Point Schedule means the annual schedule(s) promulgated by Exchange Company which identifies the pertinent information for the Program in a given year, including setting forth the number of Exchange Points required to reserve Use Periods, all as amended by Exchange Company from time to time. If PlusPoints are used to make a reservation, additional PlusPoints or fees may be required to complete the reservation in order to offset any applicable taxes.

Exchange Procedures mean these Exchange Procedures for Marriott Vacation Club Destinations Exchange Program, as further defined on page 1 of this document.

Executive Member means a Program Member who has achieved an "Executive" level of membership by meeting the qualifications for such level of membership as established by the Exchange Company from time to time. "Executive Member" shall also include such Program Members who held at least 6,500 Exchange Points, but not more than 9,999 Exchange Points, as of April 29, 2015; provided, however, that such Program Member shall only be entitled to retain the classification as an Executive Member for so long as such Program Member holds not less than 6,500 Exchange Points; if such Program Member ever holds less than 6,500 Exchange Points, such Program Member's level of membership shall thereafter be determined by the then-current qualifications for levels of membership established by Exchange Company. For the purpose of determining Executive Member status, Program Members shall be deemed to hold all Exchange Points related to Interests that are titled in their name, either independently or as a named titleholder among a group of titleholders, which are enrolled with Exchange Company if required to do so. In the event a Program Member transfers any of the Program Member's Interests, only the Interests retained by the Program Member after the transfer shall be considered in determining the number of Exchange Points deemed held by the Program Member. Exchange Company shall have the reserved right to add, create or revise qualification criteria from time to time such as, for example, qualifying status based on the manner in which and from whom Exchange Points were acquired. Exchange Company shall have the right to determine who constitutes an Executive Member based on criteria and conditions it determines from time to time, in its sole discretion, all of which shall remain subject to modification by Exchange Company from time to time in its sole discretion.

Family Member means a Program Member's spouse (if the spouse does not jointly own an Interest with the Program Member), and the Program Member's and Program Member's spouse's parents, children, and grandchildren.

Guest means a person who, as an invited guest of a Program Member, stays in an Accommodation, and is not a Family Member of the Program Member. Special Benefits and the ability to reserve Accommodations are not available for Guests' reservations if unaccompanied by a Program Member or the Program Member's Family Member.

Holding Account means an account established for purposes of depositing Exchange Points that are restored to a Program Member after the cancellation or modification of a confirmed reservation. Exchange Points deposited in a Program Member's Holding Account shall be available for further use during that same Use Year, but the further use of such restored Exchange Points shall only be confirmed by Exchange Company for Use Periods beginning no more than sixty (60) days after the date of the request, subject to availability, or other Special Benefits as may be made available for such purposes by Exchange Company from time to time. Exchange Points deposited in a Holding Account may not be transferred to other Program Members, banked for future use, or used for wait list requests. Borrowed Exchange Points deposited into a Program

Member's Holding Account expire at the end of the Use Year from which such Exchange Points were borrowed.

Interest means the ownership interest(s) in an Affiliate Program or in a Component or Accommodations affiliated with the Affiliate Program that is created pursuant to the governing documents of such Affiliate Program, Component, or Accommodations, as the case may be.

Luxury Property means any Accommodation that is located in a Ritz-Carlton Club, or is otherwise designated a "Luxury Property" by the Exchange Company in its sole discretion.

Market means a specific geographic region, Component, or group of Components as designated by Exchange Company.

Member means a Program Member who is not at a Select, Executive, Presidential or Chairman's Club Member benefit level.

Member in Good Standing means a Program Member who is current with all payments to the Affiliate Program Manager, Component Manager, Exchange Company, and Affiliate Program developer relating to the Program Member's ownership of the Interest or Membership in the Program, including, as applicable, assessments, ad valorem taxes, and mortgage and purchase money payments.

Membership means participation in the Program.

Open Reservation Period means the period beginning sixty (60) days before the first day of a given unreserved Use Period.

Open Reservation Time means that period or periods of time when Program Members or Guests of Exchange Company can use Accommodations on a space available, first-come, first-served subject to availability basis as described in these Exchange Procedures.

PlusPoints means the Exchange Points within the control of, and made available by, Exchange Company (or its designees) from time to time which permit the Program Member or Family Member to use an Accommodation or Use Period that would otherwise require Exchange Points in excess of the Program Member's Distribution. The ability to reserve Accommodations by utilizing PlusPoints is a Special Benefit through the Program offered by Exchange Company. The utilization of any PlusPoints will be subject to any terms and conditions under which such PlusPoints are granted including, without limitation, any applicable expiration dates on such PlusPoints. The Affiliation Agreement for a particular Affiliate Program may contemplate that PlusPoints will not be available for Exchange Members of such Affiliate Program.

Presidential Member means a Program Member who has achieved a "Presidential" level of membership by meeting the qualifications for such level of membership as established by the Exchange Company from time to time. For the purpose of determining Presidential Member status, Program Members shall be deemed to hold all Exchange Points related to Interests that are titled in their name, either independently or as a named titleholder among a group of titleholders, which are enrolled with Exchange Company if required to do so. In the event a Program Member transfers any of the Program Member's Interests, only the Interests retained by the Program Member after the transfer shall be considered in determining the number of Exchange Points deemed held by the Program Member. Exchange Company shall have the reserved right to add, create or revise qualification criteria from time to time such as, for example, qualifying status based on the manner in which and from whom Exchange Points were acquired. Exchange Company shall have the right to determine who constitutes a Presidential Member based on criteria and conditions it determines from time to time, in its sole discretion, all of which shall remain subject to modification by Exchange Company from time to time in its sole discretion.

Priority 1 Period means period beginning 395 days (+/- 6 days based on the applicable Call-in Calendar) before the first day of a given unreserved Use Period and ending 28 days (4 weeks) later.

Priority 1 Reservation means a confirmed reservation made during the Priority 1 Period by a Select Member, Executive Member, Presidential Member or Chairman's Club Member.

Priority 2 Period means the period beginning 365 days (+/- 6 days based on the applicable Call-in Calendar) before the first day of a given unreserved Use Period and ending 56 days (8 weeks) later.

Priority 2 Reservation means a confirmed reservation made during the Priority 2 Period.

Priority 3 Period means the period beginning 300 days (+/- 6 days based on the applicable Call-in Calendar) before the first day of a given unreserved Use Period and ending one hundred and sixty-one (61) days before the first day of a given unreserved Use Period.

Priority 3 Reservation means a confirmed reservation made during the Priority 3 Period.

Program means the Marriott Vacation Club Destinations Exchange Program.

Program Member means a Direct Member or an Exchange Member.

Reservation Window means the method and timing whereby the use of each Use Period is available for reservation for a given Use Year. The Reservation Windows consist of the Priority 1 Period, Priority 2 Period, Priority 3 Period, and Open Reservation Period.

Select Member means a Program Member who has achieved a "Select" level of membership by meeting the qualifications for such level of membership as established by the Exchange Company from time to time. For the purpose of determining Select Member status, Program Members shall be deemed to hold all Exchange Points related to Interests that are titled in their name, either independently or as a named titleholder among a group of titleholders, which are enrolled with Exchange Company if required to do so. In the event a Program Member transfers any of the Program Member's Interests, only the Interests retained by the Program Member after the transfer shall be considered in determining the number of Exchange Points deemed held by the Program Member. Exchange Company shall have the reserved right to add, create or revise qualification criteria from time to time such as, for example, qualifying status based on the manner in which and from whom Exchange Points were acquired. Exchange Company shall have the right to determine who constitutes a Select Member based on criteria and conditions it determines from time to time, in its sole discretion, all of which shall remain subject to modification by Exchange Company from time to time in its sole discretion.

Special Benefits mean special products, services, benefits, and vacation/recreational experiences offered by Exchange Company, including, without limitation, the ability to reserve hotel accommodations, cruises, other travel services, and to receive PlusPoints. The ability to utilize a Special Benefit may not be available to all Program Members including, specifically, Program Members who are entitled only to Base Exchange Benefits. If Special Benefits are available and a Program Member is eligible to purchase or utilize any Special Benefits, separate terms and conditions shall apply to the purchase and use of such Special Benefits.

Use Period means the time period(s) during which each Program Member has reserved the use and occupancy of an Accommodation in accordance with the provisions of these Exchange Procedures. All Use Periods shall be subject to the minimum and maximum number of evenings identified in these Exchange Procedures.

Use Year means with respect to Direct Members, the annual period of time established in accordance with a Program Member's Affiliate Program Documents. With respect to Exchange Members, Use Year means the calendar year. A Program Member is entitled to use the Program Member's Exchange Points Distribution for a particular Use Year to reserve and use Accommodations in accordance with these Exchange Procedures.

SCHEDULE “2”

Summary of Reservation Windows

Reservation Priority	Priority 1	Priority 2	Priority 3	Open Reservation
Program Member Type	13 months¹	12 months¹	10 months¹	60 – 0 days¹
Chairman’s Club, Presidential & Executive	1+ nights ⁶			
Select	7+ nights ⁴		1+ nights ^{4, 6}	1+ nights ⁶
Member	7+ nights ^{2, 4}	7+ nights ^{3, 4}	1+ nights ^{4, 6}	1+ nights ⁶
All Members <input type="checkbox"/> Program Members with less than Base Interest <input type="checkbox"/> Program Members who cancel a reservation less than sixty (60) days prior to the check-in date. <input type="checkbox"/> Program Members who only have access to Base Exchange Benefits. ⁵				1+ nights ⁶

¹ Subject to the Call-in Calendar.

² With additional Exchange Points (no refund of additional Exchange Points if cancelled).

³ With no additional Exchange Points.

⁴ Members and Select Members may not access Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, until six (6) months prior to the first day of a given unreserved Use Period.

⁵ This may include Program Members who do not pay the initiation fee for a transferred Interest.

⁶ Use Periods in The Ritz-Carlton Club, St. Thomas may be subject to a three night minimum stay, as determined by Exchange Company in its sole discretion.

A. Priority 1 Period. During the Priority 1 Period, Select Members, Executive Members, Presidential Members and Chairman’s Club Members, and other Program Members reserving through an Advance Priority Reservation, have the right to request a reservation, subject to the Call-in Calendar, on a first-come, first-served subject to availability basis for the use of Use Periods in Accommodations available through the Program and other Special Benefits made available by Exchange Company from time to time during the Use Year for which Select Members, Executive Members, Presidential Members and Chairman’s Club Members hold sufficient Exchange Points, in accordance with these Exchange Procedures. The number of Exchange Points which must be released by the Program Member for such Priority 1 Reservations and Advance Priority Reservations shall be determined in accordance with the then-current Exchange Point Schedule. During the Priority 1 Period, Exchange Company shall immediately confirm all Priority 1 Reservations and Advance Priority Reservations made pursuant to these Exchange Procedures, if available, on a first-come, first-served basis. Members and Select Members may not access Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, during the Priority 1 Period. In order to ensure Luxury Property is available for access by Members and Select Members during a later

Reservation Window, Exchange Company may limit reservations of up to 50% of the Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, until six (6) months prior to the first day of a given unreserved Use Period as determined from time to time in Exchange Company's sole discretion. **Any Exchange Points required to obtain an Advance Priority Reservation (over and above the number of Exchange Points that would be required to reserve the same Accommodations during the Priority 2 Period, Priority 3 Period, or Open Reservation Period) will not be restored to the Program Member in the event that the Advance Priority Reservation is cancelled by the Program Member.** Notwithstanding any rights granted to Program Members pursuant to this Section A., Exchange Company reserves the right to limit or restrict the number of reservations that may be made (including, without limitation, the number of Program Members who may make reservations and the number of reservations that may be made) at any particular Component during the Priority 1 Period to further the best interests of the Program Members as a whole as determined by Exchange Company in its sole discretion. Except as otherwise provided in these Exchange Procedures, Use Periods reserved by Members and Select Members during the Priority 1 Period must have a minimum of seven (7) consecutive evenings, and all reservations are subject to applicable minimum durations of stay for certain Markets or at certain Components as shown on the Exchange Point Schedule. In the event a Member or Select Member requests a Use Period during the Priority 1 Period and Exchange Company is only able to confirm a portion of such requested Use Period because less than seven (7) consecutive evenings are available, Exchange Company may, upon Program Member's request, confirm such reservation in Exchange Company's sole discretion. Except as otherwise provided in these Exchange Procedures, and subject to applicable minimum duration of stays for certain Markets or at certain Components as shown on the Exchange Point Schedule, there are no minimum length-of-stay requirements for Use Periods reserved by Executive Members, Presidential Members and Chairman's Club Members during the Priority 1 Period. Exchange Company may limit the Use Periods and the Accommodations on a Component-by-Component basis that are available for reservation during the Priority 1 Period, and may withhold up to fifty percent (50%) of the Use Periods and Accommodations at any particular Component for reservation during other Reservation Windows, all as determined from time to time in Exchange Company's sole discretion. Priority 1 Reservations are available only to those Program Members who are entitled to Base Plus Exchange Benefits. Family Members and Guests may also stay in an Accommodation at any Component during the Priority 1 Period, subject to availability; however, the sponsoring Program Member (or a designated Delegate of the sponsoring Program Member) must make the reservations for such use. In no event shall a Priority 1 Reservation be used for any commercial purpose (including but not limited to, the rental of an Accommodation reserved during the Priority 1 Period).

B. Priority 2 Period. During the Priority 2 Period, Program Members have the right to request a reservation, subject to the Call-in Calendar, on a first-come, first-served, subject to availability basis for the use of Use Periods in Accommodations available through the Program and other Special Benefits made available by Exchange Company from time to time during the Use Year for which Program Members hold sufficient Exchange Points, in accordance with these Exchange Procedures. The number of Exchange Points which must be released by the Program Member for such Priority 2 Reservations shall be in accordance with the then-current Exchange Point Schedule. Members and Select Members may not access Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, during the Priority 2 Period. In order to ensure Luxury Property is available for access by Members and Select Members during a later Reservation Window, Exchange Company may limit reservations of up to 50% of the Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, until six (6) months prior to the first day of a given unreserved Use Period as determined from time to time in Exchange Company's sole discretion. Except as otherwise provided in these Exchange Procedures, Use Periods reserved by Members and Select Members during the Priority 2 Period must have a minimum of seven (7) consecutive evenings, and all reservations are subject to applicable minimum durations of stay for certain Markets or at certain Components as shown on the Exchange Point Schedule. In the event a Member or Select Member requests a Use Period during the Priority 2 Period and Exchange Company is only able to confirm a portion of such requested Use Period because less than seven (7) consecutive evenings are available, Exchange Company may, upon Program Member's request, confirm such reservation in Exchange Company's sole discretion. Except as otherwise provided in these Exchange Procedures, and subject to applicable minimum duration of stays for certain Markets or at certain Components as shown on the Exchange Point Schedule, there are no minimum length-of-stay requirements for Use Periods reserved by Executive Members, Presidential Members and Chairman's Club Members during the Priority 2 Period. Priority 2 Reservations are available only to those Program Members who are entitled to Base Plus Exchange Benefits. Family Members and Guests may also stay in an Accommodation at any Component during the

Priority 2 Period, subject to availability; however, the sponsoring Program Member (or a designated Delegate of the sponsoring Program Member) must make the reservations for such use. In no event shall a Priority 2 Reservation be used for any commercial purpose (including but not limited to, the rental of an Accommodation reserved during the Priority 2 Period).

C. Priority 3 Period. During the Priority 3 Period, Program Members have the right to request reservations, subject to the Call-in Calendar, on a first-come, first-served, subject to availability basis for the use of Use Periods in Accommodations available through the Program and other Special Benefits made available by Exchange Company from time to time during the Use Year for which the Program Member holds sufficient Exchange Points, in accordance with these Exchange Procedures. The number of Exchange Points which must be released by the Program Member for such Priority 3 Reservations shall be in accordance with the then-current Exchange Point Schedule. Except as otherwise provided in these Exchange Procedures, Priority 3 Reservation confirmation into any Accommodation shall be based on a first-come, first-served basis, subject to availability and on any other procedures determined by Exchange Company. Members and Select Members may not access Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, during the Priority 3 Period until six (6) months prior to the first day of a given unreserved Use Period. In order to ensure Luxury Property is available for access by Members and Select Members at that time, Exchange Company may limit other reservations of up to 50% of the Luxury Property, other than Accommodations located in The Ritz-Carlton Club, Vail, until six (6) months prior to the first day of a given unreserved Use Period as determined from time to time in Exchange Company's sole discretion. All Priority 3 Reservations are subject to applicable minimum durations of stay for certain Markets or at certain Components as shown on the Exchange Point Schedule. Except as otherwise provided in these Exchange Procedures, and subject to applicable minimum durations of stay for certain Markets or at certain Components as shown on the Exchange Point Schedule, there are no minimum length-of-stay requirements for Use Periods during the Priority 3 Period. Priority 3 Reservations are available only to those Program Members who are entitled to Base Plus Exchange Benefits. Family Members and Guests may also stay in an Accommodation at any Component during the Priority 3 Period, subject to availability; however, the sponsoring Program Member (or a designated Delegate of the sponsoring Program Member) must make the reservations for such use. In no event shall a Priority 3 Reservation be used for any commercial purpose (including but not limited to, the rental of an Accommodation reserved during the Priority 3 Period).

D. Open Reservation Period. During the Open Reservation Period, Program Members or Exchange Company can reserve use of an Accommodation at any Component for the current Use Year, subject to the Call-in Calendar, on a space available, first-come, first-served, subject to availability basis as set forth in these Exchange Procedures. Such use of an Accommodation is sometimes referred to in these Exchange Procedures as "Open Reservation Time." Family Members and Guests may also stay in an Accommodation at any Component as Open Reservation Time, subject to availability; however, the sponsoring Program Member (or a designated Delegate of the sponsoring Program Member) must make the reservations for such use. In no event shall Open Reservation Time be used for any commercial purpose (including, but not limited to, the rental of an Accommodation reserved as Open Reservation Time). Program Members who are determined, in the sole discretion of Exchange Company, to have violated this restriction on commercial use may be subject to penalties within the sole discretion of Exchange Company, including, but not limited to, the loss of such Program Member's access to Open Reservation Time and cancellation of existing Open Reservation Time reservations. Program Members owning less than a Base Interest and Program Members utilizing Exchange Points deposited in a Holding Account shall only be permitted to make reservations for Use Periods during the Open Reservation Period. Except as otherwise provided in these Exchange Procedures, there is no minimum number of consecutive evenings for Use Periods during the Open Reservation Period; however, all reservations are subject to applicable minimum durations of stay for certain Markets or at certain Components as shown on the Exchange Point Schedule.

During the Open Reservation Period, Exchange Company has the right to reserve available Use Periods for (i) the purposes of customer relations, public relations and employee relations; (ii) marketing, promoting, and selling of the Program, Interests, vacation ownership interests, programs, or vacation products at other resort condominiums or club resorts, or such other vacation ownership, multisite vacation ownership and membership or exchange plans developed or marketed by Exchange Company or its affiliates from time to time; (iii) or utilizing Use Periods or

Exchange Points in manners which will enhance or expand the Program or Affiliate Program; or (iv) the purpose of renting unreserved Use Periods to third parties, the revenue for which shall benefit the Exchange Company.

E. Call-in Calendar. For purposes of facilitating the operation of the Program and the convenience of Program Members, Exchange Company will establish a Call-In Calendar from time to time. The Call-In Calendar establishes the days during any given month that a Program Member may first determine the availability of any Use Period. The time that Program Members may access the Program to determine availability on any given day shall be 9:00 a.m. Eastern Time of that day, unless otherwise specified by Exchange Company in the Exchange Company’s sole discretion from time to time. **Because of the Call-In Calendar, the exact start date of each Reservation Window may vary by up to seven (7) days.** Although, Program Members should refer to the actual Call-in Calendar promulgated by Exchange Company for the applicable year, the following is a summary of the Call-in Calendar:

If you are reserving:	And your desired Check-in is:	The first day to check availability is:	
7 or more nights and are calling for a Priority 1 Reservation	Wednesday - Tuesday	Tuesday	13 months prior to check-in
1 or more nights and are calling for a Priority 1 Reservation (Executive, Presidential and Chairman’s Club Members only)	Wednesday - Tuesday	Tuesday	13 months prior to check-in
7 or more nights and are calling for a Priority 2 Reservation	Wednesday - Tuesday	Friday	12 months prior to check-in
1 or more nights and are calling for a Priority 2 Reservation (Executive, Presidential and Chairman’s Club Members only)	Wednesday - Tuesday	Friday	12 months prior to check-in
1 or more night(s) and are calling for a Priority 3 Reservation	Wednesday - Tuesday	Tuesday	10 months prior to check-in
1 or more night(s) and are calling for a Luxury Property reservation, other than Accommodations at The Ritz-Carlton Club, Vail (Member and Select Members only)	Wednesday - Tuesday	Tuesday	6 months prior to check-in
1 or more night(s) and are calling for Open Reservation Time	Wednesday - Tuesday	Tuesday	60 days prior to check-in

