



EXPECTATIONS CLUB RULES

Registered office:

Alum House,
5 Alum Chine Road,
Westbourne,
Bournemouth, BH4 8DT.
UK

EXPECTATIONS CLUB LIMITED

Incorporated in the United Kingdom No. 8025221

The Directors are: -

Philip Watson
Andrew Horton
Gary Butler

The Registrars are:-

Resort Fiduciary Services Ltd.
Business Centre
37 Market Place
Olney
MK46 4AJ

The Managers are:-

Expectations Group Ltd.
Alum House,
5 Alum Chine Road,
Westbourne,
Bournemouth, BH4
8DT.
UK

The Registered office is:-

Alum House,
5 Alum Chine Road,
Westbourne,
Bournemouth, BH4
8DT.
UK

The Clubs Correspondence Address is:-

Venator House
7 St Stephens Court,
15~17 St Stephens Road,
Bournemouth
Dorset
BH2 6LA
United Kingdom

EXPECTATIONS CLUB LIMITED

CLUB RULES

When you have paid the purchase price and your application to become a Club Member of eXpectations Club Limited ("the Club") is accepted you are automatically bound by these Club Rules. They are a contract between you, the Club, and the other Club Members and among other things, commit the Club to allow you to occupy your apartment and commit you to pay annual management charges.

1. MEMBERSHIP

1.1 No person may purchase points unless he has applied and been accepted as a member of the Club. A Club Member will have Rights as follows: -

1.1.1 A Club Member will have the exclusive right to utilise the points that he has purchased to occupy the inventory of the Club according to the Club Rules and Reservation Rules. The rights of usage are for the period of years expiring on the date stated on the Club Certificate, but subject to these Club Rules.

1.1.2 Subject to any Regulations made by the Club (see Rule 4) a Club Member may invite guests to utilise his points.

1.1.3 When a Club Member permits guests to occupy any inventory of the Club: -

a) the Club Member nevertheless remains personally responsible for all his/her obligations under these Club Rules:

- b) a Club Member will be personally responsible for the acts, omissions and general behaviour of his/her guests who shall comply with all applicable Club Rules and Regulations;
- c) if the guests are to occupy when the Club Member is absent the name, address and telephone number of his/her guests must be given to the Club at least one month before his/her guests are due to occupy

1.1.4 Club Members will be issued with a Club Certificate by the Registrar.

1.1.5 The Club Member will be allowed to use the facilities of the Clubs inventory in accordance with the facilities provided and subject to local rules and regulations.

1.1.6 The Club Member shall have no rights in respect to the property or fixtures or fittings of any resort in which the Club has access to inventory.

1.2 Upon acceptance of membership the member becomes entitled to occupancy rights for the initial term of 3 year. After the termination of the initial term the Member can continue his/her membership by paying the annual Management and Membership fees. Alternatively, he/she can resign his/her membership by giving six months Notice to the Club at its registered office of his/her desire to do so.

1.3 Resignation of membership after one year of the initial term can only be accepted after payment of any outstanding fees of the initial membership.

2. MANAGEMENT AND OTHER CHARGES

2.1 Every year to Calculate the annual management fee for the Club the Club's Directors in conjunction with the management company will take the current management fees for the entire inventory within the Club then by taking an average of these fees will then add up to a maximum of 10% to calculate the Club's management fee.

2.2 There will be payable, in addition to the management charge, an annual membership fee.

2.3 The Club Member and his/her guests may be charged for the use of facilities and for supplying food, drink and other goods and services in the resorts which are within the Clubs inventory.

2.4 A Club Member must pay the management charge within one month of demand being made by or on behalf of the Club.

2.5 Unless a Club Member pays within one month or such other period as stated on the management charge invoice, they will receive a final demand letter and the Club reserves the right to impose a penalty charge.

2.6 Failure to pay the management charge and if applicable the penalty charge, within 90 days of the date of the final demand letter may result in the cancellation of the membership in accordance with Rule 8.

2.7 The Club will charge a reinstatement fee for the revocation of the suspension of membership rights under Rules 7 and 8 as appropriate, such fee to be set annually by the Directors. Revocation of suspension will be at the discretion of the Founder Member.

3. RESERVATION RULES

3.1 Members can reserve their holidays by contacting the Club's Exchange Office 10 months prior to the usage.

3.2 Reservations guidelines are attached to these Club Rules and available on the Clubs website

4. POINTS

4.1 Members will be entitled to initially purchase a minimum of 50,000 points to be used against accommodation within the Clubs inventory.

4.2 The points value table is available on the Clubs website

5. EXCHANGES

5.1 As part of their membership of the club, club members may be given access to an external exchange programme. Such access would enable Club members to use the Club points which they have purchased to reserve inventory made available through that exchange programme. In such cases, Club members will be required to comply with the terms and conditions of the relevant exchange programme which are in place from time to time (so far as applicable to them). For the avoidance of doubt, the club is

not obliged to provide Members with access to an external exchange programme and it is possible that such access may be terminated if, for example, the agreement between the Club and the exchange company terminates, or if the Club member fails to comply with the terms and conditions of the exchange company, or if the exchange company refuses to approve the access of any Club member. The Club will advise Club Members from time to time of the applicable transaction/reservations or other transactions made through the exchange company.

6. TRANSFER OF MEMBERSHIP

6.1 A Club Member may nominate another person ("the Applicant") to take over his/her rights under these Rules provided that the Applicant agrees to be bound by these Rules and applies to the Club to become and is accepted by the Club as a Club Member. If a Club Member nominates Applicants and surrenders his/her Club Certificate, he/she will be deemed to have resigned as a Club Member. A Member shall cease to be a Member when he ceases to be the registered holder of points as entered on the Register of Members.

6.2 The Form of Nomination is set out in Appendix 1 to these Club Rules and is obtained from the Club being security numbered and with all details of the applicant and the Club member entered.

6.3 The Form of Nomination should, when signed by the Club Member and the Applicant, be sent to the Club together with the related Club Certificate.

6.4 The Club may refuse to accept an Applicant.

6.5 The Club will notify the Applicant that he has been accepted by issuing him with a Club Certificate

6.6 After a Club Member's death, his personal representatives may nominate an Applicant as if they were the Club Member.

6.7 The Club will charge a fee in respect of the processing of Forms of Nomination, changes of name and/or address, for the replacement of lost certificates of membership and any other requisite amendment to the register of members howsoever caused. The level of such charges will be fixed and may be varied from time to time by the board of directors and notified to Club Members on request.

7. CANCELLATION OF RIGHTS

7.1 If a Club Member's Occupancy Rights are suspended (for any reason other than failure to pay management charges) for one or more consecutive years they may be cancelled by a resolution of the Board of Directors.

7.2 The Club shall have the right to cancel the Occupancy Rights of any member who fails to pay his management charge by the date advised on the management charge invoice in accordance with Rule 2.4,2.5, 2.6

7.3 Upon cancellation of a Club Member's Occupancy Rights the Club shall be entitled to dispose of the members rights in such a way as to ensure that all sums due (including interest at the rate of 2% per month in respect of outstanding amounts) are received by the Club and that no loss is suffered by the Club arising from cancellation. For this purpose the Club Member hereby authorises the Club to complete a Form of Nomination on his/her behalf.

7.4 On the election of such an Applicant as a Club Member, no monies will be paid to the original Club Member

8. TERMINATION

8.1 A Club Member's rights and obligations under these Rules will terminate on the winding up of the Club. He/she will, however, remain liable to pay to the Club any moneys then owing by him/her and he/she may be required to pay £1 to discharge his/her liability to the Club under the Memorandum and Articles of Association of the Club.

8.2 A Club Member may give up his/her rights under these Rules and resign his/her membership of the Club by returning the related Club Certificates to the Club together with a signed letter giving six months notice. A Club Member's rights and obligations under these Rules will terminate other than a liability to pay any moneys then owing by him/her to the Club and he/she may be required to pay £1 to discharge his/her liability to the Club under the Memorandum and Articles of Association of the Club.

8.3 If a Club Member resigns his/her membership of the Club he/she will not be entitled to any moneys the Club may receive from any person who acquires membership and the points formerly allocated to him/her.

8.4 Unless agreed otherwise, an Extraordinary General Meeting will be called in 2040 to decide the renewal of the Club. Whereby the members wishing to continue and voting for it to continue for a further period (to be determined). Alternatively, in accordance with the Memorandum and Articles of Association of the Club, the Club will terminate in 2042

9. VARIATION OF THE CLUB RULES

9.1 These Rules may be varied by resolution of the directors of the Club provided that a resolution ratifying the variation shall be put to the Club Members at the next general meeting and it shall be deemed to have been approved unless either: -

- a) a third or more of the Club Members are present in person or by proxy one third of the votes cast at the meeting are against the resolution; or
- b) less than a third of the Club Members are present in person or by proxy at least half of the votes cast at the meeting are against the resolution.

9.2 Any variation will be posted in the "members only" section of the Club's website within 286 days of the date of such director's resolutions

10. MEETINGS OF CLUB MEMBERS

10.1 Subject to these Rules, general meetings of Club Members shall be convened and conducted (*mutatis mutandis*) in accordance with the Articles of Association of the Club.

11. MISCELLANEOUS

11.1 These Club Rules shall be governed and construed in accordance with the laws of England and Wales.

11.2 In respect of joint Club Members, liability under these Rules is joint and several.

11.3 Clause headings are for ease of reference only and shall not have legal effect.

11.4 Notices and demands under these Club Rules may be served in accordance with the Articles of Association of the Club.

11.5 Any reference to any gender includes a reference to any other gender and any reference to the singular includes a reference to the plural and vice versa.

12. DATA PROTECTION

12.1 Where Club Members are given access to an external exchange programme, personal data regarding Club Members (including, for example, details of the names, addresses and ownership information of Club Members) will be shared by the Club with the relevant exchange company. Such personal data will be shared in order to enable the exchange company to access, hold, process and use such data for the purposes of performing its obligations under any agreement entered into between the exchange company and the club, and to deal with reservations and exchanges on behalf of the Club Members.

13. DEFINITIONS

13.1 In these Club Rules, save where the context otherwise use requires:

“Club Facilities”

means those facilities available to members that are within the resorts included in the Clubs inventory from time to time.

“Clubs Inventory”

means resorts or complexes made available to members of the Club or which the Founder Member makes available to the Club.

“Club Certificate”

means the certificate of Membership issued upon completion of payment under the terms of the membership application.

“Form of Nomination”

means the form of nomination as set out in Appendix I or in such other form as the Club may determine;

“Occupancy Rights”

means the rights of the Club Member to occupancy at a resort within the portfolio of the Club by virtue of obtaining sufficient points in accordance with the points value table for each resort.

“Points Value”

means the value of points attributed to each resort and as referred to in the points guide such points being available to members through the contract between the Founder Member and RCI.

“Registrar”

means the company or individual who enters the individual's details as shown on the purchase contract into the membership register, and who also maintains and updates the members register.

13.2 The Articles of Association of the Club shall be read in conjunction with these Club Rules and the meanings given to words and expressions therein shall apply equally to these Club Rules and Appendices.



FORM of NOMINATION

Part 1 to be completed by present Owner(s)

Name:

Name:

Membership Number:

Address:

.....

.....

Please transfer Membership Number To the person(s) listed below.
We/I understand that there is a £150 administration charge that must be paid before
the transfer of membership will be completed.

Signed: Date:

Signed: Date:

Part 2 to be completed by New Owner(s)

Name:

Name:

Address:

.....

.....

We/I the undersigned agree to take on Membership of eXpectations Holidays (Membership
Number) and agree to be bound by the Rule & Regulations of The Club.
We/I understand that there is a £150 administration charge that must be paid before the
transfer of membership will be completed.

Signed: Date:

Signed: Date:

