

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

IN RE RESORT CONDOMINIUMS
INTERNATIONAL, LLC

: HON. PETER G. SHERIDAN, U.S.D.J.
Civil Action No. 06-cv-1222 (PGS)

:

: **STIPULATION AND ORDER**
: **MODIFYING THE SETTLEMENT**
: **AGREEMENT AND THE**
: **SETTLEMENT WEBSITE**

This matter having come before the Court by motion of RCI, LLC ("RCI") to modify the November 20, 2008 settlement agreement between the parties (the "Settlement Agreement") and the settlement website available via a link on www.rci.com (the "Settlement Website"); and for good cause shown:

IT IS HEREBY STIPULATED AND ORDERED that Section II.A.3 of the Settlement Agreement shall be modified *nunc pro tunc* December 23, 2008, and shall provide as follows:

3. Disclosure of Weeks Program Activity. RCI agrees that, for the calendar year ending December 31, 2008 and for at least two calendar years thereafter, RCI shall make information available to all Members regarding activity in the RCI Weeks Exchange Program (excluding activity by Members serviced by RCI Japan Co. Ltd. for the calendar year ending December 31, 2008), by Trading Power Segment, during the prior calendar year. Such disclosure shall be in addition to any statutory disclosures RCI may or may not provide. RCI may determine the timing, frequency, and form of such disclosures, provided that the information disclosed by RCI shall include the following: (1) the total number of units of Inventory deposited more than ninety (90) days prior to the starting date of the deposited Vacation Time, showing the number of such units deposited by each of Members, RCI, or others; (2) the number of Exchanges in the RCI Weeks Exchange Program completed more than ninety (90) days prior to the starting date of the deposited Vacation Time, including the total number of Exchanges involving Members' Vacation

Time exchanged for other Members' Vacation Time, the total number of Exchanges involving Members' Vacation Time exchanged for Inventory or Alternative Inventory deposited by RCI, and the total number of Exchanges involving Members' Vacation Time exchanged for Inventory or Alternative Inventory deposited by others; (3) the total number of units of Inventory that were not the subject of an Exchange; and (4) the total number of units of Inventory that were deposited by Members and rented by RCI more than ninety (90) days in advance of the starting date of the deposited Vacation Time; and

IT IS FURTHER STIPULATED AND ORDERED that Sections IX.A.2, IX.B, and IX.C of the Settlement Agreement shall be modified *nunc pro tunc* December 23, 2008, and shall provide as follows:

A. RCI represents and warrants as follows:

2. Except for the determination of Trading Power for Deposits by Persons whose RCI memberships are serviced by Vacation Exchanges International (Proprietary) Limited or RCI Japan Co. Ltd., RCI bases the determination of Trading Power of Vacation Time, Alternative Inventory and other Inventory (if any) on the following criteria: (a) the demand, supply, classification grouping, and utilization of the deposited Vacation Time, and the Affiliated Resort and geographic region associated with the Deposited Vacation Time; (b) the seasonal designation of the Deposited Vacation Time; (c) the size and type of the unit Deposited (*i.e.*, number of bedrooms, kitchen type and maximum/private occupancy of the physical unit); (d) the Comment Card Scores of the Affiliated Resort; and (e) the date of Deposit and the start date of the Deposited Vacation Time. The foregoing criteria may be modified to provide priority for Internal Exchanges.

B. RCI represents and warrants further that in applying the criteria enumerated in Section IX.A, except for the determination of Trading Power for (1) Deposits by Persons whose RCI memberships are serviced by Vacation Exchanges International (Proprietary) Limited or RCI Japan Co. Ltd. and (2) Deposits by Persons whose Vacation Time is from resorts that are affiliated with RCI through Vacation Exchanges International (Proprietary) Limited or RCI Japan Co. Ltd., RCI utilizes the identical methodology to determine the Trading Power of (1) Vacation Time, (2) Alternative Inventory, and (3) other Inventory (if any), including, without limitation, the relative consideration (*i.e.*, weighting) that RCI assigns to each such criterion. Vacation Exchanges International (Proprietary) Limited services most of sub-Saharan Africa, including South Africa, and certain island-nations in the Indian Ocean, including Mauritius, and RCI Japan Co. Ltd. services Japan.

C. Vacation Exchanges International (Proprietary) Limited is a private company duly incorporated and registered in accordance with the Company Laws of the Republic of South Africa with its principal place of business in Johannesburg, South Africa that services RCI members in sub-Saharan Africa, and RCI Japan Co. Ltd. is a private company duly organized under the laws of Japan with its principal place of business in Nagoya, Japan; and

