

Resorts of Distinction

Membership Sales Certification

Resorts of Distinction Certification

The Developers of this industry formed the Resort Developers Association (RDA) to provide a trade association for the outdoor membership resort industry. The RDA is committed to promoting the industry for the benefit of its members and the public, providing a forum for the exchange of ideas important to the industry, setting ethical and operational standards, and otherwise providing for the growth, stability, and betterment of the industry.

The purpose of Resorts of Distinction is to administer a developer owned reciprocal use program, Resorts of Distinction a cooperative network of independent resorts across the North American Continent, permitting reciprocal use rights to the resort members of the developer-owners. The fees and revenues generated by the Resorts of Distinction reciprocal program, after deducting operating expenses and a certain level of financial support for the not-for-profit activities of the RDA, will be distributed to the developers based on participation in the reciprocal program.

Each developer who is an RDA Regular Member in good standing will be eligible to become an "Owner" of Resorts of Distinction. An RDA member is not required to become an owner of Resorts of Distinction; however, only RDA Regular Members are eligible for ownership.

Resorts of Distinction Membership Summary

Resorts of Distinction is unique in many ways. One being the only Developer owned reciprocal program in the country that returns all the profits back to the hosting resorts while taking care of the most valuable person in our industry, the members themselves. We are also able to track the usage of the members and ensure that only those members in good standing are using the resorts. This is all made possible with the technology of our swipe card program exclusively in the Resorts of Distinction resorts.

Unlike other third party reciprocal programs, Resorts of Distinction does not have its own membership card. The membership can only be accessed through the resort's personal home park card. The Resorts have the option to design their own cards with a mag-strip or they may order cards preprinted from Resorts of Distinction.

Resorts of Distinction offers assorted ancillary products for the members, such as: ROD*side* Assistance "*compares to the best for less*" SkyMed Emergency Air Insurance

Resorts of Distinction is the only reciprocal which offers its members 7/12 customer service; 7/12 means...*Friendly* seven days a week, twelve hours a day costumer service for:

- a. Reservations for Member only Resorts
- b. NACC Parks
- c. Online reservations at https://myrod.resortsofdistinction.com

Types of Membership (See Resorts of Distinction latest edition Directory for member rules)

1. <u>Resorts of Distinction</u>

- a. Up to seven days at <u>ALL</u> parks twice per year
 - i. Pay camping option, \$59 dues (free reservations)
 - ii. Free Camping option, \$139 dues (free reservations)
 - iii. Rental privileges at member rates (see directory)
 - iv. Travel Account minimum 25 in travel credits (no show fee)
- b. Condominium Travel Club Blue
 - i. One 50% condo week

- ii. One Hot Week (Condos for as little as \$99)
- iii. Full service travel agency
- c. NACC (North America Camping Club)
 - i. Public Campgrounds for 50% off of the published rack rate
 - ii. Up to 14 nights per stay
 - iii. \$2 Reservations
- d. Children use (living at home and between the ages of 18 and 21)
 - i. With parents card and parental letter of permission
 - ii. NO CTC, NACC benefits
- 2. <u>Resorts of Distinction PLUS:</u> (upgraded use for member and family)
 - **a.** Extended Stays
 - **i.** Up to 2 weeks during peak season
 - **ii.** Unlimited 14 day stays in Off Peak
 - iii. Rental units (50% off if member stays 7 nights or more)
 - **b.** Condo Travel Club Blue (as in Resorts of Distinction)
 - **c.** 125 mile rule:
 - **i.** Due to the fact that Resorts of Distinction was designed for vacationing and traveling only, the parks with in 125 miles of the primary product may be used up to **THREE** (3) one week stay per calendar year.
 - d. Family Use:
 - i. Family member must have their own membership card and travel account activated before privileges may be used.
 - **ii.** Adult Children 21 years of age or older may have the opportunity to obtain independent Resorts of Distinction privileges at Plus Resorts. (Notice that not all park are PLUS)
 - **iii.** Day use (unlimited)
 - **iv.** Three visits per year of up to seven nights, 2 during non-peak and 1 in peak, only in Plus parks.
 - **v.** Nightly fee will be the current rate for camping, which is \$10 per night at this time.
 - vi. Rental units will be at a member rate and member will receive a 50% discount if rented for 7 or more nights. Note:

Condominium Travel Club Platinum is not apart of Plus and must be purchased only from CTC. Platinum has the unlimited Hot Weeks, friends and family benefits commission free travel and much more. If you would like more information on CTC Platinum, you can read about it @ www.condotravleclub.com

RULES AND STANDARDS FOR RESORTS OF DISTINCTION

1. <u>PROVISION OF RECIPROCAL BENEFITS TO</u> RESORTS OF DISTINCTION MEMBERS

Owner acknowledges that it is essential to the Resorts of Distinction Program that, and Owner agrees to, fully honor Owner's obligation to "Host" members (provide Resorts of Distinction members from other Resorts of Distinction owners with camping and other recreational facilities) according to the following terms:

A. Hosting Resorts of Distinction Members

Owner shall provide any and all Resorts of Distinction members with camping and all other facilities and services offered at Owner's Resort. Owner shall not charge Resorts of Distinction members any amounts to use Owner's Resort or its facilities, except for fees as may be established from time to time by Resorts of Distinction, which fees currently are \$10 (from travel account only) per night pursuant to the Affiliation Agreement ("Nightly Fee"). Resorts of Distinction does offer a Free Camping Option which if member chooses to participate no camping fees will be deducted from travel account for water, electricity or sewer hook ups (50 amp service my have additional charge if Owner charges additional fee to Owners members). Owner may also charge rental unit charges and incidental extra charges at the same rates it charges its own Members. The Nightly Fee may also be charged for each day a member may choose to use Owner's Resort during the day only, without staying overnight ("Day Use"). Owner shall not in any way discriminate against Resorts of Distinction members' use of the Resort. Owner shall not require any Resorts of Distinction member to submit to a sales presentation in order to receive reciprocal use rights. Use of the Resort shall be on a space available basis for all persons entitled to use the Resort. Owner shall always use its best efforts to host Resorts of Distinction members at all times and under any circumstances, subject only to the limitations in this Section 1.

Owner's Resort shall not be open to the general public but, rather, shall be available for use only by Owner's members, Resorts of Distinction members, and members of other reciprocal programs. Owner shall not under any circumstances deny use to a Resorts of Distinction member if space is available at Owner's Resort when such member attempts to make a reservation or arrives at Owner's Resort. All Owners must follow the hosting and registration procedures Resorts of Distinction may require from time to time for each night's stay by Resorts of Distinction members.

B. Length of Stay

Although encouraged to do so, Owner is not required to Host any given Resorts of Distinction member more than two separate visits per year, nor more than seven days per visit. Owner may refuse to Host the same Resorts of Distinction member for a seven day period immediately following that member's first visit (Notwithstanding the foregoing, there is no maximum number of days a member may use Owner's Resort on a Day Use basis, nor a seven day waiting period between Day Use visits). A Resorts of Distinction member's stay at Owner's Resort pursuant to the Resorts of Distinction Program may not be coupled with, or used in conjunction or in addition to, any other stays at Owner's Resort pursuant to any other reciprocal use program. (Notwithstanding, Owner is entitled (and encouraged) to waive this requirement, in Owner's discretion). Resorts of Distinction members may use the Resorts of Distinction Program up to a maximum of 365 days per any given calendar year.

C. <u>Nightly Fee</u>

Resorts of Distinction shall collect all Nightly Fees pursuant to whatever collection method Resorts of Distinction establishes. Owner shall be paid Nightly Fees collected by Resorts of Distinction which are attributable to a Resorts of Distinction Member's stay at Owner's Resort. Notwithstanding, however, Resorts of Distinction may retain an amount of the Nightly Fee as it deems appropriate or necessary, in its sole discretion, to manage, operate and/or promote the Resorts of Distinction reciprocal system. This may include promotional programs which give free reciprocal use to Resorts of Distinction members, which Owner will be required to honor without receiving a Nightly Fee.

Resorts of Distinction shall also have the right, in its sole discretion and subject to change at any time, to pay Owner for nightly usage in addition to any Nightly Fees collected. Such amounts shall be paid out of membership fees collected by Resorts of Distinction and/or other general revenues. Currently, Resorts of Distinction pays Owners \$10 per nightly.

D. Peak Season

Owner may designate up to 50% of each resort's "open time" as "peak season." "Open time" is determined by what is set forth in the Resorts of Distinction directory.

2. PRIMARY PRODUCT

Resorts of Distinction does not own or operate any resorts. Owner acknowledges that it is essential to the Resorts of Distinction Program that every Resorts of Distinction member have a Home Resort membership at a resort the Resorts of Distinction member desires to use primarily; and that the Resorts of Distinction member's use of the Resorts of Distinction Program shall be used in addition to, not instead of, primary use at the Home Resort. Accordingly, Owner agrees that Resorts of Distinction memberships are meant to be, offered by Owner as a secondary or ancillary benefit to Owner's primary product, which is the sale of a membership to use Owner's Resort.

A. <u>Home Resort Membership</u>

Resorts of Distinction memberships are available only to members who have purchased a Home Resort membership from a Resorts of Distinction owner's resort, and remain in good standing as a member of that resort. Owner's members must visit, inspect and be satisfied with their Home Resort before purchasing a Resorts of Distinction membership (except at approved off-site sales locations). Use of the Home Resort is to be the primary motivation for individuals to become and remain members of the Home Resort. The Resorts of Distinction Program is an adjunct and ancillary service and cannot be marketed as the primary reason for anyone to become or remain a member of a resort.

B. Offer of Resorts of Distinction Membership

So long as Owner is an owner of Resorts of Distinction, Owner shall give <u>all</u> of Owner's current and new members the opportunity to become Resorts of Distinction members provided such member (1) has visited and inspected Owner's Resort, (2) is a member in good standing of Owner's Resort, and (3) except for up to five percent (5%) of Owner's total membership, does not live more than 125 miles from Owner's Resort.

C. Off-Site Sales of Owner's Resort Memberships

Resorts of Distinction does not encourage off-site sales (sales that do not occur at Owner's Resort) of memberships in an Owner's Resort because the primary product the consumer is purchasing is use of the Home Resort, and the consumer should therefore inspect the Home Resort before purchasing a membership. On-site sales help assure customer satisfaction, minimize consumer complaints and are consistent with Resorts of Distinction' "Primary Product Rule," which requires that the Home Resort be the primary product sold and the Resorts of Distinction Program be an ancillary benefit.

Resorts of Distinction will continue to require that marketing operations be governed by the principle that the Home Resort must be the primary product and the Resorts of Distinction Program secondary.

3. <u>RESORT QUALITY</u>

Owner recognizes that it is essential to the Resorts of Distinction Program that Resorts of Distinction owner's resorts maintain a high level of quality in areas such as facilities, operations, services, and management and, accordingly, Owner agrees to maintain and operate Owner's Resort at a high level of quality, as determined in Resorts of Distinction's sole discretion, including at a minimum the following:

- A. Minimum Facility Requirements
- (i) A majority of campsites must be full service (i.e., have a minimum of water and electricity).
- (ii) Clean, functional comfort stations convenient to sites and in compliance with local and state law-ideally within 500 feet of each site; with a minimum of one comfort station per 100 sites.
- (iii) Convenient access to dump stations.

(iv) Where applicable, local or state law shall determine the ratio of the number of memberships which can be sold per campsite or rental unit. In the absence of such regulation, Owner shall maintain a ratio which permits its members reasonable use of Owner's Resort during peak and off-peak periods. Notwithstanding the above, in no event shall Owner sell memberships at a rate of more than 12 to 1 campsite or 20 to 1 rental unit.

B. Minimum Amenity Requirements

Amenities should complement the design and location of Owner's Resort and the needs of the members. Therefore, the minimum requirements must be determined by Resorts of Distinction in its reasonable discretion on a caseby-case basis taking into account such additional factors as membership base, community standards, age of resort, and so forth. Nevertheless, the following are minimum requirements:

- (i) Swimming pool (or other recreational water facilities).
- (ii) Clubhouse.
- (iii) Sales office (which shall be separated from the clubhouse).
- (iv) Playground equipment for children.
- (v) Recreational opportunities.
- (vi) Supervised activities program.
- (vii) Security gate at the entrance (manned or automatically secured).

C. Rental Unit Standards

The following are minimum requirements for rental units:

- (i) A park model or trailer home more than 23 feet long and new or like new when installed on the site, or cabins, condos, bungalows and motel-type units meeting minimum facility and amenity standards as determined by Resorts of Distinction in its reasonable discretion.
- Exterior Condition: Paint, paneling, flooring, interior decor and roofing must all be in good condition. All types must have a well-maintained appearance. The majority of the units must have skirting or decking.
- (iii) Interior Condition: The units must be fully functional, well-maintained and of good quality. Furniture must be in good condition and functional. Each unit must have a full kitchen and rest room and the units are to be clean throughout.
- (iv) Site Preparation: There must be some landscaping or site preparation, with the majority of sites easily identified. Each unit should have a picnic table, barbecue or patio.
- (v) Services Provided: The outfitting required for rental units must include silverware, dishware, and glassware, appliances, cleaning materials, hand towels and toilet paper. Linens, blankets and towels should be in each unit. If these items are a separate rental, the charge must be indicated in the Resorts of Distinction Directory.
- D. Financial

Resorts of Distinction may require Owner to provide Resorts of Distinction with documents and information, which satisfies Resorts of Distinction that Owner has the financial capability to meet its obligations to its resort members.

4. ETHICAL STANDARDS

Owner recognizes and agrees that it is important to the Resorts of Distinction Program that Owner conducts its business and operates Owner's Resort in an ethical and professional manner.

A. Resort Developers Association and Resorts of Distinction

The Resort Developers Association ("RDA") is a non-profit resort trade association committed to ensuring that its members follow the highest ethical standards in the industry. All Resorts of Distinction owners are required to be members in good standing with the RDA. Owner expressly agrees to comply with the RDA Code of Ethical Standards, as fully set forth herein. Owner's continued ownership of a beneficial interest in Resorts of Distinction is expressly and specifically conditioned upon Owner being and remaining a member in good standing with RDA. In the event Owner's RDA membership is suspended or terminated for any reason, Owner's rights to retain its beneficial interest in Resorts of Distinction may be terminated by Resorts of Distinction' redemption of Owner's beneficial interest in Resorts of Distinction. Once its beneficial interest in Resorts of Distinction is redeemed, Owner cannot use Resorts of Distinction as part of its sales presentation and no new Resorts of Distinction member applications from Owner will be processed. Upon redemption of Owner's beneficial interest in Resorts of Distinction, Resorts of Distinction shall notify all other Resorts of Distinction owners and Resorts of Distinction members of the redemption.

5. FAMILY USE

Resorts of Distinction membership privileges extend only to the purchasing member and his/her immediate family. The immediate family is defined as the husband and wife and minor (under 21 years of age) children living at home. Responsible minor children, carrying identification, their parents' Resorts of Distinction membership card and a parental letter of permission, shall have full Resorts of Distinction Program privileges. However, a single membership entitles the purchaser and his family to occupy only one site within the system at any given time.

6. <u>"ORPHANED" MEMBERS</u>

A. Owner's Duty to Allow Members to Transfer

In the event Owner ceases or substantially ceases operations of Owner's Resort as a private membership outdoor resort for any reason, Owner shall have the obligation to offer Owner's Resort members the opportunity to transfer their Home Resort membership to one or more other Resorts of Distinction owner's resorts as determined by Owner and approved by Resorts of Distinction. After such transfer, Owner's resort members shall not be required to pay annual maintenance or similar fees to Owner but, rather, shall pay such fees to the Resort member's new Home Resort. (Whether or not the resort member owes any amounts to Owner for the initial purchase price for the membership shall be determined pursuant to Owner's contract with its resort member.) The obligations of this paragraph shall survive termination of this Agreement, provided the cessation or substantial cessation of operations occurred prior to termination.

B. Owner's Duty to Accept Members Transferring from Another Resort

Resorts of Distinction may require Owner to accept a Home Resort membership transfer of a Resorts of Distinction member(s) from another Resorts of Distinction owner's resort. In such event, Owner shall offer such member(s) a Home Resort membership at Owner's Resort on the same or substantially same terms as the transferring member's former membership. Owner shall not charge member any amounts for the new Home Resort membership, other than annual maintenance fees, and any outstanding balance member owes for the purchase price of member's Home Resort membership, as verified by the transferring owner and Resorts of Distinction.

C. Bulk Memberships

Owner can offer the Resorts of Distinction Program only to individuals--not corporations, businesses or other commercial ventures. No person can have more than one Resorts of Distinction membership.

D. <u>Re-sales</u>

Resorts of Distinction membership <u>does not</u> transfer with the resale of a Home Resort membership. Resorts of Distinction memberships are not the primary product sold, and do not survive the termination of the Home Resort membership if that occurs, through default, forfeiture, or any other loss by the member.

E. <u>Site Occupancy Rule</u>

The number of persons per site reservation is limited to one family plus two guests, for a total of no more than four adults. The member and his guests must travel together and occupy one RV and one campsite.

F. Multiple Home Resort Memberships

Resorts of Distinction members may belong to as many Resorts of Distinction owner's resorts as they choose: however, they are entitled to only one (1) Resorts of Distinction membership number and only one set of benefits. If a member belongs to more than one Resorts of Distinction owner's resort, the Home Resort is where the first resort membership was purchased.

Resorts of Distinction PLUS RULES AND STANDARDS

1. <u>PROVISION OF RECIPROCAL BENEFITS TO</u> RESORTS OF DISTINCTION PLUS PROGRAM MEMBERS

Owner acknowledges and agrees that it will, and that it is essential to the Resorts of Distinction Program, that Owner fully honor Owner's obligation to "Host" members (provide Resorts of Distinction Plus Program members ("ROD Plus Members") from other Resorts of Distinction Plus Program owners with camping and other recreational facilities) according to the following terms to the extent they modify the Rules and Standards attached to the Affiliation Agreement:

A. Hosting ROD Plus

Owner shall not charge ROD Plus Members any amounts to use Owner's Resort or its facilities, except whatever Nightly Fees ROD may from time to time permit, which fees are currently ("Nightly Fee" or "Free Camping option"), and unit rental charges at a 50% discount on the rates it charges its own members for reserved stays of seven days or more, and incidental extra charges at the same rates it charges its own members. Owner shall not charge ROD Plus Members any amounts to use Owner's Resort during the day only, without staying overnight ("Day Use").

B. Length of Stay

During Owner's Resort's peak season, Owner shall be required to Host any ROD Plus Member at least two separate visits per year, up to fourteen consecutive nights per visit, on a space available basis. Owner is encouraged, but not required, to permit additional visits. During Owner's Resort's off-peak season, Owner is required to Host any ROD Plus Member for unlimited visits up to fourteen consecutive nights (or twenty-one consecutive nights, as determined by Owner) per visit, on a space available basis. Owner may refuse to Host the same ROD Plus Member for a seven day period immediately following any of that member's previous visits. (Notwithstanding the foregoing, there is no maximum number of days an ROD Plus Member may use Owner's Resort on a Day Use basis, nor a seven day waiting period between Day Use visits.)

C. 125 Mile Rule

Owner is required to Host any ROD Plus Member whose "Home Resort" or residence is located within a 125 mile radius of Owner's Resort (as determined by Resorts of Distinction) for three separate visits per year of up to seven consecutive nights per visit, on a space available basis. An ROD Plus Member's Home Resort is where that member purchased their resort membership (or if that member's resort membership is with a resort chain, then that member's Home Resort is the closest resort in the chain to member's home).

D. Offer of ROD Plus

As long as Owner is an ROD Plus owner of Resorts of Distinction, Owner shall give <u>all</u> of Owner's members the opportunity to become ROD Plus Members. Resorts of Distinction cannot be sold for any price as a standalone it may be added to Owners enhanced products only.

E. <u>Service Representatives</u>

Owner shall make available to ROD Plus Members a designated individual located in a designated office at Owner's Resort for a minimum of five days per week, four hours per day, who is responsible for providing courteous, professional and prompt service to ROD Plus Members.

F. Family Use

Adult children (21 years of age or older) of ROD Plus Members will have the opportunity to obtain independent Resorts of Distinction membership privileges at ROD Plus Resorts. Owner shall not charge the members or their adult children any amounts of any kind for that opportunity. However, Owner may charge the members or their adult children for their adult children's use of the Home Resort independent from the ROD Plus program.

The Resorts of Distinction Plus family privileges shall entitle the adult children of ROD Plus members to the following privileges and Owner shall provide such privileges to such adult children:

- (1) The ability to independently use ROD Plus Resorts for Day Use on an unlimited basis;
- (2) The ability to independently use an ROD Plus Resort for overnight stays for the Nightly Fee for: (i) one separate visit per year of up to seven consecutive nights during the ROD Plus Resorts' peak season, and (ii) two visits per year of up to seven consecutive nights during ROD Plus Resort's off-peak season (Owner may refuse to host the same adult child member for a seven day period immediately following that adult child's previous visit). The family member has a total of three visits of up to seven nights in the ROD Plus system annually.
- (3) 50% discount on any reserved rental unit stay of seven days or more;
- (4) Family membership may not use an ROD Plus Resort on holiday weekends; and
- (5) Family members must have a current Resorts of Distinction Plus family membership card to utilize these family privileges.

Authorizations as of June 30, 2006

Only persons that have been authorized by the RDA Board of Directors are eligible to offer the Resorts of Distinction membership.

Resorts of Distinction will make applications for certification available via fax, e-mail or online.

Websites:

WWW.RESORTDEVELOPERSASSOCIATION.COM

WWW.RDASUPPORT.COM

WWW.RESORTSOFDISTINCTION.COM

HTTPS://MYROD.RESORTSOFDISTINCTION.COM

Resorts of Distinction Application for Sales Certification

Applications will not be accepted unless sales number along with signature is from authorized sales representative.

Representative has been provided by Resort Developers Association with an accurate description of products offered by Resorts of Distinction. Which description shall generally include documentation describing member benefits and privileges. Representative acknowledges RECEIPT OF AND AGREES TO USE AND ABIDE BY the collateral and sales materials available for each Resorts of Distinction membership, as updated and amended from time to time by Resorts of Distinction. Representative acknowledges that any misrepresentations made by representative whether made innocently, negligently, or fraudulently, may cause serious harm. Representative therefore agrees to engage in no misrepresentations and to indemnify and hold Resorts of Distinction harmless from any loss, harm or damage suffered, including legal costs and attorneys' fees, as a result of any misrepresentation made by representative.

As an authorized Sales Representative for the Resort Developers Association,

I agree to present the primary product in compliance with the membership agreement and only offer Resorts of Distinction as represented in the Rules and Standards document.

Signature		Date	
Resort Name		Resort Number	
Representative	(shoulder and head shot phot	o must be included with application)	
Last		Nickname	
First			
Address			
Phone #		_(Home) (Cell)	
SS#			
DL #		_ State	
Email Address _		@	

As an Authorized Representative:

RDA will allow you to participate as a Resorts of Distinction member. This membership Card will allow you to visit any resort two times per year up to 7 days per stay. This membership is at the pay camping rate and does not have a FREE CAMPING option. Representative must be gainfully participating with an affiliated resort to participate in membership privileges. All rules and conditions must be adhered to and strictly enforced.





