



**TIMESHARE
PROGRAM RULES**

WIDUS VACATION CLUB TIMESHARE PROGRAM RULES

The primary purpose of the Timeshare Program Rules is to establish Member's rights, privileges and limitations as a Widus Vacation Club Timeshare Member in order to protect the Member, Program Operator and the management or Board of Widus International Leisure Inc. of their rights. The full authority and responsibility for enforcing these Program Rules may be delegated to a manager or Program Operator by the Board. All Members and Occupants and their tenants, guests and visitors shall be bound by these Program Rules and by standards of reasonable conduct whether covered by these Program Rules or not; provided, however, that neither the Board nor the Program Operator shall be responsible for any noncompliance or violation of these Program Rules by said Members, Occupants, tenants, guests or visitors. These Program Rules may be amended by the Board of the Widus Vacation Club &/or Widus International Leisure Inc. at anytime without prior notice.

I. DEFINITION OF TERMS

1. **WIDUS VACATION CLUB (WVC).** A membership program owned and managed by Widus International Leisure Inc. Widus Vacation Club shall include memberships from the Timeshare, Condotel, Serviced Apartments, or such other programs that may be created by Widus International Leisure Inc. under the same membership program.
2. **PROGRAM OPERATOR.** The Program Operator shall be the management company in-charge of operations of the Hotel or property involved in the membership program.
3. **DEVELOPER / BOARD.** Widus International Leisure Inc. through its authorized representatives shall act as the Developer and Board of Widus Vacation Club being the Member and developer of the entire property.
4. **TIMESHARE PROGRAM.** A Widus Vacation Club program wherein members get to enjoy 7,14,21, or 28 FREE nights every year plus other benefits for the duration of their membership with WVC. Usage of free nights will vary depending on the purchased season of interest.
5. **SEASON OF INTEREST.** This indicates the season with which a member could utilize their free room nights. There are four (4) seasons for the timeshare program: Low, Mid, Peak and Special seasons. Low Season has a total of 10 Priority weeks scheduled usually during the months of May to July. Mid Season has a total of 15 Priority weeks scheduled usually during the months of April, and July to September. Peak Season has a total of 26 Priority weeks scheduled usually during the months of January to March and October to December. Special Season is a specified holiday week of Christmas, New Year, Chinese New Year, Halloween, Easter, and Chu Sook. The months and weeks indicated for each season may change without prior notice.
6. **FIXED TIME RIGHTS.** Refers to Special season members wherein their date of occupancy is fixed on a specific week or date.
7. **FLOATING TIME RIGHTS.** Refers to Low, Mid, or Peak season members wherein their date of occupancy is variable within their priority weeks.
8. **MAINTENANCE FEE.** The amount paid by any Timeshare Program Member upon check-in or check-out of the facility to cover for variable expenses such as administrative, amenities, utilities, share in labor and benefits of employees, laundry of linens and beddings, general housekeeping, share in maintenance of common areas and other cost directly associated with accommodation. The amount of maintenance fee may change without prior notice.
9. **USE PERIOD.** The date wherein a member has arranged to occupy his unit &/or avail of his free room nights.
10. **MEMBERS.** These are individuals or corporate entities that have enrolled in any Widus Vacation Club Timeshare Program: Timeshare, Serviced Residences, and other WVC memberships.

II. PROGRAM DETAILS

The Widus Vacation Club (WVC) is a membership program owned and managed by Widus International Leisure Inc. whose sole purpose is to provide the ultimate vacation experience to its members through its various facilities, amenities and services within the resort. Widus Vacation Club shall include memberships from the Timeshare, Serviced Residences, or such other programs that may be created by Widus International Leisure Inc. under the same membership program.

The WVC Membership Program is open for all local and foreign individuals aged 21 and above, corporations, small industries, and government agencies as long as they may be able to completely satisfy the requirements set forth by the Board.

All WVC Members shall enjoy various perks and privileges set forth by the Board. The Board may at anytime change these perks and privileges without prior notice whenever it deems necessary.

1. **WVC TIMESHARE PROGRAM.** This Membership Program shall give a member the right to use a certain type of room for free either 7, 14, 21, or 28 nights per year until the expiry of the membership subject to their Season of Interest.
 - a. **FREE NIGHTS.** The free nights given to Members are non-cumulative, thus if a Member does not fully consume all free nights, these will be automatically forfeited for the year.
 - b. **SEASON OF INTEREST.** Membership prices differ because of the Member's Season of Interest as well as each Member's Use Period. The Board shall assign a Season Calendar yearly to identify which weeks are considered to be Low, Mid, Peak and Special.
 - c. **MAINTENANCE FEE.** All Members are required to pay maintenance fee for the regular upkeep of the building, its facilities and amenities and for the consumption of utilities and guestroom amenities. Maintenance fee may differ per unit type.

III. RESERVATION AND USE

The reservation and use of Units in the Program shall be governed by the Program and House Rules, Buyer's Acknowledgement, Purchase Agreement, and other WVC Agreement that may be implemented by Widus Vacation Club. These provisions will be supplemented by the following:

1. **RESERVATION AND CONFIRMATION OF USE PERIODS.** For each Membership Interest with Floating and Fixed Time Rights, the Member must reserve and have confirmed a Use Period and a check-in/check-out day according to the following rules:
 - a. Members must make a reservation request and receive a reservation confirmation from the Program Operator, or someone designated by the Program Operator, before occupying any Unit. Reservation requests may be made and confirmed by telephone, electronic mail, postal mail, facsimile transmission, or any other means of communication as approved by the Program Operator. All requests will be processed on a first-come, first-served basis. Reservation requests will also be accepted by mail and/or facsimile with date received by the Program Operator used in prioritizing requests.
 - b. For Timeshare Members, a purchaser becomes eligible to make a reservation request in accordance with the Program Rules as soon as the Purchase Agreement is accepted by Widus Vacation Club and if the purchaser was able to completely pay the equity, which is 30% of the total price of the Membership interest purchased; however, an Member will not be allowed to use such reservation unless the contract has closed, or such contract allows by its terms for such reservation to be used, the conveyance of the Membership Interest has been recorded, and the Developer has determined that Widus Vacation Club is ready for occupancy.
 - c. Members will have the ability to request a reservation for a their free nights accommodation for a check-in day as designated by the Program Operator on a first-come, first-served basis, with other Members, beginning twelve (12) months in advance of the requested check-in day. A Member's request shall be timely if received no later than sixty days (60) days prior to the first day of a Use Period.
 - d. Members who own more than one Membership Interest may reserve concurrent use Periods, meaning two (2) or more Units during the same Use Period, or consecutive Use Periods meaning one (1) or more Units for two (2) or more Use Periods in a row, at least one hundred twenty (120) days in advance of the first requested check-in day for the first Use Period reserved.
 - e. Except as indicated, Timeshare Members are entitled to request all their free nights consecutively during each Use Year in which they have the right to reserve and use a Unit for each Use Period owned. All free nights must be used in the same Use Year. Unused or unreserved nights may not be carried over into subsequent Use Years.
 - f. A Member may cancel a reservation without penalty by giving notice at least thirty (30) days before the check-in date, may request for a re-schedule but is not guaranteed another reservation for such Use Year. A Member, who cancels his or her

reservation less than thirty (30) days before the check-in date, automatically forfeits his usage rights for the Use Year.

- g. A Member's dependents may not reserve, book, or cancel a unit unless the primary member issues an authorization letter allowing said dependent to do so. Nevertheless, the dependent may use the facilities and avail of discounts enjoyed by primary members. The dependent may be required by the Program Operator to show his membership ID to avail of such benefits.
2. **USE OF UNRESERVED USE PERIODS.** Subject to any limitations contained in the Buyer's Acknowledgement and Purchase Agreement, the Developer &/or Program Operator may reserve and use any Unused Use Periods beginning twenty nine (29) days prior to the first day of the Use Period. If the Developer &/or Program Operator make use of such Use Period, that Use Period will not be available for reservation or use by Members.
3. **UNIT ASSIGNMENTS.** Unit assignments shall be made by the Program Operator upon the guest's arrival.
4. **CONVERSION OF FIXED TIME RIGHTS TO FLOATING TIME RIGHTS.** A Member with Fixed Time Rights may temporarily or permanently convert or surrender such Member's Fixed Time Rights for any Use Year or all remaining Use Years, and is treated as if such Member had Floating Time Rights by giving written notice to the Program Operator of such Member's intent to so surrender. Notice must be received by the Program Operator at least one hundred eighty (180) days before the Member's Fixed Use Period, and will not be effective until the Program Operator confirms said surrender in writing to the Member within sixty (60) days upon receipt of request. Temporary conversion will only be effective for the specific Use Year(s) indicated in the written notice from the Member of such Fixed Use Period.
5. **GENERAL RULES ON RESERVATION AND USE.**
 - a. Reservation requests will not be accepted from Members, who have outstanding Charges, and Members or others claiming a right to use through them will not be assigned or allowed to use a Unit until all outstanding Charges, to include interest and late charges, if any, have been paid in full in accordance with the Program Rules on delinquency.
 - b. Failure to request a reservation for a Use Period in a Use Year does not relieve the Member from the obligation to pay all Charges for each Membership Interest owned.
 - c. The Developer may make reservation requests for a Membership Interest which it owns on the same basis as all other Members.
6. **USE BY MEMBERS AND GUESTS.**
 - a. The procedure for availing of the Vacation Membership by the guests is the same with the Member. However, the Member must disclose in the reservation and confirmation process that his guest, and not him, will use the facility.
 - b. Members may be required to show their Member's ID and confirmation letter and sign a registration card at check-in.
 - c. Guests will be required to show proof of identification, authorization letter from the member, photocopy of the member's Membership ID, confirmation letter and sign a registration card at check-in. They will be treated as members.
 - d. Guests shall observe all provisions of the House Rules. A member warrants that his guest shall comply with the House Rules and will be responsible for any repairs for damages caused intentionally or through negligence.
 - e. No one under the age of eighteen (18) years may occupy the unit unless accompanied by a person aged twenty-one (21) years or older.
7. **SPLIT WEEK USE.** The Board has the right to implement "split week" occupancy for all Timeshare Members. If implemented, each Member with Floating Time Rights will have the

option to request a reservation for "split week" occupancy, electing in any Use Year to occupy a Unit during one Weekend Occupancy Period and one Weekday Occupancy Period in lieu of an entire Use Period. Each such occupancy will be called a "Split Week Use Period."

For purposes of this Section, "Weekend Occupancy Period" shall mean a period of four (4) consecutive nights commencing on a Friday (or another starting day designated by the Program Operator) at 2:00 p.m. and ending on the next following Tuesday (or another day, four (4) days later, in the event a different starting day is designated) at 12:00 noon. "Weekday Occupancy Period" shall mean a period of three (3) consecutive nights commencing on Tuesday (or another starting day designated by the Program Operator) at 2:00 p.m. and ending on the next following Friday (or another day, three (3) days later, in the event a different starting day is designated) at 12:00 noon.

Assignment of the number of days of Weekend and Weekday Occupancy period may be changed at anytime by the Board and/or the Program Operator without prior notice.

If the Board implements split week occupancy, at the time an Member requests a reservation for split week occupancy, only occupancy of the period which will be used first either a Weekend Occupancy Period or a Weekday Occupancy Period will be confirmed. Members can request a reservation for the use of the split week at least ninety days (90) days in advance of the first requested check-in day of the occupancy period. The Program Operator may restrict the availability of split week occupancy in order to fulfill the maximum number of Member requests for occupancy which may result in the Member's request being denied and the Member losing the use of the remaining split week Use Period.

The Program Operator may establish, from time to time, additional charges to be imposed on Members who utilize split week occupancy. This charge is to pay for such additional costs as may be incurred by the Operator as a result of the split week occupancy option.

8. **SPLIT WEEK WITH DAILY USE.** The Board reserves the right to offer a program wherein each Timeshare Member would have the right to split up such Member's Use Periods into one-day use periods ("Daily Use Periods"), subject to the rules and limitations with respect to use of such Use Periods provided below:
 - a. The ability of a Member to use Daily Use Periods is subject to the availability of such Use Periods as to Units of the same Unit Type in which such Member has a Membership Interest. This option will be given minimum priority over the regular week use.
 - b. If an Member desires to utilize Daily Use Periods as opposed to the Use Period reserved by the Member, the Member must declare in a notice to the Program Operator, at least ninety (90) days prior to the commencement of the Member's choice or assigned Use Period, that the Member wishes to convert such Member's Use Period into Daily Use Periods. Upon such declaration, the following rules apply:
 - i. The Member will be deemed to have given up the right to use such Member's Use Period, and the Use Period will then be considered an Unused Use Period.
 - ii. The Member will have the ability to reserve and use up all free nights as Daily Use Periods for each Use Period relinquished, based on availability, at any time during the particular Use Year, provided that the Member may not reserve and use a Unit for more than one Weekend Occupancy Period, as defined below during a given Use Year, and further, may not reserve a Unit for more than one Friday, Saturday or Sunday during any Use Year.
 - c. The Program Operator, at its discretion, may elect to select certain times during which a "Daily Use Period" will not be available.
 - d. The Program Operator may limit the availability of this privilege to convert a Use Period to Daily Use Periods to a certain number of Use Periods each Use Year.
 - e. The Program Operator shall establish, from time to time, what additional charges will be imposed on Members who convert to Daily Use Periods upon their use of such Use Periods, if any. These charges are to pay for such additional costs as may be incurred by the Program and the Program Operator as a result of the use of Daily Use Periods, including, without limitation, additional administrative and housekeeping charges.

9. **LOCK-OFF USE RIGHTS.** The Board has the right to offer "Lock-Off" occupancy by an Member of any WVC Program. If implemented, in lieu of occupying the entire Unit during a Use Period, each Member of an Interest in a suite or two bedroom unit may make a request (i) to occupy a part of a Unit for a Use Period, with the remaining part of the Unit being "locked-off" and being subject to exclusive use by others, and (ii) to occupy the other part of a Unit during a different Use Period, with the remaining part of the Unit being "locked-off" and being subject to exclusive use by others. Each such occupancy will be called a "Lock-off Use Period". This option is only available for home resort members.

Thus, in the case where an Member owns an interest in a suite or two bedroom Unit, the Member may make a reservation request to occupy either the Master Suite or the Guest Suite of the Unit for a Use Period and to occupy the other part of the Unit during a different Use Period. No Lock-off Use Periods shall be permitted for an Member of an interest in a one bedroom Unit.

At the time an Member requests a reservation for Lock-off occupancy, only occupancy of the part of the Unit which will be used first will be confirmed. Members can request a reservation of the Lock-off Use Period at least ninety (90) days in advance of the requested check-in day of the Lock-off Use Period. The Program Operator may restrict the availability of Lock-off occupancy in order to fulfill the maximum number of Member requests for occupancy which may result in Member's request being denied and the Member losing the use of the remaining Lock-off Use Period. The Program Operator may establish from time to time, additional charges to be imposed on Members who utilize lock-off occupancy to pay for such additional costs incurred by the program Operator as a result of the lock-off occupancy option.

Additional charges may be imposed on Members who utilize Lock-off Use Rights. This charge is to pay for such additional costs as may be incurred by the Program as a result of the use of a Lock-off Use Period.

10. **PRIORITY LISTS.** The Board with the consent of the Program Operator shall implement a first come first served basis to establish a priority list in an effort to insure the fair and equitable reservation and use of the Units during high demand periods (i.e., Vacations, special events, etc.).

IV. MEMBERSHIP

1. **RIGHTS AND PRIVILEGES OF MEMBERS.** Any Member may apply to dispose of his exclusive right of occupation to any person, twenty-one years and above, whether by sale, gift, or otherwise, by means of an official letter of Request to authorize said person, addressed to:

Widus International Leisure, Inc.
Attention: Sales & Marketing Manager
Bldg. 5400 M.A. Roxas Highway,
Clark Freeport Zone, Pampanga 2023
Philippines

- a. Upon the death of a Member, his personal representative may apply to pass off his exclusive right of occupation in accordance with the Philippine law on succession.
 - b. A member shall not be entitled to the use of any facilities until and unless he shall have complied with all the requirements of the Company and is duly accepted as a member. The use and enjoyment of the facilities may be withheld from any member who is under suspension or otherwise declared delinquent as may be provided under the rules and regulations of the Widus Vacation Club.
2. **OBLIGATIONS OF &/OR LIMITATIONS ON MEMBERS.** Each member shall be subject to the following obligations, and such obligations shall continue to bind his estate after his death and until such time as his Membership shall have been transferred to a new Member:
 - a. At all times comply with the provisions of the Program Rules and other rules and regulation as amended from time to time.
 - b. In the event of breach of any of the above, by a member or his guest, the member shall be subject to the penalties imposed by the Company. The company shall in no case be responsible for the actions or conduct of any Member or guest at any time, when using the venue.

- c. Upon request by the venue personnel, the member shall present his/her Membership Card for identification purposes. The Membership Card cannot be used as a form of payment. In case of lost Membership Card, the member will be requested to apply for a replacement. A charge of P100.00 will be imposed for the replacement of the Membership Card. This amount may be subject to change without prior notice.
- d. A member is expected to keep and maintain the interior of the venue and all its contents in a good tenable state and condition during the period of his or his guest's occupancy, and to pay and indemnify the Company against any damage, deterioration or dilapidation, other than the result of fair wear and tear and damage or destruction by fire or any other insured risk, which may have occurred during his occupancy, of which the Company shall be the sole judge.
- e. Not to do anything which would make void or unavoidable the insurance of the unit and its contents or any other insurance for the time being, in force and relating to the units, or which may operate to increase the premium payable in respect of any such insurance; to indemnify the Company against any increase or additional premium, which by reason of any such act or default may be required for effecting or keeping up such insurance; and, in the event of the facility or any other property or any part thereof being damaged or destroyed by any insured risks, the insurance money being wholly or partially irrecoverable by reason solely, or in part, of any act or default of such member, to pay a fair proportion, to be conclusively determined by a surveyor to be appointed by the Company, of the cost of rebuilding and/or reinstatement of the same, together with the whole or portion of the fees of the surveyor.
- f. In the event that any repair or maintenance work is required of a part of the venue or its contents while it is occupied by the Member, to allow access on reasonable notice to enable such work to be carried out with due diligence and speed, except in case of emergency, when no notice will be necessary.
- g. Not to make alterations on the venue.
- h. To vacate the venue to which the Timeshare Certificate relates on the last day of each week allocated to him in any year at 12:00 NN, local time. This is to allow clean-up and preparation for the earliest possible check-in time at 2:00 PM of the same day.
- i. If the member or his guest fails to vacate the venue by check-out time of the last day of his week, the Member will be charged all the costs of financial and other consequential damages incurred by the Company and the affected Member.
- j. In no event shall the occupancy limitation be exceeded. If a Member with the occupancy limitations established, he shall be charged a corresponding penalty for such breach. The amount of penalty will be set at the sole discretion of the Company.
- k. To pay all other expenses incurred by the Member, including long distance and overseas telephone calls made, during occupation of the venue upon check-out; to pay such reasonable deposit as the Program Operator may demand against such charges; and where the unit is not metered, the Program Operator may make a preliminary charge on the basis of estimated consumption then the actual rate shall be charged upon receipt of actual rates from the operator.
- l. To notify Widus International Leisure Inc. of any change in his permanent address.
- m. To pay the Maintenance Fee, Monthly Bills and other dues on or before its due date.
- n. To pay all costs related to the issue and registration of an alternative document conveying the right to use by the Member of the weekly periods in the venue designated in the Membership Certificate.
- o. To follow their season schedule or priority days/weeks to allow for other Members to rightfully avail of their privileges.
- p. Any confirmation of reservation will not be honored if the Member is in default for any amount owing to the Company as of the check-in date and time for which the Confirmation was given.

If, in the ultimate discretion of the Company, any Member shall have committed a substantial breach of the obligations imposed on him by the Program and House Rules, then the Member's rights and privileges may be suspended or canceled by the Board upon written notice to this effect of the Member.

3. **PAYMENT OF DUES.** As part of a Member's obligation, all payments should be settled on or before their due dates. The following rules may apply to each Member regarding settlement of dues and obligations:
 - a. Payment of any WVC Membership Program may be made in cash or installment basis.
 - b. Payment in Installment basis may be made either monthly, quarterly, semi-annually or annually subject to Widus International Leisure Inc.'s prevailing interest rate. Payment schemes may differ at any time without prior notice.
 - c. For the payment of Membership Interest availed on an installment basis, a Member shall be given five (5) calendar days from the due date to settle all payments. Otherwise, a late charge shall be imposed every month until all dues are settled on top of the interest.
 - d. Maintenance fees for Timeshare Members shall be collected upon check-in or check-out the latest. Widus International Leisure Inc. has the right to declare a Member delinquent should the Member fail to settle all pending charges.
 - e. Late charges shall be computed as a percentage of the unpaid due which may be subject to additional interest. Widus International Leisure Inc. reserves the right to implement a prevailing late charge at any time without prior notice.

4. **DELINQUENCY.** Any Member, who has an outstanding balance payable to Widus International Leisure Inc. and/or the Program Operator for any charge or assessment, is considered delinquent. The following rules and procedures shall apply for a delinquent member:
 - a. For Timeshare Members with outstanding balance on their Membership and other assessment charged by the Program Operator other than the Maintenance Fee, Widus Vacation Club shall notify the Member in writing of the amount of the deficiency, including any late charges and interest that may be accruing.

The Member for a Use Period will not be permitted to use the assigned Use Period in any manner (e.g., occupy or exchange) until the total amount of the delinquency is satisfied in full.

Unless the Member satisfies the delinquency in full, the Member is suspended from his privileges until the delinquency is remedied. If the delinquent Member pays in full the amount owed to Widus Vacation Club or the Program Operator, such Member's suspension will be lifted.
 - b. For Timeshare Members with outstanding balance on their Maintenance Fees, Widus Vacation Club shall notify the Member in writing of the amount of the deficiency, including any late charges and interest that may be accruing.

Unless the delinquency is settled in full within thirty (30) days, The Member is suspended from his privileges. If the delinquent Member pays in full the amount owed to Widus Vacation Club or the Program Operator, such Member's suspension will be lifted.

5. **PROCEDURE OF TERMINATION OF MEMBERSHIP.** If substantial charges remain unpaid, suspension of a Membership can be implemented, until such time as charges are paid. Subject to Board approval, failure to pay substantial charges and constant breach of Program and House Rules, in exceptional cases, may result in termination of membership. The following conditions may be used as basis to recommend for termination to the Board:
 - a. For Timeshare Members, non-payment of charges on Membership and other assessment charged by the Program Operator such as incidental costs, amounting to a total of twenty thousand pesos (Php20,000.00) or an equivalent of five (5) month

arrears for installment payment whichever comes first, is considered substantial cause for termination. Should a member be terminated due to this reason, all payments made by the Member shall be forfeited.

- b. For Timeshare Members, non-payment of charges on Maintenance Fees three (3) years after first notice of suspension is considered substantial cause for termination.
- c. Due to a substantial breach of the Program Rules, Widus International Leisure Inc. shall send a written notice informing of the violations committed by the Member. After thirty (30) days of being sent written notice of a substantial breach, the Member's exclusive rights of occupation shall be suspended until the breach is remedied. If the breach is not remedied within sixty (60) days of the notice first being given, the Company shall send a further notice to the Member advising that failure to comply within thirty (30) days will result in permanent cancellation of the Member's exclusive right of occupation. If the breach is not remedied within that period of notice, the Member's right of exclusive occupation shall be cancelled and sold as soon as possible at whatever price the Company can get and the proceeds of the sale applied to the satisfaction of the arrears, dues and any expenses incurred by the Company. The balance, if any, shall be remitted to the Member.

6. TRANSFER, LEASE OR EXCHANGES OF MEMBERSHIP INTERESTS.

In the event of the sale or transfer, a Member shall give written notice of such sale or transfer to Widus International Leisure Inc. at:

Widus International Leisure, Inc.
Attention: Sales & Marketing Manager
Bldg. 5400 M.A. Roxas Highway,
Clark Freeport Zone, Pampanga 2023
Philippines

The foregoing written notice shall state the name and address of the transferee. Attached to it is the Membership Certificate, Purchase Agreement, Membership Card and shall be accompanied by a non-refundable administrative fee of Fifty dollars (\$50.00) or Two Thousand Five Hundred Pesos (P2,500.00), whichever is higher, payable to Widus International Leisure Inc. to cover administrative expenses, which fee is subject to be reasonably increased without notice. The notice also should be accompanied by a copy of the Customer Information Sheet, Deed of Transfer or other evidence of title being vested in the new Member.

Upon payment of the required fees, the payment of all outstanding obligations to the Company and with the transferee's express consent to assume all liabilities to the Company as of the date of transfer and to be bound by the provisions of the Purchase Agreement and all rules of Widus Vacation Club, the Company shall promptly issue a new Membership Certificate.

Any lease or assignment of use rights of a Unit shall contain a covenant stating that the lessee or assignee shall comply with all present and future Program and House Rules of Widus Vacation Club.

In case of death of the member, the heir may present the Membership Certificate and their inheritance document to the Company for the registration and issuance of a new Certificate. The fee and the assumption of liabilities and obligations discussed above are also applicable to the inheritance.

Persons entitled to use of a Unit pursuant to an approved exchange program or through some other means must comply with these Program and House Rules, as amended from time to time.

7. POWERS OF THE COMPANY UNDER THE TIMESHARE PROGRAM. Widus Vacation Club shall have the power to do all things that may be necessary to carry out the purposes of the membership program and for its general management. It shall have the following specific powers:

- a. The power to contract or otherwise obtain other benefits such as travel, leisure products, cruises and other related products or services for the use of the Members.
- b. To amend the House Rules, Program Rules and other rules and regulations, provided that the members are notified and informed of amendments (1) month before the amendments become effective.

- c. The power to suspend or cancel the exclusive rights of occupation of a member who has committed a substantial breach of his duties and responsibilities. Initially repeated violations for at least three (3) consecutive times of the obligation to vacate by check-out time, non compliance with occupancy limitations, non-payment of substantial charges and the Annual Maintenance Fee are considered as substantial breaches to warrant the suspension/cancellation of Membership.
- d. To contract a Management Company to administer, supervise and manage the Club, and the Vacation Program.
- e. To substitute a different unit at the Venue of similar or better standard than the type specified in the Membership Certificate should the particular unit becomes unavailable.
- f. To modify, amend, suspend or cancel perks and privileges attached to the Membership at any time without prior notice.

V. VIOLATIONS OF THE PROGRAM RULES.

1. **VIOLATIONS.** The failure by an Occupant to abide by, and comply with, these Program Rules may result in the imposition of fines or other penalties and/or the suspension of such Occupant's rights and privileges as an Occupant, including a suspension of such Member's or Occupant's use and exchange privileges. Violations shall be reported in writing to the Program Operator or to Widus Vacation Club. Violations will be called to the attention of the violating Member by the Program Operator and by the appropriate committee or member of the Board if follow-up action is necessary. Violations needing follow-up action will be presented to and judged by the Board for appropriate action at its next regularly scheduled meeting or at a special meeting called for this purpose.
2. **REPORTING VIOLATIONS AND DAMAGES.**
 - a. Whenever possible, violations of these Timeshare Program Rules should be reported to WVC. To the extent reasonably possible, WVC will keep the identity of the complainant confidential.
 - b. All corrective actions regarding violations of the Timeshare Program Rules and damages to the Common Areas will be enforced by the Board or the Program Operator and should be reported promptly to the Program Operator or the Board.
 - c. Damage to Common Areas shall be surveyed by the Board or the Program Operator, and the cost of repair or replacement and any legal fees incurred may be assessed by the Board against the person or persons responsible, including, but not limited to, against Members or Occupants for damage caused directly or indirectly by their guests.
3. **THE VIOLATION OF ANY PROGRAM RULES ADOPTED BY WIDUS VACATION CLUB SHALL GIVE THE BOARD OF DIRECTORS OR ITS AGENTS THE RIGHT TO:**
 - a. ENTER THE UNIT IN WHICH, OR AS TO WHICH, SUCH VIOLATION OR BREACH EXISTS AND TO SUMMARILY ABATE AND REMOVE, AT THE EXPENSE OF THE DEFAULTING MEMBER OR OCCUPANT, ANY STRUCTURE, THING OR CONDITION THAT MAY EXIST THEREIN CONTRARY TO THE INTENT AND MEANING OF THE PROVISIONS HEREOF, AND THE BOARD OR THE PROGRAM OPERATOR SHALL NOT THEREBY BE DEEMED LIABLE FOR ANY DAMAGES OR GUILTY IN ANY MANNER OF TRESPASS; AND/OR
 - b. ENJOIN, ABATE OR REMEDY BY APPROPRIATE LEGAL PROCEEDINGS, EITHER AT LAW OR IN EQUITY, THE CONTINUANCE OF ANY SUCH BREACH; AND ALL COSTS THEREOF, INCLUDING ATTORNEYS' FEES AND COSTS, SHALL BE BORNE BY THE DEFAULTING MEMBER OR OCCUPANTS; AND/OR
 - c. LEVY FINES, IN THE DISCRETION OF THE BOARD.

VI. AMENDMENTS.

The Program Rules may be amended from time to time by Widus Vacation Club &/or the Program Operator, on behalf of the Board, and its successors and assigns, without consent of its members, to make additional Program Rules as may be required from time to time and to effectively fulfill reservation requests and properly operate the reservation program. Application of the Program Rules may also vary per region/location and the package available. Such additional and amended Program Rules shall be binding as all other Program Rules previously adopted.

Promotions or discounts that will be offered by Widus Vacation Club to its members may not be claimed in conjunction with any other promotion currently offered by the Program Operator.

Widus Vacation Club hereby adopts the foregoing as the Program Rules of the Unit Members of Widus Vacation Club this 27th day of May, 2008.

WIDUS VACATION CLUB

DAESIK HAN
President & CEO