

# FLEXI CLUB

## SCHEME RULES

### 1. POINTS SYSTEM

- a. The Club has prepared a holiday points chart which lists the weeks of each year and the accommodation units available for occupation by members. Each time module in holiday property is allocated a specific number of points.
- b. From time to time the Club shall update the chart and the number of points allocated to the various time modules may be varied.
- c. Valuation of the Club's holiday property shall be determined from time to time by the Trustees.
- d. Time modules shall be allocated to members on a first-come first-served basis. Once a member has had the use of a time module, his points account shall be debited with the number of points pertaining to such time module.
- e. If a member does not utilize all the points in his points account during any 12 (twelve) month period, the unused points may be accumulated and used by the member within a further period of 24 (twenty four) months. If not used they shall be forfeited.
- f. With the consent of the Club a member shall be entitled to use in advance up to 25 percent of the points account of the following year.
- g. Upon allocation by the Club of a time module, a member shall be entitled to the exclusive use, occupation and enjoyment of the specific accommodation unit for the specific unit of time relating to that module. The member shall also be entitled to all ancillary rights of use and enjoyment attaching to the accommodation unit such as the use of the common property attaching thereto.
- h. The decision of the Club in determining the allocation of time modules to members shall be final and binding upon the members. Subject to the discretion of the Trustees, members are permitted to use a maximum of two (2) weeks per peak season. A member shall be entitled to 10 (ten) bonus weeks per annum irrespective of the number of memberships held with the Club and to 10 (ten) special weeks per annum from the published quarterly specials list. The accommodation units in respect of these weeks shall be occupied by a member of his immediate family on application for a member's Guest Certificate
- i. The Club may allocate additional points to members on an annual basis in order to counter the effects of inflation on the value of time modules. Members shall not be required to make any further payments

for such additional points.

- j. A member may purchase additional points in the Club at any time upon such terms and conditions as may be agreed upon with the Club. Members may not consolidate points and members are restricted to a maximum of two (2) memberships. The points purchased are an investment for the member, his family and bona fide guests in future holidays and the points shall not be used in any business or commercial enterprise.
- k. Members may sell and transfer their points. In this event members forfeit their Holiday Savings and any bonus points that may have been allocated at the discretion of the Club.
- l. Members points ownership may not exceed 100 000 (one hundred thousand) purchased points.
- m. Members may purchase points for an indefinite period or for a specific period, subject to approval by the Trustees.
- n. Subject to the approval of the Trustees and subject to the terms and conditions of the constitution and scheme rules, members may be granted the right of first refusal with regard to the use of the time module traded in by them for the acquisition of points.
- o. Subject to the approval of the Trustees and subject to the terms and conditions of the constitution and scheme rules, at the request of a member, the Club may acquire a specific time module for that member who shall thereafter be granted the right of first refusal with regard to the use thereof.

### 2. MEMBERS OBLIGATIONS

- a. The member's right to any specific time module allocated to him shall be subject always to the rules, regulations and other conditions governing such timesharing scheme and the member undertakes to abide by all rules and regulations governing such scheme.
- b. The member shall be bound by the Club's Standard Conditions of Occupation set out hereunder and shall at all times adhere to such conditions when occupying the Club's holiday property. The member shall:
  - i. use accommodation allocated to the member for residential purposes only and not more than the maximum number of persons specified by the particular resort may occupy the accommodation.

- ii. keep the accommodation in a clean and tidy condition and leave the accommodation in the same condition in which it was when occupied by the member.
  - iii. comply with and observe all house rules applicable to the resort in which the accommodation is situated.
  - iv. not cause or permit any nuisance whatsoever to the other occupiers, or the management or owners of the resort and to immediately comply with any requests from management relating to the occupation and enjoyment of the amenities of the resort.
  - v. ensure that the accommodation unit is vacated by the time stipulated by the management of the resort and that payment is made for all expenses incurred by the member during his stay and that the Club is not rendered liable for any expenses, breakages or debts whatsoever.
  - vi. upon taking occupation, the member shall acquaint himself with the rules and regulations governing the use and occupation of the facilities in the resort and the member shall ensure that all movables listed in the inventory of the accommodation unit are in place.
  - vii. only allow a member's guest to occupy an accommodation unit in place of the member by application for a Member's Guest Certificate in the prescribed form provided that, subject to the discretion of the Trustees of the Club, a member shall be entitled to a maximum of four (4) 3rd party Member's Guest Certificate per annum and provided further that the member shall remain liable for the due performance of all obligations assumed by the guest occupying an accommodation unit in a resort. The foregoing conditions may be amended or updated by the Trustees of the Club from time to time.
- c. The member indemnifies and holds the Club, its trustees, officers, officials and the managing agent harmless against any claim or claims which may be brought against the Club arising from the member's use and occupation of any timesharing interest owned by the Club. The Club shall not be liable for any loss or injury suffered by the member or his family and persons occupying through him as a result of the member's use of an occupation of an accommodation unit owned or leased by the Club.
  - d. The Club shall do everything possible to ensure that the member enjoys the use of quality timeshare modules but the Club shall not be responsible nor be liable for any deficiency in service or facilities or the failure of any timesharing scheme to provide promised or advertised facilities to such member.
- a. Each member shall be liable to pay to the Club an annual Holiday Contribution to enable the Club to meet its obligations. The annual Holiday Contribution will be determined from year to year by the Trustees for approval at the Annual General Meeting.
  - b. The financial year end of the Club shall be December and at the commencement of each financial year the managing agent shall prepare a detailed budget of expected income and expenditure of the Club and details of such budget, together with a recommendation concerning the amount of the annual Holiday Contribution shall be submitted to each member at least 14 (fourteen) days prior to the Annual General Meeting of the Club so that the budget may be approved at the Annual General Meeting.
  - c. In November of each year the managing agent shall estimate the amount of the Holiday Contribution for the ensuing financial year. Each member shall be notified in writing of such estimate by not later than the 30th November and such amounts shall be payable by members to the managing agent for and on behalf of the Club by not later than the 31st January in such year.
  - d. The amount of the Holiday Savings estimated by the managing agent shall be considered at the Annual General Meeting of the Club and shall either be ratified or changed. If the amount of the Holiday Contribution determined at the meeting is different from the estimate of the managing agent, members shall either be refunded with any excess paid by them or members shall be asked to contribute any additional amounts due by them.
  - e. Holiday Savings shall be levied uniformly to the points allocated to members. A component of the annual Holiday Savings will be an estimate of the annual levies payable by the Club on behalf of each member. Should the actual levies payable by the Club on behalf of a member in any year exceed the aforesaid estimate, that member shall be liable for and on request shall pay to the Club an amount sufficient to cover such additional levies. If the actual levies incurred on behalf of the member are less than the estimate, then the member shall be entitled to a credit which shall be set off against the Holiday Savings payable by the member in the ensuing financial year. Any credit balance on a member's Holiday Contribution account at the end of any financial year will be carried forward by the Club for a period not exceeding 24 (twenty four) months, thereafter it shall be forfeited to the Club.
  - f. When a member is allocated the use of a time module, if the managing agent estimates that an additional amount will be payable by the member arising from his use and occupation of that time module, the member shall pay to the managing agent on request a sum sufficient to cover such additional amount.

### 3. USER CHARGE

- g. The trustees may from time to time declare a special levy payable and in that event, the said levy shall be payable within 30 (thirty) days of notification thereof. The trustees shall only declare a special levy for the purpose of covering levies due by the Club in respect of its property portfolio or to cover any other additional costs that the Club may have incurred for which, at the discretion of the Trustees, a special levy is required.
- h. In the event of the Club accepting a "trade in" from a member, the member shall be liable for all the costs of the transfer of the trade in into the name of the Club. Such transfer costs/fees shall be debited by the Club to the member's Holiday Contribution account and payable by the member within 30 (thirty) days of statement.

#### **4. RESERVATIONS RULES**

1. All bookings and reservations shall be subject to availability, and must be requested or confirmed in writing by the member.
2. All bookings and reservations shall be made through the managing agent on a first-come- first-served basis.
3. Members shall be entitled to make a forward reservation for a particular week in respect of a particular resort not exceeding 12 months and not less than 60 (sixty) days prior to occupation dates required. However, every effort will be made to accommodate the last-minute holidaymaker (up to 4 days prior to occupancy date) strictly subject to availability.
4. Each booking shall be by reference to the points chart current at the time of booking, and it shall be deemed that the member has sufficient points credited to his points account at the time of making his booking. On confirmation of any bookings the member's points account shall be debited accordingly. Bookings may only be made 3 months after the acceptance of the member's application, providing the 40 percent deposit has been received by the managing agent.
5. On confirmation of booking the member shall pay the Holiday Contribution as defined in the standard conditions of membership. Should the member cancel a booking, the Holiday Contribution will be refunded, less a deduction of 15 percent
6. Should a member use only a part of his point allocation of the year, the remaining points may be carried forward and added to his allocation for the next year only. Members wishing to carry forward the whole of their points allocation, may only do so on approval by the managing agents. The request must be put in writing prior to the commencement of the holiday year.
7. Cancellation of a reservation will be accepted 4 weeks prior to occupation without the loss of points, otherwise only if and when booked by another

member. All cancellations must be made or confirmed in writing.

8. The managing agents shall be entitled to cancel bookings and reservations in respect of any property which shall cease to belong to the Club. In such an event, as much notice as possible will be given to members affected. The managing agents will do their best to offer suitable alternative accommodation, failing which, the member may carry forward his full allocation of points for that year, to the next holiday year.
9. The trustees may at their discretion impose a reservation fee.
10. Notwithstanding the provisions of this clause 4, in the event of a member having the exclusive right of use of a particular time module in terms of clause 11 of clause 1m above, then that time module shall be allocated to the member at the beginning of each year, and his points account and Holiday Contribution account shall be debited accordingly, provided that the member may notify the Club not less than six (6) months prior to the date of occupation of the time module, that he does not wish to occupy the time module, in which event the member's points and Holiday Contribution available accounts shall be credited and the Club shall be entitled to allocate the time module to another member.
11. In the event of the member referred to in clause 4.10 notifying the Club timeously that he does not wish to occupy the time module allocated to him, then the member shall be entitled to use his points in order to occupy other holiday property.

#### **5. GUEST CERTIFICATE**

Members will on receipt of a written application for an accommodation unit be issued with a Club Member's Guest Certificate. A member may allow a guest to occupy an accommodation unit in his place on application in the prescribed form for a Member's Guest Certificate. Juristic members shall nominate one of its members who is a natural person for application of the Member's Guest Certificate. The member must supply the guest's full names, residential address, contact telephone and fax numbers, email address (if available) and identity or passport number. The member shall be liable for all damage or loss to the property occupied or its contents, as if the damage or loss had been caused by the member himself.

#### **6. BREACH**

Should the member fail to pay any one installment, Holiday Contribution or other amount due in terms of this Agreement or should the Member breach any of the other terms and conditions of this Agreement and remain in breach after having received 14 (fourteen) days' written notice to remedy such breach, the Club shall have the right (without prejudice to any other

right available to it) to declare all amounts owing to the Club by the Member to be immediately due and payable and to :

- a institute legal proceedings for the full balance then outstanding; or
  - b suspend the member's rights of use and occupation of any time module until all amounts due to the Club have been paid in full; or
  - c release the member from any further obligations of payment apart from the liability to pay outstanding Holiday Savings. The points account would then be reduced to a number of points equivalent in value to the amount paid to the Club by the member; or
  - d cancel the member's membership which will result in the forfeiture by the member of his points account and his right to the use and enjoyment of time modules. The member shall not be entitled to any refund or compensation whatsoever.
- e Should the member be handed over for collection to attorneys or to a debt collection company, the member shall be liable to pay all costs (including attorney and client costs) as well as collection commission due to the debt collection company or attorneys. The Club has the right to list the member with the credit bureau. The member nominated its physical address as reflected on the Company's credit application forms as its domicilium citandi et executandi for service upon it of all notices and process, whether in connection with any claim for any sum due to the Club or otherwise.