

**IF YOU WERE A MEMBER OF THE RCI WEEKS® EXCHANGE PROGRAM AT ANY TIME FROM JANUARY 1, 2000 THROUGH NOVEMBER 20, 2008, YOU MAY BE ELIGIBLE FOR BENEFITS**

*A court authorized this notice. You are not being sued. This is not a solicitation from a lawyer.*

- Members of the RCI Weeks Exchange Program filed a lawsuit against RCI, LLC (formerly known as Resort Condominiums International, LLC), claiming that RCI rented certain timeshare inventory deposited by Members rather than make that inventory available for exchange, in violation of consumer protection and other laws. RCI has denied any wrongdoing.
- The Court preliminarily approved a settlement of the lawsuit. The settlement, if finally approved, will provide benefits to members of RCI's Weeks Exchange Program from January 1, 2000 to November 20, 2008. The Court did not decide that RCI engaged in any unlawful acts or that RCI did anything wrong, and the proposed settlement is not an admission by RCI that it engaged in unlawful acts. If the settlement is given final approval, then the parties agree that the Court will not be asked to decide whether RCI engaged in unlawful acts.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT:</b>	
<b>SUBMIT A CLAIM FORM</b>	<b>The only way to select special discounts or exchange opportunities.</b>
<b>EXCLUDE YOURSELF</b>	<b>Get out of this lawsuit. Get no benefits from it. Keep your right to file your own lawsuit.</b>
<b>OBJECT</b>	<b>Write to the Court about why you don't like the settlement.</b>
<b>GO TO A HEARING</b>	<b>Ask to speak in Court about the fairness of the settlement.</b>
<b>DO NOTHING</b>	<b>Get no special benefits. Give up certain rights.</b>

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court still has to decide whether to approve the settlement. Benefits will be made available if the Court approves the settlement and after any appeals are resolved. Please be patient.

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## **BASIC INFORMATION**

### **1. Why was this notice issued?**

You or someone in your household is or was a member of the RCI Weeks Exchange Program. You have a right to know about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the settlement.

This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of New Jersey, and the case is known as *In re: Resort Condominiums International, LLC*, Civil Action No. 06-cv-1222 (PGS). The people who sued are called Plaintiffs, and the company they sued, RCI, is called the Defendant.

### **2. What is this lawsuit about?**

The lawsuit claimed that RCI rented certain timeshare inventory deposited by members rather than make that inventory available for exchange in violation of consumer protection and other laws. RCI denies that it did anything wrong.

### **3. What is a class action?**

In a class action, one or more people called Class Representatives (in this case, Alan Chace, Kenneth A. Krantz, Josephine Ursini Krantz, Linda Stein, Brian Meyer, Jennifer Meyer, and Veronica Murillo) sue on behalf of people who have similar claims. All these people are a Class or Class members. One court resolves the issues for all Class members, except for those who exclude themselves from the Class.

### **4. Why is there a settlement?**

The Court did not decide in favor of Plaintiffs or Defendant. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the people affected will get benefits. The Class Representatives and the attorneys think the settlement is best for everyone.

## **WHO IS IN THE SETTLEMENT?**

### **5. How do I know if I am part of the settlement?**

People who were members of the RCI Weeks Exchange Program at any time from January 1, 2000 through November 20, 2008, may be eligible for special settlement benefits.

## THE SETTLEMENT BENEFITS—WHAT YOU GET

### 6. What does the settlement provide?

The settlement has three core components. (1) First, the settlement provides several changes to the way RCI runs the Weeks Exchange Program. For example, if the Court approves the settlement, RCI will give priority to Weeks members' exchange requests before renting inventory from the Spacebank. As part of the settlement, RCI also promises that its rental of inventory shall not in the future adversely impair or otherwise diminish the exchange opportunities for Weeks members. (2) Second, the settlement requires RCI to make several disclosures regarding its operation of the Weeks Exchange Program. For example, if the settlement is approved, RCI will make a tool available on its website that allows members to estimate trading power of a proposed deposit and to see the available inventory for which the member is eligible to exchange at that moment. RCI also will disclose annually various statistical information about the Weeks Exchange Program, such as how much inventory it rents compared to how much inventory it puts in, enabling members to evaluate RCI's conduct for themselves. RCI also will monitor third party entities who sell timeshares to prevent the disclosure of inaccurate or false promises about the Weeks Exchange Program. (3) Third, the settlement includes the opportunity for members to select their choice of special benefits, such as the ability to confirm an exchange *before* depositing their timeshare or to stay free for a night at a rental property. Former members are given the opportunity to receive a \$15 payment or a discount on rejoining the program. These options are listed below and explained more fully in the Settlement Agreement, which is available from a link on [www.rci.com](http://www.rci.com).

### 7. What can I get from the settlement?

If the Court approves the settlement and you do not exclude yourself, current members automatically get the benefit of the changes to RCI's operation of the Weeks Exchange Program and the ability to evaluate the management of the Program through the disclosures RCI will make.

In addition, current members have their choice of one of five special benefits. A current member can choose: (1) the opportunity to search available inventory and make an exchange request prior to depositing your vacation time; (2) a \$20 credit that can be used toward a membership renewal or toward your next exchange; (3) a prorated refund of your subscription fee and a refund of fees you've paid for pending exchange requests, should you decide to end your Weeks Exchange Program membership; (4) one free night stay at any RCI rental that can be used toward the same room of any paid rental of at least one night; or (5) a \$100 discount certificate per cabin for the purchase of any cruise offered by RCI, with the option of receiving additional \$100 discount certificates toward the purchase of up to three additional cabins for the same cruise. Former members can request to receive a \$15 credit toward re-joining the Weeks Exchange Program or request a \$15 payment from RCI.

## HOW YOU GET BENEFITS—SUBMITTING A CLAIM FORM

### 8. How do I let RCI know which special benefit I want?

To get your choice of the special benefits available, you must send in a claim form. You can fill out and submit a claim form from a link on RCI's website, [www.rci.com](http://www.rci.com). Or, you

can mail your claim form to Rust Consulting, Inc., P.O. Box 1966, Faribault, MN 55021-6162, USA. Please direct questions regarding the claim form to Rust Consulting, Inc. at 1-866-783-5876. **All claim forms must be submitted by April 6, 2009.**

#### 9. When will I get my special benefit?

The Court will hold a hearing on June 16, 2009 to decide whether to approve the settlement. If the Court approves the settlement, after that, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. If there are no appeals, you should be able to begin using your special benefit as of September 1, 2009. RCI will implement the changes to how the Weeks Exchange Program is run, make trading power tools available on its website, and make its disclosures about activity in the Weeks Exchange Program at different times, but everything will be implemented no later than August 31, 2010. Continue to check the link available on [www.rci.com](http://www.rci.com) for updates and other important information.

#### 10. What am I giving up to get a benefit or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against RCI about the legal issues in this case. It also means that all of the Court's orders will apply to you and legally bind you.

### EXCLUDING YOURSELF FROM THE SETTLEMENT

#### 11. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *In re: Resort Condominiums International, LLC*. Be sure to include your name, address, telephone number and your signature. You must mail your exclusion request postmarked no later than **April 6, 2009**, to:

David C. Berman  
A Professional Corporation  
71 Maple Avenue  
P.O. Box 111  
Morristown, NJ 07963-0111

#### 12. If I exclude myself, can I get the special benefits?

No.

## THE LAWYERS REPRESENTING YOU

### 13. Do I have a lawyer in the case?

The Court appointed the law firms of Green Welling LLP, of San Francisco, California, and Cohen, Placitella & Roth, P.C., of Red Bank, New Jersey, to represent you and other Class members. Together, these lawyers are called Co-Lead Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 14. How will the lawyers be paid?

Co-Lead Class Counsel will ask the Court for attorneys' fees and reimbursement of out-of-pocket expenses not to exceed \$4,000,000. RCI may oppose the payment of any attorneys' fees and expenses. The Court will decide how much the attorneys will receive. If attorneys' fees and expenses are awarded, RCI will pay them separately. The amounts would not come out of any benefits the settlement provides for Class members. RCI is separately paying the costs to implement and administer the settlement.

## OBJECTING TO THE SETTLEMENT

### 15. How do I tell the Court that I don't like the settlement?

If you're a Class member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the settlement in *In re: Resort Condominiums International, LLC*. Be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. Mail the objection to these places postmarked no later than April 6, 2009.

Clerk of Court  
United States District Court for the District of New Jersey  
50 Walnut Street  
Newark, New Jersey 07101

David C. Berman  
A Professional Corporation  
71 Maple Avenue  
P.O. Box 111  
Morristown, NJ 07963-0111

David S. Sager, Esq.  
DAY PITNEY LLP  
P.O. Box 1945  
Morristown, NJ 07962-1945

### 16. What's the difference between objecting and excluding?

Objecting is telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

## THE COURT'S FAIRNESS HEARING

### 17. When and where will the court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at 3:00 p.m. on June 16, 2009, at the United States District Court for the District of New Jersey, 50 Walnut Street, Newark, New Jersey 07101.

### 18. Do I have to come to the hearing?

No. Co-Lead Class Counsel will answer questions the Court may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

### 19. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *In re: Resort Condominium International*." Be sure to include your name, address, telephone number, and your signature. Your notice of Intention to appear must be postmarked no later than April 6, 2009, and be sent to the Clerk of the Court, Co-Lead Class Counsel, and Defense Counsel, at the following addresses:

Clerk of Court  
United States District Court for the District of New Jersey  
50 Walnut Street  
Newark, NJ 07101

David C. Berman  
A Professional Corporation  
71 Maple Avenue  
P.O. Box 111  
Morristown, NJ 07963-0111

David S. Sager, Esq.  
DAY PITNEY LLP  
P.O. Box 1945  
Morristown, NJ 07962-1945

## IF YOU DO NOTHING

### 20. What happens if I do nothing at all?

If you do nothing and you are a current member of the Weeks Exchange Program, you will not receive any of the special benefits available to current members. Special benefits are obtained only by submitting a claim form. As a current member, however, you will be able to benefit from the programmatic changes and from the disclosures RCI is making as a result of the settlement.

If you do nothing and you are a former member of the Weeks Exchange Program, you will not receive the opportunity to rejoin at a discount or receive a \$15 payment. That option is only available to you if you submit a claim form.

## GETTING MORE INFORMATION

### 21. Are more details available?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by writing to Rust Consulting, Inc., P.O. Box 1966, Faribault, MN 55021-6162, USA, calling 1-866-783-5876, or by visiting [www.rci.com](http://www.rci.com) and following the link to the settlement page.