

DISCLOSURE STATEMENT

Year ended December 31, 2013



ELITE ALLIANCE®



DISCLOSURE STATEMENT

Effective Date: December 31, 2013

The Elite Alliance, LLC ("Elite Alliance") is a Texas Limited Liability Company established to facilitate the exchange of accommodations between members of prestigious residence clubs and luxury, professionally managed homes ("Residence Clubs") that meet the standards of Elite Alliance. This Disclosure Statement is provided to explain the Elite Alliance exchange program ("Exchange Program") which is offered to the members of and owners in participating Residence Clubs ("Owners"). Capitalized terms not otherwise defined herein, shall have the meanings set forth in that certain Elite Alliance Membership Agreement ("Membership Agreement").

The Company

The Elite Alliance, L.L.C., a Texas limited liability company, whose principles are; Stephen Dering, Michelle Mull, Rob Goodyear and Greg Hadley, is located at 250 One Galleria Tower, 13355 Noel Road, Dallas, Texas 75240.

Except as stated in this paragraph, neither Elite Alliance nor any of its officers or directors has any legal or beneficial interest in any developer, seller, or managing entity for any Residence Club participating in the Exchange Program. DCM Hospitality, LLC, a Utah limited liability company, an affiliate of DCP International, L.L.C., acts as the manager for the Residence Clubs marked with an "*" in the attached Residence Club list. The nature of DCM Hospitality's interest in such identified Residence Clubs is solely as an independent contractor working in a management and administrative capacity.

The Exchange Program

The Membership Agreement is a contract separate and distinct from the Owner's contract to purchase an interest in a participating Residence Club. Owners participate directly in the Exchange Program with Elite Alliance and such participation is completely voluntary. In order to become a Member of the Exchange Program, Owners must enter into a Membership Agreement with Elite Alliance, which sets forth the terms and conditions of a Member's participation in Elite Alliance. Elite Alliance may, from time to time in its sole and exclusive discretion, modify the terms and conditions set forth in the Membership Agreement, including, but not limited to, all applicable exchange fees. Members will be provided written notice of any such modifications.

A Member's participation in the Exchange Program is dependent upon the continued affiliation of Elite Alliance with such Member's Home Residence Club. Exchange privileges are conditioned upon the Home Residence Club's adherence to high standards of service, appearance, management, operation and compliance with the obligations set forth in the Participation Agreement with Elite Alliance. In the event that the Participation Agreement is terminated, the Members in the unaffiliated residence club will no longer be able to participate in the Exchange Program. However, all existing Accepted Vacations will be honored.

In order to make an exchange, a Member must first secure a Vacation at his or her Home Residence Club and submit a Deposited Vacation Form to Elite Alliance. The Vacation must be deposited at least ninety (90) days prior to the arrival date of the Vacation. Once a Vacation is deposited into the Exchange Program, the Member relinquishes all rights to use, cancel or change the Vacation and assigns all rights to use the Vacation to the Exchange Program, unless the Deposited Vacation is still available, the Member has not accepted a Vacation and the Deposited Vacation is withdrawn more than twenty-one (21) days prior to the Deposited Vacation arrival date.

Once a Member has deposited a Vacation into the Exchange Program, a Member is awarded Elite Credits in the exchange program. Elite Credits vary from Residence Club to Residence Club, are determined based on seasonality, destination and bedroom category and are allocated by Elite Alliance. A Member may accept a Vacation by submitting an Accepted Vacation Form to the Elite Alliance along with the Exchange Fee, so long as the Member has the proper amount of Elite Credits within their Member Account. An Accepted Vacation shall be confirmed upon the Elite Alliance's approval of the Accepted Vacation Form, in writing, and receipt of the Exchange Fee. A Member's Elite Credits expires twenty-four (24) months from the date the Member deposits a Vacation, regardless if the Member's Vacation is selected for exchange by another Member in the exchange. The Elite Credits allocated to a Member for a Deposited Vacation may be used in part or in whole. If a Member does not submit an Accepted Vacation Form within such twenty-four (24) month period, the Member will no longer be able to redeem their Elite Credits. When accepting a Vacation, should a Member have insufficient Elite Credits in their account, the Member may purchase additional Elite Credits for \$750.00 per Elite Credit. Should a Deposited Vacation go unused in the exchange, it is offered to Members as an Elite Escape. Elite Escapes may be purchased by Members for \$995.00, no more than forty-five (45) days before the Deposited Vacation's arrival date, without the use of a Deposited Vacation by the Member purchasing the Elite Escape. A Member may cancel an Accepted Vacation by providing written notice to Elite Alliance. If a Member cancels an Accepted Vacation sixty (60) days or more prior to the arrival date of that Vacation, the Member may accept a new Vacation. However, the Exchange Fee will be forfeited and an additional Exchange Fee will be due for any new Accepted Vacation. In the event a Member cancels an Accepted Vacation less than sixty (60) days prior to the arrival date of that Vacation, the right to accept another Vacation and the Exchange Fee will be forfeited.

Vacations are available on a first-come, first-served, space available basis and Elite Alliance does not guarantee the fulfillment of any specific request.

Membership Fees

As of December 31, 2013, there are no fees for qualified Owners to become eligible to participate in Elite Alliance, however Elite Alliance reserves the right to impose an annual membership fee in the future. The Exchange Fee is due upon submittal of an Accepted Vacation Form. The Exchange Fee is nonrefundable and is currently \$395.00 (U.S. Dollars) per Accepted Vacation. The Exchange Fee includes all applicable local, state and federal taxes. Exchange Fees must be paid before an Accepted Vacation will be confirmed. Exchange Fees may be increased from time to time by the Elite Alliance, in its sole discretion, upon notice to the Members.

Residence Clubs

The names and addresses of all currently participating Residence Clubs are set forth on Exhibit A attached to this Disclosure Statement. Additions to or deletions from the participating Residence Clubs list are at the sole discretion of Elite Alliance.

Exchange Statistics

There are currently 1,264 Members enrolled in the Exchange Program and the number of members enrolled at each participating Residence Club is set forth on Exhibit A attached to this Disclosure Statement. The number of participating Residence Clubs as of the date of this Disclosure Statement is 33. The number of properly applied for exchanges confirmed during 2013 was 320. The total percentage of properly applied for exchanges fulfilled in 2013 was 100%. The number of exchanges for which Elite Alliance has an obligation as to the Exchange Program as of yearend to provide in a subsequent period to a Member provided such Member properly applies for an exchange is 419. At December 31, 2013, Members had accumulated 1,894 Elite Credits for which they have the right to a reservation opportunity in 2014 or 2015. This represents a total of approximately 419 deposited Vacations based on an average number of Elite Credits per deposit of 4.5. **The exchange percentage is a summary of the exchange requests entered with Elite Alliance during the year of 2013. Such percentage does not indicate the probabilities of a Member being confirmed to any specific choice, as availability at individual locations may vary.**

The exchange statistics were calculated using properly submitted Accepted Vacation Forms (as defined in the Membership Agreement) in accordance with the Membership Agreement and other instructions given to Members by Elite Alliance. Currently enrolled members of Elite Alliance consist of all purchasers who have submitted a Membership Agreement to Elite Alliance. In order to properly apply for an exchange, Members must complete all forms and pay all applicable fees as provided in the Membership Agreement.



EXHIBIT A

PARTICIPATING RESIDENCE CLUBS

Clubs with 1-5 Residences

Club Quinta Real **1-100 enrolled members**

Paseo Benito Juárez L-2

Bahias De Huatulco, Oaxaca

The Cliffs Residence Club at Keowee Springs **1-100 enrolled members**

341 Keowee Baptist Church Road

Six Mile, SC 29682

Seasons at Sandpoint * **1-100 enrolled members**

424 Sandpoint Avenue

Sandpoint, ID 83864

The Residence Club at Geneva National * **1-100 enrolled members**

662 Eagleton Dr.

Lake Geneva, WI 53147

The Reserve at Lake Travis

19926 Thurman Bend Road – **1-100 enrolled members**

Spicewood, Texas 78669

The Palms Private Residence Club – **1-100 enrolled members**

Plaza Itskatzu

Local 109 in Escazu

San Jose, Costa Rica

Montecito Beach Village – **1-100 enrolled members**

Peninsula Sur, Bahia de Conejos

Huatulco, Mexico

Clubs with 6-10 Residences

The Residence Club at Teton Pines **1-100 enrolled members**

P.O. Box 14090

Jackson, Wyoming, 83002

The Asheville Club at 151 **1-100 enrolled members**
151 Haywood Street
Asheville, NC 28801

The Residence Club at Costa Baja **1-100 enrolled members**
Km 7.5 Carretera a Pichilingue
La Paz, Baja California Sur, Mexico, 23010

The Private Residence Club at Rosemary Beach **1-100 enrolled members**
136 Georgetown Avenue
Rosemary Beach, Florida 32461

Tallus Private Residence Club **1-100 enrolled members**
2610 Meridian Boulevard
Mammoth Lakes, CA 93546

Resort Equities **1-100 enrolled members**
4001 Northstar Drive
Truckee, California 96161

The Cottages at National Golf Club – **1-100 members enrolled**
One Royal Troon Drive
Village of Pinehurst, North Carolina 28374

Clubs with 11-20 Residences

The Reefs Club **1-100 enrolled members**
56 Southshore Road
Southampton SN 02
Bermuda

Auberge Residences at Element 52 **1-100 enrolled members**
398 South Davis Street
Telluride, CO 81435

Northstar Club **1-100 enrolled members**
2100 N Village Dr
Truckee, CA 96161

The Residence Club at the Chateaux **101-249 enrolled members**
7815 Royal Street
Deer Valley, Utah 84060

The Residence Club at Teton Springs **1-100 enrolled members**
One Teton Springs Parkway
Victor, Idaho 83455

Tucker's Point Club – Golf Villas **101-249 enrolled members**

Tucker's Town, Bermuda

PO Box HS 85

Harrington Sand

HS BX Bermuda

Tucker's Point Club – Harbor Court **1-100 enrolled members**

Tucker's Town, Bermuda

PO Box HS 85

Harrington Sand

HS BX Bermuda

Quinta Real Acapulco **1-100 enrolled members**

Paseo de la Quinta no. 6 Fraccionamiento Real Diamante

Acapulco, Guerrero

Mexico

The Los Altos Club **1-100 enrolled members**

Manuel Antonio Park, Costa Rica

The Hacienda Club **1-100 enrolled members**

Hacienda Pinilla

Guanacaste, Costa Rica

Clubs with 21-50 Residences

Christie Club **1-100 enrolled members**

2355 Ski Time Square Dr.

Steamboat Springs, CO 80477

Club Borgo di Vagli **1-100 enrolled members**

Loc. Vagli

52040 Mercatale di Cortona Arezzo

Italy

Mammoth 80/50 Private Residence Club **1-100 enrolled members**

50 Canyon Blvd.

Mammoth Lakes, California 93546

Seven Canyons Private Residence Club **101-249 enrolled members**

755 Golf Club Way

Sedona, Arizona 86336

The Residence Club at PGA West **101-249 enrolled members**

54-500 West Residence Club Drive

La Quinta, California 92253

Calistoga Ranch **1-100 enrolled members**

580 Lommel Road

Calistoga, CA 94515

Grand Isle Resort & Spa * **1-100 enrolled members**

PO Box EX-29253

George Town Exuma, Bahamas

Capella Pedregal **1-100 enrolled members**

Camino Del Mar - 1

Cabo San Lucas BCS

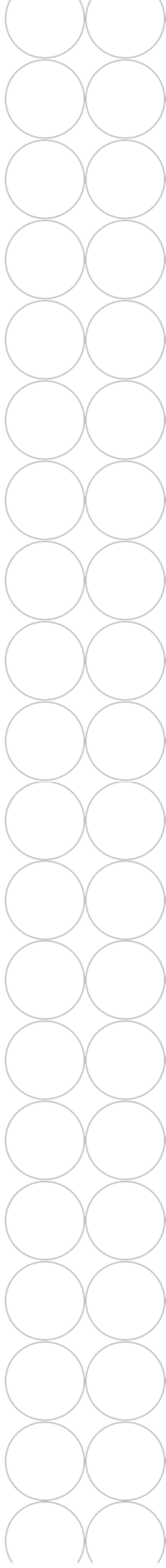
C.P. 23455 Mexico

Auberge Private Residences at Esperanza **1-100 enrolled members**

Carretera Transpeninsular KM 6.5

Cabo San Lucas BCS

C.P. 23410 Mexico



ELITE ALLIANCE®

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