

DISCLOSURE STATEMENT

Year ended December 31, 2015



ELITE ALLIANCE®



DISCLOSURE STATEMENT

Effective Date: December 31, 2015

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, Rob Goodyear and Greg Hadley, is located at 100 Corporate Woods, Suite 220, Rochester, NY 14623. 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.

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 \$595.00 - \$1,495.00, 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, 2015, qualified Owners are required to pay annual membership fees of \$495.00 - \$695.00. The Exchange Fee is due upon submittal of an Accepted Vacation Form. The Exchange Fee is

nonrefundable and is currently \$495.00 (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 3,086 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 52. The number of properly applied for exchanges confirmed during 2015 was 856. The total percentage of properly applied for exchanges fulfilled in 2015 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 1,923. At December 31, 2015, Members had accumulated 9,807 Elite Credits for which they have the right to a reservation opportunity in 2016 or 2017. This represents a total of approximately 1,923 deposited Vacations based on an average number of Elite Credits per deposit of 5.1. **The exchange percentage is a summary of the exchange requests entered with Elite Alliance during the year of 2015. 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

G2G Collection **1-100 enrolled members**

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

Lifestyle Assets Group **1-100 enrolled members**

155 E Boardwalk Drive, Suite 473

Fort Collins, CO 80525

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

Equity Residences – **1-100 members enrolled**
1220 Rosecrans Street, Suite 822
San Diego, CA 92106

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

Kalia Eco Living **1-100 enrolled members**
Marbella, Guanaste
Costa Rica

Mayacama **1-100 enrolled members**
1240 Mayacama Club Drive
Santa Rosa, CA 35403

Northstar Club 1-100 enrolled members

2100 N Village Dr
Truckee, CA 96161

The Club at Porto Cima 250-499 enrolled members

133 Club House Drive
Sunrise Beach, MO 65079

The Orchard at The Carneros Inn - 1-100 enrolled members

4048 Sonoma Highway
Napa, California 94558

The Residence Club at Carlton Landing 1-100 enrolled members

20 Boulevard – Carlton Landing
Eufaula, Oklahoma 74432

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

The Residence Club at Nakoma 1-100 enrolled members

348 Bear Run
Clio, California 96106

Royal Beach Destinations 1-100 enrolled members

5417 County Highway 30A East
Santa Rosa Beach, FL 32459

Red Frog Beach Island Resort & Spa 1-100 enrolled members

Red Frog Beach, Bocas Del Toro
Panama

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 Hacienda Club **1-100 enrolled members**
Hacienda Pinilla
Guanacaste, Costa Rica

Clubs with 21-50 Residences

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

Calistoga Ranch **1-100 enrolled members**
580 Lommel Road
Calistoga, CA 94515

The Resort at Pedregal **1-100 enrolled members**
Camino Del Mar - 1
Cabo San Lucas BCS
C.P. 23455 Mexico

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

Esperanza, An Auberge Resort **250-500 enrolled members**
Carretera Transpeninsular KM 6.5
Cabo San Lucas BCS
C.P. 23410 Mexico

Four Seasons Residence Club Aviara **1-100 enrolled members**
7210 Blue Heron Place
Carlsbad, California 92011

Four Seasons Residence Club Scottsdale **1-100 enrolled members**

10600 East Crescent Moon Drive
Scottsdale, Arizona 85262

Grand Isle Resort & Spa **1-100 enrolled members**
PO Box EX-29253
George Town Exuma, Bahamas

Madeline Hotel and Residences **1-100 enrolled members**
568 Mountain Village Blvd
Telluride, CO 81435

Mammoth 80150 Private Residence Club **1-100 enrolled members**
50 Canyon Blvd.
Mammoth Lakes, California 93546

Old Greenwood **1-100 enrolled members**
12915 Fairway Drive
Truckee, California 96161

One Village Place **1-100 enrolled members**
9001 Northstar Drive #9112
Truckee, California 96161

Palazzo Tornabuoni **1-100 enrolled members**
Via Tornabuoni, 16
Florence, Italy 50123

Pronghorn **1-100 enrolled members**
65600 Pronghorn Club Drive
Bend, Oregon 97701

Seven Canyons Private Residence Club **101-249 enrolled members**
755 Golf Club Way
Sedona, Arizona 86336

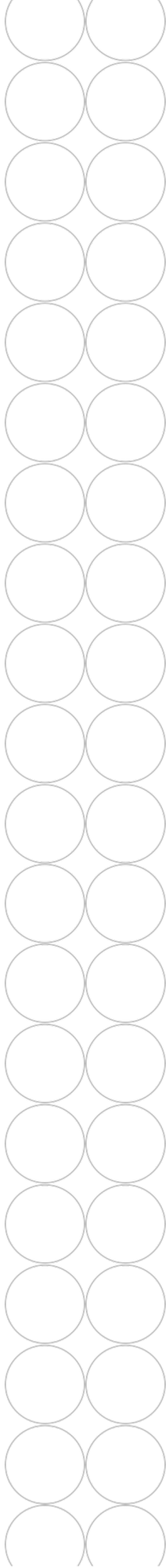
The Residences at Grand Luxxe **101-249 enrolled members**
Paseo de las Moras
Bahia de Banderas
Nuevo Vallarta, MX 63735

The Residence Club at PGA West - **101-249 enrolled members**
54-500 West Residence Club Drive
La Quinta, California 92253

The Residence Club of Argentina (Buenos Aires, Mendoza & Bariloche) **1-100 enrolled members**

Charcas 4955, 1425
Buenos Aires, Argentina

The Villas at Poipu Kai **1-100 enrolled members**
3414 Poipu Road #111
Kauai, Hawaii 96756



ELITE ALLIANCE®

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