



REPORT OF KEY OPERATING EXCHANGE STATISTICS

Year ended December 31, 2013



ELITE ALLIANCE®

The Elite Alliance, LLC

Report of Key Operating Exchange Statistics

Year Ended December 31, 2013

The Elite Alliance, LLC

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Report of Independent Certified Public Accountants

To the Management of
The Elite Alliance, LLC

We have examined the accompanying Report of Key Operating Exchange Statistics of The Elite Alliance, LLC as of and for the year ended December 31, 2013. This report is the responsibility of management of The Elite Alliance, LLC. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence supporting the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Report of Key Operating Exchange Statistics presents, in all material respects, the information set forth therein as of and for the year ended December 31, 2013, in accordance with Sections 721.18 (1) (q) and (r) of the Florida Vacation Plan and Timesharing Act.

Certified Public Accountants

March 3, 2014

The Elite Alliance, LLC

Report of Key Operating Exchange Statistics

<i>Year ended December 31,</i>	2013
Item	
Number of resorts with current affiliation agreements that are eligible to participate in the Program at December 31, 2013	33
Number of Members currently enrolled in the exchange program (Note 3)	1,264
Number of deposits for which the Program has an outstanding obligation to provide an exchange to an owner who relinquished an approved vacation in exchange for an accommodation in a future year	419
Number of exchanges confirmed by the exchange program during the year	320
Percentage of confirmed exchanges for the year ended December 31, 2013, which is the number of exchanges confirmed by the Program divided by the number of properly applied-for exchanges (See note below)	100%

See accompanying notes.

Note:

The stated above is a summary of the properly-applied for exchange requests entered with the exchange program in the period reported. The percentage does not indicate a purchaser's probability of being confirmed to any specific choice or range of choices, since availability at individual locations may vary.

The Elite Alliance, LLC

Notes to Report of Key Operating Exchange Statistics

1. Summary of Significant Accounting Policies

The accompanying Report of Key Operating Exchange Statistics of The Elite Alliance exchange program (the “Program”) includes the exchange statistics of The Elite Alliance, LLC, a Texas limited liability company, (the “Company”) as of and for the year ended December 31, 2013.

The statistics reflected in the Report of Key Operating Exchange Statistics have been computed and are disclosed in accordance with Sections 721.18(1)(q) and (r) of the Florida Vacation Plan and Timesharing Act.

2. Description of Company

The Program was established to facilitate the exchange of accommodations between Members of prestigious residence clubs and luxury professionally managed homes (the “Residence Clubs”) that meet the standards of and are affiliated with the Program. At December 31, 2013, the Program had 33 resorts available for exchange throughout the world. The Company’s headquarters are located in Dallas, Texas.

3. Membership

Purchasers of an ownership or membership interest in a participating Residence Club are given the voluntary opportunity to participate in the Program which currently involves no enrollment or subscription fee, but includes a transaction fee for each exchange. The Company reserves the right to impose an annual enrollment or subscription fee in the future. A Member’s participation in the Program is dependent upon the continued affiliation of the Program with such Member’s home Residence Club.

4. Exchange Requests

All exchanges are based on availability. Accordingly, the Program does not guarantee that Members will receive a specific exchange choice. In order to make an exchange, Members must:

- a. Secure a Vacation at his or her home Residence Club and deposit the secured Vacation in accordance with the terms and conditions of the Program. Once a Vacation has been deposited into the Program, Elite Credits are awarded. Elite

The Elite Alliance, LLC

Notes to Report of Key Operating Exchange Statistics

Credits may vary from Residence Club to Residence Club and are determined based on seasonality, destination and bedroom category.

- b. Accept an alternate Vacation in accordance with the terms and conditions of the Program and submit the Exchange Fee, so long as the Member has the proper amount of Elite Credits within their Member account.

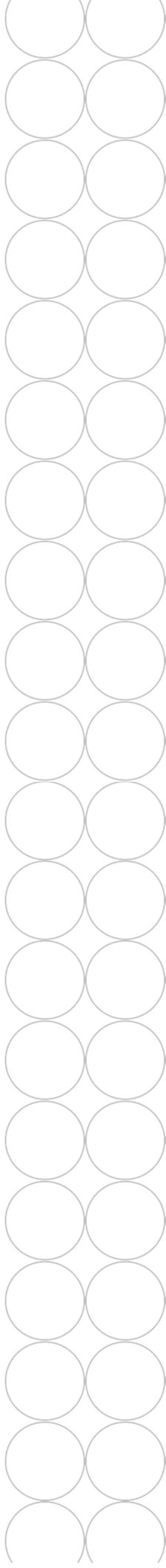
A Member's Elite Credits expire twenty-four (24) months from the date the Member deposits a Vacation. If a Member does not submit an Accepted Vacation Form within such twenty-four (24) month period, the Member will no longer be able to redeem their Elite Credits. When accepting a Vacation, should a Member have insufficient Elite Credits in their account, the Member may purchase additional Elite Credits. 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.

The Program receives improperly submitted exchange requests in the normal course of business or no request at all. These are excluded from our statistics because the Members failed to follow the procedures required.

5. Outstanding Obligation

The Program allows Members to request a vacation reservation during the following 24 months after contributing an approved Vacation into the Program. At December 31, 2013, Members have deposited 419 Vacations for which they have the right to a reservation opportunity in 2014 or 2015.

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.



ELITE ALLIANCE®

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