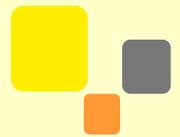


The Alternative Way Forward

FAQ's



- **You talk about flexibility—what does that mean for me?**

Timeshare in the 1980s was a great idea, but it presumed that you would always want to take your holidays at the same time. People's lives and circumstances change and flexibility gives you the control of when you take your vacation; if you no longer need to vacation during school holidays, you should be able to change to a time that better suits your needs and budget—that's flexibility.

- **Does this change my fixed week/fixed unit agreement?**

In most cases NO; there may be a few owners who will be asked to consider moving to a similar/better apartment as part of the estate rationalisation process or reduction in the holiday year, but they will be compensated by one year's free maintenance fee. The only other circumstance where the fixed week or unit would change is if the owner requests it—the whole purpose is to enjoy flexibility whilst still being in a structured timeshare fixed week/unit format.

- **How will this flexibility affect my Management Fees?**

Surprisingly, they will go down! By realigning the British Pound to the value against the Euro that it enjoyed on the first day of this millennium, and by refocusing MRLs factorial fee towards revenue not expenditure, the base Management Fee will go down. There will be a structure whereby those holidaying at peak times will pay lightly more than the base fee, but even they will pay less than they do right now—and if you holiday at less popular times, you will pay substantially less.

- **I am in Options—will I still be able to use all Macdonald's hotels and resorts?**

The co-operative would want to continue working with Macdonald's as the management company, but under different rules. The "Alternative Way Forward" is all about owners having a greater say in the management of the resort, it is not about leaving the Macdonald group.

- **Am I still protected by the law?**

Absolutely! The structure of the Alternative Way Forward is designed to fully comply with European Directive 2008/122/EC that protects consumers in respect of certain aspects of timeshare, long-term holiday product, resale and exchange contracts, even when that law is amended the co-operative will always comply with appropriate legislation to fully protect shareholder's interests—this is about greater protection, not less!

- **Who will own the properties on the resort?**

The owners have always collectively owned the properties in the resort, held under a Deed of Trust for their mutual benefit. This will not change, except that the Deed of Trust will need to be modified so that the beneficiaries are now called "shareholders of the co-operative" - in other words, the owners. Under the "Alternative Way Forward" nothing will be given away or transferred out of the estate and outside the interests of the shareholder/ owners.

- **Will I be able to sell or relinquish my ownership in the future?**

Yes! Under the "Alternative Way Forward" you will have the right to sell the remaining term of your Deed of Occupancy on the open market, or you may relinquish it to the co-operative on payment of an administrative fee, assuming there are no debts attached. Perpetuity has been consigned to history!

- **What happens when I die or am too ill¹ to travel abroad?**

Your holiday Deed will never become a millstone around the necks of your loved ones. If they do not wish to continue holidaying at the resort, they may hand back the Deed of Occupancy and provided there are no outstanding debts, the ownership obligations will cease.

- **If I choose to leave, what will it cost me and what happens to my exit fee?**

If you want to leave, the co-operative will be sad to see you go, but we will help you. You can choose either to give two-years notice to leave the cooperative, during which time you can continue to use your own apartment, or you can choose to pay two times your Maintenance Fee as a 'payment in lieu' and leave immediately. Whichever way, your fees will be paid to the co-operative; MRL will be entitled to claim their regular percentage in respect of the services they provide.

¹ Subject to medical certification of incapacity.

