

ACKNOWLEDGEMENT OF TERMS AND CONDITIONS OF OWNERSHIP

The undersigned transferor(s) _____ of
(Print Name(s))

(Print address, City, State and Zip Code)

and the undersigned transferee(s) _____ of
(Print Name(s))

(Print address, City, State and Zip Code)

do hereby acknowledge receipt of the Summary of Transfer Requirements for Oceancliff I & II Time-share Units. The undersigned transferor(s) and transferee(s) further acknowledge and consent to the terms, obligations, policies and rules contained in the transfer requirements, the time-sharing Declaration of Covenants and Restrictions of Interval Ownership, the Oceancliff I and Oceancliff II Owners Association By-Laws, the rules and regulations applicable to unit owners, and the Rhode Island Real Estate Time-share Act, R.I.G.L. §34-41-1, *et. seq.*

Transferor(s)

Transferee(s)

GUARANTEE OF TIME-SHARE UNIT OBLIGATIONS

To induce the Oceancliff I & II Owners Associations (the "Associations") to approve the transfer of Oceancliff time-share unit(s) _____ to _____ (hereinafter "Unit Owner") the undersigned Guarantor, as primary obligor and not merely as a surety, hereby, absolutely, unconditionally, and irrevocably guarantees to the Associations:

- (i) The due and punctual payment, performance and fulfillment, in full, of Unit Owner's obligations to the Associations, including but not limited to, Unit Owner's monetary and non-monetary obligations under the time-sharing Declaration of Covenants and Restrictions of Interval Ownership, the Oceancliff I and Oceancliff II Owners Associations By-Laws, the rules and regulations applicable to unit owners, and the Rhode Island Real Estate Timeshare Act, R.I.G.L. §34-41-1, *et. seq.*; and
- (ii) The accuracy of the representations and warranties made by Unit Owner in the Notice of Proposed Transfer; and
- (iii) In the event the Association retains legal counsel to enforce any portion of this Guarantee, it shall be entitled to all costs and expenses incurred by the Association, including but not limited to, reasonable attorneys' fees.

Guarantor:

(Signature)

Print Name: _____

Address: _____

Telephone No.: _____

Social Security No.: _____

RESOLUTION OF THE BOARD OF DIRECTORS FOR OCEANCLIFF II OWNERS' ASSOCIATION
JANUARY 12, 2013

The undersigned, being the Secretary and the President of the Board of Directors (the "Board") for the OCEANCLIFF II OWNERS' ASSOCIATION, (the "Association"), an unincorporated time-share association, pursuant to a Meeting of the Board of Directors of the Association held in Newport, Rhode Island on January 12, 2013, do hereby certify that at said meeting, the Board did adopt and approve the following resolutions:

IT IS HEREBY RESOLVED that to combat fraudulent and unlawful practices in the transfer of Oceancliff II time-share units and to protect Oceancliff II owners from fraudulent and unscrupulous companies, the Board has adopted certain requirements for the transfer of Oceancliff I & II time-share units. Should a transferor or transferee fail to comply with any part of the requirements, the Association shall be entitled to disregard the transfer, and to hold the owner/transferor liable for all costs, fees, and assessments related to the time-share unit, as well as any expenses incurred by the Association in resolving any issue presented by the transfer, including but not limited to costs and reasonable attorneys' fees.

IT IS HEREBY FURTHER RESOLVED that Article VI of the By-Laws of Oceancliff II Owners' Association is amended to include the below language immediately following Section 2:

"Section 3. To combat fraudulent and unlawful practices in the transfer of Oceancliff II time-share units, and to protect Oceancliff II owners from fraudulent and unscrupulous companies, the below requirements for the transfer of Oceancliff II time-share units shall be mandatory. Should a transferor or transferee fail to comply with any part of these requirements, the Association shall be entitled to disregard the transfer and to hold the owner/transferor liable for all costs, fees, and assessments related to the time-share unit, as well as any expenses incurred by the Association in resolving any issue presented by the transfer, including but not limited to costs and reasonable attorneys' fees.

- a) Written notice must be given to the Board of a proposed transfer at least twenty (20) days prior to the transfer unless good cause is shown, in which case a lesser notice period will be allowed. The written notice must identify the name, social security number, address and telephone number of the transferee, and disclose the amount of any fee that was or will be paid by or to either party to the transfer. A copy of a State issued photo-identification for the transferee must be appended to the written notice. An administrative fee of up to \$250.00, payable to the "Oceancliff I & II Owners' Associations" shall accompany the written notice. The Board will notify the owner/transferor within twenty (20) days of actual receipt of the Notice of Proposed Transfer whether the proposed transfer is approved, or is prohibited. If prohibited, the Board will identify the specific reasons therefore.
- b) Transfers pursuant to a "Power of Attorney" are prohibited and will be disregarded unless a written waiver of this requirement is obtained from the Board prior to transfer. A waiver may be issued at the Board's discretion if the owner/transferor demonstrates a legitimate reason for the Power of Attorney

(such as physical incapacity) and that the Power of Attorney is not merely intended to facilitate a fraudulent transfer and/or avoid legal obligations.

- c) Transfers to an entity other than a natural person are prohibited and will be disregarded unless prior to the transfer (i) a natural person, approved by the Board consistent with paragraph 3(a) above, and in the form attached hereto as "Exhibit A", unconditionally guarantees the full and complete faithful performance of the transferee's obligations as an owner; or (ii) the owner/transferor obtains a written waiver from the Board. A waiver may be issued at the Board's discretion if the transferee sufficiently demonstrates that it will fulfill its obligations as an owner and that transfer to the entity is not intended to facilitate a fraudulent transfer and/or avoid legal obligations.
- d) Transfers involving payments by an owner to someone other than the Oceancliff I & II Owners' Associations are prohibited and will be disregarded unless a written waiver of this requirement is obtained from the Board prior to transfer. A waiver may be issued at the Board's discretion if the owner/transferor sufficiently demonstrates a legitimate reason for payment of the fee, and that the transfer is not intended to hinder, delay, or impede the enforcement of time-share unit obligations.
- e) The Board and the management company will maintain a list of companies that they reasonably believe engage in fraudulent time-share transfers. If a proposed transferee appears on the list, the Board will notify the owner/transferor within the twenty (20) day notice period that the transfer is prohibited.
- f) Every deed purporting to transfer ownership of an Oceancliff II time-share unit shall be signed under notary seal by BOTH the owner/transferor AND the new owner/transferee.
- g) The transferor and authorized transferee must consent to the terms and conditions of ownership, including these rules regarding transfers, by signing an Acknowledgement of the Terms and Conditions of Ownership in the form attached hereto as "Exhibit B".
- h) Transfers of more than two (2) units to the same transferee are prohibited unless the owner/transferor first obtains written consent from the Board."

IN WITNESS WHEREOF, the undersigned Secretary and the undersigned President have executed this certificate in their capacity as duly elected officers of the Oceancliff II Owners' Association Board of Directors, in accordance with the Amendment to the Oceancliff II By-Laws adopted by the Board of Directors on JANUARY 12, 2013.

Jack Sulik, President

Lily Serrano, Secretary

NOTICE OF PROPOSED TRANSFER:
OCEANCLIFF TIMESHARE INTERVAL

Instructions:

- 1) Please complete this form in its entirety. Missing or incomplete information will cause delay or denial of your transfer request.
- 2) A photocopy of the Proposed Transferee or Guarantor's State issued photo identification must be attached to this form.

Interval Unit(s)/Week(s):

Current Owner/Transferor(s)

Name(s): _____

Address: _____

Telephone No.: _____

Proposed Transferee

Name: _____

Address: _____

Telephone No.: _____

Social Security No.: _____

Sale Price: _____

Total fees charged to Transferor: _____

Total Fees charged to Transferee: _____

Guarantor (Complete only if Transferee is an Entity):

Name: _____

Address: _____

Telephone No.: _____

Social Security No.: _____