

LEGAL NOTICE

On June 5, 2020, the San Diego County Superior Court entered a Stipulated Final Judgment agreed to by Welk Resort Group, Inc. ("Welk") and the People of the State of California. The Stipulated Final Judgment resolved allegations brought on behalf of the People of the State of California by the Attorney General of California and the District Attorney of San Diego County that Welk engaged in sales practices that violated California's Vacation Ownership and Timeshare Act ("VOTA"), California Business & Professions Code § 11210 et seq. Welk denied, and continues to deny, those allegations. The Stipulated Final Judgment was entered to settle a dispute without the need for litigation. It is not an admission or proof that Welk did anything wrong.

Under the Stipulated Judgment, Welk has agreed to provide Settlement Benefits to people who purchased Welk timeshares and who meet certain criteria. Two groups of people termed 1) "Known Purchasers" and 2) "Claimant Purchasers" are eligible for relief, as set forth below. **PLEASE READ THIS ENTIRE NOTICE TO SEE IF YOU QUALIFY:**

**Known Purchasers.** You may qualify for relief as a Known Purchaser if you are a current or former Welk timeshare owner for whom all of the following are true:

- (1) You attended a timeshare sales presentation by Welk and purchased Platinum Points from Welk in California between January 1, 2011 and March 31, 2016;
- (2) Prior to the date of this notice, you submitted a written complaint about that purchase to the Better Business Bureau, any governmental agency within California, or to Welk;
- (3) Your written complaint alleged that during the timeshare presentation you attended between January 1, 2011 and March 31, 2016, Welk engaged in conduct that violated VOTA; and
- (4) You have not already released your claims against Welk related to any alleged VOTA violations.

**Settlement Benefits for Known Purchasers.** Known Purchasers who submit a Claim Form may be eligible for Settlement Benefits.

If you are a Known Purchaser who still owns your Welk timeshare, you may select from the following options:

**Option 1:** Keep the Platinum Points you purchased at the presentation you complained about and select either: (a) a cash payment of \$2,000; (b) a resort credit of \$3,000; or (c) an additional 30,000 Platinum Points for owners with an annual product, or 60,000 Platinum Points for owners with a biennial product.

**Option 2:** Rescind the timeshare purchase you made at the sales presentation you complained about, return the Platinum Points to Welk, and receive a full or partial refund of any amounts paid in connection with that purchase, subject to a formula that reduces the amount of the refund based on usage of the timeshare.

If you are a Known Purchaser who no longer owns your Welk timeshare, you may be entitled to receive a full or partial refund of amounts paid to Welk in connection with the purchase you made at the sales presentation you complained about, subject to a formula that reduces the amount of your refund based on usage of the timeshare.

Each Known Purchaser will receive a mailed notice stating the refund amount available to him or her, along with information about how to submit a claim and the deadlines for submitting a claim and other required documents.

If you believe, based on the criteria listed above, that you are a Known Purchaser but you did not receive a mailed notice, you may send a letter to:

*People of the State of California v. Welk Resort Group, Inc.*  
Claims Administrator  
P.O. Box 43502  
Providence, RI 02940-3502  
info@welkrestitution.com

Your letter must be received by October 28, 2020. It must contain the following information:

- (1) Your current name, address, telephone number, cell phone number and email address;
- (2) The name you used when you purchased your Welk timeshare, if it is different from your current name;
- (3) The address you had when you purchased your Welk timeshare, if it is different from your current address;
- (4) The date and location of your Welk timeshare purchase;
- (5) Your Welk owner ID or contract number (P-number); and
- (6) A copy of the complaint or a description of the complaint that includes the date it was sent, to whom it was sent, the VOTA violations you alleged, and any response you received.

If you do not provide the information requested above, and Welk is unable to identify your account or confirm that you meet the definition of Known Purchaser, you will not receive Settlement Benefits.

**Claimant Purchasers.** You may qualify for relief as a Claimant Purchaser if you are a current or former Welk timeshare owner and:

- (1) You attended a timeshare sales presentation by Welk and purchased Platinum Points from Welk in California between January 1, 2011 and March 31, 2016;
- (2) You do not qualify as a Known Purchaser;
- (3) You submit a written Claim Form alleging, under oath, that you believe Welk violated VOTA in connection with the timeshare presentation at which you purchased Platinum Points between January 1, 2011 and March 31, 2016, and describing the alleged violation; and
- (4) You have not already released claims related to alleged VOTA violations by Welk related to any alleged VOTA violations.

**Settlement Benefits for Claimant Purchasers.** A fund has been established to provide Settlement Benefits to eligible Claimant Purchasers. This fund is capped at \$1,000,000. If the value of the Settlement Benefits claimed by Claimant Purchasers exceeds \$1,000,000, Benefits will be reduced on a pro rata basis, meaning your final Settlement Benefits could be lower than these amounts. Reasonable steps shall be taken to ensure the amount paid to any Claimant Purchaser will not exceed the total paid for the purchase, financing and maintenance of that Claimant Purchaser's Timeshare Interest.

Claimant purchasers who submit a valid Claim Form will be able to select one of the following:

- (1) A payment of up to \$2,000;
- (2) A resort credit of up to \$3,000; or
- (3) Additional Platinum Points in the following amounts: Up to 30,000 additional Platinum Points per year for owners with an annual points, or 60,000 additional Platinum Points per use year for owners with a biennial points. The additional Points are valued, for the purposes of this restitution fund only, at \$2,000 and \$4,800, respectively.

Only current owners are eligible to receive the resort credit or Platinum Points. Former owners must select the \$2,000 payment.

Claim Forms for Claimant Purchasers. Your Claim Form must be postmarked, September 3, 2020 if sent by mail, or, if transmitted electronically, by September 3, 2020.

Claim Forms may be downloaded from [www.WelkRestitution.com](http://www.WelkRestitution.com). Completed Claim Forms must be submitted by mail to:

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Claims Administrator  
P.O. Box 43502  
Providence, RI 02940-3502  
info@welkrestitution.com

**Release Requirement.** All Known Purchasers and Claimant Purchasers who elect to receive Settlement Benefits will be required to execute a Release giving up any rights or remedies they may have against Welk arising out of or related to an alleged violation of the Vacation Ownership and Timeshare Act ("VOTA") codified at California Business and Professions Code section 11210 et seq., and/or any alleged false or misleading statements or omissions in connection with the advertising, marketing, offering, promotion, purchase, sale and/or rescission of any and all Timeshare Interests by/from Welk between January 1, 2011 and March 31, 2016, whether known to exist at the time of the release or not. "Timeshare Interest(s)" shall have the meaning set forth in California Business and Professions Code sections 11212 subdivision (x) and/or any timeshare plans, programs, or products listed in 11211.5 subdivisions (a) through (d) inclusive.

**Known Purchasers and Claimant Purchasers should consult with an attorney in the event they have any questions about whether acceptance of the Settlement Benefits and execution of the Release is in their best interest.**

**Additional Information.** The Stipulated Judgment and related documents, including relevant portions of the Vacation Ownership and Timeshare Act, are available at [www.WelkRestitution.com](http://www.WelkRestitution.com). If you have any questions about the Stipulated Judgment, you may contact the Claims Administrator at 1-844-799-1635. Please do not contact Welk directly.