



Dear ITSO Member,

This is a very important announcement. It affects your rights as a timeshare owner at Club La Santa so please read this message fully.

The ITSO International Board's negotiations with Club La Santa management for STRAP3 have come to a halt. Club La Santa wishes to impose changes on all timeshare owners at the resort without seeking either individual consent or by agreement with ITSO, as your representative.

One of the changes that they want to impose is to extend the period of payment of service fee from 3 months to 7 months before the start date of your timeshare. This is not a STRAP item. Payment of service fees is a contractual item. It is written into the timeshare contract every timeshare owner has with Club La Santa. Club La Santa is prepared to take on individual timeshare owners who challenge this change because they know that it will be costly for individuals. Therefore, in order for us to protect you and other timeshare owners we need your express consent to represent you and engage a team of lawyers. We anticipated there would be a problem so we have sought some preliminary advice and commissioned a legal assessment of our case. Our case is strong. One party to the contract cannot make changes to an existing contract without the agreement of the other party/parties.

The initial advice is that in order for a case to stand up in court, (should it go that far), we must obtain a high majority consent from timeshare owners. Not all timeshare owners are ITSO members so it is very important that we obtain the consent of all, or almost all, of our members so that we can demonstrate a high majority consent of all timeshare owners.

The way we must do this is for each national ITSO association to hold an Extraordinary General Meeting, and then for the International Board to hold an Extraordinary General Meeting. We must follow our own constitutions/articles of association. Therefore, for some it will be possible to attend via Zoom and/or to submit a Proxy vote or to complete a voting form or to attend in person. Your national association will be in touch to inform you how it will work for you.

ITSO has been preparing for this situation for many years and we have built up a financial reserve to cover the costs. With your consent we will engage a Spanish legal team with expertise in timeshare law. We have negotiated a fixed fee with them. This will cover all costs up to and including a court case. Hopefully, we will be able to settle before reaching

court. Should the matter go to court and we are not satisfied with the outcome we can go to appeal. This would be at an additional cost. Our finances are robust and we have no concern about our liquidity.

We strongly encourage you to help us to support you and all timeshare owners by giving us your consent to act on your behalf. Together we are strong, we are shareholders of Club La Santa, and we represent around 20% of Club La Santa's business.

Thank you for your attention.

Kind regards,

Kaylee Bonja

Chair ITSO International Board