

WorldMark, The Club

WORLDMARK, THE CLUB BOARD OF DIRECTORS

COMMUNICATIONS POLICY

ADOPTED JUNE 30, 2014

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WORLDMARK, THE CLUB COMMUNICATIONS POLICY

Adopted June 30, 2014, Amended July 15, 2021

WHEREAS, WorldMark, The Club (Club), is a California non-profit mutual benefit corporation; and

WHEREAS, the Club seeks to ensure that members of the Club (Members) are provided an opportunity to communicate with one another about various issues that impact the quality of their membership in the Club; and

WHEREAS, the importance of the Club's communications and interactions with Members must be balanced with privacy rights and the quiet enjoyment of the Members' time spent at the Club's resort properties; and

WHEREAS, the Board of Directors (Board) benefits from communicating on a regular basis with the Members and among themselves in order to gain insight into the concerns and issues affecting the Club and its Members; and

WHEREAS, the establishment and monitoring of communication systems to encourage dissemination of information and dialogue can present an overwhelming administrative burden upon the Club and its resources unless reasonable restraints are established and enforced; and

WHEREAS, there are a vast and growing number of communication platforms available to deliver information that should routinely be evaluated to determine the most cost effective system to reach the Members;

NOW THEREFORE, pursuant to these aforementioned goals and objectives, the Board hereby adopts the communication policy (Policy) as set forth herein.

- 1.0 Goals of the Policy: It is the goal of the Club to both establish and economically administer a communications system to encourage and enable Member-to-Member communications and communications between the Club's leadership and its Members. While the Policy should encourage communication, it should not be so burdensome that it overwhelms the Club's administrative systems. The content of the communications should conform to basic standards of civility and all legal requirements.
- 2.0 Club Communications Platforms: The Club will establish and operate several websites and utilize other communication platforms (email, print, social media, etc.) in order to share information with and among Members.
 - 2.1 Club Website: The Club will operate a website (www.worldmarktheclub.com) on a year- round basis that will serve as the primary website for the Club (Club Website). Most of the content on the Club's Website is only available to Members (Member-Only Content).

- (A) Each Member will use their unique Member number to access the Member-Only Content. Members are prohibited from transferring or permitting this number for use by any third party.
- (B) Within the Member-Only Content, there will be a link that will enable Member-to-Member communications related to various Club issues and activities.
- (C) Each membership, as defined in the Declaration, (Membership) will be authorized to post up to three (3) submissions per calendar quarter and each submission may contain up to two hundred fifty (250) words. The content of the submissions must pertain to issues about the Club and any of its activities. These postings may not be linked to any social media sites or websites with open forums.

2.2 Club Newsletter: The Board will periodically deliver a newsletter to each Membership in order to provide information about issues that either come before the Board or relate to the well-being of the Club.

2.3 Magazine: The Club will deliver to each Membership a print and or digital copy of *Destinations* magazine (*Destinations*) eleven (11) times per year. The purpose of this publication is to provide general social and vacationing information to the Members as well as profile Club properties and related activities.

2.4 Online Newsletters: The Club will periodically deliver an online version of the *Insider* Newsletter to each Membership. This publication will focus on general social and vacationing information, profile Club properties and contain other relevant Club information, news and or offers.

2.5 Member Sessions at Board Meetings: In accordance with the Club's by-laws (By-laws), at § 4.5 (d), Members may attend an open session of quarterly Board meetings. The Board may, upon approval of a majority of a quorum, also allow for an open forum at the meeting during which Members may participate in a question and answer session with the directors of the Board (Directors).

2.6 Owner Services Phone Line: The Club will establish, administer and operate a year round call-in service by which Members may inquire about any issue pertaining to the Club, its operations, procedures or facilities (Owner Services Line).

3.0 Election Cycle Communications Platforms: In recognition of the importance of Member communications pertaining to Club elections, the Club will establish several additional election related communication platforms, the details of which are contained in the Club's Election Systems Policies and Procedures (ESPP). These communications are to be available during the Election Cycle, as defined at § 3.5 of the ESPP. Those communications platforms dedicated to election-related matters consist of the following:

- 3.1 The Club will establish, administer and operate an Election Cycle Website (EC Website). The EC Website will be accessible through the Club's Website and will permit Memberships to post election-related communications which will be made available to other Members. This site may be accessed by Members through a link on the Club Website. The details for the operation of the EC Website may be found at § 7.4 of the ESPP.
- 3.2 During the Election Cycle, each Membership is also entitled to participate in an email communications program (ECP) through the Club's Website. This program will consist of the following:
- (A) The Membership will submit to the Club's Website the proposed email content to be sent to the Membership regarding the support or opposition of a candidate, ballot issues and/or any other matters concerning the Club's election and the Annual Meeting. Membership email may only be sent to other Club Memberships.
 - (B) Participation in the ECP will be available to each Membership and will authorize them to send one (1) email during either the month of August, September or October during the Election Cycle. The email will be limited to a total of four hundred (400) words.
 - (C) The email content must be submitted to the Club's Website by the published deadline for transmission to each membership during the month following month in which the content is received.
 - (D) The email program is subject to the content quality controls set out at § 6.0 herein. The details for the operation of the ECP may be found at § 7.5 of the ESPP.
- 3.3 During the Election Cycle, the Club may operate a dedicated call-in phone service for Members to contact the Club regarding any issue or procedure related to the election or the Annual Meeting (Election Hotline). The details for the operation of the Hotline may be found at § 7.8 (B) of the ESPP.
- 3.4 Members will be required to call Owner Services to request a replacement Ballot/Proxy and or request their Control Number as defined in the ESPP.
- 3.5 Each Member is also permitted to independently publish communications or conduct activities in support or opposition to a candidate or issue to be voted upon by the Memberships, provided they are paid for by the Member and are in compliance with the ESPP (see § 7.7 of the ESPP) and this Policy.
- 3.6 Each Membership will receive a package of Voting Materials as described in the ESPP.
- 4.0 Candidate Communications: In an attempt to provide candidates the ability to contact Members regarding election-related issues and support their candidacy, the following opportunities are available only during the Election Cycle:

- 4.1 A candidate is authorized to use the ECP in accordance with the provisions set forth in § 3.2. However, unlike the limits placed on a Membership's use of the ECP, a candidate will not have a limit on the number of words contained in their email. A candidate will also be entitled to send one (1) email during each of the months of August, September and October (see § 7.6 (C) of the ESPP).
- 4.2 Candidates will be permitted to send one (1) email or one (1) direct mail letter to the Club's entire Membership to advocate support or opposition of a candidacy or any election-related issues at any time during the months of August or September during the Election Cycle. The mailing will be administered by the tabulator and the cost for production and delivery will be the sole responsibility of the candidate. The cost will be based upon the rates and fees for a similar service as set out in the agreement between the Club and the tabulator and must be paid in advance of services being rendered (see § 7.6 (D) of the ESPP).
- 4.3 As part of each candidate's application to seek nomination, the candidate will be required to submit two statements regarding the reasons for seeking election to the Board: (1) a "long statement" of no more than five hundred (500) words; and (2) a "short statement" of no more than three hundred fifty (350) words. This information will be included either on the Club's Website or in the Voter Booklet. Neither the long nor the short statements may be linked to any social media sites or websites with open forums.
- 4.4 For purposes of protecting the privacy and the quiet enjoyment of the Club's properties and facilities, candidates and members are prohibited from conducting any type of election-related campaign activities or communications on Club properties including, but not limited to, rallies, the posting or distribution of campaign materials, or door-to-door solicitations in support or opposition to candidates.
- 5.0 Conduct and Solicitations on Club Property: Members and their guests shall respect all other Members and guests as well as Club Property by reasonable behavior in respect to noise, usage of Resort facilities, and other matters relating to an orderly use of the Resort. For purposes of protecting the privacy of Members and guests, the solicitation or promotion of information, goods or services on Resort properties is prohibited unless prior authorization is provided by Declarant or its designated agent. Notwithstanding this prohibition, nothing herein will prevent Declarant from exercising its rights set forth in the Program documents as those terms are defined in the Declaration.
- 6.0 Communication Quality Control: As a condition for the Members' use of the Club's various communication platforms, the Members' accept the terms and conditions of the Policy and the restrictions that may be placed upon their communications or activities. For purposes of legal compliance and to ensure civility in Member communications, the Club will require any and all communications or activities described at §§ 2.0, 3.0 and 4.0 herein, to comply with each of the following communication quality controls (CQC):
- 6.1 Communications may not include attachments of any type.

- 6.2 Communications may not hyper-link to any other type of social media site, including, but not limited to, Facebook, Twitter, YouTube, etc. However, the communications may reference another website provided that website does not have an open forum.
- 6.3 Communications may not be delivered, forwarded or re-transmitted to any person or entity that is not a Member or staff of the Club.
- 6.4 Members are solely and legally responsible for the content of their communications and activities.
- 6.5 The Club reserves the right to include a disclaimer on any or all Member communications that the content of the Member's message does not necessarily reflect the opinions or positions of the Club.
- 6.6 Communications may not be sent anonymously but rather the Member responsible for the communications must be identified in a clear and conspicuous manner in the communication.
- 6.7 Though the Club encourages an open and unencumbered discussion of Club activities and issues, there are certain parameters, which for the civility and the lawful operation of the Club, must be observed. Communications may not contain materials, comments or statements which constitute defamation, as that term is defined by the laws of California.
- 6.8 Communications may not contain religious, racial, sexual, or ethnic slurs. For purposes of maintaining civility, communications that contain language which by general standards constitute swearing, derogatory slang expressions or expletives will not be permitted.
- 6.9 Communications must be factually accurate.
- 6.10 Communications may not pertain to, or be used for, the following purposes:
 - (A) Solicitation of interest or monies for any private, commercial, personal or ideological transaction or activity that does not directly pertain to the Club;
 - (B) The solicitation of support or opposition pertaining to any transaction or activity that is reasonably viewed as competition to the Club's interests or those of its managers and its Developer; or
 - (C) The offer, solicitation or the sale, lease or rental of any goods, services or property not directly related to the beneficial interest of the Club.

- 6.11 The Club reserves and maintains the right to review all communications in order to assure compliance with these CQC. Further, the Club reserves and maintains the right to deny the publication, transmission or delivery of any communication which it deems not to be in compliance with these CQC.
- 6.12 The review of the communications by the Club must be timely performed. In the event the Club denies publication or transmission of any submitted communication, the Club will provide immediate notice to the Member about the Club's issues or concerns that were the basis for denying publication or transmission of the communication. The Member will be afforded three (3) days after receipt of the notice to cure and resubmit the communication for review by the Club.
- 6.13 In the event the Member disputes the Club's reasons for denying publication or transmission of the communication, the Member and the Club will jointly agree upon and retain the services of an independent attorney to review the matters and render a binding opinion for the parties.
- (A) The opinion of the attorney must be obtained and issued in order for the Member's communication to be timely delivered to the Membership.
- (B) The Fees and expenses related to retaining the attorney will be paid equally by the Club and the Member.

7.0 Disclosure of Information to Members: A substantial amount of information is transmitted by the Club to its Members on an annual basis. However, the Club recognizes that a Member may have questions or request additional information.

- 7.1 The Club appreciates that there are some limited materials which Members are entitled to inspect as a result of their Membership and in accordance with the By-laws and the laws of the state of California.
- 7.2 There is a second category of information that is not required to be provided to Members but which the Club is willing to provide in response to a Member's reasonable request.
- 7.3 There is a third category of information that is confidential and/or restricted and is not subject to inspection by Members.
- 7.4 Impacting each of these three (3) categories, is the concern for each Member's right of privacy. It is the policy of the Club to be open and transparent with the Membership yet simultaneously respect the privacy of its Members. In addition, the Club must control the administrative time and expense incurred in responding to extensive and/or unreasonable requests for information or documents.
- 7.5 In recognition of these categories, the Club adopts the following policies and procedures set out below:

- (A) In accordance with California law and § 7.1 of the By-laws, Members are entitled to only inspect certain records (Records). For purposes of this Policy the term “Record” shall be limited to those Club documents required to be disclosed to Club Members pursuant to the laws of California and the By-laws. Member(s) must comply with the terms and conditions set out below. The Records eligible for Member inspection are the following:
- (1) Membership register;
 - (2) The books of account;
 - (3) Minutes of proceedings of the Members, the Board and any committees;
 - (4) Records of the Program maintained by the Club or its Manager; and
 - (5) Such other documents that meet the definition of a Record.
- (B) As a condition of inspecting the documents referenced in § 7.5 (A) herein, the Member must agree with the following conditions:
- (1) The Member must make the request in writing; and
 - (2) The request must state a purpose reasonably related to the Member’s interests as a Member; and
 - (3) The Member must sign a written agreement with the Club agreeing not to use or allow the use of information for commercial or other purposes not reasonably related to the affairs of the Club.

7.6 For purposes of protecting the privacy rights of the Members and the Membership register as an asset, the Club will, in all cases, exercise its option pursuant to California law and § 7.1 (a) of the By-laws and require Members to use the Club’s tabulator for purposes of communicating with the Memberships rather than permit the Member to copy the Membership register.

7.7 In accordance with California law and § 7.1 (a) of the By-laws, a Member’s request to copy or make use of, the Club’s register for purposes of communicating with the Memberships, or any portion thereof, must be in writing, directed to the Club’s Secretary, and must state a purpose which reasonably relates to his or her interest as a Member of the Club.

- (A) The timing and content of the communication to be sent to the Membership must comply with the CQC provisions of this Communications Policy.
- (B) The expenses incurred for printing, postage, stationary and related and production costs will be the sole liability of the Member and must be paid in advance of production.
- (C) Administrative expenses incurred by the Club associated with facilitating the request of the Member will be assumed by the Club.

- (D) Due to high level data security certifications possessed by the tabulator, and the Club's interest in protecting the value of the Membership database, the Member will be required to use the Club's tabulator or a comparable vendor with prior approval of the Club, to produce and deliver the communication. In addition, the Member will be required to comply with the fee structure negotiated with the Club for the tabulator's services.
- (E) For purposes of § 7.7 (D), in order for an entity to qualify as a "comparable vendor" the Club will require such a vendor to meet and comply with the following:
 - (1) Prior to receiving any Member's personal information ("PII"), the identified vendor must complete a written assessment and/or participate in a verbal review of Vendor's privacy and information security practices, which may include but not be limited to, an assessment of any physical, administrative, and technical security measures employed to protect PII, whether processed or maintained solely with the Vendor or through or with a third party (e.g., a data center or cloud provider). Vendor will be required to provide all documentation related to any risk assessments or other audits from any outside auditor, Vendor or other third-party (e.g., SSAE 16 audit reports). The obligation for privacy/security assessments is ongoing as long as Vendor maintains any Member's PII; and
 - (2) Execute a Club authorized Confidentiality and Information Security Addendum.

7.8 Members with questions about the Club's activities may contact the Owner Services Line for a verbal response.

7.9 In the event a Member requests a written response to a question or a request to inspect a document that is not required to be provided to a Member pursuant to California law and § 7.1 (a) of the By-laws, then that Member may make such a request in writing and send the request to the Secretary of the Club.

- (A) The request must be in writing and must explain how the information relates to his or her Membership interest. The Club may seek clarification of the question. The Club will provide a response to the Member in writing within thirty (30) days after the final question(s) is received or determined by the Club.
- (B) A Member making a request for a written response to a question(s) is limited to five (5) single questions per calendar month, to allow the Club to efficiently manage the costs and administrative burdens of responding to such questions.

8.0 Posting of Communications Policy: A copy of this Communication Policy will be posted on the Club Website.

- 9.0 Definitions: The definition of terms that do not appear in this document will have the same definition as that found in the ESPP or the Declaration.
- 10.0 Amendments to the Communications Policy: This Communications Policy may only be amended by an affirmative vote of the majority of Directors then in office.
- 11.0 Procedures for Resolving Violations:
- 11.1 This section pertains to alleged violations of the Policy that do not arise as a result of an Election related matter. Alleged violations of the Policy that pertain to an Election matter are to follow the procedures set out at § 13.0 of the ESPP.
- 11.2 Upon a written statement submitted in accordance with this section, the Board, upon investigation of the allegation(s), is authorized and empowered to find any Member or Membership to be in violation of the Policy.
- (A) Any Member may submit a written statement to the Board setting out the specific sections of the Policy that a Member is alleged to have violated and the facts and evidence supporting the allegations (Complaint). A Complaint must be submitted to the Board under penalty of perjury and notarized.
- (B) The Board is authorized to conduct an investigation in order to gather information and facts alleged in the Complaint. If the Board determines a violation may have occurred, it will provide a written notice and summary of the alleged violation and transmit that information to the Member(s) named in the Complaint no later than ten (10) days after the Board received the Complaint.
- 11.3 The Member accused of violating the Policy will have the right to submit a written response to the Board. The response must be delivered to the Board no later than thirty (30) days after the date the notice of the alleged violation was received by the Member.
- 11.4 No later than thirty (30) days after receiving the Member's response to the Complaint, the Board will determine if there was or was not a violation committed. The Board will provide a written notice of its decision to the Member alleged to have committed the violation and to the Member(s) who filed the Complaint.
- 11.5 If the violation constitutes the Member's first violation during the current calendar year, then the Board shall issue a warning notice to the Member. The warning notice will also include an explanation of the violation and the potential penalty the Board may impose should there be a second violation during the calendar year.
- 11.6 If the violation constitutes the Member's second or greater number of violations of the policy during the calendar year, then the Board has the authority to impose a penalty on the Member or Membership.

- (A) The penalty shall consist of a finding that the Member is deemed not to be in Good Standing for a period of one (1) year calculated from the date the Complaint was received.
- (B) As a Member not in Good Standing, the Board may determine that the Member is precluded from rights and activities provided to the Member under the Policy. These may include:
 - (1) Member is prohibited from using those communication platforms referenced in § 3.0 herein;
 - (2) Member or Membership is not entitled to serve as a Proxy Holder; and/or
 - (3) A Member or Membership is not entitled to access or participate in any of those campaign activities set out in § 7.0 herein.

11.7 The Board will assess the seriousness of the violation(s) committed by the Member or Membership and is authorized to use its discretion to assess a penalty consisting of any number or all of the items set out in § 11.6 above. The Board will provide written notice to the Member or Membership of the penalties it determined and the reasons for the penalties.
