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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2019
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission file number **001-32876**

WYNDHAM DESTINATIONS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**20-0052541**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*
6277 Sea Harbor Drive **Orlando, Florida** *(Address of Principal Executive Offices)*	**32821** *(Zip Code)*

(407) 626-5200
(Registrant's Telephone Number, Including Area Code)

None
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Title of each class	*Trading Symbol*	*Name of each exchange on which registered*
Common Stock	**WYND**	**New York Stock Exchange**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date:
93,618,323 shares of common stock outstanding as of March 31, 2019 .

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GLOSSARY OF TERMS

The following terms and acronyms appear in the text of this report and have the definitions indicated below:

Adjusted EBITDA	A non-GAAP measure, defined by the Company as Net income before Depreciation and amortization, Interest expense (excluding Consumer financing interest), Early extinguishment of debt, Interest income (excluding Consumer financing revenues) and Income taxes, each of which is presented on the Condensed Consolidated Statements of Income. Adjusted EBITDA also excludes stock-based compensation costs, separation and restructuring costs, transaction costs, impairments, and items that meet the conditions of unusual and/or infrequent.
AOCL	Accumulated Other Comprehensive Loss
Barclays	Barclays Bank PLC
Board	Board of Directors
Buyer	Compass IV Limited, an affiliate of Platinum Equity, LLC
Company	Wyndham Destinations, Inc. and its subsidiaries
EBITDA	Earnings Before Interest, Income Taxes and Depreciation/Amortization
EPS	Earnings Per Share
Exchange Act	Securities Exchange Act of 1934
FASB	Financial Accounting Standards Board
FICO	Fair Isaac Corporation
GAAP	Generally Accepted Accounting Principles in the United States
LIBOR	London Interbank Offered Rate
NQ	Non-Qualified stock options
PCAOB	Public Company Accounting Oversight Board
PSU	Performance-vested restricted Stock Units
RSU	Restricted Stock Unit
SEC	Securities and Exchange Commission
SPE	Special Purpose Entity
SOFR	Secured Overnight Financing Rate
Spin-off	Spin-off of Wyndham Hotels & Resorts, Inc.
SSAR	Stock-Settled Appreciation Rights
U.S.	United States of America
VIE	Variable Interest Entity
VOI	Vacation Ownership Interest
VPG	Volume Per Guest
Wyndham Hotels	Wyndham Hotels & Resorts, Inc.
Wyndham Destinations	Wyndham Destinations, Inc.
Wyndham Worldwide	Wyndham Worldwide Corporation

PART I — FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited).

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
Wyndham Destinations, Inc.

Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of Wyndham Destinations, Inc. and subsidiaries (the "Company") as of March 31, 2019, the related condensed consolidated statements of income, comprehensive income, (deficit)/equity and cash flows for the three-month periods ended March 31, 2019 and 2018, and the related notes (collectively referred to as the "interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2018, and the related consolidated statements of income, comprehensive income, cash flows and equity for the year then ended (not presented herein); and in our report dated February 26, 2019, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2018, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

The interim financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Deloitte & Touche LLP
Tampa, FL
May 1, 2019

WYNDHAM DESTINATIONS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2019	**2018**
Net revenues		
Service and membership fees	$ 405	$ 419
Vacation ownership interest sales	375	358
Consumer financing	125	118
Other	13	12
Net revenues	918	907
Expenses		
Operating	397	403
Cost of vacation ownership interests	30	31
Consumer financing interest	26	19
Marketing	147	131
General and administrative	129	153
Separation and related costs	15	30
Restructuring	3	—
Depreciation and amortization	31	37
Total expenses	778	804
Operating income	140	103
Other (income), net	(11)	(6)
Interest expense	41	45
Interest (income)	(2)	(1)
Income before income taxes	112	65
Provision for income taxes	31	24
Income from continuing operations	81	41
Loss from operations of discontinued businesses, net of income taxes	—	(7)
Loss on disposal of discontinued businesses, net of income taxes	(1)	—
Net income attributable to Wyndham Destinations shareholders	$ 80	$ 34
Basic earnings per share		
Continuing operations	$ 0.86	$ 0.41
Discontinued operations	(0.01)	(0.07)
	$ 0.85	$ 0.34
Diluted earnings per share		
Continuing operations	$ 0.85	$ 0.41
Discontinued operations	—	(0.07)
	$ 0.85	$ 0.34

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM DESTINATIONS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2019	**2018**
Net income attributable to Wyndham Destinations shareholders	$ 80	$ 34
Other comprehensive income, net of tax		
Foreign currency translation adjustments	2	14
Unrealized loss on cash flow hedges	—	(1)
Defined benefit pension plans	—	1
Other comprehensive income, net of tax	2	14
Comprehensive income	$ 82	$ 48

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM DESTINATIONS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share data)
(Unaudited)

	March 31, 2019	December 31, 2018
Assets		
Cash and cash equivalents	$ 217	$ 218
Restricted cash (VIE - $153 as of 2019 and $120 as of 2018)	186	155
Trade receivables, net	137	121
Vacation ownership contract receivables, net (VIE - $2,913 as of 2019 and $2,883 as of 2018)	3,020	3,037
Inventory	1,213	1,224
Prepaid expenses	175	153
Property and equipment, net	720	712
Goodwill	923	922
Other intangibles, net	108	109
Other assets	401	304
Assets of held-for-sale business	270	203
Total assets	$ 7,370	$ 7,158
Liabilities and (deficit)		
Accounts payable	$ 79	$ 66
Accrued expenses and other liabilities	1,043	1,004
Deferred income	551	518
Non-recourse vacation ownership debt (VIE)	2,454	2,357
Debt	2,837	2,881
Deferred income taxes	749	736
Liabilities of held-for-sale business	241	165
Total liabilities	7,954	7,727
Commitments and contingencies (Note 16)		
Stockholders' (deficit):		
Preferred stock, $.01 par value, authorized 6,000,000 shares, none issued and outstanding	—	—
Common stock, $.01 par value, 600,000,000 shares authorized, 220,129,532 issued as of 2019 and 220,120,808 as of 2018	2	2
Treasury stock, at cost – 126,572,562 shares as of 2019 and 125,137,857 shares as of 2018	(6,103)	(6,043)
Additional paid-in capital	4,082	4,077
Retained earnings	1,480	1,442
Accumulated other comprehensive loss	(50)	(52)
Total stockholders' (deficit)	(589)	(574)
Noncontrolling interest	5	5
Total (deficit)	(584)	(569)
Total liabilities and (deficit)	$ 7,370	$ 7,158

See Notes to Condensed Consolidated Financial Statements.

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WYNDHAM DESTINATIONS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2019	**2018**
Operating activities		
Net income	$ 80	$ 34
Loss from operations of discontinued businesses, net of income taxes	—	7
Loss on disposal of discontinued businesses, net of income taxes	1	—
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	31	37
Provision for loan losses	109	92
Deferred income taxes	14	20
Stock-based compensation	5	18
Non-cash lease expense	8	—
Non-cash interest	5	5
Net change in assets and liabilities, excluding the impact of acquisitions and dispositions:		
Trade receivables	(45)	(54)
Vacation ownership contract receivables	(91)	(71)
Inventory	(18)	(39)
Deferred income	45	43
Accounts payable, accrued expenses, prepaid expenses, other assets and other liabilities	12	(106)
Other, net	(4)	(9)
Net cash provided by/(used in) operating activities - continuing operations	152	(23)
Net cash provided by operating activities - discontinued operations	—	156
Net cash provided by operating activities	152	133
Investing activities		
Property and equipment additions	(20)	(14)
Net assets acquired, net of cash acquired, and acquisition-related payments	—	(5)
Proceeds from asset sales	6	—
Other, net	(1)	(3)
Cash used in investing activities - continuing operations	(15)	(22)
Cash used in investing activities - discontinued operations	(27)	(8)
Net cash used in investing activities	(42)	(30)
Financing activities		
Proceeds from non-recourse vacation ownership debt	672	261
Principal payments on non-recourse vacation ownership debt	(572)	(384)
Proceeds from debt	608	1,436
Principal payments on debt	(660)	(576)
Repayments of commercial paper, net	—	(11)
Repayment of notes	(1)	(464)
Repayments of vacation ownership inventory arrangement	(7)	(7)
Dividends to shareholders	(42)	(70)
Repurchase of common stock	(61)	(76)
Debt issuance costs	(5)	—
Net share settlement of incentive equity awards	—	(32)
Other, net	—	(2)
Cash (used in)/provided by financing activities - continuing operations	(68)	75
Cash used in financing activities - discontinued operations	—	(6)
Net cash (used in)/provided by financing activities	(68)	69
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	1	1

Net change in cash, cash equivalents and restricted cash	43	173
Cash, cash equivalents and restricted cash, beginning of period	404	416
Cash, cash equivalents and restricted cash, end of period	447	589
Less: Restricted cash	186	195
Less: Cash and restricted cash included in assets of discontinued operations and held-for-sale business	44	168
Cash and cash equivalents	$ 217	$ 226

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM DESTINATIONS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF (DEFICIT)/EQUITY
(In millions)
(Unaudited)

	Common Shares Outstanding	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)/Income	Non-controlling Interest	Total (Deficit)
Balance as of December 31, 2018	95	$ 2	$ (6,043)	$ 4,077	$ 1,442	$ (52)	$ 5	$ (569)
Net income	—	—	—	—	80	—	—	80
Other comprehensive income	—	—	—	—	—	2	—	2
Change in stock-based compensation	—	—	—	5	—	—	—	5
Repurchase of common stock	(1)	—	(60)	—	—	—	—	(60)
Dividends ($0.45 per share)	—	—	—	—	(42)	—	—	(42)
Balance as of March 31, 2019	94	$ 2	$ (6,103)	$ 4,082	$ 1,480	$ (50)	$ 5	$ (584)

	Common Shares Outstanding	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)/Income	Non-controlling Interest	Total Equity
Balance as of December 31, 2017	100	$ 2	$ (5,719)	$ 3,996	$ 2,501	$ (11)	$ 5	$ 774
Beginning balance adjustment due to change in accounting principle	—	—	—	—	(17)	—	—	(17)
Net income	—	—	—	—	34	—	—	34
Other comprehensive income	—	—	—	—	—	14	—	14
Issuance of shares for RSU vesting	1	—	—	—	—	—	—	—
Net share settlement of stock-based compensation	—	—	—	(32)	—	—	—	(32)
Change in stock-based compensation	—	—	—	21	—	—	—	21
Change in stock-based compensation for Board of Directors	—	—	—	1	—	—	—	1
Repurchase of common stock	(1)	—	(76)	—	—	—	—	(76)
Dividends ($0.66 per share) [(a)]	—	—	—	—	(67)	—	—	(67)
Balance as of March 31, 2018	100	$ 2	$ (5,795)	$ 3,986	$ 2,451	$ 3	$ 5	$ 652

(a) Represents dividends declared by Wyndham Worldwide Corporation prior to the spin-off of Wyndham Hotels & Resorts, Inc.

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM DESTINATIONS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unless otherwise noted, all amounts are in millions, except share and per share amounts)
(Unaudited)

1 . Background and Basis of Presentation

Background

Wyndham Destinations, Inc. and its subsidiaries (collectively, "Wyndham Destinations" or the "Company"), is a global provider of hospitality services and products. The Company operates in two segments: Vacation Ownership and Exchange & Rentals. The Vacation Ownership segment develops, markets and sells vacation ownership interests ("VOIs") to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts. The Exchange & Rentals segment provides vacation exchange services and products to owners of VOIs and manages and markets vacation rental properties primarily on behalf of independent owners.

During the fourth quarter of 2018, the Company decided to explore strategic alternatives for its North American vacation rentals business. The assets and liabilities of this business have been classified as held-for-sale as of March 31, 2019 and December 31, 2018. The business does not meet the criteria to be classified as a discontinued operation; therefore, the results are reflected within continuing operations on the Condensed Consolidated Statements of Income. See Note 6 — *Held-for-Sale Business* for further details.

During 2018, the Company completed the spin-off of Wyndham Hotels & Resorts, Inc. ("Spin-off") and the sale of its European vacation rentals business.

The prior period Condensed Consolidated Financial Statements have been reclassified to reflect the results of the hotel business and European vacation rentals business as discontinued operations. See further detail in Note 5 — *Discontinued Operations* .

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q include the accounts and transactions of Wyndham Destinations, as well as the entities in which Wyndham Destinations directly or indirectly has a controlling financial interest. The accompanying Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S."). All intercompany balances and transactions have been eliminated in the Condensed Consolidated Financial Statements. In addition, certain prior period amounts have been reclassified to comply with newly adopted accounting standards. See further detail in Note 2 — *New Accounting Pronouncements* .

In presenting the Condensed Consolidated Financial Statements, management makes estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures. Estimates, by their nature, are based on judgment and available information. Accordingly, actual results could differ from those estimates. In management's opinion, the Condensed Consolidated Financial Statements contain all normal recurring adjustments necessary for a fair presentation of interim results reported. The results of operations reported for interim periods are not necessarily indicative of the results of operations for the entire year or any subsequent interim period. These Condensed Consolidated Financial Statements should be read in conjunction with the Company's 2018 Consolidated Financial Statements included in its Annual Report filed on Form 10-K with the Securities and Exchange Commission on February 26, 2019 .

2 . New Accounting Pronouncements

Recently Issued Accounting Pronouncements

Financial Instruments - Credit Losses . In June 2016, the Financial Accounting Standards Board ("FASB") issued guidance which amends the guidance on measuring credit losses on financial assets held at amortized cost. The guidance requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This guidance is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Company is currently evaluating the impact of the adoption of this guidance on its financial statements and related disclosures.

Simplifying the Test for Goodwill Impairment . In January 2017, the FASB issued guidance which simplifies the current two-step goodwill impairment test by eliminating Step 2 of the test. The guidance requires a one-step impairment test in

which an entity compares the fair value of a reporting unit with its carrying amount and recognizes an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value, if any. This guidance is effective for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years, and should be applied on a prospective basis. Early adoption is permitted for the interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company is currently evaluating the impact of the adoption of this guidance on its financial statements and related disclosures.

Recently Adopted Accounting Pronouncements

Leases. In February 2016, the FASB issued guidance for lease accounting. The guidance requires a lessee to recognize right-of-use assets and lease liabilities on the balance sheet for all lease obligations and disclose key information about leasing arrangements, such as the amount, timing, and uncertainty of cash flows arising from leases. The Company adopted this standard using the modified retrospective approach; therefore, the Company used the transition method practical expedient under ASU 2018-11 and prior year financial statements were not recast. As a result of the adoption, on January 1, 2019 the Company recognized $158 million of right-of-use assets and $200 million of related lease liabilities. Right-of-use assets were decreased by $42 million of tenant improvement allowances and deferred rent balances reclassified from other liabilities. Both the right-of-use assets and related lease liabilities recognized upon adoption included $21 million associated with the Company's held-for-sale business. Right-of-use assets are included within Other assets and the related lease liabilities are included within Accrued and other liabilities on the balance sheet. The adoption of this standard did not have a material impact to the income statement related to existing leases; therefore a cumulative-effect adjustment was not recorded. The adoption of this standard did not materially impact consolidated net income, liquidity or compliance with our debt covenants under our current agreements. See Note 15 — *Leases* for more information.

Implementation Costs in Cloud Computing Arrangements. In August 2018, the FASB issued guidance on implementation costs incurred in a cloud computing arrangement that is a service contract. This guidance aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the guidance on capitalizing costs associated with developing or obtaining internal-use software and also adds certain disclosure requirements related to implementation costs incurred for internal-use software and cloud computing arrangements. This guidance is effective for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years, with early adoption permitted. The Company early adopted this guidance as of January 1, 2019 on a prospective basis. The adoption of this guidance did not have a material impact on the Company's financial statements and related disclosures.

Stock Compensation - Improvements to Nonemployee Share-Based Payment Accounting. In June 2018, the FASB issued guidance intended to simplify nonemployee share-based payment accounting. This new guidance more closely aligns the accounting for share-based payment awards issued to employees and nonemployees. The Company adopted this guidance as of January 1, 2019 with no material impact to its Condensed Consolidated Financial Statements and related disclosures.

3 . Revenue Recognition

Vacation Ownership

The Company develops, markets and sells VOIs to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts. The Company's sales of VOIs are either cash sales or developer-financed sales. Developer financed sales are typically collateralized by the underlying VOI. Revenue is recognized on VOI sales upon transfer of control, which is defined as the point in time when a binding sales contract has been executed, the financing contract has been executed for the remaining transaction price, the statutory rescission period has expired and the transaction price has been deemed to be collectible.

For developer-financed sales, the Company reduces the VOI sales transaction price by an estimate of uncollectible consideration at the time of the sale. The Company's estimates of uncollectible amounts are based largely on the results of the Company's static pool analysis which relies on historical payment data by customer class.

In connection with entering into a VOI sale, the Company may provide its customers with certain non-cash incentives, such as credits for future stays at its resorts. For those VOI sales, the Company bifurcates the sale and allocates the sales price between the VOI sale and the non-cash incentive. Non-cash incentives generally have expiration periods of 18 months or less and are recognized at a point in time upon transfer of control.

The Company provides day-to-day property management services including oversight of housekeeping services, maintenance and certain accounting and administrative services for property owners' associations and clubs. These services may also include reservation and resort renovation activities. Such agreements are generally for terms of one year or less, and are renewed automatically on an annual basis. The Company's management agreements contain cancellation clauses,

which allow for either party to cancel the agreement, by either a majority board vote or a majority vote of non-developer interests. The Company receives fees for such property management services which are collected monthly in advance and are based upon total costs to operate such resorts (or as services are provided in the case of resort renovation activities). Fees for property management services typically approximate 10% of budgeted operating expenses. The Company is entitled to consideration for reimbursement of costs incurred on behalf of the property owners' association in providing the management services ("reimbursable revenue"). These reimbursable costs principally relate to the payroll costs for management of the associations, club and resort properties where the Company is the employer and are reflected as a component of Operating expenses on the Condensed Consolidated Statements of Income. The Company reduces its management fees for amounts it has paid to the property owners' association that reflect maintenance fees for VOIs for which it retains ownership, as the Company has concluded that such payments are consideration payable to a customer.

Property management fee revenues are recognized when the services are performed and are recorded as a component of Service and membership fees on the Condensed Consolidated Statements of Income. Property management revenues, which are comprised of management fee revenue and reimbursable revenue, were $170 million and $164 million during the three months ended March 31, 2019 and 2018 , respectively.

Exchange & Rentals

As a provider of vacation exchange services, the Company enters into affiliation agreements with developers of vacation ownership properties to allow owners of VOIs to trade their intervals for intervals at other properties affiliated with the Company's vacation exchange brands and, for some members, for other leisure-related services and products. Additionally, as a marketer of vacation rental properties, generally the Company enters into contracts for exclusive periods of time with property owners to market the rental of such properties to rental customers.

The Company's vacation exchange brands derive a majority of revenues from membership dues and fees for facilitating members' trading of their intervals. Revenues from membership dues represent the fees paid by members or affiliated clubs on their behalf. The Company recognizes revenues from membership dues paid by the member on a straight-line basis over the membership period as the performance obligations are fulfilled through delivery of publications, if applicable, and by providing access to other travel-related products and services. Estimated net contract consideration payable by affiliated clubs for memberships are recognized as revenue over the term of the contract with the affiliated club in proportion to the estimated average monthly member count. Such estimates are adjusted periodically for changes in the actual and forecasted member activity. For additional fees, members have the right to exchange their intervals for intervals at other properties affiliated with the Company's vacation exchange networks and, for certain members, for other leisure-related services and products. Fees for facilitating exchanges are recognized as revenue, net of expected cancellations, when these transactions have been confirmed to the member.

The Company's vacation exchange brands also derive revenues from: (i) additional services, programs with affiliated resorts, club servicing and loyalty programs and (ii) additional exchange-related products that provide members with the ability to protect trading power or points, extend the life of deposits, and combine two or more deposits for the opportunity to exchange into intervals with higher trading power. Other vacation exchange related product fees are deferred and recognized as revenue upon the occurrence of a future exchange, other related transaction or event.

The Company earns revenue from its RCI Elite Rewards co–branded credit card program which is primarily generated by cardholder spending and the enrollment of new cardholders. The advance payments received under the program are recognized as a contract liability until the Company's performance obligations have been satisfied. The program primarily contains two performance obligations: (i) brand performance services, for which revenue is recognized over the contract term on a straight-line basis, and (ii) issuance and redemption of loyalty points, for which revenue is recognized over time based upon the redemption pattern of the loyalty points earned under the program including an estimate of loyalty points that will expire without redemption .

The Company's vacation rental brands derive revenue from fees associated with the rental of vacation rental properties managed and marketed by the Company on behalf of independent owners. The Company remits the rental fee received from the renter to the independent owner, net of the Company's agreed-upon fee. The related revenue from such fees, net of expected refunds, is recognized over the renter's stay. The Company's vacation rental brands also derive revenues from additional services delivered to independent owners, vacation rental guests, and property owners' associations that are generally recognized when the service is delivered.

Other Items

The Company records property management services revenues and RCI Elite Rewards revenues for its Vacation Ownership and Exchange & Rentals segments in accordance with the guidance for reporting revenues gross as a principal versus net as an agent, which requires that these revenues be recorded on a gross basis.

Contract Liabilities

Contract liabilities generally represent payments or consideration received in advance for goods or services that the Company has not yet transferred to the customer. Contract liabilities as of March 31, 2019 and December 31, 2018 are as follows:

Contract Liabilities [a]	March 31, 2019	December 31, 2018
Deferred subscription revenue	$ 227	$ 220
Deferred VOI trial package revenue	130	125
Deferred VOI incentive revenue	99	96
Deferred exchange-related revenue [b]	58	56
Deferred co-branded credit card programs revenue	22	14
Deferred other revenue	16	8
Total	$ 552	$ 519

[a] There is $58 million and $42 million of deferred vacation rental revenue included in Liabilities of held-for-sale business on the Condensed Consolidated Balance Sheets for 2019 and 2018 , respectively.

[b] Balance includes contractual liabilities to accommodate members for cancellations initiated by the Company due to unexpected events. These amounts are included within Accrued expenses and other liabilities on the Consolidated Balance Sheet.

In the Company's vacation ownership business, deferred VOI trial package revenue represents consideration received in advance for a trial VOI, which allows customers to utilize a vacation package typically within one year of purchase. Deferred VOI incentive revenue represents payments received in advance for additional travel-related services and products at the time of a VOI sale. Revenue is recognized when a customer utilizes the additional services and products, which is typically within one year of the VOI sale.

Within the Company's vacation exchange business, deferred subscription revenue represents billings and payments received in advance from members and affiliated clubs for memberships in the Company's vacation exchange programs which are recognized in future periods. Deferred exchange-related revenue primarily represents payments received in advance from members for the right to exchange their intervals for intervals at other properties affiliated with the Company's vacation exchange networks and for other leisure-related services and products which are generally recognized as revenue within one year. In the Company's vacation rentals business, deferred vacation rental revenue represents billings and payments received in advance of a customer's rental stay which are generally recognized as revenue within one year.

Changes in contract liabilities for the three months ended March 31, 2019 follow:

	Amount
Contract liabilities as of December 31, 2018	$ 519
Additions	125
Revenue recognized	(92)
Contract liabilities as of March 31, 2019	$ 552

Capitalized Contract Costs

The Company's vacation ownership business incurs certain direct and incremental selling costs in connection with VOI trial package and incentive revenues. Such costs are capitalized and subsequently amortized over the utilization period, which is typically within one year of the sale. These capitalized costs were $47 million as of March 31, 2019 and $45 million as of December 31, 2018 , and are included within Other assets on the Condensed Consolidated Balance Sheet.

The Company's vacation exchange and vacation rentals businesses incur certain direct and incremental selling costs to obtain contracts with customers in connection with subscription revenues, exchange–related revenues, and vacation rental revenues. Such costs, which are primarily comprised of commissions paid to internal and external parties and credit card

processing fees, are deferred at the inception of the contract and recognized when the benefit is transferred to the customer. As of March 31, 2019 and December 31, 2018 , these capitalized costs were $21 million and $22 million , respectively.

Practical Expedients

The Company has not adjusted the consideration for the effects of a significant financing component if it expected, at contract inception, that the period between when the Company satisfied the performance obligation and when the customer paid for that good or service was one year or less.

For contracts with customers that were modified prior to 2015, the Company did not retrospectively restate the revenue associated with the contract for those modifications. Instead, it reflected the aggregate effect of all prior modifications in determining (i) the performance obligations and transaction prices and (ii) the allocation of such transaction prices to the performance obligations.

Performance Obligations

A performance obligation is a promise in a contract with a customer to transfer a distinct good or service to the customer. The consideration received from a customer is allocated to each distinct performance obligation and recognized as revenue when, or as, each performance obligation is satisfied. The following table summarizes the Company's remaining performance obligations for the twelve month periods set forth below:

	4/1/2019 - 3/31/2020	4/1/2020 - 3/31/2021	4/1/2021 - 3/31/2022	Thereafter	Total
Subscription revenue	$ 125	$ 54	$ 25	$ 23	$ 227
VOI trial package revenue	130	—	—	—	130
VOI incentive revenue	99	—	—	—	99
Exchange-related revenue	52	4	1	1	58
Co-branded credit card programs revenue	5	4	5	8	22
Other revenue	16	—	—	—	16
Total	$ 427	$ 62	$ 31	$ 32	$ 552

Disaggregation of Net Revenues

The table below presents a disaggregation of the Company's net revenues from contracts with customers by major services and products for each of the Company's segments:

	Three Months Ended March 31,	
	2019	2018
Vacation Ownership		
Vacation ownership interest sales	$ 375	$ 358
Property management fees and reimbursable revenues	170	164
Consumer financing	125	118
Fee-for-Service commissions	—	10
Ancillary revenues	13	11
Total Vacation Ownership	683	661
Exchange & Rentals		
Exchange revenues	180	188
Vacation rental revenues	38	38
Ancillary revenues	18	20
Total Exchange & Rentals	236	246
Corporate and other		
Eliminations	(1)	—
Net revenues	$ 918	$ 907

4 . Earnings Per Share

The computation of basic and diluted earnings per share ("EPS") is based on net income attributable to Wyndham Destinations shareholders divided by the basic weighted average number of common shares and diluted weighted average number of common shares, respectively. The following table sets forth the computation of basic and diluted EPS (in millions, except per share data):

	Three Months Ended March 31,	
	2019	2018
Income from continuing operations attributable to Wyndham Destinations shareholders	$ 81	$ 41
Loss from operations of discontinued businesses attributable to Wyndham Destinations shareholders, net of tax	—	(7)
Loss on disposal of discontinued businesses attributable to Wyndham Destinations shareholders, net of tax	(1)	—
Net income attributable to Wyndham Destinations shareholders	$ 80	$ 34
Basic earnings per share		
Continuing operations	$ 0.86	$ 0.41
Discontinued operations	(0.01)	(0.07)
	$ 0.85	$ 0.34
Diluted earnings per share		
Continuing operations	$ 0.85	$ 0.41
Discontinued operations	—	(0.07)
	$ 0.85	$ 0.34
Basic weighted average shares outstanding	94.4	100.1
Stock-settled appreciation rights ("SSARs"), RSUs [(a)] and PSUs [(b)]	0.3	0.7
Diluted weighted average shares outstanding [(c)(d)]	94.7	100.8
Dividends:		
Aggregate dividends paid to shareholders	$ 42	$ 70

(a) Excludes 0.7 million restricted stock units ("RSUs") that would have been anti-dilutive to EPS for the three months ended March 31, 2019 , but could potentially dilute basic earnings per share in the future. The number of anti-dilutive RSUs for the three months ended March 31, 2018 was immaterial. Includes unvested dilutive RSUs which are subject to future forfeiture.

(b) Excludes 0.2 million and 0.5 million performance-vested stock units ("PSUs") for the three months ended March 31, 2019 and 2018 , respectively, as the Company has not met the required performance metrics. These PSUs could potentially dilute basic earnings per share in the future.

(c) Excludes 0.9 million outstanding stock awards that would have been anti-dilutive to EPS for the three months ended March 31, 2019 , but could potentially dilute basic earnings per share in the future.

(d) The dilutive impact of the Company's potential common stock is computed utilizing the treasury stock method using average market prices during the period.

Stock Repurchase Program

The following table summarizes stock repurchase activity under the current stock repurchase program:

	Shares Repurchased	Cost
As of December 31, 2018	100.6	$ 5,262
Repurchases	1.4	60
As of March 31, 2019	102.0	$ 5,322

The Company had $756 million of remaining availability under its program as of March 31, 2019 .

5 . Discontinued Operations

During 2018, the Company completed the spin-off of its hotel business and the sale of its European vacation rentals business. As a result, the Company has classified the results of operations for these businesses as discontinued operations in its Condensed Consolidated Financial Statements and related notes. Discontinued operations include direct expenses clearly identifiable to the businesses being discontinued. The Company does not expect to incur significant ongoing expenses classified as discontinued operations except for certain tax adjustments that may be required as final tax returns are completed. Discontinued operations exclude the allocation of corporate overhead and interest. Discontinued operations included $32 million of separation and related costs during the three months ended March 31, 2018 .

Prior to its classification as a discontinued operation, the hotel business comprised the Hotel Group segment and the European vacation rentals business was part of the former Destination Network segment, now known as Exchange & Rentals.

The following table presents information regarding certain components of income from discontinued operations, net of income taxes for the three months ended :

	March 31,	
	2019	2018
Net revenues	$ —	$ 409
Expenses:		
Operating	—	191
Marketing	—	114
General and administrative	—	44
Separation and related costs	—	32
Depreciation and amortization	—	34
Total expenses	—	415
Other (income), net	—	(1)
Interest (income)	—	(1)
Provision for income taxes	—	3
Loss from operations of discontinued businesses, net of income taxes	—	(7)
Loss on disposal of discontinued businesses, net of income taxes	(1)	—
Loss on discontinued operations, net of income taxes	$ (1)	$ (7)

The following table presents information regarding certain components of cash flows from discontinued operations for the three months ended:

	March 31, 2019	March 31, 2018
Cash flows provided by operating activities	$ —	$ 156
Cash flows used in investing activities	(27)	(8)
Cash flows used in financing activities	—	(6)
Non-cash items:		
Depreciation and amortization	—	34
Stock-based compensation	—	3
Deferred income taxes	—	(12)
Property and equipment additions	—	(20)

6 . Held-for-Sale Business

During the fourth quarter of 2018, the Company decided to explore strategic alternatives for its North American vacation rentals business. The assets and liabilities of this business have been classified as held-for-sale as of March 31, 2019 and December 31, 2018. The business does not meet the criteria to be classified as a discontinued operation; therefore, the results are reflected within continuing operations on the Condensed Consolidated Statements of Income. This business is

currently reported within the Exchange & Rentals segment.

Total assets of this business at March 31, 2019 were $270 million including $44 million Restricted cash, $113 million Trade receivables, net, $41 million Goodwill and other intangibles, net, $34 million Property & equipment, net and $33 million Other assets. Total liabilities of this business at March 31, 2019 were $241 million including $114 million Accounts payable, $58 million Deferred income and $61 million Accrued expenses and other liabilities.

Total assets of this business at December 31, 2018 were $203 million including $31 million Restricted cash, $82 million Trade receivables, net, $42 million Goodwill and other intangibles, net, $35 million Property & equipment, net and $8 million Other Assets. Total liabilities of this business at December 31, 2018 were $165 million including $87 million Accounts payable, $42 million Deferred income and $27 million Accrued expenses and other liabilities.

7. Vacation Ownership Contract Receivables

The Company generates vacation ownership contract receivables by extending financing to the purchasers of its VOIs. Vacation ownership contract receivables, net consisted of:

	March 31, 2019	December 31, 2018
Vacation ownership contract receivables:		
Securitized	$ 2,913	$ 2,883
Non-securitized	828	888
Vacation ownership contract receivables, gross	3,741	3,771
Less: Allowance for loan losses	721	734
Vacation ownership contract receivables, net	$ 3,020	$ 3,037

The Company's securitized vacation ownership contract receivables generated interest income of $99 million and $87 million during the three months ended March 31, 2019 and 2018 , respectively. Such interest income is included within Consumer financing revenue on the Condensed Consolidated Statements of Income.

During the three months ended March 31, 2019 and 2018 , the Company originated vacation ownership contract receivables of $322 million and $297 million , respectively, and received principal collections of $230 million and $226 million , respectively. The weighted average interest rate on outstanding vacation ownership contract receivables was 14.2% and 14.1% as of March 31, 2019 and December 31, 2018 , respectively.

The activity in the allowance for loan losses on vacation ownership contract receivables was as follows:

	Amount
Allowance for loan losses as of December 31, 2018	$ 734
Provision for loan losses	109
Contract receivables write-offs, net	(122)
Allowance for loan losses as of March 31, 2019	$ 721

	Amount
Allowance for loan losses as of December 31, 2017	$ 691
Provision for loan losses	92
Contract receivables write-offs, net	(98)
Allowance for loan losses as of March 31, 2018	$ 685

In accordance with the guidance for accounting for real estate time-sharing transactions, the Company recorded a provision for loan losses of $109 million and $92 million as a reduction of net revenues during the three months ended March 31, 2019 and 2018 , respectively.

Credit Quality for Financed Receivables and the Allowance for Credit Losses

The basis of the differentiation within the identified class of financed VOI contract receivables is the consumer's Fair Isaac Corporation ("FICO") score. A FICO score is a branded version of a consumer credit score widely used in the United

States by the largest banks and lending institutions. FICO scores range from 300 to 850 and are calculated based on information obtained from one or more of the three major U.S. credit reporting agencies that compile and report on a consumer's credit history. The Company updates its records for all active VOI contract receivables with a balance due on a rolling monthly basis to ensure that all VOI contract receivables are scored at least every six months. The Company groups all VOI contract receivables into five different categories: FICO scores ranging from 700 to 850, from 600 to 699, below 600, no score (primarily comprised of consumers for whom a score is not readily available, including consumers declining access to FICO scores and non-U.S. residents) and Asia Pacific (comprised of receivables in the Company's Wyndham Vacation Resort Asia Pacific business for which scores are not readily available).

The following table details an aging analysis of financing receivables using the most recently updated FICO scores (based on the policy described above):

	As of March 31, 2019					
	700+	600-699	<600	No Score	Asia Pacific	Total
Current	$ 1,963	$ 1,032	$ 189	$ 137	$ 251	$ 3,572
31 - 60 days	21	30	16	5	2	74
61 - 90 days	14	19	14	3	1	51
91 - 120 days	11	16	15	2	—	44
Total	$ 2,009	$ 1,097	$ 234	$ 147	$ 254	$ 3,741

	As of December 31, 2018					
	700+	600-699	<600	No Score	Asia Pacific	Total
Current	$ 1,996	$ 1,041	$ 166	$ 135	$ 246	$ 3,584
31 - 60 days	22	35	18	6	2	83
61 - 90 days	15	22	13	3	1	54
91 - 120 days	12	17	16	4	1	50
Total	$ 2,045	$ 1,115	$ 213	$ 148	$ 250	$ 3,771

The Company ceases to accrue interest on VOI contract receivables once the contract has remained delinquent for greater than 90 days. At greater than 120 days, the VOI contract receivable is written off to the allowance for loan losses. In accordance with its policy, the Company assesses the allowance for loan losses using a static pool methodology and thus does not assess individual loans for impairment separate from the pool.

8. Inventory

Inventory consisted of:

	March 31, 2019	December 31, 2018
Land held for VOI development	$ 4	$ 4
VOI construction in process	50	45
Inventory sold subject to repurchase	33	33
Completed VOI inventory	787	797
Estimated VOI recoveries	278	286
Exchange & Rentals vacation credits and other	61	59
Total inventory	$ 1,213	$ 1,224

During the three months ended March 31, 2019 and 2018 , the Company transferred $15 million and $48 million , respectively, of VOI inventory to property and equipment. In addition to the inventory obligations listed below, the Company had $9 million and $6 million of inventory accruals included within Accounts payable on the Condensed Consolidated Balance Sheets as of March 31, 2019 and December 31, 2018 , respectively.

Inventory Sale Transactions

During 2013, the Company sold real property located in Las Vegas, Nevada and Avon, Colorado to a third-party developer, consisting of vacation ownership inventory and property and equipment.

The Company recognized no gain or loss on these sales transactions. In accordance with these agreements with third-party developers, the Company has conditional rights and conditional obligations to repurchase the completed properties from the developers subject to the properties conforming to the Company's vacation ownership resort standards and provided that the third-party developers have not sold the properties to another party. The Company's conditional rights and obligations constitute continuing involvement therefore prohibiting the Company from accounting for these transactions as sales.

During 2017, the Company acquired property located in Austin, Texas from a third-party developer for vacation ownership inventory and property and equipment.

The following table summarizes the activity related to the Company's inventory obligations:

	Avon	Las Vegas	Austin	Total
December 31, 2017	$ 22	$ 60	$ 62	$ 144
Purchases	—	—	—	—
Payments	(11)	(16)	—	(27)
March 31, 2018	$ 11	$ 44	$ 62	$ 117
December 31, 2018	$ 11	$ 52	$ 31	$ 94
Purchases	—	—	1	1
Payments	(11)	(18)	—	(29)
March 31, 2019	$ —	$ 34	$ 32	$ 66
Reported in December 2018:				
Accrued expenses and other liabilities	$ 11	$ 52	$ 31	$ 94
Total inventory obligations	$ 11	$ 52	$ 31	$ 94
Reported in March 2019:				
Accrued expenses and other liabilities	$ —	$ 34	$ 32	$ 66
Total inventory obligations	$ —	$ 34	$ 32	$ 66

The Company has committed to repurchase the completed property located in Las Vegas, Nevada from a third-party developer subject to the property meeting the Company's vacation ownership resort standards and provided that the third-party developer has not sold the property to another party. The maximum potential future payments that the Company may be required to make under these commitments was $142 million as of March 31, 2019 .

9 . Property and Equipment

Property and equipment, net, consisted of:

	March 31, 2019	December 31, 2018
Land	$ 32	$ 30
Building and leasehold improvements	616	588
Furniture, fixtures and equipment	238	250
Capitalized software	611	604
Finance leases	10	12
Construction in progress	56	81
Total property and equipment	1,563	1,565
Less: Accumulated depreciation and amortization	843	853
Net property and equipment	$ 720	$ 712

10 . Debt

The Company's indebtedness consisted of:

	March 31, 2019	December 31, 2018
Non-recourse vacation ownership debt : [a]		
Term notes [b]	$ 2,002	$ 1,839
$800 million bank conduit facility (due April 2020) [c]	452	518
Total	$ 2,454	$ 2,357
Debt : [d]		
$1.0 billion secured revolving credit facility (due May 2023) [e]	$ 161	$ 181
$300 million secured term loan B (due May 2025)	295	296
$40 million 7.375% secured notes (due March 2020)	40	40
$250 million 5.625% secured notes (due March 2021)	249	249
$650 million 4.25% secured notes (due March 2022) [f]	649	649
$400 million 3.90% secured notes (due March 2023) [g]	404	405
$300 million 5.40% secured notes (due April 2024)	298	297
$350 million 6.35% secured notes (due October 2025) [h]	341	341
$400 million 5.75% secured notes (due April 2027) [i]	397	388
Finance leases	3	3
Other	—	32
Total	$ 2,837	$ 2,881

[a] Represents non-recourse debt that is securitized through bankruptcy-remote special purpose entities, the creditors of which have no recourse to the Company for principal and interest. These outstanding borrowings (which legally are not liabilities of the Company) are collateralized by $3.09 billion and $3.03 billion of underlying gross vacation ownership contract receivables and related assets (which legally are not assets of the Company) as of March 31, 2019 and December 31, 2018 , respectively.

[b] The carrying amounts of the term notes are net of debt issuance costs aggregating $24 million and $21 million as of March 31, 2019 and December 31, 2018 , respectively.

[c] The Company has borrowing capability under the Sierra Receivable Funding Conduit II 2008-A facility through April 2020. Borrowings under this facility are required to be repaid as the collateralized receivables amortize but no later than May 2021.

[d] The carrying amounts of the secured notes and term loan are net of unamortized discounts of $10 million and $11 million as of March 31, 2019 and December 31, 2018 , respectively, and net of unamortized debt financing costs of $6 million as of March 31, 2019 and December 31, 2018 , respectively.

[e] As of March 31, 2019 , the weighted average interest rate on borrowings from this facility was 6.09% .

[f] Includes $1 million of unamortized gains from the settlement of a derivative as of March 31, 2019 and December 31, 2018 .

[g] Includes $6 million of unamortized gains from the settlement of a derivative as of March 31, 2019 and December 31, 2018 .

[h] Includes $7 million of unamortized losses from the settlement of a derivative as of March 31, 2019 and December 31, 2018 .

(i) Includes a $1 million increase and $8 million decrease in the carrying value resulting from a fair value hedge derivative as of March 31, 2019 and December 31, 2018 , respectively. As of March 31, 2019 , the variable interest rate on the notional portion of these notes was 4.66% , and the effective rate was 5.91% .

Sierra Timeshare 2019-1 Receivables Funding LLC

On March 20, 2019, the Company closed on a private placement of a series of term notes payable, issued by Sierra Timeshare 2019-1 Receivables Fundings LLC, with an initial principal amount of $400 million , which are secured by vacation ownership contract receivables and bear interest at a weighted average coupon rate of 3.57% . The advance rate for this transaction was 98.00% .

Maturities and Capacity

The Company's outstanding debt as of March 31, 2019 matures as follows:

	Non-recourse Vacation Ownership Debt	Debt	Total
Within 1 year	$ 207	$ 44	$ 251
Between 1 and 2 years	210	253	463
Between 2 and 3 years	604	652	1,256
Between 3 and 4 years	221	407	628
Between 4 and 5 years	235	164	399
Thereafter	977	1,317	2,294
	$ 2,454	$ 2,837	$ 5,291

Required principal payments on the non-recourse vacation ownership debt are based on the contractual repayment terms of the underlying vacation ownership contract receivables. Actual maturities may differ as a result of prepayments by the vacation ownership contract receivable obligors.

As of March 31, 2019 , available capacity under the Company's borrowing arrangements was as follows:

	Non-recourse Conduit Facilities [a]	Revolving Credit Facilities [b]
Total capacity	$ 800	$ 1,000
Less: Outstanding borrowings	452	161
Less: Letters of credit	—	24
Available capacity	$ 348	$ 815

(a) Consists of the Company's Sierra Receivable Funding Conduit II 2008-A facility. The capacity of this facility is subject to the Company's ability to provide additional assets to collateralize additional non-recourse borrowings.

(b) Consists of the Company's $1.0 billion revolving credit facility.

Debt Covenants

The revolving credit facilities and term loan B are subject to covenants including the maintenance of specific financial ratios as defined in the credit agreement. The financial ratio covenants consist of a minimum interest coverage ratio of at least 2.5 to 1.0 as of the measurement date and a maximum first lien leverage ratio not to exceed 4.25 to 1.0 as of the measurement date. The interest coverage ratio is calculated by dividing consolidated EBITDA (as defined in the credit agreement) by consolidated interest expense (as defined in the credit agreement), both as measured on a trailing 12-month basis preceding the measurement date. As of March 31, 2019 , our interest coverage ratio was 6.3 to 1.0. The first lien leverage ratio is calculated by dividing consolidated first lien debt (as defined in the credit agreement) as of the measurement date by consolidated EBITDA (as defined in the credit agreement) as measured on a trailing 12-month basis preceding the measurement date. As of March 31, 2019 , our first lien leverage ratio was 2.7 to 1.0. These ratios do not include interest expense or indebtedness related to any qualified securitization financing (as defined in the credit agreement). As of March 31, 2019 , we were in compliance with all of the financial covenants described above.

Each of our non-recourse, securitized term notes, and the bank conduit facilities contain various triggers relating to the performance of the applicable loan pools. If the vacation ownership contract receivables pool that collateralizes one of our securitization notes fails to perform within the parameters established by the contractual triggers (such as higher default or delinquency rates), there are provisions pursuant to which the cash flows for that pool will be maintained in the

securitization as extra collateral for the note holders or applied to accelerate the repayment of outstanding principal to the note holders. As of March 31, 2019 , all of our securitized loan pools were in compliance with applicable contractual triggers.

Interest Expense

During the three months ended March 31, 2019 , the Company incurred interest expense of $41 million on debt excluding non-recourse vacation ownership debt, including an offset of $1 million of capitalized interest. Such amounts are included within Interest expense on the Condensed Consolidated Statements of Income. Cash paid related to such interest was $40 million during the three months ended March 31, 2019 .

During the three months ended March 31, 2018 , the Company incurred interest expense of $45 million on debt excluding non-recourse vacation ownership debt, including an offset of less than $1 million of capitalized interest. Such amounts are included within Interest expense on the Condensed Consolidated Statements of Income. Cash paid related to such interest was $50 million during the three months ended March 31, 2018 .

Interest expense incurred in connection with the Company's non-recourse vacation ownership debt during the three months ended March 31, 2019 was $26 million and $19 million during the three months ended March 31, 2018 and is recorded within Consumer financing interest on the Condensed Consolidated Statements of Income. Cash paid related to such interest was $20 million and $11 million for the three months ended March 31, 2019 and 2018 .

Transition from LIBOR

The Company is currently evaluating the impact of the transition from LIBOR as an interest rate benchmark to other potential alternative reference rates, including but not limited to the Secured Overnight Financing Rate ("SOFR"). Currently the Company has several debt and derivative instruments in place that reference LIBOR-based rates. The transition from LIBOR is estimated to take place in 2021 and management will continue to actively assess the related opportunities and risks involved in this transition.

11 . Variable Interest Entities

In accordance with the applicable accounting guidance for the consolidation of a variable interest entity ("VIE"), the Company analyzes its variable interests, including loans, guarantees, special purpose entities ("SPEs") and equity investments, to determine if an entity in which the Company has a variable interest is a VIE. If the entity is considered to be a VIE, the Company determines whether it would be considered the entity's primary beneficiary. The Company consolidates into its financial statements those VIEs for which it has determined that it is the primary beneficiary.

Vacation Ownership Contract Receivables Securitizations

The Company pools qualifying vacation ownership contract receivables and sells them to bankruptcy-remote entities. Vacation ownership contract receivables qualify for securitization based primarily on the credit strength of the VOI purchaser to whom financing has been extended. Vacation ownership contract receivables are securitized through bankruptcy-remote SPEs that are consolidated within the Company's financial statements. As a result, the Company does not recognize gains or losses resulting from these securitizations at the time of sale to the SPEs. Interest income is recognized when earned over the contractual life of the vacation ownership contract receivables. The Company services the securitized vacation ownership contract receivables pursuant to servicing agreements negotiated on an arm's-length basis based on market conditions. The activities of these SPEs are limited to (i) purchasing vacation ownership contract receivables from the Company's vacation ownership subsidiaries, (ii) issuing debt securities and/or borrowing under a conduit facility to fund such purchases and (iii) entering into derivatives to hedge interest rate exposure. The bankruptcy-remote SPEs are legally separate from the Company. The receivables held by the bankruptcy-remote SPEs are not available to creditors of the Company and legally are not assets of the Company. Additionally, the non-recourse debt that is securitized through the SPEs is legally not a liability of the Company and thus, the creditors have no recourse to the Company for principal and interest.

The assets and liabilities of these vacation ownership SPEs are as follows:

	March 31, 2019	December 31, 2018
Securitized contract receivables, gross [a]	$ 2,913	$ 2,883
Securitized restricted cash [b]	153	120
Interest receivables on securitized contract receivables [c]	24	23
Other assets [d]	2	3
Total SPE assets	3,092	3,029
Non-recourse term notes [e] [f]	2,002	1,839
Non-recourse conduit facilities [e]	452	518
Other liabilities [g]	7	3
Total SPE liabilities	2,461	2,360
SPE assets in excess of SPE liabilities	$ 631	$ 669

(a) Included in Vacation ownership contract receivables, net on the Condensed Consolidated Balance Sheets.
(b) Included in Restricted cash on the Condensed Consolidated Balance Sheets.
(c) Included in Trade receivables, net on the Condensed Consolidated Balance Sheets.
(d) Primarily includes deferred financing costs for the bank conduit facility and a security investment asset, which is included in Other assets on the Condensed Consolidated Balance Sheets.
(e) Included in Non-recourse vacation ownership debt on the Condensed Consolidated Balance Sheets.
(f) Includes deferred financing costs of $24 million and $21 million as of March 31, 2019 and December 31, 2018 , respectively, related to non-recourse debt.
(g) Primarily includes accrued interest on non-recourse debt, which is included in Accrued expenses and other liabilities on the Condensed Consolidated Balance Sheets.

In addition, the Company has vacation ownership contract receivables that have not been securitized through bankruptcy-remote SPEs. Such gross receivables were $828 million and $888 million as of March 31, 2019 and December 31, 2018 , respectively.

A summary of total vacation ownership contract receivables and other securitized assets, net of non-recourse liabilities and the allowance for loan losses, is as follows:

	March 31, 2019	December 31, 2018
SPE assets in excess of SPE liabilities	$ 631	$ 669
Non-securitized contract receivables	828	888
Less: Allowance for loan losses	721	734
Total, net	$ 738	$ 823

Saint Thomas, U.S. Virgin Islands Property

During 2015, the Company sold real property located in Saint Thomas, U.S. Virgin Islands to a third-party developer to construct VOI inventory through an SPE. In accordance with the agreements with the third-party developer, the Company has conditional rights and conditional obligations to repurchase the completed property from the developer subject to the property conforming to the Company's vacation ownership resort standards and provided that the third-party developer has not sold the property to another party.

As a result of a disruption to VOI sales caused by the impact of the hurricanes on Saint Thomas, U.S. Virgin Islands in 2017, there was a change in the economics of the transaction due to a reduction in the fair value of the assets of the SPE. As such, the Company is now considered the primary beneficiary for specified assets and liabilities of the SPE, and therefore consolidated $64 million of Property and equipment and $104 million of Debt on its Condensed Consolidated Balance Sheet. As a result of this consolidation, the Company incurred a non-cash $37 million loss due to a write-down of property and equipment to fair value. During the first quarter of 2019, the Company made its final purchase of VOI inventory from the SPE, and the debt was extinguished.

The assets and liabilities of the Saint Thomas Property SPE are as follows:

	December 31, 2018
Property and equipment, net	23
Total SPE assets	23
Debt [(a)]	32
Total SPE liabilities	32
SPE equity (deficit)	$ (9)

(a) Included $32 million relating to mortgage notes, which were included in Debt on the Condensed Consolidated Balance Sheets as of December 31, 2018 .

During the three months ended March 31, 2019 and 2018 , the SPE conveyed $23 million and $8 million , respectively, of property and equipment to the Company.

12 . Fair Value

The Company measures its financial assets and liabilities at fair value on a recurring basis and utilizes the fair value hierarchy to determine such fair values. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted prices for identical instruments in active markets.

Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value driver is observable.

Level 3: Unobservable inputs used when little or no market data is available. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement falls has been determined based on the lowest level input (closest to Level 3) that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

As of March 31, 2019 , the Company had interest rate swap contracts resulting in less than $1 million of assets which are included within Other assets on the Condensed Consolidated Balance Sheet. The Company also had foreign exchange contracts resulting in less than $1 million of liabilities which are included within Accrued expenses and other liabilities on the Condensed Consolidated Balance Sheet. On a recurring basis, such assets and liabilities are remeasured at estimated fair value (all of which are Level 2) and thus are equal to the carrying value.

The Company's derivative instruments primarily consist of pay-fixed/receive-variable interest rate swaps, pay-variable/receive-fixed interest rate swaps, interest rate caps, and foreign exchange forward contracts. For assets and liabilities that are measured using quoted prices in active markets, the fair value is the published market price per unit multiplied by the number of units held without consideration of transaction costs. Assets and liabilities that are measured using other significant observable inputs are valued by reference to similar assets and liabilities. For these items, a significant portion of fair value is derived by reference to quoted prices of similar assets and liabilities in active markets. For assets and liabilities that are measured using significant unobservable inputs, fair value is primarily derived using a fair value model, such as a discounted cash flow model.

The fair value of financial instruments is generally determined by reference to market values resulting from trading on a national securities exchange or in an over-the-counter market. In cases where quoted market prices are not available, fair value is based on estimates using present value or other valuation techniques, as appropriate. The carrying amounts of cash and cash equivalents, restricted cash, trade receivables, accounts payable and accrued expenses and other current liabilities approximate fair value due to the short-term maturities of these assets and liabilities.

The carrying amounts and estimated fair values of all other financial instruments are as follows:

	March 31, 2019		December 31, 2018	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets				
Vacation ownership contract receivables, net	$ 3,020	$ 3,651	$ 3,037	$ 3,662
Debt				
Total debt	$ 5,291	$ 5,326	$ 5,238	$ 4,604

The Company estimates the fair value of its vacation ownership contract receivables using a discounted cash flow model which it believes is comparable to the model that an independent third-party would use in the current market. The model uses Level 3 inputs consisting of default rates, prepayment rates, coupon rates and loan terms for the contract receivables portfolio as key drivers of risk and relative value that, when applied in combination with pricing parameters, determines the fair value of the underlying contract receivables.

The Company estimates the fair value of its non-recourse vacation ownership debt by obtaining Level 2 inputs comprised of indicative bids from investment banks that actively issue and facilitate the secondary market for timeshare securities. The Company estimates the fair value of its debt, excluding finance leases, using Level 2 inputs based on indicative bids from investment banks and determines the fair value of its secured notes using quoted market prices (such secured notes are not actively traded).

13 . Derivative Instruments and Hedging Activities

Foreign Currency Risk

The Company has foreign currency rate exposure to exchange rate fluctuations worldwide with particular exposure to the British pound, Euro, the Canadian and Australian dollars and the Mexican peso. The Company uses freestanding foreign currency forward contracts to manage a portion of its exposure to changes in foreign currency exchange rates associated with its foreign currency denominated receivables, payables and forecasted earnings of foreign subsidiaries. Additionally, the Company has used foreign currency forward contracts designated as cash flow hedges to manage a portion of its exposure to changes in forecasted foreign currency denominated vendor payments. The amount of gains or losses relating to contracts designated as cash flow hedges that the Company expects to reclassify from Accumulated other comprehensive loss (“AOCL”) to earnings over the next 12 months is not material.

Interest Rate Risk

A portion of the debt used to finance the Company’s operations is exposed to interest rate fluctuations. The Company uses various hedging strategies and derivative financial instruments to create a desired mix of fixed and floating rate assets and liabilities. Derivative instruments currently used in these hedging strategies include swaps. Interest rate swaps are used to convert specific fixed-rate debt into variable-rate debt (i.e., fair value hedges) to manage the overall interest cost. For relationships designated as fair value hedges, changes in fair value of the derivatives were recorded in income with offsetting adjustments to the carrying amount of the hedged debt, resulting in an immaterial impact to the Condensed Consolidated Statements of Income.

Losses on derivatives recognized in AOCL for the three months ended March 31, 2019 and 2018 were not material.

14 . Income Taxes

The Company files income tax returns in the U.S. federal and state jurisdictions, as well as in foreign jurisdictions. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2015. In addition, with few exceptions, the Company is no longer subject to state, local or foreign income tax examinations for years prior to 2009.

The Company’s effective tax rate decreased from 36.9% during the three months ended March 31, 2018 to 27.7% during the three months ended March 31, 2019 primarily due to the absence of non-cash tax charges from certain internal restructurings associated with the sale of its European vacation rentals business during 2018; partially offset by excess tax benefits in relation to stock based compensation in 2018.

The Company made cash income tax payments, net of tax refunds, of $2 million and $70 million during the three months ended March 31, 2019 and 2018 , respectively. In addition, the Company made cash income tax payments, net of refunds,

of $ 5 million during the three months ended March 31, 2018 related to discontinued operations.

15 . Leases

The Company adopted the new Leases accounting standard as of January 1, 2019, resulting in the recognition of $158 million of right-of-use assets and $200 million of related lease liabilities. Right-of-use assets were decreased by $42 million of tenant improvement allowances and deferred rent balances reclassified from other liabilities. Both the right-of-use assets and related lease liabilities recognized upon adoption included $21 million associated with the Company's held-for-sale business. The new standard requires a lessee to recognize right-of-use assets and lease liabilities on the balance sheet for all lease obligations and disclose key information about leasing arrangements, such as the amount, timing, and uncertainty of cash flows arising from leases. We adopted the standard using the modified retrospective approach; therefore, prior year financial statements were not recast. We elected the package of transition provisions available for expired or existing contracts, which allowed us to carryforward our historical assessments of (i) whether contracts are leases or contain leases, (ii) lease classification and (iii) initial direct costs.

We lease property and equipment under finance and operating leases for our corporate headquarters, administrative functions, marketing and sales offices, and various other facilities and equipment. For leases with terms greater than 12 months, we record the related asset and obligation at the present value of lease payments over the term. Many of our leases include rental escalation clauses, lease incentives, renewal options and/or termination options that are factored into our determination of lease payments. The Company elected the hindsight practical expedient to determine the reasonably certain lease term for existing leases. The Company also made an accounting policy election to keep leases with an initial term of 12 months or less off the balance sheet and recognize the associated lease payments on a straight-line basis over the lease term in the income statement.

When available, we use the rate implicit in the lease to discount lease payments to present value; however, most of our leases do not provide a readily determinable implicit rate. Therefore, we must estimate our incremental borrowing rate to discount the lease payments based on information available at lease commencement. Our leases have remaining lease terms of one to 20 years, some of which include options to extend the leases for up to five years, and some of which include options to terminate the leases within one year.

As of March 31, 2019 , the Company had right-of-use assets of $131 million and related lease liabilities of $171 million . Right-of-use assets are included within Other assets, and the related lease liabilities are included within Accrued and other liabilities on the balance sheet.

The table below presents certain information related to the lease costs for finance and operating leases:

	Three Months Ended March 31, 2019
Operating lease cost	$ 9
Short-term lease cost	$ 5
Finance lease cost:	
Amortization of right-of-use assets	—
Interest on lease liabilities	—
Total finance lease cost	$ —

The table below presents supplemental cash flow information related to leases:

	Three Months Ended March 31, 2019
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 10
Operating cash flows from finance leases	$ —
Financing cash flows from finance leases	$ —
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	$ 4
Finance leases	$ —

The table below presents the lease-related assets and liabilities recorded on the balance sheet:

	Balance Sheet Classification	March 31, 2019
Operating Leases:		
Operating lease right-of-use assets	Other assets	$ 131
Operating lease liabilities	Accrued expenses and other liabilities	$ 171
Finance Leases:		
Finance lease assets [(a)]	Property and equipment, net	$ 3
Finance lease liabilities	Debt	$ 3
Weighted Average Remaining Lease Term:		
Operating leases		9.5 years
Finance leases		2.4 years
Weighted Average Discount Rate:		
Operating leases [(b)]		6.8%
Finance leases		4.2%

(a) Presented net of accumulated depreciation.
(b) Upon adoption of the new lease standard, discount rates used for existing leases were established at January 1, 2019.

The table below presents maturities of lease liabilities as of March 31, 2019:

	Operating Leases	Finance Leases
Nine months ending December 31, 2019	$ 29	$ 1
2020	32	1
2021	27	1
2022	24	—
2023	22	—
Thereafter	99	—
Total minimum lease payments	233	3
Less: Amount of lease payments representing interest	(62)	—
Present value of future minimum lease payments	$ 171	$ 3

The table below presents future minimum lease payments required under non-cancelable operating leases as reported in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the SEC on February 26, 2019:

	December 31, 2018
2019	$ 34
2020	30
2021	26
2022	24
2023	22
Thereafter	99
Future minimum lease payments	$ 235

During 2018, the Company incurred total rental expense of $61 million for continuing operations and $9 million for discontinued operations.

16 . Commitments and Contingencies

The Company is involved in claims, legal and regulatory proceedings, and governmental inquiries related to the Company's business, none of which, in the opinion of management, is expected to have a material effect on our results of operations or financial condition.

Wyndham Destinations Litigation

The Company may be from time to time involved in claims, legal and regulatory proceedings, and governmental inquiries arising in the ordinary course of its business including but not limited to: for its vacation ownership business–breach of contract, bad faith, conflict of interest, fraud, consumer protection and other statutory claims by property owners' associations, owners and prospective owners in connection with the sale or use of VOIs or land, or the management of vacation ownership resorts, construction defect claims relating to vacation ownership units or resorts or in relation to guest reservations and bookings; and negligence, breach of contract, fraud, consumer protection and other statutory claims by guests and other consumers for alleged injuries sustained at or acts or occurrences related to vacation ownership units or resorts or in relation to guest reservations and bookings; for its exchange & rentals business–breach of contract, fraud and bad faith claims by affiliates and customers in connection with their respective agreements, negligence, breach of contract, fraud, consumer protection and other statutory claims asserted by members, guests and other consumers for alleged injuries sustained at or acts or occurrences related to affiliated resorts and vacation rental properties, or in relation to guest reservations and bookings; and for each of its businesses, bankruptcy proceedings involving efforts to collect receivables from a debtor in bankruptcy, employment matters including but not limited to, claims of wrongful termination, retaliation, discrimination, harassment and wage and hour claims, whistleblower claims, claims of infringement upon third parties' intellectual property rights, claims relating to information security, privacy and consumer protection, fiduciary duty/trust claims, tax claims, environmental claims and landlord/tenant disputes.

The Company records an accrual for legal contingencies when it determines, after consultation with outside counsel, that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In making such determinations, the Company evaluates, among other things, the degree of probability of an unfavorable outcome and, when it is probable that a liability has been incurred, the Company's ability to make a reasonable estimate of loss. The Company reviews these accruals each reporting period and makes revisions based on changes in facts and circumstances including changes to its strategy in dealing with these matters.

The Company believes that it has adequately accrued for such matters wit h reserves of $14 million as of March 31, 2019 and December 31, 2018 . Such reserves are exclusive of matters relating to the Company's separation from Cendant, which is discussed in Note 21— *Transactions with Former Parent and Former Subsidiaries* . For matters not requiring accrual, the Company believes that such matters will not have a material effect on its results of operations, financial position or cash flows based on information currently available. However, litigation is inherently unpredictable and, although the Company believes that its accruals are adequate and/or that it has valid defenses in these matters, unfavorable results could occur. As such, an adverse outcome from such proceedings for which claims are awarded in excess of the amounts accrued, if any, could be material to the Company with respect to earnings and/or cash flows in any given reporting period. As of March 31, 2019 , the potential exposure resulting from adverse outcomes of such legal proceedings could, in the aggregate, range up to $49 million in excess of recorded accruals. However, the Company does not believe that the impact of such

litigation should result in a material liability to the Company in relation to its consolidated financial position and/or liquidity.

Other Guarantees and Indemnifications

Vacation Ownership

The Company has committed to repurchase completed property located in Las Vegas, Nevada from a third-party developer subject to such property meeting the Company's vacation ownership resort standards and provided that the third-party developer has not sold such property to another party. See Note 8 — *Inventory* for additional details.

For information on guarantees and indemnifications related to the Company's former parent and subsidiaries see Note 22 — *Transactions with Former Parent and Former Subsidiaries* .

17 . Accumulated Other Comprehensive (Loss)/Income

The components of Accumulated Other Comprehensive (Loss)/Income are as follows:

Pretax	Foreign Currency Translation Adjustments	Unrealized (Losses) on Cash Flow Hedges	Defined Benefit Pension Plans	Accumulated Other Comprehensive (Loss)/Income
Balance, December 31, 2018	$ (147)	$ (2)	$ 2	$ (147)
Other comprehensive income before reclassifications	2	—	—	2
Amount reclassified to earnings	—	1	—	1
Balance, March 31, 2019	$ (145)	$ (1)	$ 2	$ (144)
Tax				
Balance, December 31, 2018 [(a)]	$ 94	$ 2	$ (1)	$ 95
Other comprehensive (loss) before reclassifications	—	(1)	—	(1)
Amount reclassified to earnings	—	—	—	—
Balance, March 31, 2019	$ 94	$ 1	$ (1)	$ 94
Net of Tax				
Balance, December 31, 2018	$ (53)	$ —	$ 1	$ (52)
Other comprehensive (loss)/income before reclassifications	2	(1)	—	1
Amount reclassified to earnings	—	1	—	1
Balance, March 31, 2019	$ (51)	$ —	$ 1	$ (50)

[(a)] Includes impact of the Company's early adoption of new accounting guidance in the fourth quarter of 2018 which allows for the reclassification of the stranded tax effects resulting from the implementation of the Tax Cuts and Jobs Act of 2017. This adoption resulted in an $8 million reclassification of tax benefit from AOCL to Retained Earnings.

Pretax	Foreign Currency Translation Adjustments	Unrealized (Losses) on Cash Flow Hedges	Defined Benefit Pension Plans	Accumulated Other Comprehensive (Loss)/Income
Balance, December 31, 2017	$ (96)	$ (2)	$ (5)	$ (103)
Other comprehensive (loss)/income	14	(1)	—	13
Balance, March 31, 2018	$ (82)	$ (3)	$ (5)	$ (90)
Tax				
Balance, December 31, 2017	$ 89	$ 2	$ 1	$ 92
Other comprehensive income	—	—	1	1
Balance, March 31, 2018	$ 89	$ 2	$ 2	$ 93
Net of Tax				
Balance, December 31, 2017	$ (7)	$ —	$ (4)	$ (11)
Other comprehensive (loss)/income	14	(1)	1	14
Balance, March 31, 2018	$ 7	$ (1)	$ (3)	$ 3

Currency translation adjustments exclude income taxes related to investments in foreign subsidiaries where the Company intends to reinvest the undistributed earnings indefinitely in those foreign operations.

Reclassifications out of accumulated other comprehensive (loss)/income are presented in the following table. Amounts in parenthesis indicate debits to the Condensed Consolidated Statements of Income:

	Three Months Ended March 31,	
	2019	2018
Unrealized losses on cash flow hedge, net		
Loss on disposal of discontinued businesses, net of income taxes	(1)	—
Net income	(1)	—

18 . Stock-Based Compensation

The Company has a stock-based compensation plan available to grant RSUs, PSUs, SSARs, non-qualified stock options ("NQs") and other stock-based awards to key employees, non-employee directors, advisors and consultants.

The Wyndham Worldwide Corporation 2006 Equity and Incentive Plan was originally adopted in 2006 and was amended and restated in its entirety and approved by shareholders on May 17, 2018 (the "Amended and Restated Equity Incentive Plan"). Under the Amended and Restated Equity Incentive Plan, a maximum of 15.7 million shares of common stock may be awarded. As of March 31, 2019 , 13.7 million shares remain available.

Incentive Equity Awards Granted by the Company

During the three months ended March 31, 2019 , the Company granted incentive equity awards to key employees and senior officers totaling $25 million in the form of RSUs, $7 million in the form of PSUs and $5 million in the form of stock options. Of these awards, the NQs and majority of RSUs will vest ratably over a period of 4 years , and the PSUs will cliff vest on the third anniversary of the grant date; contingent upon the Company achieving certain performance metrics.

The activity related to incentive equity awards granted to the Company's key employees and senior officers by the Company for the three months ended March 31, 2019 consisted of the following:

	Balance, December 31, 2018	Granted	Vested/Exercised	Balance, March 31, 2019	
RSUs					
Number of RSUs	0.9	0.5	—	1.4	(a)
Weighted average grant price	$ 50.54	$ 44.38	$ —	$ 48.09	
PSUs					
Number of PSUs	—	0.2	—	0.2	(b)
Weighted average grant price	$ —	$ 44.38	$ —	$ 44.38	
SSARs					
Number of SSARs	0.2	—	—	0.2	(c)
Weighted average grant price	$ 34.24	$ —	$ —	$ 34.24	
NQs					
Number of NQs	0.8	0.6	—	1.4	(d)
Weighted average grant price	$ 48.71	$ 44.38	$ —	$ 46.84	

(a) Aggregate unrecognized compensation expense related to RSUs was $54 million as of March 31, 2019 , which is expected to be recognized over a weighted average period of 3.4 years .

(b) Maximum aggregate unrecognized compensation expense related to PSUs was $7 million as of March 31, 2019 , which is expected to be recognized over a weighted average period of 3.9 years

(c) There were 0.2 million SSARs that were exercisable as of March 31, 2019 . There was no unrecognized compensation expense related to SSARs as of March 31, 2019 as all SSARs were vested.

(d) Unrecognized compensation expense for NQs was $10 million as of March 31, 2019 , which is expected to be recognized over a period of 3.5 years .

The fair value of stock options granted by the Company during 2019 was estimated on the date of this grant using the Black-Scholes option-pricing model with the relevant weighted average assumptions outlined in the table below. Expected volatility was based on both historical and implied volatilities of the Company's stock and the stock of comparable companies over the estimated expected life for options. The expected life represents the period of time these awards are expected to be outstanding. The-risk free interest rate is based on yields on U.S. Treasury strips with a maturity similar to the estimated expected life of the options. The projected dividend yield was based on the Company's anticipated annual dividend divided by the price of the Company's stock on the date of the grant.

Stock Options	2019
Grant date fair value	$ 8.98
Grant date strike price	$ 44.38
Expected volatility	29.97%
Expected life	6.3 years
Risk-free interest rate	2.59%

Stock-Based Compensation Expense

The Company recorded stock-based compensation expense of $5 million and $21 million during the three months ended March 31, 2019 and 2018 , respectively, related to incentive equity awards granted to key employees and senior officers. Such stock-based compensation expense included expense related to discontinued operations of $3 million for the three months ended March 31, 2018 . The Company also recorded stock-based compensation expense for non-employee directors which was immaterial for the three months ended March 31, 2019 and $1 million during the three months ended March 31, 2018 . Stock-based compensation expense included $2 million and $5 million of expense for the three months ended March 31, 2019 and 2018 , respectively, which has been classified within separation and related costs in continuing operations.

The Company paid $32 million of taxes for the net share settlement of incentive equity awards that vested during the three months ended March 31, 2018 .

19 . Segment Information

The Company has two operating segments: Vacation Ownership and Exchange & Rentals. The Vacation Ownership segment develops, markets and sells VOIs to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts. The Exchange & Rentals segment provides vacation exchange services and products to owners of VOIs and manages and markets vacation rental properties primarily on behalf of independent owners. During 2018, the Company decided to explore strategic alternatives for its North American vacation rentals business, which is currently part of its Exchange & Rentals segment. The assets and liabilities of this business have been classified as held-for-sale. The reportable segments presented below represent the Company's operating segments for which discrete financial information is available and which are utilized on a regular basis by its chief operating decision maker to assess performance and to allocate resources. In identifying its reportable segments, the Company also considers the nature of services provided by its operating segments. Management uses net revenues and Adjusted EBITDA to assess the performance of the reportable segments. Adjusted EBITDA is defined by the Company as Net income before Depreciation and amortization, Interest expense (excluding Consumer financing interest), Early extinguishment of debt, Interest income (excluding Consumer financing revenues) and Income taxes, each of which is presented on the Condensed Consolidated Statements of Income. Adjusted EBITDA also excludes stock-based compensation costs, separation and restructuring costs, transaction costs, impairments, and items that meet the conditions of unusual and/or infrequent. The Company believes that Adjusted EBITDA is a useful measure of performance for its segments which, when considered with GAAP measures, the Company believes gives a more complete understanding of its operating performance. The Company's presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

Net revenues	Three Months Ended March 31, 2019	2018
Vacation Ownership	$ 683	$ 661
Exchange & Rentals	236	246
Total reportable segments	919	907
Corporate and other [a]	(1)	—
Total Company	$ 918	$ 907

Reconciliation of Net income to Adjusted EBITDA	Three Months Ended March 31, 2019	2018
Net income attributable to Wyndham Destinations shareholders	$ 80	$ 34
Loss from operations of discontinued businesses, net of income taxes	—	7
Loss on disposal of discontinued businesses, net of income taxes	1	—
Provision for income taxes	31	24
Depreciation and amortization	31	37
Interest expense	41	45
Interest (income)	(2)	(1)
Separation and related costs [b]	15	30
Restructuring	3	—
Legacy items	2	—
Stock-based compensation	3	13
Adjusted EBITDA	$ 205	$ 189

Adjusted EBITDA	Three Months Ended March 31, 2019	2018
Vacation Ownership	$ 138	$ 133
Exchange & Rentals	80	79
Total reportable segments	218	212
Corporate and other [a]	(13)	(23)
Total Company	$ 205	$ 189

(a) Includes the elimination of transactions between segments.
(b) Includes $2 million of stock based compensation expenses for the three months ended March 31, 2019 and $5 million for the three months ended March 31, 2018 .

Segment Assets [a]	March 31, 2019	December 31, 2018
Vacation Ownership	$ 5,559	$ 5,421
Exchange & Rentals	1,390	1,376
Total reportable segments	6,949	6,797
Corporate and other	151	158
Assets held-for-sale	270	203
Total Company	$ 7,370	$ 7,158

(a) Excludes investment in consolidated subs.

20 . Separation and Transaction Costs

During the three months ended March 31, 2019 and 2018 , the Company incurred $15 million and $30 million of expenses in connection with the spin-off of the hotel business completed on May 31, 2018 which are reflected within continuing operations and include related costs of the Spin-off, which was related to stock compensation modification expense, severance and other employee costs offset, in part, by favorable foreign currency.

Additionally, during the three months ended March 31, 2018 , the Company incurred $32 million of separation-related expenses in connection with the Spin-off and sale of the European vacation rentals business which are reflected within discontinued operations. These expenses include legal, consulting and auditing fees, stock compensation modification expense, severance, and other employee-related costs.

21 . Restructuring

2018 Restructuring Plans

During the fourth quarter of 2018, the Company recorded $16 million of charges related to restructuring initiatives, all of which are personnel-related resulting from a reduction of approximately 500 employees. This action was primarily focused on enhancing organizational efficiency and rationalizing operations. The charges consisted of (i) $11 million at the Vacation Ownership segment, (ii) $4 million at the Exchange & Rentals segment, and (iii) $1 million at the Company's corporate operations. During 2018, the Company reduced its restructuring liability by $4 million of cash payments. During the three months ended March 31, 2019, the Company incurred an additional $2 million and $1 million of restructuring expenses at its corporate operations and Vacation Ownership segment, respectively, and reduced its restructuring liability by $4 million of cash payments . The remaining 2018 restructuring liability of $11 million is expected to be paid by the end of 2020.

The Company has additional restructuring plans which were implemented prior to 2018 . The remaining liability of less than $1 million as of March 31, 2019 is related to leased facilities and is expected to be paid by 2020.

The activity associated with the Company's restructuring plans is summarized as follows:

	Liability as of December 31, 2018	Costs Recognized	Cash Payments	Liability as of March 31, 2019
Personnel-related	$ 12	$ 3	$ (4)	$ 11
	$ 12	$ 3	$ (4)	$ 11

22 . Transactions with Former Parent and Former Subsidiaries

Matters Related to Cendant

Pursuant to the Cendant Separation and Distribution Agreement, the Company entered into certain guarantee commitments with Cendant and Cendant's former subsidiary, Realogy. These guarantee arrangements primarily relate to certain contingent litigation liabilities, contingent tax liabilities, and Cendant contingent and other corporate liabilities, of which Wyndham Worldwide Corporation ("Wyndham Worldwide") assumed 37.5% of the responsibility while Cendant's former subsidiary, Realogy, is responsible for the remaining 62.5% . As a result of the Wyndham Worldwide separation, Wyndham Hotels agreed to retain one-third of Cendant's contingent and other corporate liabilities and associated costs; therefore, Wyndham Destinations is effectively responsible for 25% of such matters subsequent to the separation. Since Cendant's separation, Cendant settled the majority of the lawsuits pending on the date of the separation.

As of March 31, 2019 , the Cendant separation and related liabilities of $14 million are comprised of $12 million for tax liabilities and $2 million for other contingent and corporate liabilities. These liabilities were recorded within Accrued expenses and other liabilities on the Condensed Consolidated Balance Sheet. As of December 31, 2018 , the Company had $18 million of Cendant separation-related liabilities, which were recorded within Accrued expenses and other liabilities on the Condensed Consolidated Balance Sheet.

Matters Related to Wyndham Hotels

In connection with the spin-off of the hotel business on May 31, 2018, Wyndham Destinations entered into several agreements with Wyndham Hotels that govern the relationship of the parties following the distribution including the Separation and Distribution Agreement, the Employee Matters Agreements, the Tax Matters Agreement, the Transition

Services Agreement and the License, Development and Noncompetition Agreement.

In accordance with these agreements, Wyndham Destinations assumed two-thirds and Wyndham Hotels assumed one-third of certain contingent corporate liabilities of the Company incurred prior to the distribution, including liabilities of the Company related to certain terminated or divested businesses, certain general corporate matters, and any actions with respect to the separation plan. Likewise, Wyndham Destinations is entitled to receive two-thirds and Wyndham Hotels is entitled to receive one-third of the proceeds from certain contingent corporate assets of the Company arising or accrued prior to the distribution.

Wyndham Destinations entered into a transition service agreement with Wyndham Hotels, pursuant to which the companies agreed to provide each other certain transitional services including human resources, facilities, payroll, tax, information technology, information management and related services, treasury, finance, sourcing, and employee benefits administration on an interim, transitional basis. During the three months ended March 31, 2019 , transition service agreement expenses were $2 million and transition service agreement income was $1 million . These amounts were included in General and administrative expense and Other Revenue, respectively.

Matters Related to the European Vacation Rentals Business

In connection with the sale of the Company's European vacation rentals business, the Company and Wyndham Hotels agreed to certain post-closing credit support for the benefit of certain credit card service providers, a British travel association, and certain regulatory authorities to allow them to continue providing services or regulatory approval to the business. Such post-closing credit support included a guarantee of up to $180 million through June 30, 2019, which has an estimated fair value of $2 million . Such post-closing credit support may be called if the business fails to meet its primary obligation to pay amounts when due. Compass IV Limited, an affiliate of Platinum Equity, LLC ("Buyer") has provided an indemnification to Wyndham Destinations in the event that the post-closing credit support (other than the guarantee by Wyndham Destinations of up to $180 million) is enforced or called upon.

At closing, the Company agreed to provide additional post-closing credit support to a British travel association and regulatory authority. An escrow was established at closing, of which $46 million was subsequently released in exchange for a secured bonding facility and a perpetual guarantee of $46 million . The estimated fair value of the guarantee was $22 million as of March 31, 2019 . The Company established a $7 million receivable from Wyndham Hotels for its portion of the guarantee.

In January 2019, the Company reached an agreement with the Buyer on certain post-closing adjustments, resulting in a reduction of proceeds by $27 million . In accordance with the separation agreement, the Company and Wyndham Hotels agreed to share two–thirds and one–third, respectively, in the European vacation rentals business' final net proceeds (as defined by the sales agreement), adjusted for certain items including the return of the escrow, post–closing adjustments, transaction expenses and estimated taxes. The Company estimated the net payable due to Wyndham Hotels to be approximately $40 million and expects to finalize this estimate and pay it in the second quarter of 2019. In connection with these estimated final adjustments, in 2018 the Company recorded a $40 million liability and reduced retained earnings accordingly.

The Company also deposited $5 million into an escrow account, which will be returned to the Company on May 9, 2019, if the gross limit of the Barclays Bank PLC ("Barclays") pound sterling cash pooling arrangement with the Buyer remains at least £10 million and security is not demanded by Barclays. If any further security is demanded by Barclays, the Company must pay an additional £1 million into the escrow account.

In addition, the Company agreed to indemnify the Buyer against certain claims and assessments, including income tax, value-added tax and other tax matters, related to the operations of the European vacation rentals business for the periods prior to the transaction. The estimated fair value of the indemnifications total $43 million at March 31, 2019 . The Company established a $14 million receivable from Wyndham Hotels for its portion of the guarantee.

Wyndham Hotels provided certain post-closing credit support primarily for the benefit of a British travel association in the form of guarantees which are primarily denominated in Pound sterling of up to an approximate $81 million on a perpetual basis. The estimated fair value of such guarantees was $39 million at March 31, 2019 . Wyndham Destinations is responsible for two-thirds of these guarantees. Wyndham Hotels is required to maintain minimum credit ratings of Ba2 for Moody's Investors Service and BB for Standard & Poor's Rating Services. If Wyndham Hotels drops below these minimum credit ratings, Wyndham Destinations would be required to post a letter of credit (or equivalent support) for the amount of the Wyndham Hotels guarantee.

The estimated fair value of the guarantees and indemnifications for which Wyndham Destinations is responsible related to the sale of the European vacation rentals business, including the two-thirds portion related to guarantees provided by Wyndham Hotels, totaled $96 million and was recorded in Accrued expenses and other liabilities at March 31, 2019 . Total receivables of $23 million were included in Other assets at March 31, 2019 representing the portion of these guarantees and indemnifications for which Wyndham Hotels is responsible.

Wyndham Destinations entered into a transition service agreement with the European vacation business, pursuant to which the companies agreed to provide each other certain transitional services including human resources, facilities, payroll, tax, information technology, information management and related services, treasury, finance, and sourcing on an interim, transitional basis. During the three months ended March 31, 2019 , transition service agreement expenses were $1 million and transition service agreement income was $1 million . These amounts were included in General and administrative expense and Other Revenue, respectively.

23 . **Related Party Transactions**

In March 2019, the Company entered into an agreement with a former executive of the Company whereby the former executive through an SPE would develop and construct VOI inventory located in Orlando, FL. Subject to the property meeting the Company's vacation ownership resort standards and provided that the property has not been sold to another party, the maximum potential future payments that the Company may be required to make under this commitment is $45 million .

24 . Subsequent Events

Sierra Timeshare Conduit Renewal

On April 24, 2019, the Company renewed its $800 million securitized timeshare receivables conduit facility, extending the end of the commitment period from April 6, 2020 to August 30, 2021.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD-LOOKING STATEMENTS

This report includes "forward-looking statements" as that term is defined by the Securities and Exchange Commission ("SEC"). Forward-looking statements are any statements other than statements of historical fact, including statements regarding our expectations, beliefs, hopes, intentions or strategies regarding the future. In some cases, forward-looking statements can be identified by the use of words such as "may," "will," "expects," "should," "believes," "plans," "anticipates," "estimates," "predicts," "potential," "continue," "future" or other words of similar meaning. Forward-looking statements are subject to risks and uncertainties that could cause actual results of Wyndham Destinations, Inc. ("Wyndham Destinations") to differ materially from those discussed in, or implied by, the forward-looking statements. Factors that might cause such a difference include, but are not limited to, general economic conditions, the performance of the financial and credit markets, the competition in and the economic environment for the timeshare industry, the impact of war, terrorist activity or political strife, operating risks associated with the vacation ownership and vacation exchange and rentals businesses, uncertainties related to our ability to realize the anticipated benefits of the spin-off of the hotel business ("Spin-off") Wyndham Hotels & Resorts, Inc. ("Wyndham Hotels") or the divestiture of our European vacation rentals business, unanticipated developments related to the impact of the Spin-off, the divestiture of our European vacation rentals business and related transactions on our relationships with our customers, suppliers, employees and others with whom we have relationships, unanticipated developments resulting from possible disruption to our operations resulting from the Spin-off and the divestiture of our European vacation rentals business, the proposed strategic transaction involving our North American vacation rentals business may not prove successful and could result in operating difficulties, the timing and amount of future dividends and share repurchases and those disclosed as risks under "Risk Factors" in documents we have filed with the SEC, including in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 , filed with the SEC on February 26, 2019 . We caution readers that any such statements are based on currently available operational, financial and competitive information, and they should not place undue reliance on these forward-looking statements, which reflect management's opinion only as of the date on which they were made. Except as required by law, we undertake no obligation to review or update these forward-looking statements to reflect events or circumstances as they occur.

BUSINESS AND OVERVIEW

We are a global provider of hospitality services and products and operate our business in the following two segments:

- **Vacation Ownership** —develops, markets and sells vacation ownership interests ("VOIs") to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts.
- **Exchange & Rentals** —provides vacation exchange services and products to owners of VOIs and manages and markets vacation rental properties primarily on behalf of independent owners.

North American Vacation Rentals Business

During 2018, we decided to explore strategic alternatives for our North American vacation rentals business. The assets and liabilities of this business have been classified as held-for-sale as of March 31, 2019 and December 31, 2018. This business does not meet the criteria to be classified as a discontinued operation; therefore, the results are reflected within continuing operations on the Condensed Consolidated Statements of Income. For further details see Note 6 — *Held-for-Sale Business* to the Condensed Consolidated Financial Statements included in Item 1 of this Quarterly Report on Form 10-Q.

Discontinued Operations

During 2018, we completed the spin-off of our hotel business and the sale of our European vacation rentals business. As a result, the Company has classified the results of operations for these businesses as discontinued operations in its prior period Condensed Consolidated Financial Statements and related notes. For further details see Note 5 — *Discontinued Operations* to the Condensed Consolidated Financial Statements included in Item 1 of this Quarterly Report on Form 10-Q.

RESULTS OF OPERATIONS

The Company has two operating segments: Vacation Ownership and Exchange & Rentals. The Vacation Ownership segment develops, markets and sells VOIs to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts. The Exchange & Rentals segment provides vacation exchange services and products to owners of VOIs and manages and markets vacation rental properties primarily on behalf of independent owners. During 2018, the Company decided to explore strategic alternatives for its North American vacation rentals business, which is currently part of its Exchange & Rentals segment. The assets and liabilities of this business have been classified as held-for-sale. The reportable segments presented below represent the Company's operating segments for which discrete

financial information is available and which are utilized on a regular basis by its chief operating decision maker to assess performance and to allocate resources. In identifying its reportable segments, the Company also considers the nature of services provided by its operating segments. Management uses net revenues and Adjusted EBITDA to assess the performance of the reportable segments. Adjusted EBITDA is defined by the Company as Net income before Depreciation and amortization, Interest expense (excluding Consumer financing interest), Early extinguishment of debt, Interest income (excluding Consumer financing revenues) and Income taxes, each of which is presented on the Condensed Consolidated Statements of Income. Adjusted EBITDA also excludes stock-based compensation costs, separation and restructuring costs, transaction costs, impairments, and items that meet the conditions of unusual and/or infrequent. The Company believes that Adjusted EBITDA is a useful measure of performance for its segments which, when considered with GAAP measures, the Company believes gives a more complete understanding of its operating performance. The Company's presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

OPERATING STATISTICS

The table below presents our operating statistics for the three months ended March 31, 2019 and 2018 . These operating statistics are the drivers of our revenues and therefore provide an enhanced understanding of our businesses. Refer to the Results of Operations section for a discussion on how these operating statistics affected our business for the periods presented.

	Three Months Ended March 31,		
	2019	2018	% Change [g]
Vacation Ownership			
Gross VOI sales (in millions) [a] [h]	$ 484	$ 465	4.1
Tours (in 000s) [b]	192	190	1.4
Volume Per Guest ("VPG") [c]	$ 2,405	$ 2,303	4.5
Exchange & Rentals [d]			
Average number of members (in 000s) [e]	3,875	3,852	0.6
Exchange revenue per member [f]	$ 185.40	$ 194.70	(4.8)

(a) Represents total sales of VOIs, including sales under the Fee-for-Service program before the effect of loan loss provisions. We believe that Gross VOI sales provide an enhanced understanding of the performance of our vacation ownership business because it directly measures the sales volume of this business during a given reporting period.

(b) Represents the number of tours taken by guests in our efforts to sell VOIs.

(c) VPG is calculated by dividing Gross VOI sales (excluding tele-sales upgrades, which are non-tour upgrade sales) by the number of tours. Tele-sales upgrades were $21 million and $28 million during the three months ended March 31, 2019 and 2018 , respectively. We have excluded tele-sales upgrades in the calculation of VPG because tele-sales upgrades are generated by a different marketing channel. We believe that VPG provides an enhanced understanding of the performance of our vacation ownership business because it directly measures the efficiency of this business's tour selling efforts during a given reporting period.

(d) Includes the impact from acquisitions from the acquisition dates forward.

(e) Represents members in our vacation exchange programs who paid annual membership dues as of the end of the period or who are within the allowed grace period.

(f) Represents total annualized revenues generated from fees associated with memberships, exchange transactions, member-related rentals and other servicing for the period divided by the average number of vacation exchange members during the period.

(g) Change percentages may not calculate due to rounding.

(h) The following table provides a reconciliation of Gross VOI sales to vacation ownership interest sales for the three months ended March 31, 2019 and 2018 (in millions):

	2019	2018
Gross VOI sales	$ 484	$ 465
Less: Fee-for-Service sales [1]	—	(15)
Gross VOI sales, net of Fee-for-Service sales	484	450
Less: Loan loss provision	(109)	(92)
Vacation ownership interest sales	$ 375	$ 358

(1) Represents total sales of VOIs through our Fee-for-Service program designed to offer turn-key solutions for developers or banks in possession of newly developed inventory, which we will sell for a commission fee through our extensive sales and marketing channels. Fee-for-Service commission revenues were $10 million for the three months ended March 31, 2018 . There were no sales for the three months ended March 31, 2019 . These commissions are reported within Service and membership fees on the Condensed Consolidated Statements of Income.

THREE MONTHS ENDED MARCH 31, 2019 VS. THREE MONTHS ENDED MARCH 31, 2018

Our consolidated results are as follows:

	Three Months Ended March 31,		
	2019	2018	Favorable/(Unfavorable)
Net revenues	$ 918	$ 907	$ 11
Expenses	778	804	26
Operating income	140	103	37
Other (income), net	(11)	(6)	5
Interest expense	41	45	4
Interest (income)	(2)	(1)	1
Income before income taxes	112	65	47
Provision for income taxes	31	24	(7)
Income from continuing operations	81	41	40
Loss from operations of discontinued businesses, net of income taxes	—	(7)	7
Loss on disposal of discontinued businesses, net of income taxes	(1)	—	(1)
Net income	$ 80	$ 34	$ 46

Net revenues increased $11 million (1.2%) for the three months ended March 31, 2019 compared with the same period last year. Foreign currency unfavorably impacted net revenues by $9 million. Excluding foreign currency, the increase in net revenues was primarily the result of:

- $27 million of higher revenues at our vacation ownership business primarily resulting from an increase in net VOI sales and consumer financing revenues; partially offset by
- $6 million of decreased revenues at our exchange & rentals business primarily driven by a change in customer mix, lower inventory levels, and lower other product revenue .

Expenses decreased $26 million (3.2%) for the three months ended March 31, 2019 compared with the same period last year. Foreign currency favorably impacted expenses by $5 million. Excluding the foreign currency impact, the increase in expenses was primarily the result of:

- $15 million decrease in separation costs which were higher in 2018 related to the spin-off of Wyndham Hotels,
- $8 million of cost savings related to overhead and operations due to cost containment initiatives at our Exchange & Rental segment, and
- $5 million decrease in depreciation primarily due to conveyance of Wyndham Worldwide headquarters to Wyndham Hotels at Spin-off; partially offset by
- $5 million increased expenses from normal operating activities associated with higher revenues, and
- $3 million increase in restructuring costs.

Other income, net of other expenses increased by $5 million for the three months ended March 31, 2019 compared with the same period last year, primarily due to the gain on sale of a building at our Exchange & Rentals business.

Interest expense decreased $4 million for the three months ended March 31, 2019 compared with the same period last year primarily due to a decrease in the average outstanding revolving credit facility balances.

Our effective tax rates were 27.7% and 36.9% for the three months ended March 31, 2019 and 2018 , respectively. The decrease was primarily due to the absence of non-cash tax charges from certain internal restructurings associated with the sale of its European vacation rentals business during 2018; partially offset by excess tax benefits in relation to stock based compensation in 2018.

As a result of these items, net income increased by $46 million for the three months ended March 31, 2019 as compared to the same period last year.

Our segment results are as follows:

	Three Months Ended March 31,	
Net revenues	**2019**	**2018**
Vacation Ownership	$ 683	$ 661
Exchange & Rentals	236	246
Total reportable segments	919	907
Corporate and other [(a)]	(1)	—
Total Company	$ 918	$ 907

	Three Months Ended March 31,	
Reconciliation of Net income to Adjusted EBITDA	**2019**	**2018**
Net income attributable to Wyndham Destinations shareholders	$ 80	$ 34
Loss from operations of discontinued businesses, net of income taxes	—	7
Loss on disposal of discontinued businesses, net of income taxes	1	—
Provision for income taxes	31	24
Depreciation and amortization	31	37
Interest expense	41	45
Interest (income)	(2)	(1)
Separation and related costs [(b)]	15	30
Restructuring	3	—
Legacy items	2	—
Stock-based compensation	3	13
Adjusted EBITDA	$ 205	$ 189

	Three Months Ended March 31,	
Adjusted EBITDA	**2018**	**2017**
Vacation Ownership	$ 138	$ 133
Exchange & Rentals	80	79
Total reportable segments	218	212
Corporate and other [(a)]	(13)	(23)
Total Company	$ 205	$ 189

(a) Includes the elimination of transactions between segments.

(b) Includes $2 million and $5 million of stock based compensation expenses for the three months ended March 31, 2019 and 2018 .

Vacation Ownership

Net revenues increased $22 million (3.3%) and Adjusted EBITDA increased $5 million (3.8%) during the three months ended March 31, 2019 compared with the same period of 2018 . Foreign currency unfavorably impacted net revenues by $5 million and Adjusted EBITDA by $2 million. Excluding the impact of currency, increases in net revenues were primarily driven by:

- $34 million increase in gross VOI sales, net of Fee-for-Service sales, primarily driven by a 1.4% increase in tours, reflecting our continued focus on new owner generation, and a 4.5% increase in VPG; partially offset by a $17 million increase in our provision for loan losses due to higher gross VOI sales and higher defaults;
- $7 million increase in consumer financing revenues primarily due to a higher weighted average interest rate earned on a larger average portfolio balance; and
- $6 million increase in property management revenues primarily due to higher management fees; partially offset by
- $10 million decrease in commission revenues as a result of lower Fee-for-Service VOI sales.

In addition to the drivers mentioned above, Adjusted EBITDA was further impacted by:

- $16 million increase in marketing costs due to our emphasis on adding new owners, which typically carry a higher cost per tour, and an increase in licensing fees for the use of the Wyndham tradename;
- $10 million of higher sales and commission expenses primarily due to higher gross VOI sales; and
- $7 million increase in consumer financing interest expense resulting from an increase in the weighted average interest rate on our non-recourse debt.

Such decreases in Adjusted EBITDA were partially offset by:

- $9 million decrease in commission expense as a result of lower Fee-for-Service VOI sales;
- $6 million decrease in general and administrative expenses primarily driven by lower employee-related costs; and
- $2 million decrease in property management operating expenses.

Exchange & Rentals

Net revenues decreased $10 million (4.1%) and Adjusted EBITDA increased $1 million (1.3%) during the three months ended March 31, 2019 compared with the same period during 2018 . Foreign currency unfavorably impacted net revenues by $4 million and Adjusted EBITDA by $2 million.

Decreases in net revenues excluding the impact of currency were primarily driven by:

- $4 million decrease in exchange and related service revenues primarily driven by a change in customer mix, lower inventory levels, and lower other product revenue ; and
- $2 million decrease in ancillary revenues primarily driven by the loss of Wyndham Hotels servicing revenues which were discontinued as a result of separation.

In addition, Adjusted EBITDA included:

- $8 million of cost savings related to overhead and operations in the first quarter of 2019;
- $3 million gain related to the sale of a building in the first quarter of 2019; partially offset by
- $2 million negative impact from lower business interruption claims and legal settlement proceeds received.

Corporate and other

Corporate Adjusted EBITDA increased $10 million during the three months ended March 31, 2019 compared to 2018 primarily due to lower employee-related costs as a result of a smaller corporate presence after the spin-off of Wyndham Hotels.

RESTRUCTURING PLANS

During the fourth quarter of 2018, the Company recorded $16 million of charges related to restructuring initiatives, all of which are personnel-related resulting from a reduction of approximately 500 employees. This action was primarily focused on enhancing organizational efficiency and rationalizing operations. The charges consisted of (i) $11 million at the Vacation Ownership segment, (ii) $4 million at the Exchange & Rentals segment, and (iii) $1 million at the Company's corporate operations. During 2018, the Company reduced its restructuring liability by $4 million of cash payments. During the three months ended March 31, 2019, the Company incurred an additional $2 million and $1 million of restructuring expenses at its corporate operations and Vacation Ownership segment, respectively, three months ended March 31, 2019 and reduced its restructuring liability by $4 million of cash payments . The remaining 2018 restructuring liability of $11 million is expected to be paid by the end of 2020.

The Company has additional restructuring plans which were implemented prior to 2018 . The remaining liability of less than $1 million as of March 31, 2019 is related to leased facilities and is expected to be paid by 2020.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Financial Condition

	March 31, 2019	December 31, 2018	Change
Total assets	$ 7,370	$ 7,158	$ 212
Total liabilities	7,954	7,727	227
Total (deficit)	(584)	(569)	(15)

Total assets increased by $212 million from December 31, 2018 to March 31, 2019 primarily due to:

- $31 million increase in Restricted cash, primarily related to VOI contract receivables that are securitized through bankruptcy-remote SPEs;
- $16 million increase in net Trade receivables primarily due to annual billings;
- $97 million increase in Other assets primarily due to $131 million of right-of-use assets recorded in 2019 due to the adoption of the new Leases accounting standard;
- $67 million increase in assets of the North American vacation rentals business recorded as held-for-sale, primarily due to seasonality of the business resulting in higher trade receivables in the first quarter of the year and right-of-use assets recorded in 2019 due to the adoption of the new Leases accounting standard.

Such increases in assets were partially offset by a $17 million decrease in net Vacation ownership contract receivables.

Total liabilities increased by $227 million from December 31, 2018 to March 31, 2019 primarily due to:

- $13 million increase in Accounts payable due to timing of purchases and payments in the normal course of business;
- $33 million increase in Deferred income due to seasonality of the business;
- $39 million increase in Accrued expenses and other liabilities primarily due to $171 million of lease liabilities recorded in 2019 due to the adoption of the new Leases accounting standard, partially offset by $132 million decrease related to employee bonus and commission payments, deferred rent reclassified to other assets in connection with the new Leases standard, settlement with the purchaser of the European vacation rentals business and inventory purchases;
- $97 million increase in Non-recourse vacation ownership debt;
- $13 million increase in Deferred income taxes; and
- $76 million increase in liabilities of the North American vacation rentals business recorded as held-for-sale, primarily due to seasonality of the business resulting in higher trade payables and deferred revenues in the first quarter of the year and liabilities recorded in 2019 due to the adoption of the new Leases accounting standard.

Such increases in liabilities were partially offset by a $44 million reduction in Debt, primarily due to the $32 million repayment of debt related to the St. Thomas property and payments under the revolving credit facility.

Total equity decreased $15 million from December 31, 2018 to March 31, 2019 primarily due to $60 million Treasury stock r epurchases; and $42 million of Dividends paid. Such decreases in equity were partially offset by $80 million of Net income attributable to Wyndham Destinations shareholders.

Liquidity and capital resources

Currently, our financing needs are supported by cash generated from operations and borrowings under our revolving credit facility as well as issuance of secured debt. In addition, we use our bank conduit facility and non-recourse debt borrowings to finance our vacation ownership contract receivables. We believe that our net cash from operations, cash and cash equivalents, access to our revolving credit facilities, our bank conduit facility and continued access to the debt markets provide us with sufficient liquidity to meet our ongoing cash needs.

Our five-year revolving credit facility, which expires in May 2023, has a total capacity of $1.0 billion. As of March 31, 2019 , we had $815 million of available capacity, net of letters of credit.

Our two-year non-recourse vacation ownership receivables bank conduit facility, with borrowing capability through April 2020, has a total capacity of $800 million and available capacity of $348 million as of March 31, 2019 . Borrowings under this facility are required to be repaid as the collateralized receivables amortize, but no later than May 2021. On April 24, 2019, we extended the end of the commitment period from April 2020 to August 2021.

We may, from time to time, depending on market conditions and other factors, repurchase our outstanding indebtedness, whether or not such indebtedness trades above or below its face amount, for cash and/or in exchange for other securities or other consideration, in each case in open market purchases and/or privately negotiated transactions.

The Company is currently evaluating the impact of the transition from the London Interbank Offered Rate (“LIBOR”) as an interest rate benchmark to other potential alternative reference rates, including but not limited to the Secured Overnight Financing Rate (“SOFR”). Currently the Company has several debt and derivative instruments in place that reference LIBOR-based rates. The transition from LIBOR is estimated to take place in 2021 and management will continue to actively assess the related opportunities and risks involved in this transition.

CASH FLOW

The following table summarizes the changes in cash and cash equivalents during the three months ended March 31, 2019 and 2018 :

	Three Months Ended March 31,		
	2019	**2018**	**Change**
Cash provided by/(used in)			
Operating activities:			
Continuing operations	$ 152	$ (23)	$ 175
Discontinued operations	—	156	(156)
Investing activities:			
Continuing operations	(15)	(22)	7
Discontinued operations	(27)	(8)	(19)
Financing activities:			
Continuing operations	(68)	75	(143)
Discontinued operations	—	(6)	6
Effects of changes in exchange rates on cash and cash equivalents	1	1	—
Net change in cash, cash equivalents and restricted cash	$ 43	$ 173	$ (130)

Operating Activities

Net cash provided by operating activities from continuing operations was $152 million for the three months ended March 31, 2019 compared to $23 million of cash used in operating activities in the prior year. This change was driven by a $40 million increase in net income from continuing operations; a $130 million decrease in cash utilized for working capital (net change in assets and liabilities); and a $5 million increase in non-cash add-back items.

Net cash provided by operating activities from discontinued operations for the three months ended March 31, 2019 was zero, compared to $156 million in the same period of the prior year. The cash provided in 2018 was driven by $149 million of cash provided by working capital (net change in assets and liabilities); $14 million in non-cash add-back items; partially offset by $7 million of net loss from discontinued operations.

Investing Activities

Net cash used in investing activities from continuing operations for the three months ended March 31, 2019 decreased by $7 million primarily due to $6 million in proceeds from asset sales in 2019; $5 million for an acquisition in 2018 for which there was no equivalent in 2019; partially offset by $6 million higher additions of property and equipment in 2019.

Net cash used in investing activities from discontinued operations for the three months ended March 31, 2019 increased by $19 million . Cash used in investing activities from discontinued operations in 2019 represents $27 million related to the sale of the European vacation rentals business. Cash used in investing activities from discontinued operations in 2018 is primarily related to property and equipment additions.

Financing Activities

Net cash used in financing activities from continuing operations was $68 million for the three months ended March 31, 2019 c ompared to $75 million of cash provided by financing activities in the prior year, primarily due to reduced net borrowings of $220 million ; partially offset by $32 million reduced net share settlement payments, $28 million reduced dividends paid and $15 million fewer share repurchases.

Net cash used in financing activities from discontinued operations for the three months ended March 31, 2018 was zero, compared to $6 million in the same period of the prior year primarily due to net payments on borrowings.

Capital Deployment

We focus on optimizing cash flow and seek to deploy capital for the highest possible returns. Ultimately, our business objective is to grow our business while transforming our cash and earnings profile by managing our cash streams to derive a greater proportion of Adjusted EBITDA from our Fee-for-Service businesses. We intend to continue to invest in select capital and

technological improvements across our business. In addition, we intend to return cash to shareholders through the repurchase of common stock and payment of dividends.

During the three months ended March 31, 2019 , we spent $45 million on vacation ownership development projects (inventory). We believe that our vacation ownership business currently has adequate finished inventory on our balance sheet to support vacation ownership sales for at least the next year. During 2019 , we anticipate spending between $220 million and $250 million on vacation ownership development projects. The average inventory spend on vacation ownership development projects for the four-year period 2020 through 2023 is expected to be approximately $250 million annually. After factoring in the anticipated additional average annual spending, we expect to have adequate inventory to support vacation ownership sales through at least the next four to five years.

During the three months ended March 31, 2019 , we spent $20 million on capital expenditures primarily for information technology enhancement projects. During 2019, we anticipate spending between $110 million and $120 million on capital expenditures.

In connection with our focus on optimizing cash flow, we are continuing our asset-light efforts in vacation ownership by seeking opportunities with financial partners whereby they make strategic investments to develop assets on our behalf. We refer to this as Just-in-Time. The partner may invest in new ground-up development projects or purchase from us, for cash, existing in-process inventory which currently resides on our balance sheet. The partner will complete the development of the project and we may purchase finished inventory at a future date as needed or as obligated under the agreement.

We expect that the majority of the expenditures that will be required to pursue our capital spending programs, strategic investments and vacation ownership development projects will be financed with cash flow generated through operations. Additional expenditures are financed with general secured corporate borrowings, including through the use of available capacity under our revolving credit facility.

Stock Repurchase Program

On August 20, 2007, our Board of Directors (“Board”) authorized a stock repurchase program that enables us to purchase our common stock. The Board has since increased the capacity of the program eight times, most recently in October 2017 by $1.0 billion, bringing the total authorization under the current program to $6.0 billion. Proceeds received from stock option exercises have increased repurchase capacity by $78 million since the inception of this program.

Under our current stock repurchase program, we repurchased 1.4 million shares at an average price of $41.86 for a cost of $60 million during the three months ended March 31, 2019 .

Dividends

During the quarterly period ended March 31, 2019 , we paid cash dividends of $0.45 per share ($42 million in aggregate). During the quarterly period ended March 31, 2018 we paid cash dividends of $0.66 per share ($70 million in aggregate). The dividend of $0.66 per share was declared by Wyndham Worldwide Corporation prior to the spin-off of Wyndham Hotels.

Our ongoing dividend policy is to grow our dividend at the rate of growth of our earnings at a minimum, with the exception of the adjustment during the second quarter of 2018 as a result of the spin-off of Wyndham Hotels. The declaration and payment of future dividends to holders of our common stock are at the discretion of our Board and depend upon many factors, including our financial condition, earnings, capital requirements of our business, covenants associated with certain debt obligations, legal requirements, regulatory constraints, industry practice and other factors that our Board deems relevant. There is no assurance that a payment of a dividend will occur in the future.

Financial Obligations

Debt Covenants

The revolving credit facilities and term loan B are subject to covenants including the maintenance of specific financial ratios as defined in the credit agreement. The financial ratio covenants consist of a minimum interest coverage ratio of at least 2.5 to 1.0 as of the measurement date and a maximum first lien leverage ratio not to exceed 4.25 to 1.0 as of the measurement date. The interest coverage ratio is calculated by dividing consolidated EBITDA (as defined in the credit agreement) by consolidated interest expense (as defined in the credit agreement), both as measured on a trailing 12-month basis preceding the measurement date. As of March 31, 2019 , our interest coverage ratio was 6.3 to 1.0. The first lien leverage ratio is calculated by dividing consolidated first lien debt (as defined in the credit agreement) as of the measurement date by consolidated EBITDA (as defined in the credit agreement) as measured on a trailing 12-month basis preceding the measurement date. As of March 31, 2019 , our

first lien leverage ratio was 2.7 to 1.0. These ratios do not include interest expense or indebtedness related to any qualified securitization financing (as defined in the credit agreement). As of March 31, 2019 , we were in compliance with all of the financial covenants described above.

Each of our non-recourse, securitized term notes, and the bank conduit facilities contain various triggers relating to the performance of the applicable loan pools. If the vacation ownership contract receivables pool that collateralizes one of our securitization notes fails to perform within the parameters established by the contractual triggers (such as higher default or delinquency rates), there are provisions pursuant to which the cash flows for that pool will be maintained in the securitization as extra collateral for the note holders or applied to accelerate the repayment of outstanding principal to the note holders. As of March 31, 2019 , all of our securitized loan pools were in compliance with applicable contractual triggers.

LIQUIDITY

The Company finances certain of its vacation ownership contract receivables through (i) an asset-backed bank conduit facility and (ii) term asset-backed securitizations, all of which are non-recourse to the Company with respect to principal and interest.

We believe that our $800 million bank conduit facility with an extended term through August 2021, combined with our ability to issue term asset-backed securities, should provide sufficient liquidity for our expected sales pace, and we expect to have available liquidity to finance the sale of VOIs. As of March 31, 2019 , we had $348 million of availability under this asset-backed bank conduit facility. Any disruption to the asset-backed securities market could adversely impact our future ability to obtain asset-backed financings.

We primarily utilize surety bonds at our vacation ownership business for sales and development transactions in order to meet regulatory requirements of certain states. In the ordinary course of our business, we have assembled commitments from 15 surety providers in the amount of $2.6 billion, of which we had $391 million outstanding as of March 31, 2019 . The availability, terms and conditions and pricing of such bonding capacity are dependent on, among other things, continued financial strength and stability of the insurance company affiliates providing the bonding capacity, general availability of such capacity and our corporate credit rating. If bonding capacity is unavailable, or alternatively, if the terms and conditions and pricing of such bonding capacity are unacceptable to us, our vacation ownership business could be negatively impacted.

Our liquidity position may also be negatively affected by unfavorable conditions in the capital markets in which we operate or if our vacation ownership contract receivables portfolios do not meet specified portfolio credit parameters. Our liquidity, as it relates to our vacation ownership contract receivables securitization program, could be adversely affected if we were to fail to renew or replace our conduit facility on its expiration date, or if a particular receivables pool were to fail to meet certain ratios, which could occur in certain instances if the default rates or other credit metrics of the underlying vacation ownership contract receivables deteriorate. Our ability to sell securities backed by our vacation ownership contract receivables depends on the continued ability and willingness of capital market participants to invest in such securities.

Our secured debt is rated Ba2 with a “stable outlook” by Moody’s Investors Service, BB- with a “positive outlook” by Standard and Poor’s, and BB+ with a “stable outlook” by Fitch Rating Agency. A security rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal by the assigning rating organization. Reference in this report to any such credit rating is intended for the limited purpose of discussing or referring to aspects of our liquidity and of our costs of funds. Any reference to a credit rating is not intended to be any guarantee or assurance of, nor should there be any undue reliance upon, any credit rating or change in credit rating, nor is any such reference intended as any inference concerning future performance, future liquidity or any future credit rating.

SEASONALITY

We experience seasonal fluctuations in our net revenues and net income from sales of VOIs, vacation exchange fees and commission income earned from renting vacation properties. Revenues from sales of VOIs are generally higher in the third quarter than in other quarters due to increased leisure travel. Revenues from vacation exchange fees are generally highest in the first quarter, which is generally when members of our vacation exchange business book their vacations for the year. Revenues from vacation rentals are generally highest in the third quarter, when vacation arrivals are highest. The seasonality of our business may cause fluctuations in our quarterly operating results. As we expand into new markets and geographical locations, we may experience increased or different seasonality dynamics that create fluctuations in operating results different from the fluctuations we have experienced in the past.

CONTRACTUAL OBLIGATIONS

The following table summarizes our future contractual obligations for the twelve month periods set forth below:

	4/1/19 - 3/31/20	4/1/20 - 3/31/21	4/1/21 - 3/31/22	4/1/22 - 3/31/23	4/1/23 - 3/31/24	Thereafter	Total
Non-recourse debt [a]	$ 207	$ 210	$ 604	$ 221	$ 235	$ 977	$ 2,454
Debt	44	253	652	407	164	1,317	2,837
Interest on debt [b]	246	234	203	161	140	120	1,104
Operating leases	34	31	28	25	24	97	239
Purchase commitments [c]	219	203	124	91	89	419	1,145
Inventory sold subject to conditional repurchase [d]	37	47	58	—	—	—	142
Separation liabilities [e]	1	12	—	—	—	1	14
Total [f]	$ 788	$ 990	$ 1,669	$ 905	$ 652	$ 2,931	$ 7,935

[a] Represents debt that is securitized through bankruptcy-remote special purpose entities the creditors of which have no recourse to us for principal and interest.

[b] Includes interest on both debt and non-recourse debt; estimated using the stated interest rates on our debt and the swapped interest rates on our non-recourse debt.

[c] Includes (i) $867 million for marketing-related activities, (ii) $185 million relating to the development of vacation ownership properties, of which $32 million was included within Total liabilities on the Condensed Consolidated Balance Sheet and (iii) $43 million for information technology activities.

[d] Represents obligations to repurchase completed vacation ownership properties from third-party developers (See Note 8 — *Inventory* to the Condensed Consolidated Financial Statements for further detail) of which $34 million was included within Accrued expenses and other liabilities on the Condensed Consolidated Balance Sheet.

[e] Represents liabilities which we assumed and are responsible for pursuant to the Cendant Separation (See Note 22 — *Transactions with Former Parent and Former Subsidiaries* to the Condensed Consolidated Financial Statements for further details).

[f] Excludes a $35 million liability for unrecognized tax benefits associated with the accounting guidance for uncertainty in income taxes since it is not reasonably estimable to determine the periods in which such liability would be settled with the respective tax authorities.

In addition to amounts shown in the table above, we have $40 million of contractual obligations related to our held-for-sale business, of which $12 million is due within one year. Such obligations primarily relate to operating leases and purchase obligations.

COMMITMENTS AND CONTINGENCIES

From time to time, the Company is involved in claims, legal and regulatory proceedings, and governmental inquiries related to the Company's business, none of which, in the opinion of management, is expected to have a material effect on our results of operations or financial condition. For discussion of these matters along with the Company's guarantees and indemnifications see Note 16 — *Commitments and Contingencies* to the Condensed Consolidated Financial Statements .

CRITICAL ACCOUNTING POLICIES

In presenting our financial statements in conformity with generally accepted accounting principles, we are required to make estimates and assumptions that affect the amounts reported therein. Several of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they pertain to future events. However, events that are outside of our control cannot be predicted and, as such, they cannot be contemplated in evaluating such estimates and assumptions. If there is a significant unfavorable change to current conditions, it could result in a material impact to our consolidated results of operations, financial position and liquidity. We believe that the estimates and assumptions we used when preparing our financial statements were the most appropriate at that time. These Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements included in the Annual Report filed on Form 10-K with the SEC on February 26, 2019 which includes a description of our critical accounting policies that involve subjective and complex judgments that could potentially affect reported results.

Item 3. Quantitative and Qualitative Disclosures about Market Risks.

We assess our market risks based on changes in interest and foreign currency exchange rates utilizing a sensitivity analysis that measures the potential impact in earnings, fair values and cash flows based on a hypothetical 10% change (increase and decrease) in interest and foreign currency exchange rates. We used March 31, 2019 market rates to perform a sensitivity analysis separately for each of our market risk exposures. The estimates assume instantaneous, parallel shifts in interest rate yield curves and exchange rates. We have determined, through such analyses, that a hypothetical 10% change in foreign currency exchange rates would have resulted in an approximate $1 million increase or decrease to the fair value of our outstanding forward foreign currency exchange contracts, which would generally be offset by an opposite effect on the underlying exposure being economically hedged. As such, we believe that a 10% change in foreign currency exchange rates would not have a material effect on our prices, earnings, fair values and cash flows.

Our variable rate borrowings, which include our term loan, secured notes synthetically converted to variable rate debt via interest rate swaps, bank conduit facility and revolving credit facility, expose us to risks caused by fluctuations in the applicable interest rates. The total outstanding balance of such variable rate borrowings at March 31, 2019 was approximately $452 million in non-recourse vacation ownership debt and $853 million in corporate debt. A 100 basis point change in the underlying interest rates would result in an approximate $5 million increase or decrease in annual consumer financing interest expense and an approximate $9 million increase or decrease in our annual debt interest expense.

Item 4. Controls and Procedures.

(a) *Disclosure Controls and Procedures.* As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive and principal financial officers, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rule 13(a)-15(e) of the Securities Exchange Act of 1934 (the “Exchange Act”)). Based on such evaluation, our principal executive and principal financial officers concluded that our disclosure controls and procedures were designed and functioning effectively to provide reasonable assurance that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

(b) *Internal Control Over Financial Reporting.* There have been no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. As of March 31, 2019 , we utilized the criteria established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are involved in various claims and lawsuits arising in the ordinary course of business, none of which, in the opinion of management, is expected to have a material adverse effect on our results of operations or financial condition. See Note 16 — *Commitments and Contingencies* to the Condensed Consolidated Financial Statements for a description of claims and legal actions arising in the ordinary course of our business and Note 22 — *Transactions with Former Parent and Former Subsidiaries* to the Condensed Consolidated Financial Statements for a description of our obligations regarding Cendant contingent litigation, matters related to Wyndham Hotels and matters related to the European vacation rentals business.

Item 1A. Risk Factors.

The discussion of our business and operations should be read together with the risk factors contained in Item 1A. of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the Securities and Exchange Commission, which describe various risks and uncertainties to which we are or may become subject. These risks and uncertainties have the potential to affect our business, financial condition, results of operations, cash flows, strategies or prospects in a material and adverse manner. As of March 31, 2019, t here have been no material changes to the risk factors set forth in Item 1A. of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Below is a summary of our common stock repurchases by month for the quarter ended March 31, 2019 :

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Approximate Dollar Value of Shares that May Yet Be Purchased Under Plan
January 2019	571,338	$ 39.04	571,338	$ 793,810,824
February 2019	445,737	45.17	445,737	773,678,814
March 2019 [(a)]	417,630	42.17	417,630	756,065,525
Total	1,434,705	$ 41.86	1,434,705	$ 756,065,525

[(a)] Includes 63,507 shares purchased for which the trade date occurred during March 2019 while settlement occurred during April 2019.

On August 20, 2007, our Board of Directors authorized a stock repurchase program that enables us to purchase our common stock. The Board has since increased the program eight times, most recently on October 23, 2017 for $1.0 billion, bringing the total authorization under the current program to $6.0 billion. Under our current and prior stock repurchase plans, the total authorization is $6.8 billion.

Item 3. Defaults upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit No.	Description
3.1	Second Amended and Restated By-Laws, effective as of February 22, 2019 (incorporated by reference to Exhibit 3.3 to the Registrant's Form 10-K filed February 26, 2019).
10.1*†	Separation and Release Agreement, dated January 11, 2018, by and between Wyndham Worldwide Corporation and Scott G. McLester, and amendment thereto, dated May 29, 2018.
10.2*†	Letter Agreement, dated May 16, 2018, by and between Wyndham Destinations, Inc. and Geoffrey Richards.
10.3*†	Letter Agreement, dated May 16, 2018, by and between Wyndham Destinations, Inc. and Jeffrey Myers.
10.4*†	Letter Agreement, dated May 16, 2018, by and between Wyndham Destinations, Inc. and James Savina.
10.5*†	Form of Award Agreement for Restricted Stock Units for Non-Employee Directors.
10.6*†	Form of Award Agreement for Restricted Stock Units for U.S. employees.
10.7*†	Form of Award Agreement for Restricted Stock Units for Non-U.S. employees.
10.8*†	Form of Award Agreement for Non-Qualified Stock Options.
10.9*†	Form of Award Agreement for Performance Stock Units.
10.10*	Ninth Amendment, dated as of April 24, 2019, to the Amended and Restated Indenture and Servicing Agreement, dated as of October 1, 2010, by and among Sierra Timeshare Conduit Receivables Funding II, LLC, as Issuer, Wyndham Consumer Finance, Inc., as Servicer, Wells Fargo Bank, National Association, as Trustee and U.S. Bank National Association, as Collateral Agent.
15*	Letter re: Unaudited Interim Financial Information
31.1*	Certification of President and Chief Executive Officer Pursuant to Rule 13a-14(a) Under the Securities and Exchange Act of 1934.
31.2*	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934
32**	Certification of President and Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed with this report
** Furnished with this report
†Exhibit Numbers 10.1 through 10.9 are management contracts or compensatory plans or arrangements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WYNDHAM DESTINATIONS, INC.

Date: May 1, 2019 By: /s/ Michael A. Hug
Michael A. Hug
Chief Financial Officer

Date: May 1, 2019 By: /s/ Elizabeth E. Dreyer
Elizabeth E. Dreyer
Chief Accounting Officer

SEPARATION AND RELEASE AGREEMENT

THIS SEPARATION AND RELEASE AGREEMENT (the "Agreement") is made as of this 11th day of January, 2018, by Wyndham Worldwide Corporation, a Delaware corporation (the "Company"), and Scott G. McLester (the "Executive").

WHEREAS, the Executive serves as the Executive Vice President and General Counsel of the Company;

WHEREAS, the Executive and the Company are signatories to an employment letter agreement dated June 23, 2006 ("Original Employment Letter Agreement"), an amendment to the Original Employment Letter Agreement dated December 31, 2008 ("Amendment No. 1"), an amendment to the Original Employment Letter Agreement, as amended by Amendment No. 1, dated March 6, 2009 ("Amendment No. 2"), an amendment to the Original Employment Letter Agreement, as amended by Amendment No. 1 and Amendment No. 2, dated December 16, 2009 ("Amendment No. 3"), and an amendment to the Original Employment Letter Agreement, as amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3, dated November 8, 2012 ("Amendment No. 4") (Original Employment Letter Agreement, Amendment No. 1, Amendment No. 2, Amendment No. 3 and Amendment No. 4 collectively, the "Employment Letter Agreement"); and

WHEREAS, the Company and the Executive have mutually agreed to end their employment relationship under the terms and conditions set forth exclusively in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, representations and warranties set forth herein, and for other good and valuable consideration, the Executive and the Company agree as follows:

Section 1 Cessation of Employment Relationship .

Effective as of the distribution of all of the outstanding shares of the entity that holds the Company's hotel business (following an internal reorganization of the Company's businesses) on a pro rata basis to the holders of common stock of the Company ("Transaction") (the date on which such Transaction occurs, the "Separation Date"), the Executive's employment with the Company and its affiliates and subsidiaries will automatically terminate without the need for any further action by the Company, the Executive or any other party. Notwithstanding anything to the contrary set forth herein, if the Company abandons the Transaction (the "Transaction Termination"), this Agreement shall be null and void *ab initio* as of the date of the Transaction Termination.

Provided the Separation Date occurs, effective as of the Separation Date, the Executive hereby resigns from all positions, offices and directorships with the Company and any affiliate and subsidiary of the Company, as well as from any positions, offices and directorships on the Company's and its affiliates' and subsidiaries' foundations, benefits plans and programs.

Section 2 Payment Obligations .

2.1 Severance . Provided the Separation Date occurs, the Company and the Executive agree that the Executive's separation from employment with the Company will be treated as a "termination other than for cause" pursuant to the Employment Letter Agreement; provided that the Executive's employment is not terminated due to a "termination for cause" (as defined in the Employment Letter Agreement) prior to the Separation Date. Accordingly,

(a) The Company shall pay the Executive an aggregate cash severance amount equal to two million twenty thousand dollars ($2,020,000), payable in a lump sum within 60 days after the Separation Date, subject to Sections 2.3, 2.5 and 4.6 below.

(b) Effective as of the Separation Date, and subject to Sections 2.3, 2.5 and 4.6 below, the Executive's outstanding incentive equity awards shall be treated as set forth below:

(i) all of the Executive's outstanding RSUs which Executive holds as of March 1, 2018 (being 34,309 RSUs), to the extent unvested as of the Separation Date, will accelerate and vest upon completion of the Transaction, with settlement as provided by the terms associated with the completion of the Transaction ("Vesting Plan"), net of shares of Company common stock withheld to satisfy applicable withholding taxes; and

(ii) to the extent not previously vested in accordance with their existing terms and conditions, all or a portion of the Executive's PVRSUs (if any) for the performance period from January 1, 2016 through December 31, 2018 (being 12,561 PVRSUs) and the Executive's PVRSUs for the performance period from January 1, 2017 through December 31, 2019 (being 11,412 PVRSUs) will vest upon completion of the Transaction, to the extent that the performance goals applicable to such PVRSUs are certified as achieved by the Compensation Committee of the Company's Board of Directors (the "Compensation Committee") following the completion of each such performance period, with settlement pursuant to the Vesting Plan. The Executive's PVRSUs shall be settled in shares of Company common stock, net of shares withheld to satisfy applicable withholding taxes.

The Executive has no other outstanding Company incentive awards, equity awards or equity rights, except as set forth in (x) subsection (b) above, (y) subsection (h) below and (z) Section 2.4 below, in each case, to the extent applicable. For the avoidance of doubt, Executive is not entitled to any future Company incentive awards or equity rights that may otherwise be provided to officers or employees of the Company after the date of this Agreement (January 11, 2018).

(c) The Executive shall continue to be eligible to participate in the Company's Officer Deferred Compensation Plan and 401(k) Plan up to and including the Separation Date, in accordance with the terms thereof.

(d) The Executive shall continue to participate in the health plans in which he currently participates through the end of the month in which the Separation Date occurs. Following the Separation Date, the Executive may elect to continue medical, dental and vision plan coverage in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), at his own expense; provided that the Company shall provide the Executive with a cash payment of $65,000, less applicable taxes, withholdings and deductions (the "Medical Reimbursement Payment"), which is meant to represent 18 months of the Executive's estimated COBRA premiums. The Medical Reimbursement Payment shall be paid in a lump sum on the 60 th day following the Separation Date, subject to Sections 2.3, 2.5 and 4.6 below.

(e) To the extent the Executive would otherwise be entitled as an executive of the Company to participate in the Company's executive health physical program, such entitlement will be provided to the Executive through December 31, 2018.

(f) The Executive shall be eligible to continue to use the vehicle provided to him through the Company's executive car lease program in which he currently participates, upon the same terms as currently are in effect for him, through and until the Separation Date. At that time, the Executive shall have the option to purchase the vehicle in accordance with the terms of such program for use, at his own expense. If the Executive chooses not to purchase the vehicle, the Executive shall relinquish the vehicle to the Company's Human Resources Department on or before the Separation Date.

(g) The Executive shall be entitled to outplacement services rendered by a company selected by the Company, provided the services are utilized no later than 12 months following the Separation Date.

(h) If the Separation Date occurs prior to December 31, 2018, the Executive will receive a lump sum cash payment, payable at the same time that incentive compensation awards for calendar year 2018 are paid to similarly situated, actively employed executives of the Company, in an amount equal to the product of (i) the Incentive Compensation Award the Executive would have been eligible to receive for calendar year 2018 had his employment not terminated (determined based on the Company's attainment of applicable corporate performance goals, with the Executive deemed to have satisfied any applicable individual performance goals at target), multiplied by (ii) a fraction, the numerator of which is the number of calendar days in calendar year 2018 prior to the Separation Date and the denominator of which is 365. If the Separation Date occurs on or after December 31, 2018, the Executive will receive a lump sum cash payment, payable at the same time that incentive compensation awards for calendar year 2018 are paid to similarly situated, actively employed executives of the Company, in an amount equal to the Incentive Compensation Award the Executive would have been eligible to receive for calendar year 2018 had his

employment not terminated (determined based on the Company's attainment of applicable corporate performance goals, with the Executive deemed to have satisfied any applicable individual performance goals at target).

(i) The Executive may continue to use the financial services provided through AYCO Company through the 2018 tax season ending on April 15, 2019.

(j) The Executive will provide the Company's Information Security and Information Technology Departments with his cellular telephone associated with telephone number 973-902-7288 ("Company Phone") as well as his Company issued tablet device ("Tablet") and laptop computer ("Laptop"). The Company shall be permitted to image the Company Phone, Tablet and Laptop for business continuity and litigation hold notice purposes, erase all Company information from the Company Phone, Tablet and Laptop, and then return the Company Phone, Tablet and Laptop to the Executive for his personal use after the Last Date of Employment. The Executive shall be entitled to keep the telephone number 973-902-7288, and will assume all financial responsibility for the Company Phone, Tablet and Laptop as of the Last Date of Employment.

Notwithstanding any other provision of this Agreement or the Employment Letter Agreement, all payments to, vesting, benefits, and other rights of the Executive under this Section 2.1 shall be subject to Sections 2.3, 2.5 and 4.6 of this Agreement. In addition, and without limitation of its rights at law or in equity, the Company reserves the right to suspend any payments to, vesting, benefits and other rights of the Executive if the Company has a commercially reasonable belief that the Executive is in breach of Section 3 of this Agreement, or otherwise is in breach of any representation, affirmation or acknowledgement made by Executive under this Agreement, or the Executive Release as defined in Section 2.5 and attached hereto as Exhibit A.

Except as provided in this Section 2.1, Executive acknowledges and agrees that he is not entitled to any other severance benefits under any other severance plan, arrangement, agreement or program of the Company or its affiliates.

2.2 Other Benefits. Following the Separation Date, the Executive will be paid any vested and accrued but not yet paid amounts due under the terms and conditions of any other employee pension benefits in accordance with the terms of such plan and applicable law.

2.3 Code Section 409A. On the Separation Date, the Executive is deemed to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Internal Revenue Code ("Code"); as a result, and notwithstanding any other provision of this Agreement or the Employment Letter Agreement,

(i) with regard to any payment, the providing of any benefit or any distribution of equity under this Agreement that constitutes "deferred compensation" subject to Code Section 409A, payable upon separation from service, such payment, benefit or distribution shall not be made or provided prior to the

earlier of (x) the expiration of the six-month period measured from the date of the Separation Date (or, if later, his "separation from service" as referred to in Code Section 409A) (as applicable, "409A Separation Date") or (y) the date of the Executive's death; and

(ii) on the first day of the seventh month following the date of the 409A Separation Date or, if earlier, on the date of death, (x) all payments delayed pursuant to Section 2.3(i) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal dates specified for them herein and (y) all distributions of equity delayed pursuant to Section 2.3(i) shall be made to the Executive;

provided, that, without limitation, the lump sum cash severance payment payable to the Executive under Section 2.1(a) above, the vesting of the RSUs and PVRSUs under Section 2.1(b) above, the Medical Reimbursement Payment provided under Section 2.1(d) above and the Transaction Incentive provided under Section 2.4 below are each intended to qualify as a short-term deferral under Treasury Regulation Section 1.409A-1(b)(4) and will be provided within the time periods provided in Section 2.1 and Section 2.4, respectively.

2.4 Transaction Incentive. Subject to the approval of the Compensation Committee, the Executive will be eligible to receive an additional payment (the "Transaction Incentive") upon completion of the Transaction. The anticipated recommended Transaction Incentive is one million and ten thousand dollars ($1,010,000). In order to receive the Transaction Incentive, the Executive must remain continuously employed with the Company through completion of the Transaction. The Transaction Incentive will be paid, subject to Sections 2.3, 2.5 and 4.6, on the 60 th day following the Separation Date.

2.5 Waiver and Release. Notwithstanding any other provisions of this Agreement or the Employment Letter Agreement to the contrary, this Agreement shall not become effective, and neither the Company nor the Executive shall have any rights or obligations under this Agreement, unless and until the Executive General Release attached as Exhibit A hereto and made a part hereof (the "Executive Release") becomes effective pursuant to its terms. Furthermore, the payments, benefits, vesting and other rights provided to the Executive under Section 2.1 and Section 2.4 of this Agreement are subject to, and contingent upon, the occurrence of the "Second Release Effective Date" (as defined in the Executive Release). If the Second Release Effective Date does not occur, the Executive shall have no right to any payments, benefits, vesting or other rights provided pursuant to Section 2.1 and Section 2.4 hereof.

2.6 Indemnification. From and after the Separation Date, the Company will indemnify the Executive and advance and/or reimburse related expenses, to the fullest extent permitted by the laws of the state of incorporation of the Company (Delaware) and with the limitations set forth under the Certificate of Incorporation and By-Laws of the Company. In addition, nothing herein shall affect the Executive's rights, if any, to indemnification, advancement, defense or related

reimbursement pursuant to, and subject to the terms and conditions of, any applicable D&O policies, any similar insurance policies or applicable law.

Section 3 Restrictive Covenants .

3.1 Confidential and Proprietary Information . The Executive acknowledges that in connection with his employment, he has had access to information of a nature not generally disclosed to the public. The Executive agrees to keep confidential and not disclose to anyone, unless legally compelled to do so, Confidential and Proprietary Information. "Confidential and Proprietary Information" includes but is not limited to all Company (including affiliates and subsidiaries) business and strategic plans, financial details, computer programs, manuals, contracts, current and prospective client and supplier lists, and developments owned, possessed or controlled by the Company, regardless of whether possessed or developed by the Executive in the course of his employment. Such Confidential and Proprietary Information may or may not be designated as confidential or proprietary and may be oral, written or electronic media. "Confidential and Proprietary Information" shall not include information that (a) was already publicly known at the time of disclosure to Executive; (b) subsequently becomes publicly known other than through disclosure by Executive; or (c) is generally known within the industry. The Executive understands that Confidential and Proprietary Information is owned and shall continue to be owned solely by the Company. The Executive agrees that he has not and will not disclose, directly or indirectly, in whole or in part, any Confidential and Proprietary Information except as may be required to respond to a court order, subpoena, or other legal process. In the event the Executive receives a court order, subpoena, or notice of other legal process requiring the disclosure of any information concerning the Company, including but not limited to Confidential and Proprietary Information, to the extent permitted by law, the Executive shall give the Company notice of such process within 48 hours of receipt, in order to provide the Company with the opportunity to move to quash or otherwise seek the preclusion of the disclosure of such information. The Executive acknowledges that he has complied and will continue to comply with this commitment, both as an employee and after the end of his employment. The Executive also acknowledges his continuing obligations under the Company's Business Principles. This Section 3.1 shall in all respects be subject to Paragraph 10 of the Executive Release.

3.2 Non-Solicitation; Non-Interference . For a period of twelve (12) months following the Separation Date, the Executive agrees that he will not, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (a) solicit, aid, or induce any customer of the Company (including its affiliates and subsidiaries, the " Company Group "), with which or whom he had dealings during his employment with the Company or about which or whom he learned Confidential Information during his employment with the Company, to purchase goods or services then sold by the Company Group from another person, firm, corporation, or other entity or assist or aid any other person or entity in identifying or soliciting any such customer to the detriment of the Company Group, (b) solicit, aid, or induce any employee of the Company to leave such employment or to accept employment with any other person, firm, corporation, or other entity unaffiliated with the Company Group or hire or retain any such employee, or take any action to materially assist or aid any other person, firm, corporation, or other entity in hiring any such

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employee, or (c) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company Group and any of its vendors, joint venturers, or licensors.

3.3 Non-Disparagement. The Executive agrees not to make, at any time (whether before or after the Separation Date), negative comments about or otherwise disparage the Company Group or any of its officers, directors, employees, shareholders, members, agents, or products. The foregoing will not restrict or impede the Executive from exercising protected legal rights to the extent that such rights cannot be waived by agreement or from providing truthful statements in response to any governmental agency, rulemaking authority, subpoena power, legal process, required governmental testimony or filings, or judicial, administrative, or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

3.4 Non-Disclosure. Unless otherwise required by law and subject in all respects to Paragraph 10 of the Executive Release, the Executive agrees not to disclose, either directly or indirectly, any information regarding the existence or substance of this Agreement, including specifically any of the terms of payment hereunder. This nondisclosure includes, but is not limited to, members of the media, present or former members of the Company (or any Released Party (as defined in the Executive Release)), and other members of the public, but does not include an attorney, accountant, family member or representative whom the Executive chooses to consult or seek advice regarding his consideration of and decision to execute this Agreement.

3.5 Practice of Law. Notwithstanding the provisions set forth in this Section 3, the Executive (a) may solicit the Company Group, and/or its employees as potential clients, in the event the Executive engages in the private practice of law, and (b) otherwise may engage in the practice of law, without restriction, as provided under the applicable rules of professional conduct.

Section 4 Miscellaneous.

4.1 Modifications. This Agreement may not be modified or amended except in writing signed by each of the parties hereto. No term or condition of this Agreement shall be deemed to have been waived except in writing by the party charged with such waiver. A waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver for the future or act as a waiver of anything other than that specifically waived.

4.2 Governing Law. This Agreement has been executed and delivered in the State of New Jersey and its validity, interpretation, performance and enforcement shall be governed by the internal laws of the State of New Jersey (without reference to its conflict of laws rules).

4.3 Arbitration.

(a) Any controversy, dispute or claim arising out of or relating to this Agreement or the breach hereof which cannot be settled by mutual agreement of the parties hereto (other than with respect to the matters covered by Section 3 of this Agreement, for which the Company may, but shall not be required to, seek injunctive and/or other equitable relief in a judicial proceeding; in conjunction with the foregoing, the

Executive acknowledges that the damages resulting from any breach of any such matter or provision would be irreparable and agrees that the Company has the right to apply to any court of competent jurisdiction for the issuance of a temporary restraining order to maintain the status quo pending the outcome of any proceeding) shall be finally settled by binding arbitration in accordance with the Federal Arbitration Act (or if not applicable, the applicable state arbitration law) as follows: Any party who is aggrieved shall deliver a notice to the other party hereto setting forth the specific points in dispute. Any points remaining in dispute twenty (20) days after the giving of such notice may be submitted to arbitration in New Jersey, to the American Arbitration Association, before a single arbitrator appointed in accordance with the Employment Arbitration Rules of the American Arbitration Association, modified only as herein expressly provided. After the aforesaid twenty (20) days, either party hereto, upon ten (10) days' notice to the other, may so submit the points in dispute to arbitration. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings.

(b) The decision of the arbitrator on the points in dispute shall be final, unappealable and binding, and judgment on the award may be entered in any court having jurisdiction thereof.

(c) Except as otherwise provided in this Agreement, the arbitrator shall be authorized to apportion his or her fees and expenses and the reasonable attorneys' fees and expenses of any such party as the arbitrator deems appropriate. In the absence of any such apportionment, the fees and expenses of the arbitrator shall be borne equally by each party, and each party shall bear the fees and expenses of its own attorney.

(d) The parties hereto agree that this Section 4.3 has been included to rapidly and inexpensively resolve any disputes between them with respect to this Agreement, and that this Section 4.3 shall be grounds for dismissal of any court action commenced by either party hereto with respect to this Agreement, other than court actions commenced by the Company with respect to any matter covered by Section 3 of this Agreement and other than post-arbitration court actions seeking to enforce an arbitration award. **In the event that any court determines that this arbitration procedure is not binding, or otherwise allows any litigation regarding a dispute, claim, or controversy covered by this Agreement to proceed, the parties hereto hereby waive any and all rights to a trial by jury in or with respect to such litigation.**

(e) The parties shall keep confidential, and shall not disclose to any person the existence of the controversy hereunder, the referral of any such controversy to arbitration, or the status of resolution thereof. This Section 4.3(e) shall in all respects be subject to Paragraph 10 of the Executive Release.

4.4 Survival. All of the Executive's obligations, covenants and restrictions under any confidentiality agreement, any non-disclosure agreement, and the Company's Business Principles

shall survive and continue in full force and effect. This Section 4.4 shall in all respects be subject to Paragraph 10 of the Executive Release.

4.5 Enforceability; Severability . It is the intention of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under applicable law. All provisions of this Agreement are intended to be severable. In the event any provision or restriction contained herein is held to be invalid or unenforceable in any respect, in whole or in part, such finding shall in no way affect the validity or enforceability of any other provision of this Agreement. The parties hereto further agree that any such invalid or unenforceable provision shall be deemed modified so that it shall be enforced to the greatest extent permissible under law, and to the extent that any court of competent jurisdiction determines any restrictions herein to be unenforceable in any respect, such court may limit this Agreement to render it enforceable in the light of the circumstances in which it was entered into and specifically enforce this Agreement to the fullest extent permissible.

4.6 Withholding . All payments and benefits payable pursuant to this Agreement shall be subject to reduction by all applicable withholding, social security and other federal, state and local taxes and deductions.

4.7 Code Section 409A Compliance .

(a) It is intended that this Agreement comply with the provisions of Code Section 409A and all regulations, guidance and other interpretive authority issued thereunder ("Code Section 409A"), and this Agreement shall be construed and applied in a manner consistent with this intent. Notwithstanding any other provision herein to the contrary, to the extent that the reimbursement of any expenses or the provision of any in-kind benefits under this Agreement is subject to Code Section 409A, reimbursement of any such expense shall be made by no later than December 31 of the year following the calendar year in which such expense is incurred. Each and every payment under this Agreement shall be treated as a right to receive a series of separate payments under Treasury Regulation Section 1.409A-2(b)(2)(iii).

(b) Notwithstanding anything herein to the contrary, in no event whatsoever shall the Company or any of its affiliates be liable for any tax, additional tax, interest or penalty that may be imposed on the Executive pursuant to Code Section 409A or for any damages for failing to comply with Code Section 409A.

4.8 Notices . All notices or other communications hereunder shall not be binding on either party hereto unless in writing, and delivered to the other party thereto at the following address:

If to the Company:

Wyndham Worldwide Corporation
22 Sylvan Way
Parsippany, NJ 07054
Attn: Stephen P. Holmes, Chairman and Chief Executive Officer

If to the Executive:

Scott G. McLester

Notices shall be deemed duly delivered upon hand delivery at the above address, or one day after deposit with a nationally recognized overnight delivery company, or three days after deposit thereof in the United States mails, postage prepaid, certified or registered mail. Any party may change its address for notice by delivery of written notice thereof in the manner provided.

4.9 Assignment. This Agreement is personal in nature to the Company and the rights and obligations of the Executive under this Agreement shall not be assigned or transferred by the Executive. The Company may assign this Agreement to any successor to all or a portion of the business and/or assets of the Company, provided that the Company shall require such successor to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

4.10 Jurisdiction. Subject to Section 4.3(a) of this Agreement, in any suit, action or proceeding seeking to enforce any provision of this Agreement, the Executive hereby (a) irrevocably consents to the exclusive jurisdiction of any federal court located in the State of New Jersey or any of the state courts of the State of New Jersey; (b) waives, to the fullest extent permitted by applicable law, any objection which he may now or hereafter have to the laying of venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; and (c) agrees that process in any such suit, action or proceeding may be served on him anywhere in the world, whether within or without the jurisdiction of such court, and, without limiting the foregoing, irrevocably agrees that service of process on such party, in the same manner as provided for notices in Section 4.8 of this Agreement, shall be deemed effective service of process on such party in any such suit, action or proceeding. **The Executive and Company agree to waive any right to a jury in connection with any judicial proceeding.**

4.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same document.

4.12 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

4.13 Entire Agreement. This Agreement (including the Executive Release to be executed and delivered by the Executive pursuant to Section 2.5 above) is entered into between the Executive and the Company as of the date hereof and constitutes the entire understanding and agreement between the parties hereto and, other than as set forth in Section 4.4 of this Agreement, supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, concerning the subject matter hereof, including, without limitation, the Employment Letter Agreement. All negotiations by the parties concerning the subject matter hereof are merged into

this Agreement, and there are no representations, warranties, covenants, understandings or agreements, oral or otherwise, in relation thereto by the parties hereto other than those incorporated herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the date first written above.

WYNDHAM WORLDWIDE CORPORATION

By: /s/Mary Falvey
Name: Mary Falvey
Title: Chief Human Resources Officer

/s/ Scott G. McLester
Executive: Scott G. McLester

Exhibit 10.1

EXHIBIT A

EXECUTIVE GENERAL RELEASE

I, Scott G. McLester ("I" or "Executive"), on behalf of myself and my heirs, executors, administrators and assigns, in consideration of my Separation and Release Agreement with Wyndham Worldwide Corporation, a Delaware corporation (the "Company"), dated January 11, 2018 (the "Agreement"), to which this Executive General Release (this "Executive Release") is attached, do hereby knowingly and voluntarily release and forever discharge the Company and its affiliates and subsidiaries, and each of its and their past and future subsidiaries, affiliates, divisions, joint ventures, directors, members, officers, executives, employees, agents and stockholders, and any and all employee benefit plans maintained by any of the above entities and their respective plan administrators, committees, trustees and fiduciaries individually and in their representative capacities, and its and their respective predecessors, successors and assigns (both individually and in their representative capacities) (collectively, the "Released Parties"), from any and all actions, causes of action, covenants, contracts, claims, charges, demands, suits, and liabilities whatsoever, which I or my heirs, executors, administrators, successors or assigns ever had, now have or may have arising prior to or on the date upon which I execute and/or re-execute (as applicable) this Executive Release ("Claims"), including any Claims arising out of or relating in any way to my employment (or the termination of my employment) with the Company and its affiliates and subsidiaries through the date upon which I execute and/or re-execute (as applicable) this Executive Release.

1. By signing and/or re-executing this Executive Release, I am providing a complete waiver of all Claims that may have arisen, whether known or unknown, up until and including the date upon which I execute and/or re-execute (as applicable) this Executive Release. This includes, but is not limited to Claims under or with respect to:

i. any and all matters arising out of my employment by the Company or any of the Released Parties through the date upon which I execute and/or re-execute (as applicable) this Executive Release and the cessation of said employment, and including, but not limited to, any alleged violation of the National Labor Relations Act ("NLRA"), any claims for discrimination of any kind under the Age Discrimination in Employment Act of 1967 ("ADEA") as amended by the Older Workers Benefit Protection Act ("OWBPA"), Title VII of the Civil Rights Act of 1964 ("Title VII"), Sections 1981 through 1988 of Title 42 of the United States Code, the Executive Retirement Income Security Act of 1974 ("ERISA") (except for vested benefits which are not affected by this agreement), the Americans With Disabilities Act of 1990, as amended ("ADA"), the Fair Labor Standards Act ("FLSA"), the Occupational Safety and Health Act ("OSHA"), the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Federal Family and Medical Leave Act ("FMLA"), the Federal Worker Adjustment Retraining Notification Act ("WARN"), the Uniformed Services Employment and Reemployment Rights Act ("USERRA"); and

ii. The Genetic Information Nondiscrimination Act of 2008; Family Rights Act; Fair Employment and Housing Act; Unruh Civil Rights Act; Statutory Provisions Regarding the Confidentiality of AIDS; Confidentiality of Medical Information Act; Parental Leave Law; Apprenticeship Program Bias Law; Equal Pay Law; Whistleblower Protection Law; Military Personnel Bias Law; Statutory Provisions Regarding Family and Medical Leave; Statutory Provisions Regarding Electronic Monitoring of Executives; The Occupational Safety and Health Act, as amended; Obligations of Investigative Consumer Reporting Agencies Law; Political Activities of Executives Law; Domestic Violence Victim Employment Leave Law; Court Leave; the United States or New Jersey Constitutions; any Executive Order or other order derived from or based upon any federal regulations; and

iii. The New Jersey Law Against Discrimination; The New Jersey Civil Rights Act; The New Jersey Family Leave Act; The New Jersey State Wage and Hour Law; The Millville Dallas Airmotive Plant Job Loss Notification Act; The New Jersey Conscientious Executive Protection Act; The New Jersey Equal Pay Law; The New Jersey Occupational Safety and Health Law; The New Jersey Smokers' Rights Law; The New Jersey Genetic Privacy Act; The New Jersey Fair Credit Reporting Act; The New Jersey Statutory Provision Regarding Retaliation/Discrimination for Filing a Workers' Compensation Claim; New Jersey laws regarding Political Activities of Executives, Lie Detector Tests, Jury Duty, Employment Protection, and Discrimination; and

iv. any other federal, state or local civil or human rights law, or any other alleged violation of any local, state or federal law, regulation or ordinance, and/or public policy, implied or expressed contract, fraud, negligence, estoppel, defamation, infliction of emotional distress or other tort or common-law claim having any bearing whatsoever on the terms and conditions and/or cessation of my employment with the Company, including, but not limited to, all claims for any compensation including salary, back wages, front pay, bonuses or awards, incentive compensation, performance-based grants or awards, severance pay, vacation pay, stock grants, stock unit grants, stock options, or any other form of equity award, fringe benefits, disability benefits, severance benefits, reinstatement, retroactive seniority, pension benefits, contributions to 401(k) plans, or any other form of economic loss; all claims for personal injury, including physical injury, mental anguish, emotional distress, pain and suffering, embarrassment, humiliation, damage to name or reputation, interest, liquidated damages, and punitive damages; and all claims for costs, expenses, and attorneys' fees.

Executive further acknowledges that Executive later may discover facts different from or in addition to those Executive now knows or believes (or knows or believes upon such re-execution) to be true regarding the matters released or described in this Executive Release, and even so Executive agrees that the releases and agreements contained in this Executive Release shall remain effective in all respects notwithstanding any later discovery of any different or additional facts.

This Executive Release shall not, however, apply to any obligations of the Company under the terms and subject to the conditions expressly set forth in the Agreement (claims with respect thereto, collectively, "Excluded Claims"). Executive acknowledges and agrees that, except with respect to Excluded Claims, the Company and the Released Parties have fully satisfied any and all obligations whatsoever owed to Executive arising out of his employment with the Company or any of the Released Parties through the date upon which Executive executes and/or re-executes (as applicable) this Executive Release and the cessation of his employment with the Company or any of the Released Parties and that no further payments or benefits are owed to Executive by the Company or any of the Released Parties. This Paragraph 1 shall in all respects be subject to Paragraph 10 of this Executive Release.

2. Executive understands and agrees that he would not receive the payments and benefits specified in Section 2.1 and, if applicable, Section 2.4 of the Agreement, except for his execution and re-execution of this Executive Release and his satisfaction of his obligations contained in the Agreement and this Executive Release, and that such consideration is greater than any amount to which he would otherwise be entitled.

3. As of the date upon which Executive executes and/or re-executes (as applicable) this Executive Release, Executive acknowledges that he does not have any current charge, complaint, grievance or other proceeding against any of the Released Parties pending before any local, state or federal agency regarding his employment or separation from employment. This Paragraph 3 shall in all respects be subject to Paragraph 10 of this Executive Release.

4. The Company and Executive acknowledge that Executive cannot waive his right to file a charge, testify, assist, or participate in any manner in an investigation, hearing, or proceeding under the federal civil rights laws or federal whistleblower laws. Therefore, notwithstanding the provisions set forth herein, nothing contained in the Agreement or Executive Release is intended to nor shall it prohibit Executive from filing a charge with, or providing information to, the United States Equal Employment Opportunity Commission ("EEOC") or other federal, state or local agency or from participating or cooperating in any investigation or proceeding conducted by the EEOC or other governmental agency. With respect to a claim for employment discrimination brought to the EEOC or state/local equivalent agency enforcing civil rights laws, Executive waives any right to personal injunctive relief and to personal recovery, damages, and compensation of any kind payable by any Released Party with respect to the claims released in the Agreement or Executive Release as set forth in herein.

5. As of the date upon which Executive executes and/or re-executes (as applicable) this Executive Release, Executive affirms that he has not knowingly provided, either directly or indirectly, any information or assistance to any party who may be considering or is taking legal action against the Released Parties with the purpose of assisting such person in connection with such legal action. Executive understands that if this Agreement and Executive Release were not signed and re-executed, he would have the right to voluntarily provide information or assistance to any party who may be considering or is taking legal action against the Released Parties. Executive hereby waives that right and agrees that he will not provide any such assistance other than the assistance in an investigation or proceeding conducted by the EEOC or other federal, state or local

agency, or pursuant to a valid subpoena or court order. This Paragraph 5 shall in all respects be subject to Paragraph 10 of this Executive Release.

6. As of the date upon which Executive executes and/or re-executes (as applicable) this Executive Release, Executive represents that he has not and agrees that he will not in any way disparage the Company or any Released Party, their current and former officers, directors and employees, or make or solicit any comments, statements, or the like to the media or to others that may be considered to be derogatory or detrimental to the good name or business reputation of any of the aforementioned parties or entities. This Paragraph 6 shall in all respects be subject to Paragraph 10 of this Executive Release.

7. Executive agrees, in addition to obligations set forth in the Agreement, to cooperate with and make himself available to the Company or any of its successors (including any past or future subsidiary of the Company), Released Parties, or its or their General Counsel, as the Company may reasonably request, to assist in any matter, including giving truthful testimony in any litigation or potential litigation, over which Executive may have knowledge, information or expertise. Executive shall be reimbursed, to the extent permitted by law, any reasonable costs associated with such cooperation, provided those costs are pre-approved by the Company prior to Executive incurring them. Executive acknowledges that his agreement to this provision is a material inducement to the Company to enter into the Agreement and to pay the consideration described herein.

8. As of the date upon which Executive re-executes this Executive Release, Executive acknowledges and confirms that he has returned all Company property to the Company including, but not limited to, all Company confidential and proprietary information in his possession, regardless of the format and no matter where maintained. Executive also certifies that all electronic files residing or maintained on any personal computer devices (thumb drives, tablets, personal computers or otherwise) will be returned and no copies retained. Executive also has returned his identification card, and computer hardware and software, all paper or computer based files, business documents, and/or other Business Records or Office Documents as defined in the Company Document Management Program, as well as all copies thereof, credit and procurement cards, keys and any other Company supplies or equipment in his possession. In addition, as of the date upon which Executive re-executes this Executive Release, Executive confirms that any business related expenses for which he seeks or will seek reimbursement have been, or will be, documented and submitted to the Company within 10 business days after the Separation Date (as defined in the Agreement). Finally, as of the date upon which Executive re-executes this Executive Release, any amounts owed to the Company have been paid. This Paragraph 8 shall in all respects be subject to Paragraph 10 of this Executive Release.

9. Executive acknowledges and agrees that in the event Executive has been reimbursed for business expenses, but has failed to pay his American Express bill or other Company-issued charge card or credit card bill related to such reimbursed expenses, Executive shall promptly pay any such amounts within 7 days after any request by the Company and, in addition, the Company has the right and is hereby authorized to deduct the amount of any unpaid charge card or credit card

bill from the severance payments or otherwise suspend payments or other benefits in an amount equal to the unpaid business expenses without being in breach of the Agreement.

10. Except as otherwise set forth in Paragraph 4 of this Executive Release, nothing contained in this Executive Release or in the Agreement is intended to nor shall it limit or prohibit Executive, or waive any right on his part, to initiate or engage in communication with, respond to any inquiry from, otherwise provide information to or obtain any monetary recovery from, any federal or state regulatory, self-regulatory, or enforcement agency or authority, as provided for, protected under or warranted by applicable law, in all events without notice to or consent of the Company.

11. Executive agrees that neither the Agreement nor this Executive Release, nor the furnishing of the consideration for this Executive Release, shall be deemed or construed at any time for any purpose as an admission by the Company of any liability or unlawful conduct of any kind, which the Company denies.

12. Executive understands that he has 45 calendar days within which to consider this Executive Release before signing it. The 45 calendar day period shall begin on January 11, 2018, the day after it is presented to Executive. After signing this Executive Release, Executive may revoke his signature within 7 calendar days ("Revocation Period"). In order to revoke his signature, Executive must deliver written notification of that revocation marked "personal and confidential" to Stephen P. Holmes, Chairman and Chief Executive Officer, Wyndham Worldwide Corporation, 22 Sylvan Way, Parsippany, NJ 07054. Notice of such revocation must be received within the seven (7) calendar days referenced. Executive understands that neither this Executive Release nor the Agreement will become effective or enforceable until this Revocation Period has expired and there has been no revocation by Executive, and the other terms and conditions of this Executive Release and the Agreement have been met by Executive to the Company's satisfaction.

13. The Company's obligations set forth in Section 2.1 of the Agreement are expressly contingent upon Executive's re-execution and non-revocation of this Executive Release within forty-five (45) days following the Separation Date. Upon Executive's re-execution of this Agreement (the "Re-Execution Date"), Executive advances to the Re-Execution Date his release of all Claims. Executive has seven (7) calendar days from the Re-Execution Date to revoke his re-execution of this Agreement. In order to revoke his signature, Executive must deliver written notification of that revocation marked "personal and confidential" to Stephen P. Holmes, Chairman and Chief Executive Officer, Wyndham Worldwide Corporation, 22 Sylvan Way, Parsippany, NJ 07054. Notice of such revocation must be received within the seven (7) calendar days referenced above. If Executive does not re-execute this Executive Release or if Executive revokes such re-execution, the Agreement and the previously-executed Executive Release shall remain in full force and effect, but neither Company nor Executive shall have any rights or obligations under Section 2.1 and, if applicable, Section 2.4 of the Agreement. Provided that Executive does not revoke his re-execution of the Executive Release within such seven (7) day period, the "Second Release Effective Date" shall occur on the eighth (8th) calendar day after the date on which Executive re-executes the signature page of this Executive Release.

EXECUTIVE HAS READ AND FULLY CONSIDERED THIS EXECUTIVE RELEASE, HE UNDERSTANDS IT AND KNOWS HE IS GIVING UP IMPORTANT RIGHTS, AND IS DESIROUS OF EXECUTING (AND RE-EXECUTING, AS APPLICABLE) AND DELIVERING THIS EXECUTIVE RELEASE. EXECUTIVE UNDERSTANDS THAT THIS DOCUMENT SETTLES, BARS AND WAIVES ANY AND ALL CLAIMS HE HAD OR MIGHT HAVE AGAINST THE COMPANY AND ITS AFFILIATES AND SUBSIDIARIES; AND HE ACKNOWLEDGES THAT HE IS NOT RELYING ON ANY OTHER REPRESENTATIONS, WRITTEN OR ORAL, NOT SET FORTH IN THIS EXECUTIVE RELEASE OR THE AGREEMENT. HAVING ELECTED TO EXECUTE (AND RE-EXECUTE, AS APPLICABLE) THIS EXECUTIVE RELEASE, TO FULFILL THE PROMISES SET FORTH HEREIN AND IN THE AGREEMENT, AND TO RECEIVE THEREBY THE SUMS AND BENEFITS SET FORTH IN THE AGREEMENT, EXECUTIVE FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, EXECUTES (AND RE-EXECUTES, AS APPLICABLE) AND DELIVERS THIS EXECUTIVE RELEASE.

EXECUTIVE HAS BEEN ADVISED OF EXECUTIVE'S RIGHT TO CONSULT WITH HIS LEGAL COUNSEL PRIOR TO EXECUTING (AND RE-EXECUTING, AS APPLICABLE) THIS EXECUTIVE RELEASE AND THE AGREEMENT.

IF THIS DOCUMENT IS RETURNED EARLIER THAN 45 DAYS, THEN EXECUTIVE ADDITIONALLY ACKNOWLEDGES AND WARRANTS THAT HE HAS VOLUNTARILY AND KNOWINGLY WAIVED THE 45 DAY REVIEW PERIOD, AND THIS DECISION TO ACCEPT A SHORTENED PERIOD OF TIME IS NOT INDUCED BY THE COMPANY THROUGH FRAUD, MISREPRESENTATION, A THREAT TO WITHDRAW OR ALTER THE OFFER PRIOR TO THE EXPIRATION OF THE 45 DAYS, OR BY PROVIDING DIFFERENT TERMS TO EXECUTIVE IF HE SIGNS (OR RE-EXECUTES, AS APPLICABLE) THIS EXECUTIVE RELEASE PRIOR TO THE EXPIRATION OF SUCH TIME PERIOD.

THEREFORE, the Executive voluntarily and knowingly executes and/or re-executes this Executive Release as of the dates set forth below.

/s/Scott G. McLester_____
Scott G. McLester
Date Signed: April 27, 2018

NOT TO BE RE-EXECUTED
PRIOR TO THE SEPARATION DATE

_____
Scott G. McLester
Date Signed: _____

Exhibit 10.1

AMENDMENT NO. 1 TO SEPARATION AGREEMENT

THIS AMENDMENT NO. 1 (this " Amendment ") is made as of this 29th day of May, 2018 (the " Effective Date ") and amends that certain Separation and Release Agreement, by and between Scott G. McLester (" Executive ") and Wyndham Worldwide Corporation, a Delaware corporation (the " Company "), dated effective as of the 11 th day of January, 2018 (the " Agreement "). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

RECITALS

WHEREAS , the Company and Executive previously entered into the Agreement; and

WHEREAS , pursuant to Section 4.1 of the Agreement, the Agreement may be amended in a writing signed by each of Executive and the Company.

NOW, THEREFORE , for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Section 2.1(b)(ii) of the Agreement is hereby modified by replacing the phrase "following the completion of each such performance period" with "as of completion of the Transaction."

2. Section 2.1(h) of the Agreement is replaced in its entirety as follows:

   "The Executive will receive a lump sum cash payment, payable on the 60 th day following the Separation Date, in an amount equal to the product of (i) $505,000 (the Incentive Compensation Award that the Executive would have been eligible to receive for calendar year 2018), multiplied by (ii) a fraction, the numerator of which is the number of calendar days in calendar year 2018 prior to the Separation Date and the denominator of which is 365. By way of example only, if the number of business and non-business days in calendar year 2018 prior to the Executive's Separation Date is 152, the payment provided herein would be $210,301.37. The payment set forth herein is subject to Sections 2.3, 2.5 and 4.6 below."

3. Section 2.4 of the Agreement is replaced in its entirety as follows:

   Transaction Incentive . Executive will receive an additional cash payment (the "Transaction Incentive") upon completion of the Transaction, in the amount of one million and ten thousand dollars ($1,010,000). The Transaction Incentive will be paid, subject to Sections 2.3, 2.5 and 4.6, on the 60th day following the Separation Date.

This Amendment shall only serve to amend and modify the Agreement to the extent specifically provided herein. All terms, conditions, provisions and references of

4. and to the Agreement which are not specifically modified, amended and/or waived herein shall remain in full force and effect and shall not be altered by any provisions herein contained. All prior agreements, promises, negotiations and representations, either oral or written, relating to the subject matter of this Amendment not expressly set forth in this Amendment are of no force or effect.

5. This Amendment shall not be amended, modified or supplemented except by a written instrument signed by the parties hereto. The failure of a party to insist on strict adherence to any term of this Amendment on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Amendment. No waiver of any provision of this Amendment shall be construed as a waiver of any other provision of this Amendment. Any waiver must be in writing.

6. This Amendment shall inure to the benefit of the Company and its successors and assigns and shall be binding upon the Company and its successors and assigns. This Amendment is personal to Executive, and Executive shall not assign or delegate his rights or duties under this Amendment, and any such assignment or delegation shall be null and void.

7. This Amendment may be executed and delivered (including by facsimile, "pdf" or other electronic transmission) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

WYNDHAM WORLDWIDE CORPORATION
By: /s/Mary Falvey
Name: Mary Falvey
Title: Chief Human Resources Officer

/s/ Scott McLester
Executive: Scott McLester

Exhibit 10.2

May 16, 2018

Geoff Richards

Dear Mr. Richards:

We are pleased to confirm the terms and conditions of your employment with Wyndham Destinations, Inc. (the " Company ") as Chief Operating Officer, effective as of June 1, 2018 (the " Effective Date "). This position reports to the Chief Executive Officer of the Company.

Your base salary, paid on a biweekly basis, will be $19,230.77, which equates to an annualized base salary of $500,000, subject to annual review by the Company's Board of Directors' Compensation Committee (the 'Committee') in its sole discretion.

You will be eligible to participate in the Company's annual incentive compensation plan as in effect from time to time (the " AIP "), with a target annual incentive compensation award opportunity equal to 75% of your eligible base salary, and with your actual annual incentive compensation award (if any) determined based upon the attainment of one or more performance goals established by the Compensation Committee of the Company's Board of Directors (the " Compensation Committee "). However, for the period of January 1, 2018 through the date immediately before the Effective Date (the " Pre-Spin Period "), your annual incentive compensation award will be determined pursuant to the guidelines provided under the Wyndham Worldwide Corporation 2018 AIP and based on your Pre-Spin annual incentive compensation target, as determined by the Compensation Committee of the Board of Directors of Wyndham Worldwide Corporation. For the balance of 2018, your annual incentive compensation award will be subject to the terms of the AIP and based upon your eligible base salary during that period and your new incentive compensation target opportunity. Beginning January 1, 2019, 100% of your annual incentive compensation award will be determined pursuant to the AIP. Your annual incentive compensation award, including any annual incentive compensation award for the Pre-Spin Period, (if any) will be paid to you at such time as shall be determined by the Compensation Committee, but in no event later than the last day of the calendar year immediately following the calendar year in which such annual incentive compensation award is earned.

You will be eligible for executive perquisites, which currently include Company-provided automobile and financial planning assistance; however, our program is subject to change from time to time. In accordance with our reimbursement policy, as the same may be amended from time to time, the Company will reimburse all taxable business expenses to you on or before the last day of your taxable year following the taxable year in which the expenses are incurred.

Per the Company's standard policy, this letter agreement (this " Agreement ") is not intended, nor should it be considered, to be an employment contract for a definite or indefinite period of time.

As you know, employment with the Company is at will, and either you or the Company may terminate your employment at any time, with or without Cause and with or without prior notice. For purposes of this Agreement, " Cause " means any of the following: (a) your willful failure to substantially perform your duties as an employee of the Company or any subsidiary (other than any such failure resulting from incapacity due to physical or mental illness), (b) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by you against the Company or any subsidiary, (c) your conviction of a felony or any crime involving moral turpitude (which conviction, due to the passage of time or otherwise, is not subject to further appeal), (d) your gross negligence in the performance of your duties, or (e) your purposefully or negligently making (or having been found to have made) a false certification to the Company pertaining to its financial statements. Unless the Company reasonably determines in its sole discretion that your conduct is not subject to cure, then the Company will provide notice to you of its intention to terminate your employment for Cause hereunder, along with a description of your conduct which the Company believes gives rise to Cause, and provide you with a period of fifteen (15) days in which to cure such conduct and/or challenge the Company's determination that Cause exists hereunder; provided , however , that (i) the determination of whether such conduct has been cured and/or gives rise to Cause shall be made by the Company in its sole discretion; and (ii) the Company shall be entitled to immediately and unilaterally restrict or suspend your duties during such fifteen (15)-day period pending such determination.

In the event your employment with the Company is terminated by the Company other than for Cause (not, for the avoidance of doubt, due to your death or your Disability (as such term is defined in the Company's long-term disability plan)) (a " Qualifying Termination "), subject to the terms and conditions set forth in this Agreement, you will receive severance pay equal to 200% multiplied by the sum of: (a) your then current base salary; plus (b) an amount equal to the highest annual incentive compensation award paid to you with respect to the three (3) fiscal years of the Company immediately preceding the fiscal year in which your termination of employment occurs, but in no event shall the amount (b) exceed your then target compensation incentive award. In the event you become entitled to severance pay under the circumstances described in this Agreement during the three (3) years following the Effective Date, the amount in subsection (b) above shall be no less than your then target annual incentive compensation award.

The severance pay will be paid to you in the form of a cash lump sum payment, less all applicable withholdings and deductions, in the first payroll period following the date on which the separation agreement referenced in the following paragraph becomes effective and non-revocable; provided that, to the extent your severance payment is subject to Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance issued thereunder (collectively, " Code Section 409A "), your termination of employment must constitute a "separation from service" under Code Section 409A; provided , further , that in the event the period during which you are entitled to consider (and revoke, if applicable) such separation agreement spans two calendar years, then any payment that otherwise would have been payable during the first calendar year will in no case be made until the later of (a) the end of the revocation period (assuming that you do not revoke) and

(b) the first business day of the second calendar year (regardless of whether you used the full time period allowed for consideration), as and to the extent required for purposes of Code Section 409A; and provided , further , that the Company shall have the right to offset against such severance pay any then-existing documented and bona fide monetary debts you owe to the Company or any of its subsidiaries, to the extent permissible under Code Section 409A.

The above provision of severance pay is subject to, and contingent upon, your execution and non-revocation of a separation agreement, in such form as is determined by the Company, within sixty (60) days of your termination date. Such separation agreement will require you to release all of your actual and purported claims against the Company and its affiliates (including, without limitation, the Company's affiliated individuals and entities) and will be in substantially the form attached hereto as Exhibit A.

You will be eligible to continue to participate in the Company health plans in which the Executive participates (medical, dental and vision) through the end of the month in which the Executive's termination becomes effective. Following such time, the Executive may elect to continue health plan coverage in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act (" **COBRA** "), and if the Executive elects such coverage, the Company will reimburse the Executive for the costs associated with such continuing health coverage under COBRA until the earlier of (x) eighteen (18) months from the coverage commencement date and (y) the date on which the Executive becomes eligible for health and medical benefits from a subsequent employer.

You agree that you will, with reasonable notice during or after your employment with the Company, furnish such information as may be in your possession and fully cooperate with the Company and its affiliates as may be requested in connection with any claims or legal action in which the Company or any of its affiliates is or may become a party. During your employment, you will comply in all respects with the Company's Business Principles, policies and standards. After your employment with the Company, you will cooperate as reasonably requested with the Company and its affiliates in connection with any claims or legal actions in which the Company or any of its affiliates is or may become a party. The Company agrees to reimburse you for any reasonable out-of-pocket expenses incurred by you by reason of such cooperation, including any loss of salary due, to the extent permitted by law, and the Company will make reasonable efforts to minimize interruption of your life in connection with your cooperation in such matters as provided for in this paragraph.

You recognize and acknowledge that all information pertaining to this Agreement or to the affairs; business; results of operations; accounting methods, practices and procedures; members; acquisition candidates; financial condition; clients; customers or other relationships of the Company or any of its affiliates (" Information ") is confidential and is a unique and valuable asset of the Company or any of its affiliates. Access to and knowledge of certain of the Information is essential to the performance of your duties under this Agreement. You will not, during your employment with the Company or thereafter, except to the extent reasonably necessary in performance of your duties under this Agreement, give to any person, firm, association, corporation, or governmental agency

any Information, except as may be required by law. You will not make use of the Information for your own purposes or for the benefit of any person or organization other than the Company or any of its affiliates. You will also use your best efforts to prevent the disclosure of this Information by others. All records, memoranda, etc. relating to the business of the Company or its affiliates, whether made by you or otherwise coming into your possession, are confidential and will remain the property of the Company or its affiliates.

Upon a Qualifying Termination, you will be eligible to vest in and be paid a pro-rata portion of any performance-based long-term incentive award (excluding stock options and stock appreciation rights) that you may hold at the time of such Qualifying Termination, with such pro-ration based upon the portion of the full performance period during which you were employed by the Company plus twelve (12) months (or, if less, assuming your continued employment for the entire performance period remaining after your Qualifying Termination); provided that the performance goals applicable to the performance-based long-term incentive award are achieved. Payment of any such vested performance-based long-term incentive award will occur at the same time that such performance-based long-term incentive awards are paid to actively-employed employees generally. In addition, all long-term incentive awards that are not subject to performance-based vesting and that would have otherwise vested within the twelve (12)-month period following your Qualifying Termination will become vested upon your Qualifying Termination, and any such long-term incentive awards which are stock options or stock appreciation rights will remain outstanding for a period of two (2) years (but not beyond the original expiration date) following your Qualifying Termination. This paragraph shall not supersede or replace any provision or right relating to the acceleration of the vesting of any long-term incentive award (whether or not performance-based) in the event of a change in control of the Company or your death or disability, whether pursuant to an applicable stock plan document or award agreement.

Although the Company does not guarantee to you any particular tax treatment relating to any payments made or benefits provided to you in connection with your employment with the Company, it is intended that such payments and benefits be exempt from, or comply with, Code Section 409A, and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A.

You hereby acknowledge and agree to the dispute resolution provisions set forth in Appendix A attached hereto.

This Agreement has been executed and delivered in the State of New Jersey and its validity, interpretation, performance and enforcement will be governed by the internal laws of that state.

We are excited to have you contribute to the success of our newly-formed company and look forward to having you as a member of our team.

Sincerely,

By: Wyndham Destinations, Inc.

/s/ Michael D. Brown
Name: Michael D. Brown
Title: Chief Executive Officer

ACKNOWLEDGED AND ACCEPTED:

/s/ Geoff Richards

Name: Geoff Richards
Date: May 29, 2018

APPENDIX A

1. You and the Company mutually consent to the resolution by final and binding arbitration of any and all disputes, controversies, or claims related in any way to your employment and/or relationship with the Company, including, without limitation, any dispute, controversy or claim of alleged discrimination, harassment, or retaliation (including, but not limited to, claims based on race, sex, sexual preference, religion, national origin, age, marital or family status, medical condition, or disability); any dispute, controversy, or claim arising out of or relating to any agreements between you and the Company, including this Agreement; and any dispute as to the ability to arbitrate a matter under this Agreement (collectively, " **Claims** "); provided , however , that nothing in this Agreement shall require arbitration of any Claims which, by law, cannot be the subject of a compulsory arbitration agreement, and nothing in this Agreement shall be interpreted to mean that you are precluded from filing complaints with the Equal Employment Opportunity Commission or the National Labor Relations Board.

2. Any party who is aggrieved will deliver a notice to the other party setting forth the specific points in dispute within the same statute of limitations period applicable to such Claims . Any points remaining in dispute twenty (20) days after the giving of such notice may be submitted to arbitration in New York, New York, in the Borough of Manhattan, to JAMS, before a single arbitrator appointed in accordance with the Employment Arbitration Rules and Procedures of JAMS (" **JAMS Rules** ") then in effect, modified only as herein expressly provided. The arbitrator shall be selected in accordance with the JAMS Rules; provided that the arbitrator shall be an attorney (i) with at least ten (10) years of significant experience in employment matters and/or (ii) a former federal or state court judge. After the aforesaid twenty (20) days, either party, upon ten (10) days' notice to the other, may so submit the points in dispute to arbitration. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings. The arbitrator will be empowered to award either party any remedy, at law or in equity, that the party would otherwise have been entitled to, had the matter been litigated in court; provided , however , that the authority to award any remedy is subject to whatever limitations, if any, exist in the applicable law on such remedies. The arbitrator shall issue a decision or award in writing, stating the essential findings of fact and conclusions of law. Any judgment on or enforcement of any award, including an award providing for interim or permanent injunctive relief, rendered by the arbitrator may be entered, enforced, or appealed in any court having jurisdiction thereof. Any arbitration proceedings, decision, or award rendered hereunder, and the validity, effect, and interpretation of this arbitration provision, shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq .

3. Each party to any dispute shall pay its own expenses, including attorneys' fees; provided , however , that the Company shall pay all reasonable costs, fees, and expenses that you would not otherwise have been subject to paying if the Claim had been resolved in a court of competent jurisdiction.

4. The parties agree that this Appendix A has been included to rapidly, inexpensively and confidentially resolve any disputes between them, and that this Appendix A will be grounds for dismissal of any court action commenced by either party with respect to this Agreement, except as otherwise provided in Paragraph 1 herein, other than (i) any action seeking a restraining order or other injunctive or equitable relief or order in aid of arbitration or to compel arbitration from a court of competent jurisdiction, (ii) any action seeking interim injunctive or equitable relief from the arbitrator pursuant to the JAMS Rules or (iii) post-arbitration actions seeking to enforce an arbitration award from a court of competent jurisdiction. IN THE EVENT THAT ANY COURT DETERMINES THAT THIS ARBITRATION PROCEDURE IS NOT BINDING, OR OTHERWISE ALLOWS ANY LITIGATION REGARDING A DISPUTE, CLAIM, OR CONTROVERSY COVERED BY THIS AGREEMENT TO PROCEED, THE PARTIES HERETO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN OR WITH RESPECT TO SUCH LITIGATION.

5. The parties will keep confidential, and will not disclose to any person, except to counsel for either of the parties and/or as may be required by law, the existence of any controversy hereunder, the referral of any such controversy to arbitration or the status or resolution thereof. Accordingly, you and the Company agree that all proceedings in any arbitration shall be conducted under seal and kept strictly confidential. In that regard, no party shall use, disclose, or permit the disclosure of any information, evidence, or documents produced by any other party in the arbitration proceedings or about the existence, contents, or results of the proceedings, except as necessary and appropriate for the preparation and conduct of the arbitration proceedings, or as may be required by any legal process, or as required in an action in aid of arbitration, or for enforcement of or appeal from an arbitral award. Before making any disclosure permitted by the preceding sentence, the party intending to make such disclosure shall give the other party reasonable written notice of the intended disclosure and afford such other party a reasonable opportunity to protect its interests (e.g., by application for a protective order and/or to file under seal).

Exhibit 10.3

May 16, 2018

Jeffrey Myers

Dear Mr. Myers:

We are pleased to confirm the terms and conditions of your employment with Wyndham Destinations, Inc. (the " Company ") as Chief Sales & Marketing Officer effective as of June 1, 2018 (the " Effective Date "). This position reports to the Chief Executive Officer of the Company.

Your base salary, paid on a biweekly basis, will be $19,230.77, which equates to an annualized base salary of $500,000, subject to annual review by the Company's Board of Directors' Compensation Committee (the 'Committee') in its sole discretion.

You will be eligible to participate in the Company's annual incentive compensation plan as in effect from time to time (the " AIP "), with a target annual incentive compensation award opportunity equal to 50% of your eligible base salary, and with your actual annual incentive compensation award (if any) determined based upon the attainment of one or more performance goals established by the Compensation Committee of the Company's Board of Directors (the " Compensation Committee "). However, for the period of January 1, 2018 through the date immediately before the Effective Date (the " Pre-Spin Period "), your annual incentive compensation award will be determined pursuant to the guidelines provided under the Wyndham Worldwide Corporation 2018 AIP and based on your Pre-Spin annual incentive compensation target, as determined by the Compensation Committee of the Board of Directors of Wyndham Worldwide Corporation. For the balance of 2018, your annual incentive compensation award will be subject to the terms of the AIP and based upon your eligible base salary during that period and your new incentive compensation target opportunity. Your annual incentive compensation award, including any annual incentive compensation award for the Pre-Spin Period, (if any) will be paid to you at such time as shall be determined by the Compensation Committee, but in no event later than the last day of the calendar year immediately following the calendar year in which such annual incentive compensation award is earned.

You will continue to be eligible to participate in the commission based Sales & Marketing Leadership Incentive Plan with a target award of $250,000 from the Effective Date as approved by the Compensation Committee in its sole discretion.

You will be eligible for executive perquisites, which currently include Company-provided automobile and financial planning assistance; however, our program is subject to change from time to time. In accordance with our reimbursement policy, as the same may be amended from time to time, the Company will reimburse all taxable business expenses to you on or before the last day of your taxable year following the taxable year in which the expenses are incurred.

Per the Company's standard policy, this letter agreement (this " Agreement ") is not intended, nor should it be considered, to be an employment contract for a definite or indefinite period of time. As you know, employment with the Company is at will, and either you or the Company may terminate your employment at any time, with or without Cause and with or without prior notice. For purposes of this Agreement, " Cause " means any of the following: (a) your willful failure to substantially perform your duties as an employee of the Company or any subsidiary (other than any such failure resulting from incapacity due to physical or mental illness), (b) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by you against the Company or any subsidiary, (c) your conviction of a felony or any crime involving moral turpitude (which conviction, due to the passage of time or otherwise, is not subject to further appeal), (d) your gross negligence in the performance of your duties, or (e) your purposefully or negligently making (or having been found to have made) a false certification to the Company pertaining to its financial statements. Unless the Company reasonably determines in its sole discretion that your conduct is not subject to cure, then the Company will provide notice to you of its intention to terminate your employment for Cause hereunder, along with a description of your conduct which the Company believes gives rise to Cause, and provide you with a period of fifteen (15) days in which to cure such conduct and/or challenge the Company's determination that Cause exists hereunder; provided , however , that (i) the determination of whether such conduct has been cured and/or gives rise to Cause shall be made by the Company in its sole discretion; and (ii) the Company shall be entitled to immediately and unilaterally restrict or suspend your duties during such fifteen (15)-day period pending such determination.

In the event your employment with the Company is terminated by the Company other than for Cause (not, for the avoidance of doubt, due to your death or your Disability (as such term is defined in the Company's long-term disability plan)) (a " Qualifying Termination "), subject to the terms and conditions set forth in this Agreement, you will receive severance pay equal to 200% multiplied by the sum of: (a) your then current base salary; plus (b) an amount equal to the highest annual incentive compensation award paid to you with respect to the three (3) fiscal years of the Company immediately preceding the fiscal year in which your termination of employment occurs, but in no event shall the amount (b) exceed your then target compensation incentive award. In the event you become entitled to severance pay under the circumstances described in this Agreement during the three (3) years following the Effective Date, the amount (b) above shall be no less than your then target annual incentive compensation award.

The severance pay will be paid to you in the form of a cash lump sum payment, less all applicable withholdings and deductions, in the first payroll period following the date on which the separation agreement referenced in the following paragraph becomes effective and non-revocable; provided that, to the extent your severance payment is subject to Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance issued thereunder (collectively, " Code Section 409A "), your termination of employment must constitute a "separation from service" under Code Section 409A; provided , further , that in the event the period during which you are entitled to consider (and revoke, if applicable) such separation agreement spans two calendar years, then any

payment that otherwise would have been payable during the first calendar year will in no case be made until the later of (a) the end of the revocation period (assuming that you do not revoke) and (b) the first business day of the second calendar year (regardless of whether you used the full time period allowed for consideration), as and to the extent required for purposes of Code Section 409A; and provided , further , that the Company shall have the right to offset against such severance pay any then-existing documented and bona fide monetary debts you owe to the Company or any of its subsidiaries, to the extent permissible under Code Section 409A.

The above provision of severance pay is subject to, and contingent upon, your execution and non-revocation of a separation agreement, in such form as is determined by the Company, within sixty (60) days of your termination date. Such separation agreement will require you to release all of your actual and purported claims against the Company and its affiliates (including, without limitation, the Company's affiliated individuals and entities) and will be in substantially the form attached hereto as Exhibit A.

You will be eligible to continue to participate in the Company health plans in which the Executive participates (medical, dental and vision) through the end of the month in which the Executive's termination becomes effective. Following such time, the Executive may elect to continue health plan coverage in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act (" **COBRA** "), and if the Executive elects such coverage, the Company will reimburse the Executive for the costs associated with such continuing health coverage under COBRA until the earlier of (x) eighteen (18) months from the coverage commencement date and (y) the date on which the Executive becomes eligible for health and medical benefits from a subsequent employer.

You agree that you will, with reasonable notice during or after your employment with the Company, furnish such information as may be in your possession and fully cooperate with the Company and its affiliates as may be requested in connection with any claims or legal action in which the Company or any of its affiliates is or may become a party. During your employment, you will comply in all respects with the Company's Business Principles, policies and standards. After your employment with the Company, you will cooperate as reasonably requested with the Company and its affiliates in connection with any claims or legal actions in which the Company or any of its affiliates is or may become a party. The Company agrees to reimburse you for any reasonable out-of-pocket expenses incurred by you by reason of such cooperation, including any loss of salary due, to the extent permitted by law, and the Company will make reasonable efforts to minimize interruption of your life in connection with your cooperation in such matters as provided for in this paragraph.

You recognize and acknowledge that all information pertaining to this Agreement or to the affairs; business; results of operations; accounting methods, practices and procedures; members; acquisition candidates; financial condition; clients; customers or other relationships of the Company or any of its affiliates (" Information ") is confidential and is a unique and valuable asset of the Company or any of its affiliates. Access to and knowledge of certain of the Information is essential to the performance of your duties under this Agreement. You will not, during your employment with the

Company or thereafter, except to the extent reasonably necessary in performance of your duties under this Agreement, give to any person, firm, association, corporation, or governmental agency any Information, except as may be required by law. You will not make use of the Information for your own purposes or for the benefit of any person or organization other than the Company or any of its affiliates. You will also use your best efforts to prevent the disclosure of this Information by others. All records, memoranda, etc. relating to the business of the Company or its affiliates, whether made by you or otherwise coming into your possession, are confidential and will remain the property of the Company or its affiliates.

Upon a Qualifying Termination, you will be eligible to vest in and be paid a pro-rata portion of any performance-based long-term incentive award (excluding stock options and stock appreciation rights) that you may hold at the time of such Qualifying Termination, with such pro-ration based upon the portion of the full performance period during which you were employed by the Company plus twelve (12) months (or, if less, assuming your continued employment for the entire performance period remaining after your Qualifying Termination); provided that the performance goals applicable to the performance-based long-term incentive award are achieved. Payment of any such vested performance-based long-term incentive award will occur at the same time that such performance-based long-term incentive awards are paid to actively-employed employees generally. In addition, all long-term incentive awards that are not subject to performance-based vesting and that would have otherwise vested within the twelve (12)-month period following your Qualifying Termination will become vested upon your Qualifying Termination, and any such long-term incentive awards which are stock options or stock appreciation rights will remain outstanding for a period of two (2) years (but not beyond the original expiration date) following your Qualifying Termination. This paragraph shall not supersede or replace any provision or right relating to the acceleration of the vesting of any long-term incentive award (whether or not performance-based) in the event of a change in control of the Company or your death or disability, whether pursuant to an applicable stock plan document or award agreement.

Although the Company does not guarantee to you any particular tax treatment relating to any payments made or benefits provided to you in connection with your employment with the Company, it is intended that such payments and benefits be exempt from, or comply with, Code Section 409A, and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A.

You hereby acknowledge and agree to the dispute resolution provisions set forth in Appendix A attached hereto.

This Agreement has been executed and delivered in the State of New Jersey and its validity, interpretation, performance and enforcement will be governed by the internal laws of that state.

We are excited to have you contribute to the success of our newly-formed company and look forward to having you as a member of our team.

Sincerely,

By: Wyndham Destinations, Inc.

/s/ Michael D. Brown
Name: Michael D. Brown
Title: Chief Executive Officer

ACKNOWLEDGED AND ACCEPTED:

/s/ Jeffrey Myers

_____

Name: Jeffrey Myers
Date: May 23, 2018

APPENDIX A

1. You and the Company mutually consent to the resolution by final and binding arbitration of any and all disputes, controversies, or claims related in any way to your employment and/or relationship with the Company, including, without limitation, any dispute, controversy or claim of alleged discrimination, harassment, or retaliation (including, but not limited to, claims based on race, sex, sexual preference, religion, national origin, age, marital or family status, medical condition, or disability); any dispute, controversy, or claim arising out of or relating to any agreements between you and the Company, including this Agreement; and any dispute as to the ability to arbitrate a matter under this Agreement (collectively, " **Claims** "); provided , however , that nothing in this Agreement shall require arbitration of any Claims which, by law, cannot be the subject of a compulsory arbitration agreement, and nothing in this Agreement shall be interpreted to mean that you are precluded from filing complaints with the Equal Employment Opportunity Commission or the National Labor Relations Board.

2. Any party who is aggrieved will deliver a notice to the other party setting forth the specific points in dispute within the same statute of limitations period applicable to such Claims . Any points remaining in dispute twenty (20) days after the giving of such notice may be submitted to arbitration in New York, New York, in the Borough of Manhattan, to JAMS, before a single arbitrator appointed in accordance with the Employment Arbitration Rules and Procedures of JAMS (" **JAMS Rules** ") then in effect, modified only as herein expressly provided. The arbitrator shall be selected in accordance with the JAMS Rules; provided that the arbitrator shall be an attorney (i) with at least ten (10) years of significant experience in employment matters and/or (ii) a former federal or state court judge. After the aforesaid twenty (20) days, either party, upon ten (10) days' notice to the other, may so submit the points in dispute to arbitration. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings. The arbitrator will be empowered to award either party any remedy, at law or in equity, that the party would otherwise have been entitled to, had the matter been litigated in court; provided , however , that the authority to award any remedy is subject to whatever limitations, if any, exist in the applicable law on such remedies. The arbitrator shall issue a decision or award in writing, stating the essential findings of fact and conclusions of law. Any judgment on or enforcement of any award, including an award providing for interim or permanent injunctive relief, rendered by the arbitrator may be entered, enforced, or appealed in any court having jurisdiction thereof. Any arbitration proceedings, decision, or award rendered hereunder, and the validity, effect, and interpretation of this arbitration provision, shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq .

3. Each party to any dispute shall pay its own expenses, including attorneys' fees; provided , however , that the Company shall pay all reasonable costs, fees, and expenses that you would not otherwise have been subject to paying if the Claim had been resolved in a court of competent jurisdiction.

4. The parties agree that this Appendix A has been included to rapidly, inexpensively and confidentially resolve any disputes between them, and that this Appendix A will be grounds for dismissal of any court action commenced by either party with respect to this Agreement, except as otherwise provided in Paragraph 1 herein, other than (i) any action seeking a restraining order or other injunctive or equitable relief or order in aid of arbitration or to compel arbitration from a court of competent jurisdiction, (ii) any action seeking interim injunctive or equitable relief from the arbitrator pursuant to the JAMS Rules or (iii) post-arbitration actions seeking to enforce an arbitration award from a court of competent jurisdiction. IN THE EVENT THAT ANY COURT DETERMINES THAT THIS ARBITRATION PROCEDURE IS NOT BINDING, OR OTHERWISE ALLOWS

ANY LITIGATION REGARDING A DISPUTE, CLAIM, OR CONTROVERSY COVERED BY THIS AGREEMENT TO PROCEED, THE PARTIES HERETO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN OR WITH RESPECT TO SUCH LITIGATION.

5. The parties will keep confidential, and will not disclose to any person, except to counsel for either of the parties and/or as may be required by law, the existence of any controversy hereunder, the referral of any such controversy to arbitration or the status or resolution thereof. Accordingly, you and the Company agree that all proceedings in any arbitration shall be conducted under seal and kept strictly confidential. In that regard, no party shall use, disclose, or permit the disclosure of any information, evidence, or documents produced by any other party in the arbitration proceedings or about the existence, contents, or results of the proceedings, except as necessary and appropriate for the preparation and conduct of the arbitration proceedings, or as may be required by any legal process, or as required in an action in aid of arbitration, or for enforcement of or appeal from an arbitral award. Before making any disclosure permitted by the preceding sentence, the party intending to make such disclosure shall give the other party reasonable written notice of the intended disclosure and afford such other party a reasonable opportunity to protect its interests (e.g., by application for a protective order and/or to file under seal).

Exhibit 10.4

May 16, 2018

Jim Savina

Dear Mr. Savina:

We are pleased to confirm the terms and conditions of your employment with Wyndham Destinations, Inc. (the " Company ") as General Counsel, effective as of June 1, 2018 (the " Effective Date "). This position reports to the Chief Executive Officer of the Company.

Your base salary, paid on a biweekly basis, will be $18,269.23, which equates to an annualized base salary of $475,000, subject to annual review by the Company's Board of Directors' Compensation Committee (the 'Committee') in its sole discretion.

You will be eligible to participate in the Company's annual incentive compensation plan as in effect from time to time (the " AIP "), with a target annual incentive compensation award opportunity equal to 75% of your eligible base salary, and with your actual annual incentive compensation award (if any) determined based upon the attainment of one or more performance goals established by the Compensation Committee of the Company's Board of Directors (the " Compensation Committee "). However, for the period of January 1, 2018 through the date immediately before the Effective Date (the " Pre-Spin Period "), your annual incentive compensation award will be determined pursuant to the guidelines provided under the Wyndham Worldwide Corporation 2018 AIP and based on your Pre-Spin annual incentive compensation target, as determined by the Compensation Committee of the Board of Directors of Wyndham Worldwide Corporation. For the balance of 2018, your annual incentive compensation award will be subject to the terms of the AIP and based upon your eligible base salary during that period and your new incentive compensation target opportunity. Your annual incentive compensation award, including any annual incentive compensation award for the Pre-Spin Period, (if any) will be paid to you at such time as shall be determined by the Compensation Committee, but in no event later than the last day of the calendar year immediately following the calendar year in which such annual incentive compensation award is earned.

You will be eligible for executive perquisites, which currently include Company-provided automobile and financial planning assistance; however, our program is subject to change from time to time. In accordance with our reimbursement policy, as the same may be amended from time to time, the Company will reimburse all taxable business expenses to you on or before the last day of your taxable year following the taxable year in which the expenses are incurred.

Per the Company's standard policy, this letter agreement (this " Agreement ") is not intended, nor should it be considered, to be an employment contract for a definite or indefinite period of time. As you know, employment with the Company is at will, and either you or the Company may terminate

your employment at any time, with or without Cause and with or without prior notice. For purposes of this Agreement, " Cause " means any of the following: (a) your willful failure to substantially perform your duties as an employee of the Company or any subsidiary (other than any such failure resulting from incapacity due to physical or mental illness), (b) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct by you against the Company or any subsidiary, (c) your conviction of a felony or any crime involving moral turpitude (which conviction, due to the passage of time or otherwise, is not subject to further appeal), (d) your gross negligence in the performance of your duties, or (e) your purposefully or negligently making (or having been found to have made) a false certification to the Company pertaining to its financial statements. Unless the Company reasonably determines in its sole discretion that your conduct is not subject to cure, then the Company will provide notice to you of its intention to terminate your employment for Cause hereunder, along with a description of your conduct which the Company believes gives rise to Cause, and provide you with a period of fifteen (15) days in which to cure such conduct and/or challenge the Company's determination that Cause exists hereunder; provided , however , that (i) the determination of whether such conduct has been cured and/or gives rise to Cause shall be made by the Company in its sole discretion; and (ii) the Company shall be entitled to immediately and unilaterally restrict or suspend your duties during such fifteen (15)-day period pending such determination.

In the event your employment with the Company is terminated by the Company other than for Cause (not, for the avoidance of doubt, due to your death or your Disability (as such term is defined in the Company's long-term disability plan)) (a " Qualifying Termination "), subject to the terms and conditions set forth in this Agreement, you will receive severance pay equal to 200% multiplied by the sum of: (a) your then current base salary; plus (b) an amount equal to the highest annual incentive compensation award paid to you with respect to the three (3) fiscal years of the Company immediately preceding the fiscal year in which your termination of employment occurs, but in no event shall the amount (b) exceed your then target compensation incentive award. In the event you become entitled to severance pay under the circumstances described in this Agreement during the three (3) years following the Effective Date, the amount (b) above shall be no less than your then target annual incentive compensation award.

The severance pay will be paid to you in the form of a cash lump sum payment, less all applicable withholdings and deductions, in the first payroll period following the date on which the separation agreement referenced in the following paragraph becomes effective and non-revocable; provided that, to the extent your severance payment is subject to Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance issued thereunder (collectively, " Code Section 409A "), your termination of employment must constitute a "separation from service" under Code Section 409A; provided , further , that in the event the period during which you are entitled to consider (and revoke, if applicable) such separation agreement spans two calendar years, then any payment that otherwise would have been payable during the first calendar year will in no case be made until the later of (a) the end of the revocation period (assuming that you do not revoke) and (b) the first business day of the second calendar year (regardless of whether you used the full time

period allowed for consideration), as and to the extent required for purposes of Code Section 409A; and provided , further , that the Company shall have the right to offset against such severance pay any then-existing documented and bona fide monetary debts you owe to the Company or any of its subsidiaries, to the extent permissible under Code Section 409A.

The above provision of severance pay is subject to, and contingent upon, your execution and non-revocation of a separation agreement, in such form as is determined by the Company, within sixty (60) days of your termination date. Such separation agreement will require you to release all of your actual and purported claims against the Company and its affiliates (including, without limitation, the Company's affiliated individuals and entities) and will be in substantially the form attached hereto as Exhibit A.

You will be eligible to continue to participate in the Company health plans in which the Executive participates (medical, dental and vision) through the end of the month in which the Executive's termination becomes effective. Following such time, the Executive may elect to continue health plan coverage in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act (" **COBRA** "), and if the Executive elects such coverage, the Company will reimburse the Executive for the costs associated with such continuing health coverage under COBRA until the earlier of (x) eighteen (18) months from the coverage commencement date and (y) the date on which the Executive becomes eligible for health and medical benefits from a subsequent employer.

You agree that you will, with reasonable notice during or after your employment with the Company, furnish such information as may be in your possession and fully cooperate with the Company and its affiliates as may be requested in connection with any claims or legal action in which the Company or any of its affiliates is or may become a party. During your employment, you will comply in all respects with the Company's Business Principles, policies and standards. After your employment with the Company, you will cooperate as reasonably requested with the Company and its affiliates in connection with any claims or legal actions in which the Company or any of its affiliates is or may become a party. The Company agrees to reimburse you for any reasonable out-of-pocket expenses incurred by you by reason of such cooperation, including any loss of salary due, to the extent permitted by law, and the Company will make reasonable efforts to minimize interruption of your life in connection with your cooperation in such matters as provided for in this paragraph.

You recognize and acknowledge that all information pertaining to this Agreement or to the affairs; business; results of operations; accounting methods, practices and procedures; members; acquisition candidates; financial condition; clients; customers or other relationships of the Company or any of its affiliates (" Information ") is confidential and is a unique and valuable asset of the Company or any of its affiliates. Access to and knowledge of certain of the Information is essential to the performance of your duties under this Agreement. You will not, during your employment with the Company or thereafter, except to the extent reasonably necessary in performance of your duties under this Agreement, give to any person, firm, association, corporation, or governmental agency any Information, except as may be required by law. You will not make use of the Information for

your own purposes or for the benefit of any person or organization other than the Company or any of its affiliates. You will also use your best efforts to prevent the disclosure of this Information by others. All records, memoranda, etc. relating to the business of the Company or its affiliates, whether made by you or otherwise coming into your possession, are confidential and will remain the property of the Company or its affiliates.

Upon a Qualifying Termination, you will be eligible to vest in and be paid a pro-rata portion of any performance-based long-term incentive award (excluding stock options and stock appreciation rights) that you may hold at the time of such Qualifying Termination, with such pro-ration based upon the portion of the full performance period during which you were employed by the Company plus twelve (12) months (or, if less, assuming your continued employment for the entire performance period remaining after your Qualifying Termination); provided that the performance goals applicable to the performance-based long-term incentive award are achieved. Payment of any such vested performance-based long-term incentive award will occur at the same time that such performance-based long-term incentive awards are paid to actively-employed employees generally. In addition, all long-term incentive awards that are not subject to performance-based vesting and that would have otherwise vested within the twelve (12)-month period following your Qualifying Termination will become vested upon your Qualifying Termination, and any such long-term incentive awards which are stock options or stock appreciation rights will remain outstanding for a period of two (2) years (but not beyond the original expiration date) following your Qualifying Termination. This paragraph shall not supersede or replace any provision or right relating to the acceleration of the vesting of any long-term incentive award (whether or not performance-based) in the event of a change in control of the Company or your death or disability, whether pursuant to an applicable stock plan document or award agreement.

Although the Company does not guarantee to you any particular tax treatment relating to any payments made or benefits provided to you in connection with your employment with the Company, it is intended that such payments and benefits be exempt from, or comply with, Code Section 409A, and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A.

You hereby acknowledge and agree to the dispute resolution provisions set forth in Appendix A attached hereto.

This Agreement has been executed and delivered in the State of New Jersey and its validity, interpretation, performance and enforcement will be governed by the internal laws of that state.

We are excited to have you contribute to the success of our newly-formed company and look forward to having you as a member of our team.

Sincerely,

By: Wyndham Destinations, Inc.

/s/ Michael D. Brown
Name: Michael D. Brown
Title: Chief Executive Officer

ACKNOWLEDGED AND ACCEPTED:

/s/ James Savina
_____

Name: James Savina
Date: May 24, 2018

APPENDIX A

1. You and the Company mutually consent to the resolution by final and binding arbitration of any and all disputes, controversies, or claims related in any way to your employment and/or relationship with the Company, including, without limitation, any dispute, controversy or claim of alleged discrimination, harassment, or retaliation (including, but not limited to, claims based on race, sex, sexual preference, religion, national origin, age, marital or family status, medical condition, or disability); any dispute, controversy, or claim arising out of or relating to any agreements between you and the Company, including this Agreement; and any dispute as to the ability to arbitrate a matter under this Agreement (collectively, " **Claims** "); provided , however , that nothing in this Agreement shall require arbitration of any Claims which, by law, cannot be the subject of a compulsory arbitration agreement, and nothing in this Agreement shall be interpreted to mean that you are precluded from filing complaints with the Equal Employment Opportunity Commission or the National Labor Relations Board.

2. Any party who is aggrieved will deliver a notice to the other party setting forth the specific points in dispute within the same statute of limitations period applicable to such Claims . Any points remaining in dispute twenty (20) days after the giving of such notice may be submitted to arbitration in New York, New York, in the Borough of Manhattan, to JAMS, before a single arbitrator appointed in accordance with the Employment Arbitration Rules and Procedures of JAMS (" **JAMS Rules** ") then in effect, modified only as herein expressly provided. The arbitrator shall be selected in accordance with the JAMS Rules; provided that the arbitrator shall be an attorney (i) with at least ten (10) years of significant experience in employment matters and/or (ii) a former federal or state court judge. After the aforesaid twenty (20) days, either party, upon ten (10) days' notice to the other, may so submit the points in dispute to arbitration. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings. The arbitrator will be empowered to award either party any remedy, at law or in equity, that the party would otherwise have been entitled to, had the matter been litigated in court; provided , however , that the authority to award any remedy is subject to whatever limitations, if any, exist in the applicable law on such remedies. The arbitrator shall issue a decision or award in writing, stating the essential findings of fact and conclusions of law. Any judgment on or enforcement of any award, including an award providing for interim or permanent injunctive relief, rendered by the arbitrator may be entered, enforced, or appealed in any court having jurisdiction thereof. Any arbitration proceedings, decision, or award rendered hereunder, and the validity, effect, and interpretation of this arbitration provision, shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq .

3. Each party to any dispute shall pay its own expenses, including attorneys' fees; provided , however , that the Company shall pay all reasonable costs, fees, and expenses that you would not otherwise have been subject to paying if the Claim had been resolved in a court of competent jurisdiction.

4. The parties agree that this Appendix A has been included to rapidly, inexpensively and confidentially resolve any disputes between them, and that this Appendix A will be grounds for dismissal of any court action commenced by either party with respect to this Agreement, except as otherwise provided in Paragraph 1 herein, other than (i) any action seeking a restraining order or other injunctive or equitable relief or order in aid of arbitration or to compel arbitration from a court of competent jurisdiction, (ii) any action seeking interim injunctive or equitable relief from the arbitrator pursuant to the JAMS Rules or (iii) post-arbitration actions seeking to enforce an arbitration award from a court of competent jurisdiction. IN THE EVENT THAT ANY COURT DETERMINES THAT THIS ARBITRATION PROCEDURE IS NOT BINDING, OR OTHERWISE ALLOWS ANY LITIGATION REGARDING A DISPUTE, CLAIM, OR CONTROVERSY COVERED BY THIS AGREEMENT TO

PROCEED, THE PARTIES HERETO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN OR WITH RESPECT TO SUCH LITIGATION.

5. The parties will keep confidential, and will not disclose to any person, except to counsel for either of the parties and/or as may be required by law, the existence of any controversy hereunder, the referral of any such controversy to arbitration or the status or resolution thereof. Accordingly, you and the Company agree that all proceedings in any arbitration shall be conducted under seal and kept strictly confidential. In that regard, no party shall use, disclose, or permit the disclosure of any information, evidence, or documents produced by any other party in the arbitration proceedings or about the existence, contents, or results of the proceedings, except as necessary and appropriate for the preparation and conduct of the arbitration proceedings, or as may be required by any legal process, or as required in an action in aid of arbitration, or for enforcement of or appeal from an arbitral award. Before making any disclosure permitted by the preceding sentence, the party intending to make such disclosure shall give the other party reasonable written notice of the intended disclosure and afford such other party a reasonable opportunity to protect its interests (e.g., by application for a protective order and/or to file under seal).

WYNDHAM DESTINATIONS, INC.
2006 EQUITY AND INCENTIVE PLAN, AS AMENDED AND RESTATED

AWARD AGREEMENT – RESTRICTED STOCK UNITS (NON-EMPLOYEE DIRECTOR)

This Award Agreement (this "Agreement"), dated as of ___, is by and between Wyndham Destinations, Inc., a Delaware corporation (the "Company"), and you (the "Grantee"), pursuant to the terms and conditions of the Wyndham Destinations, Inc. (formerly known as Wyndham Worldwide Corporation) 2006 Equity and Incentive Plan, as amended and restated (the "Plan").

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. The Plan. The RSU Award (as defined below) granted to the Grantee hereunder is made pursuant to the Plan. A copy of the Plan and a prospectus for the Plan are available at the Grantee's portal page on Benefits Online available at www.benefits.ml.com (the "Portal Page"), and the terms of the Plan are hereby incorporated in this Agreement as fully as though actually set forth herein. Terms used in this Agreement which are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. RSU Award. Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants the RSUs described on the Portal Page (the "RSU Award") to the Grantee. Upon the vesting of the RSU Award, as described in Paragraph 3 below, the Company shall deliver, no later than March 15 of the calendar year following the calendar year in which all or portion of the RSU Award vests, for each RSU that vests, one share of Stock, subject to Paragraph 6 below.

3. Vesting. The RSU Award shall vest in accordance with the following schedule, subject to the Grantee's continuous service as a member of the Board through each applicable vesting date:

Vesting Date	Vesting RSUs
March 7, 2020	25%
March 7, 2021	25%
March 7, 2022	25%
March 7, 2023	25%

Upon (a) a Change in Control occurring during the Grantee's continuous service as a member of the Board, (b) the termination of the Grantee's continuous service as a member of the Board by reason of the Grantee's death or Disability (as defined in Code Section 409A), or
(c) if applicable, such other event as set forth in the Grantee's written agreement of service with the Company, the RSU Award shall become immediately and fully vested, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

4. Termination of Service. Notwithstanding any other provision of the Plan to the contrary and, if applicable, subject to the Grantee's written agreement of service with the Company, upon the termination of the Grantee's continuous service as a member of the Board for any reason whatsoever (other than the Grantee's death or Disability), the RSU Award, to the extent not yet vested, shall immediately and automatically terminate.

5. No Rights to Continued Service. Neither this Agreement nor the RSU Award shall be construed as giving the Grantee any right to continue serving as a member of the Board or interfere in any way with the right of the Company to terminate such service. Notwithstanding any other provision of the Plan, the RSU Award, this Agreement or any other agreement (written

or oral) to the contrary, (a) for purposes of the Plan and the RSU Award, a termination of service shall be deemed to have occurred on the date upon which the Grantee ceases to serve on the Board, without regard to any period of notice of termination of service (whether expressed or implied) or any period of termination pay or compensation continuation; and (b) the Grantee shall not be entitled (and by accepting the RSU Award, automatically and irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of the RSU Award in connection with any termination of service. No amounts earned pursuant to the Plan or any Award made under the Plan, including the RSU Award, shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its Subsidiaries.

6. Tax Obligations. The Grantee agrees and acknowledges that the Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Grantee's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the RSUs, and if the withholding requirement cannot be satisfied, the Company may otherwise refuse to issue or transfer any shares of Stock otherwise required to be issued pursuant to this Agreement. Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax- Related Items is and remains the Grantee's responsibility, and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant or vesting of the RSUs or the subsequent sale of any shares and (b) does not commit to structure the RSUs to reduce or eliminate the Grantee's liability for Tax-Related Items.

7. Clawback. The RSU Award and any shares of Stock delivered pursuant to the RSU Award are subject to forfeiture, recovery by the Company or other action pursuant to any applicable clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy which the Company may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

8. No Advice Regarding Grant. The Company and its Subsidiaries are not providing any tax, legal or financial advice, nor are the Company and its Subsidiaries making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the

Plan before taking any action related to the Plan.

9. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. Authority. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

11. Rights as a Stockholder. The Grantee shall have no rights as a stockholder of the Company with respect to any shares of Stock underlying or relating to the RSU Award until the issuance of shares of Stock to the Grantee in respect of the RSU Award; provided, however, that in the event the Board shall declare a dividend on the Stock, a dividend equivalent equal to the per share amount of such dividend shall be credited on all RSUs underlying the RSU Award and outstanding on the record date for such dividend, such dividend equivalents to be payable

in cash without interest on the vesting date of the RSUs on which the dividend equivalents were credited and shall otherwise be subject to the same terms and conditions as the RSUs on which the dividend equivalents were credited.

12. Code Section 409A. Although the Company does not guarantee to the Grantee any particular tax treatment relating to the RSU Award, it is intended that the RSU Award be exempt from Code Section 409A, and this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A. Notwithstanding anything herein to the contrary, in no event whatsoever shall the Company or any of its affiliates be liable for any additional tax, interest or penalties that may be imposed on the Grantee by Code Section 409A or any damages for failing to comply with Code Section 409A.

13. Succession and Transfer. Each and all of the provisions of this Agreement are binding upon and inure to the benefit of the Company and the Grantee and their respective estate, successors and assigns, subject to any limitations on transferability under applicable law or as set forth in the Plan or herein.

14. Electronic Delivery and Acceptance. The Company may, in its sole discretion, elect to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Grantee and the Company hereby expressly agree that the use of electronic media to indicate confirmation, consent, signature, acceptance, agreement and delivery shall be legally valid and have the same legal force and effect as if the Grantee and the Company executed this Agreement in paper form.

15. No Assignment; Nontransferability. This Agreement (and the RSU Award) may not be assigned by the Grantee by operation of law or otherwise. In the event of the Grantee's termination of service by reason of death, the RSU Award and any Awards previously granted to the Grantee under the Plan shall not be transferable except by will or the laws of descent and distribution.

16. Notices. Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to (a) the Grantee at the last address specified in Grantee's service records and (b) the Company, Attention : General Counsel, or such other address as the Company may designate in writing to the Grantee.

17. Amendments. This Agreement may be amended or modified at any time by an instrument in writing signed by the parties to this Agreement.

18. Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

19. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof. For purposes of litigating any dispute that arises under the RSU Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Florida where this grant is made and/or to be performed, and agree that such litigation shall be conducted in the federal courts for the United States for the Middle District of Florida, or if jurisdiction does not exist in such federal court, the state courts in Orange County, Florida.

IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

WYNDHAM DESTINATIONS, INC.

Authorized Signature Wyndham Destinations, Inc

WYNDHAM DESTINATIONS, INC.
2006 EQUITY AND INCENTIVE PLAN, AS AMENDED AND RESTATED
AWARD AGREEMENT – RESTRICTED STOCK UNITS

This Award Agreement (this "Agreement"), dated as of ___("Grant Date"), is by and between Wyndham Destinations, Inc., a Delaware corporation (the "Company"), and you (the "Grantee"), pursuant to the terms and conditions of the Wyndham Destinations, Inc. (formerly known as Wyndham Worldwide Corporation) 2006 Equity and Incentive Plan, as amended and restated (the "Plan").

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. The Plan. The RSU Award (as defined below) granted to the Grantee hereunder is made pursuant to the Plan. A copy of the Plan and a prospectus for the Plan are available at the Grantee's portal page on Benefits Online available at www.benefits.ml.com (the "Portal Page"), and the terms of the Plan are hereby incorporated in this Agreement as fully as though actually set forth herein. Terms used in this Agreement which are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. RSU Award. Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants the number of Restricted Stock Units ("RSUs") indicated on the Portal Page (the "RSU Award") to the Grantee. Upon the vesting of the RSU Award, as described in Paragraph 3 below, the Company shall deliver, no later than March 15 of the calendar year following the calendar year in which all or portion of the RSU Award vests, for each RSU that vests, one share of Stock, subject to Paragraph 6 below.

3. Vesting. The RSU Award shall vest in 25% increments on the first, second, third and fourth anniversaries of the Grant Date, subject to the Grantee's continuous employment with the Company or one of its Subsidiaries through each applicable vesting date.

Upon (a) a Change in Control occurring during the Grantee's continuous employment with the Company or one of its Subsidiaries, (b) the Grantee's termination of employment with the Company and its Subsidiaries by reason of the Grantee's death or Disability (as defined in Code Section 409A), or (c) if applicable, such other event as set forth in the Grantee's written agreement of employment with the Company or one of its Subsidiaries, the RSU Award shall become immediately and fully vested, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

4. Termination of Employment. Notwithstanding any other provision of the Plan to the contrary and, if applicable, subject to the Grantee's written agreement of employment with the Company or one of its Subsidiaries, upon the termination of the Grantee's employment with the Company and its Subsidiaries for any reason whatsoever (other than the Grantee's death or Disability), the RSU Award, to the extent not yet vested, shall immediately and automatically terminate.

5. No Rights to Continued Employment. Neither this Agreement nor the RSU Award shall be construed as giving the Grantee any right to continue in the employ of the Company or any of its Subsidiaries or interfere in any way with the right of the Company or any of its Subsidiaries to terminate such employment. Notwithstanding any other provision of the Plan, the RSU Award, this Agreement or any other agreement (written or oral) to the contrary, (a) for purposes of the Plan and the RSU Award, a termination of employment shall be deemed

to have occurred on the date upon which the Grantee ceases to perform active employment duties for the Company and its Subsidiaries, without regard to any period of notice of termination of employment (whether expressed or implied) or any period of severance or salary continuation; and (b) the Grantee shall not be entitled (and by accepting the RSU Award, automatically and irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of the RSU Award in connection with any termination of employment. No amounts earned pursuant to the Plan or any Award made under the Plan, including the RSU Award, shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its Subsidiaries.

6. Tax Obligations. As a condition to the granting of the RSU Award and the vesting thereof, the Grantee agrees to remit to the Company or any of its applicable Subsidiaries such sum as may be necessary to discharge the Company's or such Subsidiary's obligations with respect to any tax, assessment or other governmental charge imposed on property or income received by the Grantee pursuant to this Agreement and the RSU Award by having the Company automatically withhold upon any vesting of this RSU Award a sufficient number of the shares of Stock issuable upon such vesting so as to satisfy any such obligations.

7. Clawback. The RSU Award and any shares of Stock delivered pursuant to the RSU Award are subject to forfeiture, recovery by the Company or other action pursuant to any applicable clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy which the Company may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

8. No Advice Regarding Grant. The Company and its Subsidiaries are not providing any tax, legal or financial advice, nor are the Company and its Subsidiaries making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the Plan before taking any action related to the Plan.

9. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. Authority. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

11. Rights as a Stockholder. The Grantee shall have no rights as a stockholder of the Company with respect to any shares of Stock underlying or relating to the RSU Award until the issuance of shares of Stock to the Grantee in respect of the RSU Award; provided, however, that in the event the Board shall declare a dividend on the Stock, a dividend equivalent equal to the per share amount of such dividend shall be credited on all RSUs underlying the RSU Award

and outstanding on the record date for such dividend, such dividend equivalents to be payable in cash without interest on the vesting date of the RSUs on which the dividend equivalents were credited and such payment shall be delivered in accordance with the timing described in Paragraph 2. Any such dividend equivalents shall be subject to the same terms and conditions as the RSUs on which the dividend equivalents were credited.

12. Code Section 409A. Although the Company does not guarantee to the Grantee any particular tax treatment relating to the RSU Award, it is intended that the RSU Award be exempt from Code Section 409A, and this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A. Notwithstanding anything herein to the contrary, in no event whatsoever shall the Company or any of its affiliates be liable for any additional tax, interest or penalties that may be imposed on the Grantee by Code Section 409A or any damages for failing to comply with Code Section 409A.

13. Blackout Periods. The Grantee acknowledges that, from time to time, as determined by the Company in its sole discretion, the Company may establish “blackout periods” during which this RSU Award may not be exercised. The Company may establish a blackout period for any reason or for no reason.

14. Restrictive Covenants. The following restrictive covenants will apply to the Grantee (“Restrictions”):

(a) During employment with the Company, the Grantee agrees that Grantee will not: (i) work for, or be engaged by, or otherwise be involved in, any company or organization whose business is similar to or in competition with the Company’s timeshare business or (ii) solicit or induce, directly or indirectly, or take any action to assist any entity, directly or indirectly, in soliciting or inducing, any employee of the Company to leave the employment of the Company except as may be required as part of Grantee’s duties for the Company ("Induce Departures").

(b) If the Grantee is a U.S. employee, the following post-employment Restrictions apply to the Grantee. For a period of 12 months following Grantee’s employment termination for any reason:

(i) the Grantee will not Induce Departures or attempt to Induce Departures, or hire, or assist in the hire, directly or indirectly, of any individual whose employment by the Company ended within twelve months preceding that individual's hire or attempted hire by the Grantee or by any successor employer; or

(ii) the Grantee will not, anywhere within the Geographic Scope (as defined below), directly or indirectly, for or by the Grantee, or through, on behalf of, or in conjunction with any other person or entity: (a) own, maintain, finance, operate, invest or engage in any business that competes with the Company’s timeshare business (“Competitor”); or (b) provide services, either as an employee, consultant, agent, or otherwise, to any Competitor. The Grantee may, however, invest in publicly traded a Competitor provided that such ownership interest does not exceed 5% of the voting control of such entity. This post-employment non-competition restriction shall not apply with respect to employment by the Grantee in California or Massachusetts unless such activity involves the use of information deemed confidential or proprietary, as defined in the Company’s Business Principles, as may be amended from time to time (“Confidential Information”). The term "Geographic Scope" means: (1) North America (which includes the United States, Canada, Mexico and the Caribbean); and (2) if the Grantee has global job responsibilities, those countries that are within the scope of the Grantee’s job responsibilities in the two years preceding the date of the Grantee’s employment termination. This non-competition restriction shall not apply to any Company employee who is licensed to practice law in any state in the United States and who joins a competing business for the purpose of providing legal advice to the competing business.

(c) Acknowledgements and Representations. The Grantee agrees that if the Grantee's employment were to terminate, the Grantee could earn a living while complying with the Restrictions; the Restrictions are reasonable and necessary to protect the Company's legitimate interest in its Confidential Information, customer relationships, and investment in developing its employees; and that the rights and obligations under this Paragraph 14 shall survive the termination of the Grantee's service with the Company.

(d) Waiver. The Company may waive any of the Restrictions or any breach in circumstances that it determines do not adversely affect its interests, but only in writing signed by the Chief Human Resources Officer or his or her delegate. No waiver of any one breach of the Restrictions set forth herein will be deemed a waiver of any other breach.

(e) Restrictions Separable and Divisible. The Grantee acknowledges and accepts the Restrictions herein to the maximum extent permissible under applicable law. If any of the Restrictions is held to cover a geographic area or a length of time which is not permitted by applicable law, or is in any way construed to be too broad or invalid, such provision shall not be construed to be null and void, but instead a court of competent jurisdiction shall construe and interpret or reform these Restrictions to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such applicable law.

(f) Remedies. In addition to other remedies allowed by law, if the Grantee breaches any of the Restrictions, the Grantee will immediately lose the right to receive any and all amounts payable under this Agreement including without limitation any amounts that have been paid to the Grantee during the 12 month period preceding the date of the breach. The Grantee acknowledges that the amount of damages that would derive from the breach of any Restriction is not readily ascertainable and agrees that in the event of breach of any of the Restrictions, in addition to forfeiture of benefits, monetary damages and/or reasonable attorney's fees, the Company will have the right to seek injunctive and/or other equitable relief in any court of competent jurisdiction to enforce the Restrictions. The Grantee consents to the issue of a temporary restraining order to maintain the status quo pending the outcome of any proceeding.

15. Succession and Transfer. Each and all of the provisions of this Agreement, including Paragraph 14, are binding upon and inure to the benefit of the Company and the Grantee and their respective estate, successors and assigns, subject to any limitations on transferability under applicable law or as set forth in the Plan or herein.

16. Electronic Delivery and Acceptance. The Company may, in its sole discretion, elect to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Grantee and the Company hereby expressly agree that the use of electronic media to indicate confirmation, consent, signature, acceptance, agreement and delivery shall be legally valid and have the same legal force and effect as if the Grantee and the Company executed this Agreement in paper form.

17. No Assignment; Nontransferability. This Agreement (and the RSU Award) may not be assigned by the Grantee by operation of law or otherwise. In the event of the Grantee's termination of employment by reason of death, the RSU Award and any Awards previously granted to the Grantee under the Plan shall not be transferable except by will or the laws of descent and distribution.

18. Notices. Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to (a) the Grantee at the last address specified in Grantee's employment records and (b) the Company, Attention: General Counsel, or such other address as the Company may designate in writing to the Grantee.

19. Amendments. This Agreement may be amended or modified at any time by an instrument in writing signed by the parties to this Agreement.

20. Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

21. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof. For purposes of litigating any dispute that arises under the RSU Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Florida where this grant is made and/or to be performed, and agree that such litigation shall be conducted in the federal courts for the United States for the Middle District of Florida, or if jurisdiction does not exist in such federal court, the state courts in Orange County, Florida.

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IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

WYNDHAM DESTINATIONS, INC.

Authorized Signature Wyndham Destinations, Inc

Exhibit 10.7

WYNDHAM DESTINATIONS, INC.
2006 EQUITY AND INCENTIVE PLAN, AS AMENDED AND RESTATED

AWARD AGREEMENT – RESTRICTED STOCK UNITS (NON-US EMPLOYEE)

This Award Agreement (this "Agreement"), dated as of ___("Grant Date"), is by and between Wyndham Destinations, Inc., a Delaware corporation (the "Company"), and you (the "Grantee"), pursuant to the terms and conditions of the Wyndham Destinations, Inc. (formerly known as Wyndham Worldwide Corporation) 2006 Equity and Incentive Plan, as amended and restated (the "Plan").

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. The Plan. The RSU Award (as defined below) granted to the Grantee hereunder is made pursuant to the Plan. A copy of the Plan and a prospectus for the Plan are available at the Grantee's portal page on Benefits Online available at www.benefits.ml.com (the "Portal Page"), and the terms of the Plan are hereby incorporated in this Agreement as fully as though actually set forth herein. Terms used in this Agreement which are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. RSU Award. Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants the number of Restricted Stock Units ("RSUs") described on the Portal Page (the "RSU Award") to the Grantee. Upon the vesting of the RSU Award, as described in Paragraph 5 below, the Company shall deliver, no later than March 15 of the calendar year following the calendar year in which all or portion of the RSU Award vests, for each RSU that vests, one share of Stock, subject to Paragraph 6 below.

Notwithstanding the foregoing, the Company, in its sole discretion, may provide for the settlement of the RSUs in the form of: (a) a cash payment (in an amount equal to the Fair Market Value of the shares of Stock that correspond to the number of vested RSUs) to the extent that settlement in shares of Stock (i) is prohibited under local law, (ii) would require the Grantee, the Company or any of its Affiliates to obtain the approval of any governmental or regulatory body in the Grantee's country of residence (or country of employment, if different),
(iii) would result in adverse tax consequences for the Grantee, the Company or any of its Affiliates, or (iv) is administratively burdensome; or (b) shares of Stock, but require the Grantee to sell such shares of Stock immediately or within a specified period following the Grantee's termination of employment (in which case, the Grantee hereby agrees that the Company shall have the authority to issue sale instructions in relation to such shares of Stock on the Grantee's behalf without further consent).

3. Nature of Grant . In accepting the RSU Award, the Grantee acknowledges that:
(1) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time; (2) the grant of the RSU Award is voluntary and occasional and does not create any contractual or other right to receive future awards under the Plan, or benefits in lieu of Awards under the Plan, even if Awards under the Plan have been granted repeatedly in the past; (3) all decisions with respect to future Awards, if any, will be at the sole discretion of the Company; (4) the Grantee's participation in the Plan shall not create a right to further employment with the Grantee's employer (the "Employer") and shall not interfere with the ability of the Employer to terminate the Grantee's employment relationship at any time, for any or no reason to the extent permitted under

applicable law; (5) the Grantee is voluntarily participating in the Plan; (6) the RSU Award and the shares of Stock subject to the RSU Award are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or any of its Subsidiaries, including the Employer, and are outside the scope of the Grantee's employment contract, if any; (7) the RSU Award, the shares of Stock subject to the RSU Award and the income and value of same are not intended to replace any pension rights or compensation; (8) the RSU Award, the shares of Stock subject to the RSU Award and the income and value of same are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Subsidiary or Affiliate of the Company; (9) the RSU Award and the Grantee's participation in the Plan will not be interpreted to form an employment contract or relationship with the Company or any Subsidiary or Affiliate; (10) the future value of the underlying shares of Stock is unknown and cannot be predicted with certainty; (11) in consideration of the grant of the RSU Award, no claim or entitlement to compensation or damages shall arise from forfeiture of the RSU Award resulting from termination of the Grantee's employment with the Company or any of its Subsidiaries, including the Employer, for any reason whatsoever and whether or not in breach of local labor laws (or later found invalid), and the Grantee irrevocably releases the Company and its Subsidiaries, including the Employer, from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, the Grantee shall be deemed irrevocably to have waived the Grantee's entitlement to pursue such claim; (12) in the event of termination of the Grantee's employment (whether or not in breach of local labor laws), the Grantee's right to vest in the RSU Award under the Plan, if any, will terminate effective as of the date that the Grantee is no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when the Grantee is no longer actively employed for purposes of the RSU Award (including whether the Grantee shall be considered actively employed while on a leave of absence); (13) the RSU Award and the benefits under the Plan, if any, do not create any entitlement not otherwise specifically provided for in the Plan or provided by the Company in its discretion, to have the RSU Award or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Stock; and (14) neither the Company nor any of its Affiliates shall be liable for any exchange rate fluctuation between the Grantee's local currency and the U.S. dollar that may affect the value of the RSU Award or any amounts due to the Grantee pursuant to the settlement of the RSU Award or the subsequent sale of any shares of Stock acquired upon settlement of the RSU Award.

4. **Appendix A.** Notwithstanding any provisions in this Agreement, the RSU Award shall be subject to any special terms, conditions and provisions set forth in Appendix A attached to this Agreement ("Appendix A") for the Grantee's country. Moreover, if the Grantee relocates to one of the countries included in Appendix A, the special terms, conditions and provisions for such country will apply to the Grantee, to the extent the Company determines that the application of such terms, conditions and provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Grantee's relocation). Appendix A constitutes part of this Agreement and is incorporated by reference as fully as though set forth herein.

5. **Vesting.** The RSU Award shall vest in 25% increments on the first, second, third and fourth anniversaries of the Grant Date, subject to the Grantee's continuous employment with the Company or one of its Subsidiaries through each applicable vesting date.

Upon (a) a Change in Control occurring during the Grantee's continuous employment with the Company or one of its Subsidiaries, (b) the Grantee's termination of employment with the Company and its Subsidiaries by reason of the Grantee's death or Disability (as defined in Code Section 409A), or (c) if applicable, such other event as set forth in the Grantee's written agreement of employment with the Company or one of its Subsidiaries, the RSU Award shall become immediately and fully vested, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

6. Tax Obligations. Regardless of any action the Company or the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. The Grantee further acknowledges that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant or vesting of the RSUs, the issuance of shares of Stock upon settlement of the RSUs, the subsequent sale of shares of Stock acquired pursuant to such issuance and the receipt of any dividends or dividend equivalents; and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable or tax withholding event, as applicable, the Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Prior to any relevant taxable or tax withholding event, as applicable, the Grantee will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from the Grantee's wages or other cash compensation paid to the Grantee by the Company and/or the Employer; or (ii) withholding from the proceeds of the sale of shares of Stock acquired upon vesting/settlement of the RSU Award, either through a voluntary sale or through a mandatory sale arranged by the Company (on the Grantee's behalf pursuant to this authorization without further consent); or (iii) withholding the shares of Stock to be issued upon vesting/settlement of the RSU Award.

To avoid negative accounting treatment, the Company may withhold or account for Tax- Related Items by considering applicable minimum statutory withholding amounts (as determined by the Company in good faith and in its sole discretion) or other applicable withholding rates, including maximum applicable rates. If the obligation for Tax-Related Items is satisfied by withholding in shares of Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Stock subject to the vested RSUs, notwithstanding that a number of the shares of Stock are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Grantee's participation in the Plan.

Finally, Grantee shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares of Stock or the proceeds of the sale of shares of Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items.

7. Clawback. The RSU Award and any compensation paid or shares of Stock delivered pursuant to the RSU Award are subject to forfeiture, recovery by the Company or other action pursuant to any applicable clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy which the Company may be required to adopt under the United States Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law. The Company shall have the right to offset against any other amounts due from the Company to the Grantee the amount owed by the Grantee hereunder.

8. No Advice Regarding Grant. The Company and its Subsidiaries are not providing any tax, legal or financial advice, nor are the Company and its Subsidiaries making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the Plan before taking any action related to the Plan.

9. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. Authority. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

11. Rights as a Stockholder. The Grantee shall have no rights as a stockholder of the Company with respect to any shares of Stock underlying or relating to the RSU Award until the issuance of shares of Stock to the Grantee in respect of the RSU Award; provided, however, that in the event the Board shall declare a dividend on the Stock, a dividend equivalent equal to the per share amount of such dividend shall be credited on all RSUs underlying the RSU Award and outstanding on the record date for such dividend, such dividend equivalents to be payable in cash without interest on the vesting date of the RSUs on which the dividend equivalents were credited and such payments shall be delivered in accordance with the timing described in Paragraph 2. Any such dividend equivalents shall otherwise be subject to the same terms and conditions as the RSUs on which the dividend equivalents were credited.

12. Code Section 409A. Although the Company does not guarantee to the Grantee any particular tax treatment relating to the RSU Award, it is intended that the RSU Award be exempt from Code Section 409A, to the extent applicable, and this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A. Notwithstanding anything herein to the contrary, in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Grantee by Code Section 409A or any damages for failing to comply with Code Section 409A, if applicable.

13. Succession and Transfer. Each and all of the provisions of this Agreement are binding upon and inure to the benefit of the Company and the Grantee and their respective estate, successors and assigns, subject to any limitations on transferability under applicable law or as set forth in the Plan or herein.

14. Electronic Delivery and Acceptance. The Company may, in its sole discretion, elect to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Grantee agrees that all online acknowledgements shall have the same force and effect as a written signature.

15. Insider Trading and/or Market Abuse. By participating in the Plan, the Grantee agrees to comply with the Company's policy on insider trading (to the extent that it is applicable to the Grantee). The Grantee further acknowledges that, depending on the Grantee's or his or her broker's country of residence or where the shares of Stock are listed, the Grantee may be subject to insider trading restrictions and/or market abuse laws that may affect the Grantee's ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to shares of Stock (e.g., RSUs) or rights linked to the value of shares of Stock, during such times the Grantee is considered to have "inside information" regarding the Company as defined by the laws or regulations in the Grantee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Grantee places before the Grantee possessed inside information. Furthermore, the Grantee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Grantee understands that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Grantee acknowledges that it is the Grantee's responsibility to comply with any applicable restrictions, and that the Grantee should therefore consult the Grantee's personal advisor on this matter.

16. No Public Offer. The grant of the RSU Award is not intended to be a public offering of securities in the Grantee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the RSU Award is not subject to the supervision of the local securities authorities.

17. Language. If the Grantee is resident in a country where English is not an official language, the Grantee acknowledges and agrees that it is the Grantee's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the RSU Award be drawn up in English. If the Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

18. Foreign Asset Reporting; Repatriation; Compliance with Law. The Grantee acknowledges that certain foreign asset and/or account reporting requirements may affect the Grantee's ability to acquire or hold the shares of Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on the shares of Stock acquired under the Plan) in a brokerage or bank account outside the Grantee's country. The Grantee may be required to report such accounts, assets or transactions to the tax or other authorities in the Grantee's country. The Grantee also may be required to repatriate dividends, sale proceeds or other funds received as a result of participating in the Plan to the Grantee's country through a designated bank or broker within a certain time after receipt. The Grantee acknowledges that it is the Grantee's responsibility to be compliant with such regulations, and the Grantee should speak to the Grantee's personal advisor on this matter. In addition, the Grantee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Affiliates, as may be required to allow the Company and its Affiliates to comply with local laws, rules and/or regulations in the Grantee's country. Finally, the Grantee agrees to take any and all actions as may be required to comply with the Grantee's personal obligations under local laws, rules and/or regulations in the Grantee's country.

19. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Grantee's participation in the Plan, on the RSU Award, and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable to comply with local law or facilitate the administration of the Plan, and

to require the Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. **Data Privacy.** *The Grantee acknowledges the collection, use and transfer, in electronic or other form, of the Grantee's Personal Data (defined below) as described in this Agreement and any other grant materials by and among, as necessary and applicable, the Company or any of its Affiliates, for the legitimate purpose of implementing, administering and managing the Grantee's participation in the Plan.*

The Grantee understands that the Company and/or the Employer collects, holds, uses, and processes certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address, email address and telephone number, date of birth, social security or insurance number, passport number or other identification number, salary, nationality, and any shares of Stock or directorships held in the Company, and details of the RSU Award or any other entitlement to shares of Stock, canceled, exercised, vested, unvested or outstanding in the Grantee's favor ("Personal Data"). The Company and/or the Employer acts as the controller/owner of this Personal Data, and processes this Personal Data for the legitimate purpose of implementing, administering and managing the Plan.

The Grantee understands that the Personal Data will be transferred to Merrill Lynch or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Grantee understands that the recipients of Personal Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of Personal Data by contacting the Grantee's local human resources representative. When transferring Personal Data to these potential recipients, the Company provides appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield, or another legally binding and permissible arrangement. The Grantee may request a copy of such safeguards from Grantee's local human resources representative.

The Grantee authorizes the Company, Merrill Lynch and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Personal Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that Personal Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. To the extent provided by local law, the Grantee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Grantee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Plan herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. The Grantee understands, however, that the only consequence of refusing to provide Personal Data is that the Company would not be able to grant to the Grantee RSUs or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing to provide Personal Data may affect the Grantee's ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to provide Personal Data, the Grantee understands that he or she may contact the Grantee's local human resources representative.

21. **No Assignment; Nontransferability.** This Agreement (and the RSU Award) may not be assigned by the Grantee by operation of law or otherwise. In the event of the Grantee's termination of employment by reason of death, the RSU Award and any Awards

previously granted to the Grantee under the Plan shall not be transferable except by will or the laws of descent and distribution.

22. **Notices.** Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to (a) the Grantee at the last address specified in Grantee's employment records and (b) the Company, Attention : General Counsel, or such other address as the Company may designate in writing to the Grantee.

23. **Amendments.** This Agreement may be amended or modified at any time by an instrument in writing signed by the parties to this Agreement.

24. **Severability.** The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

25. **Governing Law.** This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware in the United States, without effect to the conflicts of laws principles thereof. For purposes of litigating any dispute that arises under the RSU Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Florida in the United States where this grant is made and/or to be performed, and agree that such litigation shall be conducted in the federal courts for the United States for the Middle District of Florida, or if jurisdiction does not exist in such federal court, the state courts in Orange County, Florida in the United States.

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IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

WYNDHAM DESTINATIONS, INC.

___ Authorized Signature Wyndham Destinations, Inc

Exhibit 10.8

WYNDHAM DESTINATIONS, INC.
2006 EQUITY AND INCENTIVE PLAN, AS AMENDED AND RESTATED AWARD AGREEMENT – NON-QUALIFIED STOCK OPTIONS

This Award Agreement (this "Agreement"), dated as of ___("Grant Date"), is by and between Wyndham Destinations, Inc., a Delaware corporation (the "Company"), and you (the "Grantee"), pursuant to the terms and conditions of the Wyndham Destinations, Inc. (formerly known as Wyndham Worldwide Corporation) 2006 Equity and Incentive Plan, as amended and restated (the "Plan").

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. The Plan. The Option Award (as defined below) granted to the Grantee hereunder is made pursuant to the Plan. A copy of the Plan and a prospectus for the Plan are available at the Grantee's portal page on Benefits Online available at www.benefits.ml.com (the "Portal Page"), and the terms of the Plan are hereby incorporated in this Agreement as fully as though actually set forth herein. Terms used in this Agreement which are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. Option Award. Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants the number of non-qualified stock options to purchase shares of Stock ("Options") indicated on the Portal Page (the "Option Award") to the Grantee, with an "Exercise Price Per Option" equal to the Fair Market Value of a share of Stock on the Grant Date, as indicated on the Portal Page. The Option Award has been granted as of the date hereof and shall terminate on the tenth anniversary of the Grant Date (the "Expiration Date"), subject to earlier termination as provided herein and in the Plan. Upon the termination or expiration of the Option Award, all rights of the Grantee in respect of the Option Award made hereunder shall cease.

3. Vesting. The Option Award shall vest in 25% increments on the first, second, third and fourth anniversaries of the Grant Date, subject to the Grantee's continuous employment with the Company or one of its Subsidiaries through each applicable vesting date.

Upon (a) a Change in Control occurring during the Grantee's continuous employment with the Company or one of its Subsidiaries, (b) the Grantee's termination of employment with the Company and its Subsidiaries by reason of the Grantee's death or Disability (as defined in Code Section 409A), or (c) if applicable, such other event as set forth in the Grantee's written agreement of employment with the Company or one of its Subsidiaries, the Option Award shall become immediately and fully vested, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

4. Manner of Exercise. The Grantee may exercise the Option Award (or any portion thereof), to the extent vested and exercisable, solely by submitting to the Company a notice of exercise in a form designated by the Company, specifying the exercise date and the number of shares of Stock to be purchased pursuant to such exercise, and with such exercise conducted otherwise in accordance with Section 6(b)(i) of the Plan and subject to Paragraph 8 below. Grantee may pay all or a portion of the exercise price by having shares of Stock with a Fair Market Value on the date of exercise equal to the aggregate exercise price withheld by the Company or by using any other method set forth in Section 6(b)(i)(B) of the Plan.

5. Termination of Employment. Notwithstanding any other provision of the Plan to the contrary and, if applicable, subject to the Grantee's written agreement of employment with the Company or one of its Subsidiaries, (a) upon the termination of the Grantee's employment with the Company and its Subsidiaries for any reason whatsoever (other than the Grantee's termination for cause or due to the Grantee's death or Disability), (i) the Option Award, to the extent not yet vested, shall immediately and automatically terminate and (ii) the Grantee shall have the right to exercise the Option Award, to the extent vested, for a period of one year immediately following such termination of employment (but in no event beyond the Expiration Date), and after such period, the Option Award shall immediately and automatically terminate without notice to the Grantee; and (b) upon Grantee's termination for cause, the Options shall immediately and automatically terminate, whether vested or unvested, without notice to the Grantee.

6. Award Provisions. The Option Award may only be exercised in accordance with the terms of the Plan and the administrative procedures established by the Company and/or the Committee from time to time and may be exercised at such times permitted by the Company in its sole discretion. The Option Award is subject to adjustment in the event of certain changes in the capitalization of the Company, to the extent set forth in the Plan.

7. No Rights to Continued Employment. Neither this Agreement nor the Option Award shall be construed as giving the Grantee any right to continue in the employ of the Company or any of its Subsidiaries or interfere in any way with the right of the Company or any of its Subsidiaries to terminate such employment. Notwithstanding any other provision of the Plan, the Option Award, this Agreement or any other agreement (written or oral) to the contrary, (a) for purposes of the Plan and the Option Award, a termination of employment shall be deemed to have occurred on the date upon which the Grantee ceases to perform active employment duties for the Company and its Subsidiaries, without regard to any period of notice of termination of employment (whether expressed or implied) or any period of severance or salary continuation; and (b) the Grantee shall not be entitled (and by accepting the Option Award, automatically and irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of the Option Award in connection with any termination of employment. No amounts earned pursuant to the Plan or any Award made under the Plan, including the Option Award, shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its Subsidiaries.

8. Tax Obligations. As a condition to the granting of the Option Award and the exercise thereof, the Grantee agrees to remit to the Company or any of its applicable Subsidiaries such sum as may be necessary to discharge the Company's or such Subsidiary's obligations with respect to any tax, assessment or other governmental charge imposed on property or income received by the Grantee pursuant to this Agreement and the Option Award by having the Company automatically withhold upon any exercise of this Option Award a sufficient number of shares of Stock to be acquired upon such exercise so as to satisfy any such obligations.

9. Clawback. The Option Award and any shares of Stock delivered pursuant to the Option Award are subject to forfeiture, recovery by the Company or other action pursuant to any applicable clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy which the Company may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

10. No Advice Regarding Grant. The Company and its Subsidiaries are not providing any tax, legal or financial advice, nor are the Company and its Subsidiaries making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the Plan before taking any action related to the Plan.

11. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

12. Authority. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

13. Rights as a Stockholder. The Grantee shall have no rights as a stockholder of the Company with respect to any shares of Stock underlying or relating to the Option Award until the issuance of Stock to the Grantee in respect of such Option Award.

14. Blackout Periods. The Grantee acknowledges that, from time to time, as determined by the Company in its sole discretion, the Company may establish "blackout periods" during which this Option Award may not be exercised. The Company may establish a blackout period for any reason or for no reason.

15. Restrictive Covenants. The following restrictive covenants will apply to the Grantee ("Restrictions"):

(a) During employment with the Company, the Grantee agrees that Grantee will not: (i) work for, or be engaged by, or otherwise be involved in, any company or organization whose business is similar to or in competition with the Company's timeshare business or (ii) solicit or induce, directly or indirectly, or take any action to assist any entity, directly or indirectly, in soliciting or inducing, any employee of the Company to leave the employment of the Company except as may be required as part of Grantee's duties for the Company ("Induce Departures").

(b) If the Grantee is a U.S. employee, the following post-employment Restrictions apply to the Grantee. For a period of 12 months following Grantee's employment termination for any reason:

(i) the Grantee will not Induce Departures or attempt to Induce Departures, or hire, or assist in the hire, directly or indirectly, of any individual whose employment by the Company ended within twelve months preceding that individual's hire or attempted hire by the Grantee or by any successor employer; or

(ii) the Grantee will not, anywhere within the Geographic Scope (as defined below), directly or indirectly, for or by the Grantee, or through, on behalf of, or in conjunction with any other person or entity: (a) own, maintain, finance, operate, invest or engage in any business that competes with the Company's timeshare business ("Competitor"); or (b) provide services, either as an employee, consultant, agent, or otherwise, to any Competitor. The Grantee may, however, invest in publicly traded a Competitor provided that such ownership interest does not exceed 5% of the voting control of such entity. This post-employment non-competition restriction shall not apply with respect to employment by the Grantee in California or Massachusetts unless such activity involves the use of information

deemed confidential or proprietary, as defined in the Company's Business Principles, as may be amended from time to time ("Confidential Information"). The term "Geographic Scope" means: (1) North America (which includes the United States, Canada, Mexico and the Caribbean); and (2) if the Grantee has global job responsibilities, those countries that are within the scope of the Grantee's job responsibilities in the two years preceding the date of the Grantee's employment termination. This non-competition restriction shall not apply to any Company employee who is licensed to practice law in any state in the United States and who joins a competing business for the purpose of providing legal advice to the competing business.

(c) Acknowledgements and Representations. The Grantee agrees that if the Grantee's employment were to terminate, the Grantee could earn a living while complying with the Restrictions; the Restrictions are reasonable and necessary to protect the Company's legitimate interest in its Confidential Information, customer relationships, and investment in developing its employees; and that the rights and obligations under this Paragraph 15 shall survive the termination of the Grantee's service with the Company.

(d) Waiver. The Company may waive any of the Restrictions or any breach in circumstances that it determines do not adversely affect its interests, but only in writing signed by the Chief Human Resources Officer or his or her delegate. No waiver of any one breach of the Restrictions set forth herein will be deemed a waiver of any other breach.

(e) Restrictions Separable and Divisible. The Grantee acknowledges and accepts the Restrictions herein to the maximum extent permissible under applicable law. If any of the Restrictions is held to cover a geographic area or a length of time which is not permitted by applicable law, or is in any way construed to be too broad or invalid, such provision shall not be construed to be null and void, but instead a court of competent jurisdiction shall construe and interpret or reform these Restrictions to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such applicable law.

(f) Remedies. In addition to other remedies allowed by law, if the Grantee breaches any of the Restrictions, the Grantee will immediately lose the right to receive any and all amounts payable under this Agreement including without limitation any amounts that have been paid to the Grantee during the 12 month period preceding the date of the breach. The Grantee acknowledges that the amount of damages that would derive from the breach of any Restriction is not readily ascertainable and agrees that in the event of breach of any of the Restrictions, in addition to forfeiture of benefits, monetary damages and/or reasonable attorney's fees, the Company will have the right to seek injunctive and/or other equitable relief in any court of competent jurisdiction to enforce the Restrictions. The Grantee consents to the issue of a temporary restraining order to maintain the status quo pending the outcome of any proceeding.

16. Succession and Transfer. Each and all of the provisions of this Agreement, including Paragraph 15, are binding upon and inure to the benefit of the Company and the Grantee and their respective estate, successors and assigns, subject to any limitations on transferability under applicable law or as set forth in the Plan or herein.

17. Electronic Delivery and Acceptance. The Company may, in its sole discretion, elect to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The

Grantee and the Company hereby expressly agree that the use of electronic media to indicate confirmation, consent, signature, acceptance, agreement and delivery shall be legally valid and have the same legal force and effect as if the Grantee and the Company executed this Agreement in paper form.

18. No Assignment; Nontransferability. This Agreement (and the Option Award) may not be assigned by the Grantee by operation of law or otherwise. In the event of the Grantee's termination of employment by reason of death, the Option Award and any Awards previously granted to the Grantee under the Plan shall not be transferable except by will or the laws of descent and distribution.

19. Notices. Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to (a) the Grantee at the last address specified in Grantee's employment records and (b) the Company, Attention: General Counsel, or such other address as the Company may designate in writing to the Grantee.

20. Amendments. This Agreement may be amended or modified at any time by an instrument in writing signed by the parties to this Agreement.

21. Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

22. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof. For purposes of litigating any dispute that arises under the Option Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Florida where this grant is made and/or to be performed, and agree that such litigation shall be conducted in the federal courts for the United States for the Middle District of Florida or if jurisdiction does not exist in such federal court, the state courts in Orange County, Florida.

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IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

WYNDHAM DESTINATIONS, INC.

Authorized Signature Wyndham Destinations, Inc

WYNDHAM DESTINATIONS, INC.
2006 EQUITY AND INCENTIVE PLAN, AS AMENDED AND RESTATED
AWARD AGREEMENT – PERFORMANCE STOCK UNITS

This Award Agreement (this "Agreement"), dated as of ___, is by and between Wyndham Destinations, Inc., a Delaware corporation (the "Company"), and you (the "Grantee"), pursuant to the terms and conditions of the Wyndham Destinations, Inc. (formerly known as Wyndham Worldwide Corporation) 2006 Equity and Incentive Plan, as amended and restated (the "Plan").

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. The Plan. The PSU Award (as defined below) granted to the Grantee hereunder is made pursuant to the Plan. A copy of the Plan and a prospectus for the Plan are available at the Grantee's portal page on Benefits Online available at www.benefits.ml.com (the "Portal Page"), and the terms of the Plan are hereby incorporated in this Agreement as fully as though actually set forth herein. Terms used in this Agreement which are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. PSU Award. Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants the target number of PSUs indicated on the Portal Page (the "PSU Award") to the Grantee. Upon the vesting of the PSU Award, as described in Paragraph 3 below, the Company shall deliver, no later than March 15 of the calendar year following the calendar year in which all or portion of the PSU Award vests, for each PSU that vests, one share of Stock, subject to Paragraph 6 below.

3. Vesting. The PSU Award shall vest in accordance with the terms and conditions set forth in Exhibit A attached to this Award Agreement, subject to the Grantee's continuous employment with the Company or one of its Subsidiaries through the applicable vesting date.

Upon (a) a Change in Control occurring during the Grantee's continuous employment with the Company or one of its Subsidiaries, (b) the Grantee's termination of employment with the Company and its Subsidiaries by reason of the Grantee's death or Disability (as defined in Code Section 409A), or (c) if applicable, such other event as set forth in the Grantee's written agreement of employment with the Company or one of its Subsidiaries, the PSU Award shall become immediately and fully vested at target, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

4. Termination of Employment. Notwithstanding any other provision of the Plan to the contrary and, if applicable, subject to the Grantee's written agreement of employment with the Company or one of its Subsidiaries, upon the termination of the Grantee's employment with the Company and its Subsidiaries for any reason whatsoever (other than the Grantee's death or Disability), the PSU Award, to the extent not yet vested, shall immediately and automatically terminate.

5. No Rights to Continued Employment. Neither this Agreement nor the PSU Award shall be construed as giving the Grantee any right to continue in the employ of the Company or any of its Subsidiaries or interfere in any way with the right of the Company or any of its Subsidiaries to terminate such employment. Notwithstanding any other provision of the Plan, the PSU Award, this Agreement or any other agreement (written or oral) to the contrary, (a)

for purposes of the Plan and the PSU Award, a termination of employment shall be deemed to have occurred on the date upon which the Grantee ceases to perform active employment duties for the Company and its Subsidiaries, without regard to any period of notice of termination of employment (whether expressed or implied) or any period of severance or salary continuation; and (b) the Grantee shall not be entitled (and by accepting the PSU Award, automatically and irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of the PSU Award in connection with any termination of employment. No amounts earned pursuant to the Plan or any Award made under the Plan, including the PSU Award, shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its Subsidiaries.

6. Tax Obligations. As a condition to the granting of the PSU Award and the vesting thereof, the Grantee agrees to remit to the Company or any of its applicable Subsidiaries such sum as may be necessary to discharge the Company's or such Subsidiary's obligations with respect to any tax, assessment or other governmental charge imposed on property or income received by the Grantee pursuant to this Agreement and the PSU Award by having the Company automatically withhold upon any vesting of this PSU Award a sufficient number of the shares of Stock issuable upon such vesting so as to satisfy any such obligations.

7. Clawback. The PSU Award and any shares of Stock delivered pursuant to the PSU Award are subject to forfeiture, recovery by the Company or other action pursuant to any applicable clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy which the Company may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

8. No Advice Regarding Grant. The Company and its Subsidiaries are not providing any tax, legal or financial advice, nor are the Company and its Subsidiaries making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the Plan before taking any action related to the Plan.

9. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. Authority. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

11. Rights as a Stockholder. The Grantee shall have no rights as a stockholder of the Company with respect to any shares of Stock underlying or relating to the PSU Award until the issuance of shares of Stock to the Grantee in respect of the PSU Award; provided, however, that in the event the Board shall declare a dividend on the Stock while the PSU Award is outstanding, the Grantee shall be entitled to receive a dividend equivalent payment, payable in cash

without interest on the vesting date of the PSUs, with any such payment to be delivered in accordance with the timing described in Paragraph 2. The amount of any such dividend equivalent payment shall be determined by multiplying the per share amount of any such dividend declared by the Company while the PSU Award is outstanding by the number of shares earned pursuant to this PSU Award, as if such earned Shares had been outstanding

since the Grant Date. All dividend equivalents shall be subject to the same terms and conditions as the PSUs on which the dividend equivalents were credited.

12. Code Section 409A. Although the Company does not guarantee to the Grantee any particular tax treatment relating to the PSU Award, it is intended that the PSU Award be exempt from Code Section 409A, and this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A. Notwithstanding anything herein to the contrary, in no event whatsoever shall the Company or any of its affiliates be liable for any additional tax, interest or penalties that may be imposed on the Grantee by Code Section 409A or any damages for failing to comply with Code Section 409A.

13. Blackout Periods. The Grantee acknowledges that, from time to time, as determined by the Company in its sole discretion, the Company may establish “blackout periods” during which this Award may not be exercised. The Company may establish a blackout period for any reason or for no reason.

14. Restrictive Covenants. The following restrictive covenants will apply to the Grantee (“Restrictions”):

(a) During employment with the Company, the Grantee agrees that Grantee will not: (i) work for, or be engaged by, or otherwise be involved in, any company or organization whose business is similar to or in competition with the Company’s timeshare business or (ii) solicit or induce, directly or indirectly, or take any action to assist any entity, directly or indirectly, in soliciting or inducing, any employee of the Company to leave the employment of the Company except as may be required as part of Grantee’s duties for the Company ("Induce Departures").

(b) If the Grantee is a U.S. employee, the following post-employment Restrictions apply to the Grantee. For a period of 12 months following Grantee’s employment termination for any reason:

(i) the Grantee will not Induce Departures or attempt to Induce Departures, or hire, or assist in the hire, directly or indirectly, of any individual whose employment by the Company ended within twelve months preceding that individual's hire or attempted hire by the Grantee or by any successor employer; or

(ii) the Grantee will not, anywhere within the Geographic Scope (as defined below), directly or indirectly, for or by the Grantee, or through, on behalf of, or in conjunction with any other person or entity: (a) own, maintain, finance, operate, invest or engage in any business that competes with the Company’s timeshare business (“Competitor”); or (b) provide services, either as an employee, consultant, agent, or otherwise, to any Competitor. The Grantee may, however, invest in publicly traded a Competitor provided that such ownership interest does not exceed 5% of the voting control of such entity. This post-employment non-competition restriction shall not apply with respect to employment by the Grantee in California or Massachusetts unless such activity involves the use of information deemed confidential or proprietary, as defined in the Company’s Business Principles, as may be amended from time to time (“Confidential Information”). The term "Geographic Scope" means: (1) North America (which includes the United States, Canada, Mexico and the Caribbean); and (2) if the Grantee has global job responsibilities, those countries that are within the scope of the Grantee’s job responsibilities in the two years preceding the date of the Grantee’s employment termination. This non-competition restriction shall not apply to any Company employee who is licensed to practice law in any state in the United States and who

joins a competing business for the purpose of providing legal advice to the competing business.

(c) Acknowledgements and Representations. The Grantee agrees that if the Grantee’s employment were to terminate, the Grantee could earn a living while complying with the Restrictions; the Restrictions are reasonable and necessary to protect the Company’s legitimate interest in its Confidential Information, customer relationships, and investment in developing its employees; and that the rights and obligations under this Paragraph 14 shall survive the termination of the Grantee’s service with the Company.

(d) Waiver. The Company may waive any of the Restrictions or any breach in circumstances that it determines do not adversely affect its interests, but only in a writing signed by the Chief Human Resources Officer or his or her delegate. No waiver of any one breach of the Restrictions set forth herein will be deemed a waiver of any other breach.

(e) Restrictions Separable and Divisible. The Grantee acknowledges and accepts the Restrictions herein to the maximum extent permissible under applicable law. If any of the Restrictions is held to cover a geographic area or a length of time which is not permitted by applicable law, or is in any way construed to be too broad or invalid, such provision shall not be construed to be null and void, but instead a court of competent jurisdiction shall construe and interpret or reform these Restrictions to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such applicable law.

(f) Remedies. In addition to other remedies allowed by law, if the Grantee breaches any of the Restrictions, the Grantee will immediately lose the right to receive any and all amounts payable under this Agreement including without limitation any amounts that have been paid to the Grantee during the 12 month period preceding the date of the breach. The Grantee acknowledges that the amount of damages that would derive from the breach of any Restriction is not readily ascertainable and agrees that in the event of breach of any of the Restrictions, in addition to forfeiture of benefits, monetary damages and/or reasonable attorney's fees, the Company will have the right to seek injunctive and/or other equitable relief in any court of competent jurisdiction to enforce the Restrictions. The Grantee consents to the issue of a temporary restraining order to maintain the status quo pending the outcome of any proceeding.

15. Succession and Transfer. Each and all of the provisions of this Agreement, including Paragraph 14, are binding upon and inure to the benefit of the Company and the Grantee and their respective estate, successors and assigns, subject to any limitations on transferability under applicable law or as set forth in the Plan or herein.

16. Electronic Delivery and Acceptance. The Company may, in its sole discretion, elect to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Grantee and the Company hereby expressly agree that the use of electronic media to indicate confirmation, consent, signature, acceptance, agreement and delivery shall be legally valid and have the same legal force and effect as if the Grantee and the Company executed this Agreement in paper form.

17. No Assignment; Nontransferability. This Agreement (and the PSU Award) may not be assigned by the Grantee by operation of law or otherwise. In the event of the Grantee's

termination of employment by reason of death, the PSU Award and any Awards previously granted to the Grantee under the Plan shall not be transferable except by will or the laws of descent and distribution.

18. Notices. Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to (a) the Grantee at the last address specified in Grantee's employment records and (b) the Company, Attention: General Counsel, or such other address as the Company may designate in writing to the Grantee.

19. Amendments. This Agreement may be amended or modified at any time by an instrument in writing signed by the parties to this Agreement.

20. Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

21. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof. For purposes of litigating any dispute that arises under the PSU Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Florida where this grant is made and/or to be performed, and agree that such litigation shall be conducted in the federal courts for the United States for the Middle District of Florida, or if jurisdiction does not exist in such federal court, the state courts in Orange County, Florida.

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IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

WYNDHAM DESTINATIONS, INC.

Authorized Signature Wyndham Destinations, Inc

Exhibit 10.10

EXECUTION VERSION

NINTH AMENDMENT

Dated as of April 24, 2019

to

AMENDED AND RESTATED INDENTURE
AND SERVICING AGREEMENT

Dated as of October 1, 2010

by and among

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC,

as Issuer

and

WYNDHAM CONSUMER FINANCE, INC.,

as Servicer

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

and

U.S. BANK NATIONAL ASSOCIATION,

as Collateral Agent

NINTH AMENDMENT

to

AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT

THIS NINTH AMENDMENT dated as of April 24, 2019 (this "Amendment") amends that **AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT** dated as of October 1, 2010, as amended by that First Amendment dated as of June 28, 2011, that Second Amendment dated as of May 17, 2012, that Third Amendment dated as of August 30, 2012, that Fourth Amendment dated as of August 29, 2013, that Fifth Amendment dated as of August 28, 2014, that Sixth Amendment dated as of August 27, 2015, that Seventh Amendment dated as of August 23, 2016 and that Eighth Amendment dated as of April 6, 2018 (the Amended and Restated Indenture and Servicing Agreement together with the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment and the Eighth Amendment thereto, the "Original Indenture") and both this Amendment and the Original Indenture are by and among **SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC** , a limited liability company organized under the laws of the State of Delaware, as issuer, **WYNDHAM CONSUMER FINANCE, INC** ., a Delaware corporation, as servicer, **WELLS FARGO BANK, NATIONAL ASSOCIATION** , a national banking association, as trustee and **U.S. BANK NATIONAL ASSOCIATION** , a national banking association, as collateral agent.

RECITALS

WHEREAS, the Issuer, the Servicer, the Trustee and the Collateral Agent desire to amend the Original Indenture as provided herein.

WHEREAS, in accordance with (x) Section 15.1(b) of the Original Indenture, upon the Amendment Effective Date (as defined herein) the Required Facility Investors have consented to such amendment of the Original Indenture, (y) Section 15.1(g) of the Original Indenture, each Funding Agent and each Non-Conduit Committed Purchaser has consented to such amendment of the Original Indenture and (z) Section 15.16 of the Original Indenture, the Deal Agent has consented to such amendment of the Original Indenture.

WHEREAS, capitalized terms used in this Amendment and not otherwise defined herein or amended hereby shall have the meanings assigned to such terms in the Original Indenture.

NOW THEREFORE, in consideration of the mutual agreements herein contained, each party agrees as follows for the benefit of the other parties and for the benefit of the Noteholders.

SECTION 1. Amendments . The parties hereto agree that, effective as of the Amendment Effective Date (as defined below), the Original Indenture (and, to the extent provided in Exhibit A, any schedules and exhibits thereto) shall be amended automatically on such date such that the terms set forth in the composite form of the Indenture attached hereto as

Exhibit A shall replace the terms of the Original Indenture as in effect immediately prior to the Amendment Effective Date.

SECTION 2. No Other Amendments . Except as expressly amended, modified and supplemented hereby, the provisions of the Original Indenture are and shall remain in full force and effect.

SECTION 3. FATCA . For purposes of determining withholding taxes imposed under the Foreign Account Tax Compliance Act, as contained in Sections 1471 through 1474 of the Code, from and after the effective date of this Amendment, the Issuer shall treat, and hereby authorizes the Trustee to treat, the Notes as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation section 1.1471-2(b)(2)(i).

SECTION 4. Governing Law . This Amendment is governed by and shall be construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

SECTION 5. Counterparts . This Amendment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

SECTION 6. Headings . The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

SECTION 7. Effectiveness . This Amendment shall be effective upon the date (the "Amendment Effective Date") that is the later of (i) the date hereof and (ii) the first date on which each of the following conditions precedent shall have been satisfied:

(a) This Amendment shall have been executed and delivered by each of the parties hereto;

(b) The Trustee shall have received the written consent of the Required Facility Investors, each Funding Agent, each Non-Conduit Committed Purchaser and the Deal Agent to this Amendment;

(c) The Trustee shall have received any Opinions of Counsel required by the Trustee to be delivered to the Trustee; and

(d) The Ninth Amendment to the Note Purchase Agreement dated as of April 24, 2019 shall have been executed and delivered by each party thereto.

[signature page follows]

IN WITNESS WHEREOF, Issuer, the Servicer, the Trustee and the Collateral Agent have caused this Indenture to be duly executed by their respective officers as of the day and year first above written.

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC,
as Issuer

By: /s/ Joseph M. Hollingshead
Name: Joseph M. Hollingshead
Title: President

WYNDHAM CONSUMER FINANCE, INC.,
as Servicer

By: /s/ Joseph M. Hollingshead
Name: Joseph M. Hollingshead
Title: President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Jennifer C. Westberg
Name: Jennifer C. Westberg
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, as
as Collateral Agent

By: /s/ Matthew M. Smith
Name: Matthew M. Smith
Title: Vice President

EXHIBIT A

AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT

Dated as of October 1, 2010

by and among

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC,

as Issuer

and

WYNDHAM CONSUMER FINANCE, INC.,
as Servicer

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

and

U.S. BANK NATIONAL ASSOCIATION,
as Collateral Agent

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AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT

THIS AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT, dated as of October 1, 2010 (this "Amended and Restated Indenture") amends in its entirety the Indenture and Servicing Agreement dated as of November 7, 2008 (the "Original Indenture"), as amended by Amendment No. 1 dated as of October 23, 2009 (the "Amendment No. 1", together with the Original Indenture, the "Amended Indenture"), and is by and among SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC, a limited liability company organized under the laws of the State of Delaware, as issuer, WYNDHAM CONSUMER FINANCE, INC., a Delaware corporation, as servicer, WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, as trustee and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as collateral agent. This Indenture may be supplemented and amended from time to time in accordance with Article XV hereof.

RECITALS

The Issuer duly authorized the execution and delivery of the Original Indenture to provide for the issuance of its loan-backed notes as provided therein.

The Issuer, the Servicer, the Trustee and the Collateral Agent entered into the Amendment No. 1 as of October 23, 2009.

The Issuer, the Servicer, the Trustee and the Collateral Agent desire to amend and restate the Amended Indenture in its entirety as provided herein.

In accordance with (x) Section 15.1(b) of the Amended Indenture, upon the Second Amendment Effective Date (as defined herein) the Required Facility Investors have consented to such amendment and restatement of the Amended Indenture and the Rating Agency Condition has been satisfied, (y) Section 15.1(g) of the Amended Indenture, each Funding Agent has consented to such amendment and restatement of the Amended Indenture and (z) Section 15.16 of the Amended Indenture, the Deal Agent has consented to such amendment and restatement of the Amended Indenture.

All covenants and agreements made by the Issuer herein are for the benefit and security of the Trustee, acting on behalf of the Noteholders.

The Issuer is entering into this Indenture, and the Trustee is accepting the trusts created hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged. All things necessary have been done to make the Series 2008-A Notes, when executed by the Issuer and authenticated and delivered by the Trustee as provided in the Amended

Indenture and herein, the valid obligations of the Issuer and to make this Indenture a valid agreement of the Issuer, enforceable in accordance with its terms.

NOW THEREFORE, in consideration of the mutual agreements herein contained, each party agrees as follows for the benefit of the other parties and for the benefit of the Noteholders.

GRANTING CLAUSES

The Issuer hereby Grants to the Collateral Agent, for the benefit and security of the Trustee, acting on behalf of the Noteholders, all of the Issuer's right, title and interest, whether now owned or hereafter acquired, in, to and under the following:

(a) all Pledged Loans and all Collections, together with all other Pledged Assets;

(b) the Collection Account and all money, investment property, instruments and other property credited to, carried in or deposited in the Collection Account;

(c) all money, investment property, instruments and other property credited to, carried in or deposited in the Control Account, any Issuer account described in clause (4) of Section 6.1(g) or any other bank or similar account into which Collections are deposited, to the extent such money, investment property, instruments and other property constitutes Collections;

(d) the Reserve Account and all money, investment property, instruments and other property credited to, carried in or deposited in the Reserve Account;

(e) the Hedge Agreement and all rights and interests therein and thereto;

(f) all rights, remedies, powers, privileges and claims of the Issuer under or with respect to the Depositor Purchase Agreement, each Seller Purchase Agreement and each Approved Sale Agreement including, without limitation all rights to enforce payment obligations of the Issuer, the Depositor, each Seller and each Approved Seller and all rights to collect all monies due and to become due to the Issuer from the Depositor, any Seller or any Approved Seller under or in connection with the Depositor Purchase Agreement, any Seller Purchase Agreement or any Approved Sale Agreement (including without limitation all interest and finance charges for late payments accrued thereon and proceeds of any liquidation or sale of the Pledged Loans or resale of Timeshare Properties and all other Collections on the Pledged Loans) and all other rights of the Issuer to enforce the Depositor Purchase Agreement, each Seller Purchase Agreement and each Approved Sale Agreement;

(g) all certificates and instruments if any, from time to time representing or evidencing any of the foregoing property described in clauses (a) through (f) above;

(h) all present and future claims, demands, causes of and choses in action in respect of any of the foregoing and all interest, principal, payments and distributions of any nature or type on any of the foregoing;

(i) all accounts, chattel paper, deposit accounts, documents, general intangibles, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas and other minerals, consisting of, arising from, or relating to, any of the foregoing;

(j) all proceeds of the foregoing property described in clauses (a) through (i) above, any security therefor, and all interest, dividends, cash, instruments, financial assets and other investment property and other property from time to time received, receivable or otherwise distributed in respect of, or in exchange for or on account of the sale, condemnation or other disposition of, any or all of the then existing property described in clauses (a) through (i), and including all payments under insurance policies (whether or not a Seller, an Approved Seller, an Originator, the Depositor, the Issuer, the Collateral Agent or the Trustee is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to any of the Collateral; and

(k) all proceeds of the foregoing.

The property described in the preceding sentence is collectively referred to as the "Collateral." The Grant of the Collateral to the Collateral Agent is for the benefit of the Trustee to secure the Series 2008-A Notes equally and ratably without prejudice, priority or distinction among any Series 2008-A Notes by reason of difference in time of issuance or otherwise, except as otherwise expressly provided in this Indenture and to secure (i) the payment of all amounts due on the Series 2008-A Notes in accordance with their respective terms, (ii) the payment of all other sums payable by the Issuer under this Indenture, the Series 2008-A Notes and the Note Purchase Agreement and (iii) compliance by the Issuer with the provisions of this Indenture and the Series 2008-A Notes.

The Collateral Agent and the Trustee acknowledge the Grant of the Collateral, and the Collateral Agent accepts the Collateral in trust hereunder in accordance with the provisions hereof and agrees to perform the duties herein to the end that the interests of the Noteholders may be adequately and effectively protected. This Indenture is a security agreement within the meaning of the UCC.

The Trustee and the Collateral Agent each acknowledges that it has entered into the Collateral Agency Agreement pursuant to which the Collateral Agent will act as agent for the benefit of the Trustee and the Noteholders for the purpose of maintaining a security interest in the Collateral. The Noteholders are bound by the terms of the Collateral Agency Agreement by the Trustee's execution thereof on their behalf.

Article I
DEFINITIONS

Section 1.1 Definitions

Whenever used in this Indenture, the following words and phrases shall have the following meanings, and the definitions of such terms are applicable to the singular as well as the plural forms of such terms and the masculine as well as the feminine and neuter genders of such terms.

"AA Advance Rate" shall mean, as of any day,

(1) for Wyndham Loans, (i) on or prior to the November 2008 Payment Date, 58.500%, (ii) on or prior to the December 2008 Payment Date, 56.375%, (iii) on or prior to the January 2009 Payment Date, 54.250%, (iv) on or prior to the February 2009 Payment Date, 52.125% and (v) thereafter, the Advance Rate.

(2) for WorldMark Loans, (i) on or prior to the November 2008 Payment Date, 61.000%, (ii) on or prior to the December 2008 Payment Date, 58.875%, (iii) on or prior to the January 2009 Payment Date, 56.750%, (iv) on or prior to the February 2009 Payment Date, 54.625% and (v) thereafter, the Advance Rate.

"Account" shall mean either of the Collection Account or the Reserve Account and "Accounts" mean both of such accounts.

"Accrual Period" shall mean, with respect to any Payment Date, the period beginning on and including the immediately preceding Payment Date and ending on and excluding the current Payment Date, except that the first Accrual Period will begin on and include the Closing Date and end on and exclude the December 2008 Payment Date.

"Acquired Portfolio Loan" shall mean a loan (which shall be a loan, installment contract or other contractual obligation incurred to finance the acquisition of an interest in a vacation property or rights to use vacation properties or otherwise substantially similar to Loans) which a Seller has acquired either by purchase of a portfolio or by acquisition of an entity which owns the portfolio and new loans originated with respect to such entity, program or portfolio during the Transition Period.

"Addition Date" shall mean each date subsequent to the Closing Date on which a security interest is granted in Loans to secure the Series 2008-A Notes.

"Additional Monthly Principal Distribution Amount" shall mean (i) for any Payment Date on or prior to which an Amortization Event has occurred, the Mandatory Redemption Date has occurred (unless repayment of the Series 2008-A Notes has been waived pursuant to Section 2.13(a)), the Termination Date has occurred or the Maturity Date has occurred, zero, and (ii) for any other Payment Date, an amount equal to the excess, if any of (x) the Borrowing Base over (y) the Adjusted Borrowing Base on such date.

"Additional Pledged Loans" shall mean Loans (including Qualified Substitute Loans) pledged under this Indenture and a Supplemental Grant subsequent to the Initial Advance Date.

"Adjusted Borrowing Base" shall mean, on any date, the product of

(i) the remainder of (A) the Adjusted Loan Balance minus (B) the Excess Concentration Amount on such date and

(ii) the AAA Advance Rate as of such date.

"Adjusted Loan Balance" shall mean, on any date, the Aggregate Loan Balance on such date minus the sum of (i) the Loan Balances of any Pledged Loans which are Defaulted Loans on the last day of the immediately preceding Due Period, (ii) the Loan Balances of any Pledged Loans which are Delinquent Loans on the last day of the immediately preceding Due Period, (iii) the Loan

Balances of any Pledged Loans which are Defective Loans on the last day of the immediately preceding Due Period and (iv) the Loan Balances of any Pledged Loans which are Impermissibly Modified Loans on the last day of the immediately preceding Due Period.

"Administrative Services Agreement" shall mean either (i) the Depositor Administrative Services Agreement, dated as of August 29, 2002, by and between the Depositor and the Administrator, or (ii) the Issuer Administrative Services Agreement, dated as of November 5, 2008, by and between the Issuer and the Administrator, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms of the respective agreements.

"Administrator" shall mean, with respect to either Administrative Services Agreement, WCF, in its role as administrator with respect to the Depositor or the Issuer, respectively, or any other entity which becomes the Administrator under the terms of the respective Administrative Services Agreements.

"Advance Decrease Date" shall mean the first Payment Date on which, after giving effect to all payments made on the Series 2008-A Notes on such date, the Notes Principal Amount does not exceed the Adjusted Borrowing Base.

"Advance Rate" shall mean,

(i) prior to but excluding the October 2010 Payment Date, 51%;

(ii) as of the October 2010 Payment Date to but excluding the June 28, 2011, 51.5%;

(iii) as of June 28, 2011 to but excluding the August 2012 Amendment Effective Date, 52%;

(iv) as of August 30, 2012 to but excluding the August 2013 Amendment Effective Date, 58%;

(v) as of the August 2013 Amendment Effective Date to but excluding the August 2016 Amendment Effective Date, 58.5%;

(vi) as of the August 2016 Amendment Effective Date to but excluding the August 2018 Amendment Effective Date, 59.5%; provided, however, that if as of any Payment Date the Three Month Rolling Average Loss to Liquidation Ratio exceeds 16.5%, then on such Payment Date and thereafter the Advance Rate will equal 55%; provided further that on any subsequent Payment Date that is the third consecutive Payment Date for which the Three Month Rolling Average Loss to Liquidation Ratio is less than 16.0%, the Advance Rate will return to 59.5%; and

(vii) as of the April 2018 Amendment Effective Date and thereafter, 59.5%; provided, however, that if as of any Payment Date the Three Month Rolling Average Loss to Liquidation Ratio exceeds 20.0%, then on such Payment Date and thereafter the Advance Rate will equal 55%; provided further that on any subsequent Payment Date that is the third consecutive Payment Date for which the Three Month Rolling Average Loss to Liquidation Ratio is less than 20.0%, the Advance Rate will return to 59.5%.

"Affiliate" shall mean, when used with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person, and "control" shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and "controlling" and "controlled" shall have meanings correlative to the foregoing.

"Aggregate Loan Balance" shall mean, on any date, the excess of (i) the sum of the Loan Balances for all Pledged Loans on such date over (ii) the sum of (x) the FICO Score of 7-Year Loans Excess Amount on such day and (y) the FICO Score of 10-Year Loans Excess Amount on such day.

"Alternate Investor" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Amended and Restated Indenture" shall have the meaning set forth in the preamble.

"Amended Indenture" shall have the meaning set forth in the preamble.

"Amendment No. 1" shall have the meaning set forth in the preamble.

"Amortization Event" shall have the meaning specified in Section 10.1.

"Approved Loan" shall mean a Loan sold to the Depositor by an Approved Seller pursuant to an Approved Sale Agreement.

"Approved Loan Performance Guaranty" shall mean an Approved Loan Performance Guaranty, substantially in the form and substance of Exhibit K, given by Wyndham Destinations in favor of the Issuer, the Depositor and the Trustee in connection with the sale of Loans to the Depositor by an Approved Seller pursuant to an Approved Sale Agreement.

"Approved Sale Agreement" shall mean a Sale and Assignment Agreement, substantially in the form and substance of Exhibit J, entered into by an Approved Seller and the Depositor in accordance to with the terms of Section 3.6 pursuant to which the Depositor purchases Loans from the Approved Seller for purposes of sale by the Depositor to the Issuer pursuant to the Depositor Purchase Agreement.

"Approved Seller" shall mean a special purpose, bankruptcy remote, wholly-owned subsidiary of the Depositor which owns a portfolio of Loans that were pledged as collateral for one or more series of promissory notes issued by such subsidiary.

"April 2018 Amendment Effective Date" shall mean April 6, 2018.

"August 2012 Amendment Effective Date" shall mean August 30, 2012.

"August 2013 Amendment Effective Date" shall mean August 29, 2013. "August 2013 NPA Amendment" shall mean the Fourth Amendment to Amended and Restated Note Purchase Agreement dated as of August 29, 2013 which amends the Note Purchase Agreement.

"August 2016 Amendment Effective Date" shall mean August 23, 2016.

"Authentication Agent" shall mean a Person designated by the Trustee to authenticate Series 2008-A Notes on behalf of the Trustee.

"Authorized Officer" shall mean, with respect to the Issuer, any officer who is authorized to act for the Issuer in matters relating to the Issuer, and with respect to the Trustee or any other bank or trust company acting as trustee of an express trust or as custodian or authenticating agent, a Responsible Officer. Each party may receive and accept a certification of the authority of any other party as conclusive evidence of the authority of any person to act, and such certification may be considered as in full force and effect until receipt by such other party of written notice to the contrary.

"Available Funds" for any Payment Date shall mean an amount equal to the sum of (i) all Collections and other payments (including prepayments related to Timeshare Upgrades and all other prepayments) of principal, interest and fees (which for the sake of clarity, excludes maintenance fees assessed with respect to POAs) collected from or on behalf of the Obligors during the related Due Period on the Pledged Loans; (ii) any Servicer Advances made on or prior to the Payment Date with respect to payments due from the Obligors on the Pledged Loans during the related Due Period; (iii) all amounts received after the immediately preceding Payment Date (or, in the case of the initial Payment Date, the Initial Advance Date) and on or prior to such Payment Date as the Release Price paid to the Trustee for the release from the lien of this Indenture of any Pledged Loan that has become a Defaulted Loan; (iv) all Net Liquidation Proceeds from the disposition of Pledged Assets securing Defaulted Loans received by the Trustee during the related Due Period; (v) any amounts received after the immediately preceding Payment Date (or, in the case of the initial Payment Date, the Initial Advance Date) and on or prior to such Payment Date by the Trustee as the Release Price or Substitution Adjustment Amount in connection with the release of a Defective Loan; (vi) any Hedge Receipts received by the Trustee on such Payment Date; (vii) all other proceeds of the Collateral received by the Trustee or the Servicer during the related Due Period; and (viii) any amount withdrawn from the Reserve Account under Section 4.6(b) and deposited into the Collection Account to be included as Available Funds on or in respect of such Payment Date.

"Available Funds Shortfall" shall have the meaning specified in Section 4.6(b).

"Bank Base Rate" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Bankruptcy Code" shall mean the United States Bankruptcy Code, Title 11 of the United States Code, as amended.

"Benefit Plan" shall mean any employee benefit plan as defined in Section 3(3) of ERISA in respect of which the Issuer, any eligible Originator, any eligible Seller or any ERISA Affiliate of the Issuer is, or at any time during the immediately preceding six years was, an "employer" as defined in Section 3(5) of ERISA.

"Borrowing Base" shall mean, (x) on any date prior to the Advance Decrease Date, the product of

(i) the remainder of (A) the Adjusted Loan Balance at such time minus (B) the Excess Concentration Amount at such time and

(ii) the AA Advance Rate for such date; and

(y) on and after the Advance Decrease Date, the Adjusted Borrowing Base as of such date.

"Borrowing Base Amortization Trigger Amount" shall mean (i) on any Payment Date during any Green Loan Advance Period, the sum of (x) the Borrowing Base on such date and (y) the Green Loan Deficiency Amount on such date, and (ii) on any other Payment Date, the Borrowing Base on such date; provided that on any Payment Date (x) with respect to which the Advance Rate on the immediately preceding Payment Date was 58.5% and (y) on which the Advance Rate is decreased pursuant to the proviso to clause (v) of the definition thereof, the Borrowing Base Amortization Trigger Amount shall equal the Borrowing Base on such date calculated without giving effect to the decrease in the Advance Rate pursuant to such proviso in the definition of Advance Rate; provided further that if such Payment Date occurs during any Green Loan Advance Period, the Borrowing Base Amortization Trigger Amount shall equal the sum of (x) Borrowing Base on such date calculated without giving effect to the decrease in the Advance Rate pursuant to such proviso in the definition of Advance Rate and (y) the Green Loan Deficiency Amount on such date.

"Borrowing Base Shortfall" shall mean, on any date, the amount, if any, by which the Notes Principal Amount (without giving effect to any Increase on such date) exceeds the Adjusted Borrowing Base on such date (without giving effect to any transfers of Additional Pledged Loans to the Collateral Agent on such date).

"Business Day" shall mean any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in New York, New York, Las Vegas, Nevada, or the city in which the Corporate Trust Office of the Trustee is located, are authorized or obligated by law or executive order to be closed or (iii) a day on which banks in London are closed.

"California Excess Amount" shall mean on any date, if on the last Business Day the most recently ended Due Period, WRDC has not met the target for qualification of WorldMark Resorts with the California Department of Real Estate as set forth in Section 5.1(c), an amount by which (i) the sum of the Loan Balances on such date for all Pledged Loans which are WRDC California Loans exceeds (ii) five percent (5%) of the Adjusted Loan Balance on such date.

"Capped Monthly Trustee Expenses" shall mean, for any Payment Date, the lesser of (i) the sum of the unreimbursed reasonable expenses incurred by the Trustee under each of the Facility Documents to which the Trustee is a party and (ii) the excess, if any, of (a) $10,000 over (b) the amount of all payments made pursuant to clause (y) of priority FIRST of Section 4.1 during the calendar quarter in which such Payment Date occurs; provided, however, that if an Event of Default has occurred and the Series 2008-A Notes have been accelerated pursuant to Section 11.2 or any portion of the Collateral has been sold on or prior to such Payment Date, the Capped Monthly Trustee Expenses shall equal the sum of the unreimbursed reasonable expenses incurred by the Trustee under each of the Facility Documents to which the Trustee is a party.

"Capped Successor Servicer Costs" shall mean, for any Payment Date, the lesser of (i) the unreimbursed costs and expenses incurred by the Trustee in connection with replacing the Servicer and (ii) the lesser of (A) the excess, if any, of (1) $100,000 (or, with respect to the November 2008 Payment Date and the December 2008 Payment Date, $66,666.67) over (2) the amount of all payments made pursuant to clause (z) of priority FIRST of Section 4.1 in the calendar quarter in which such Payment Date occurs and (B) the excess, if any, of (1) $340,000 over (2) the amount of all payments made pursuant to clause (z) of priority FIRST of Section 4.1 since the Closing Date.

"Carrying Costs" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Change of Control" shall mean that any of the Issuer, the Depositor, or any Seller of Pledged Loans ceases to be wholly-owned, directly or indirectly, by Wyndham Destinations.

"Closing Date" shall mean November 10, 2008.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" shall have the meaning specified in the Granting Clause of this Indenture.

"Collateral Agency Agreement" shall mean the Collateral Agency Agreement, dated as of January 15, 1998, by and between Fleet National Bank as predecessor Collateral Agent, Fleet Securities, Inc. as deal agent and the secured parties named therein, as subsequently amended to date, including as amended by the Sixteenth Amendment to the Collateral Agency Agreement dated as of November 7, 2008, by and among the Collateral Agent, the Trustee and other secured parties, as such Collateral Agency Agreement may be further amended, supplemented, restated or otherwise modified from time to time in accordance with its terms.

"Collateral Agent" shall mean U.S. Bank National Association in its capacity as collateral agent under this Indenture and the Collateral Agency Agreement or any successor collateral agent appointed under the Collateral Agency Agreement.

"Collateral Seller Purchase Agreement" shall mean the Master Loan Purchase Agreement among WCF, as Seller, WVRI, WRDC and the other Originators named therein and the Depositor, as supplemented by any supplement thereto other than the Series 2008-A Supplement, providing for the sale of Loans to the Depositor.

"Collection Account" shall have the meaning specified in Section 4.4.

"Collections" shall mean, with respect to any Pledged Loan, all funds, collections and other proceeds of such Pledged Loan after the Cut-Off Date with respect to such Pledged Loan, including without limitation (i) all Scheduled Payments or recoveries (subject to Section 7.5(g)) made in the form of money, checks and like items to, or a wire transfer or an automated clearinghouse transfer received in, the Control Account or otherwise received by the Issuer, the Servicer or the Trustee in respect of such Pledged Loan, (ii) all amounts received by the Issuer, the Servicer or the Trustee in respect of any Insurance Proceeds relating to such Pledged Loan or the related Timeshare Property and (iii) all amounts received by the Issuer, the Servicer or the Trustee in respect of any proceeds of a condemnation of property in any Resort, which proceeds relate to such Pledged Loan or the related Timeshare Property.

"Conduit" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Contingent Subordinated Notes Interest" shall mean, for each Series 2008-A Note on any Payment Date, the sum of (i) the Incremental Program Fee due and payable on such Payment Date with respect to the related Noteholder, (ii) the Incremental Interest for the related Accrual Period with respect to such Series 2008-A Note and (iii) if such Series 2008-A Note is registered in the name of a Funding Agent on behalf of a Purchaser Group, the Step-Up CP Interest for the related Accrual Period with respect to such Purchaser Group.

"Contingent Subordinated Overdue Interest" shall mean, as of any Payment Date, the amount, if any, by which the aggregate Contingent Subordinated Notes Interest in respect of all Series 2008-A Notes on all prior Payment Dates exceeds the amount paid to Noteholders on such prior Payment Dates pursuant to clause TENTH of Section 4.1, together with interest thereon for each Accrual Period at the rate of the Bank Base Rate plus 1.5%.

"Contract Rate" shall mean, with respect to any Pledged Loan, the annual rate at which interest accrues on such Loan, as modified from time to time only in accordance with the terms of PAC or Credit Card Account (if applicable).

"Control Account" shall mean any of the accounts established pursuant to a Control Agreement.

"Control Account Bank" shall mean the commercial bank holding a Control Account.

"Control Agreement" shall mean a control agreement by and among the Issuer, the Trustee, the Collateral Agent, the Servicer and the Control Account Bank, which agreement sets forth the rights of the Issuer, the Trustee, the Collateral Agent and the Control Account Bank, with respect to the disposition and application of the Collections deposited in the Control Account, including without limitation the right of the Trustee to direct the Control Account Bank to remit all Collections directly to the Trustee.

"Corporate Trust Office" shall mean the office of the Trustee at which at any particular time its corporate trust business is administered, which office at the date of the appointment of Wells Fargo Bank, National Association as Trustee hereunder is located at MAC N9311-161, Sixth Street and Marquette Avenue, Minneapolis, MN 55479, Attention: Corporate Trust Services—Asset-Backed Administration.

"Credit Card Account" shall mean an arrangement whereby an Obligor makes Scheduled Payments under a Loan via pre-authorized debit to a Major Credit Card.

"Credit Standards and Collection Policies" shall mean the Credit Standards and Collection Policies of WCF and WVRI, or of WRDC, as attached to the applicable Seller Purchase Agreement and as amended from time to time in accordance with the applicable Seller Purchase Agreement and the restrictions of Section 6.2(c).

"Custodial Agreement" shall mean the Twentieth Amended and Restated Custodial Agreement, dated as of October 1, 2010, by and among the Issuer, the Depositor, WVRI, WCF, WRDC, U.S. Bank National Association, as Custodian, the Trustee and the Collateral Agent and other issuers, trustees and other parties described therein as the same may be further amended, supplemented or otherwise modified from time to time hereafter in accordance with its terms.

"Custodian" shall mean, shall mean U.S. Bank National Association in its capacity as custodian under the Custodial Agreement, or any successor custodian appointed under the Custodial Agreement.

"Customary Practices" shall, with respect to the servicing and administration of any Pledged Loans have the meaning assigned to that term in the Seller Purchase Agreement under which such Loan was transferred from a Seller to the Depositor.

"Cut-Off Date" shall mean (a) with respect to the Initial Pledged Loans, the Initial Cut-Off Date, and (b) with respect to any Additional Pledged Loan, such date as is set forth in the Supplemental Grant.

"Deal Agent" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Debt" of any Person shall mean (a) indebtedness of such Person for borrowed money, (b) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) obligations of such Person to pay the deferred purchase price of property or services, (d) obligations of such Person as lessee under leases which have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases, (e) obligations secured by any lien, security interest or other charge upon property or assets owned by such Person, even though such Person has not assumed or become liable for the payment of such obligations, (f) obligations of such Person under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (a) through (e) above, and (g) liabilities of such person in respect of unfunded vested benefits under Benefit Plans covered by Title IV of ERISA.

"Debtor Relief Laws" shall mean the Bankruptcy Code and all other applicable liquidation, conservatorship, bankruptcy, moratorium, arrangement, receivership, insolvency, reorganization, suspension of payments, or similar debtor relief laws from time to time in effect affecting the rights of creditors generally.

"Default Percentage" shall mean for any Payment Date, the percentage equivalent of a fraction (i) the numerator of which is the sum of (x) the aggregate outstanding Loan Balance on such date of all Pledged Loans that became Defaulted Loans during the related Due Period *plus* (y) the the positive difference if any of (1) the sum for all Pledged Loans that were repurchased or substituted by the Servicer, the Depositor or a Seller during the related Due Period that were Delinquent Loans at the time of such repurchase of the Loan Balances of such Pledged Loans on the date of such repurchase or substitution *minus* (2) the sum of the Proportional Delinquent Loan Balances with respect to all Release Dates that occurred during the related Due Period and (ii) the denominator of which is the Aggregate Loan Balance on such Payment Date (without giving effect to any transfers of Additional Pledged Loans to the Collateral Agent following the last day of the related Due Period).

"Defaulted Loan" shall mean any Pledged Loan (a) with any portion of a Scheduled Payment is delinquent more than 90 days, (b) with respect to which the Servicer shall have determined in good faith that the related Obligor will not resume making Scheduled Payments, (c) for which the related Obligor shall have become the subject of a proceeding under a Debtor Relief Law or (d) for which cancellation or foreclosure actions have been commenced.

"Defective Loan" shall mean (i) any Pledged Loan other than an Approved Loan which is a Defective Loan as such term is defined in the Seller Purchase Agreement under which such Loan was sold to the Depositor, (ii) any Pledged Loan which is a Missing Documentation Loan, or (iii) any Pledged Loan that is an Approved Loan and which is a Defective Loan as such term is defined in the Approved Sale Agreement under which such Loan was sold to the Depositor.

"Delayed Completion Green Loans" shall mean, as of any date, the Pledged Loans which are Green Loans and which have been Pledged Loans for 15 months or more and the related Green Timeshare Property is still subject to completion as of such date.

"Delayed Completion Green Loans Excess Amount" shall mean, on any date, the sum of the Loan Balances on such date for all Pledged Loans which were Delayed Completion Green Loans on the last day of the immediately preceding Due Period.

"Delinquency Ratio" shall mean for any Payment Date, a fraction (i) the numerator of which is the aggregate outstanding Loan Balance on such date of all Pledged Loans which are Delinquent Loans as of the last day of the related Due Period and (ii) the denominator of which is the Aggregate Loan Balance on such Payment Date (without giving effect to any transfers of Additional Pledged Loans to the Collateral Agent following the last day of the related Due Period).

"Delinquent Loan" shall mean a Pledged Loan with any Scheduled Payment or portion of a Scheduled Payment delinquent more than 30 days other than a Loan that is a Defaulted Loan.

"Depositor" shall mean Sierra Deposit Company, LLC, a Delaware limited liability company, as depositor under the Depositor Purchase Agreement.

"Depositor Purchase Agreement" shall mean the Purchase Agreement dated as of November 7, 2008, as amended by Amendment No. 1 thereto dated as of October 1, 2010, by and between the Depositor and the Issuer as the same may be further amended, supplemented, amended and restated or otherwise modified from time to time hereafter in accordance with its terms.

"Determination Date" shall mean with respect to any Payment Date, the second Business Day prior to such Payment Date.

"Documents in Transit Excess Amount" shall mean, on any date, the amount by which (i) the sum of the Loan Balances on such date for all Pledged Loans which are Documents in Transit Loans on the last day of the immediately preceding Due Period exceeds (ii) fifteen percent (15%) of the Adjusted Loan Balance on such date.

"Documents in Transit Loan" shall mean any Pledged Loan with respect to which the original Loan and/or the related Loan File or any part thereof is not in the possession of the Custodian because either (i) the Mortgage and related documentation has been sent out for checking and recording or (ii) the documentation has not been delivered by the Seller or Approved Seller thereof to the Custodian.

"Due Date" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement pursuant to which such Loan was transferred to the Depositor.

"Due Period" shall mean for any Payment Date, the immediately preceding calendar month.

"Eligible Account" shall mean either (a) a segregated account (including a securities account) with an Eligible Institution or (b) a segregated trust account with the corporate trust department of a depository institution organized under the laws of the United States of America or any one of the states thereof or the District of Columbia (or any domestic branch of a foreign bank), having corporate trust powers and acting as trustee for funds deposited in such account, so long as any of the securities of such depository institution shall have a credit rating from each of S&P and Moody's in one of its generic rating categories which signifies investment grade.

"Eligible Institution" shall mean any depository institution the short term unsecured senior indebtedness of which is rated at least "F-l" by Fitch, "A-l" by S&P or "P-l" by Moody's, and the long term unsecured indebtedness rating of which is rated at least "A" by Fitch, "A" by S&P or "A-2" by Moody's.

"Eligible Loan" shall (i) with respect to any Pledged Loan that is not an Approved Loan, have the meaning assigned to that term in the Seller Purchase Agreement under which such Loan was sold to the Depositor, or (ii) with respect to any Pledged Loan that is an Approved Loan, have the meaning assigned to that term in the Approved Sale Agreement under which such Loan was sold to the Depositor.

"Eligible Loan Release Percentage" shall mean, with respect to any release of Eligible Loans from the lien of this Indenture, the percentage equivalent of a fraction (i) the numerator of which is the aggregate Loan Balance on the applicable Release Date of all such Eligible Loans being released from the lien of this Indenture and (ii) the denominator of which is the aggregate outstanding Loan Balance on such Release Date of all Eligible Loans subject to the lien of this Indenture immediately prior to giving effect to such release.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean with respect to any Person, (i) any corporation which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as such Person; or (ii) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Code) with such Person.

"Event of Default" shall mean the events designated as Events of Default under Section 11.1 of this Indenture.

"Excess Concentration Amount" shall mean, on any date, an amount equal to the sum of (i) the Non-US Excess Amount, (ii) the Green Loans Excess Amount, (iii) the Delayed Completion Green Loans Excess Amount, (iv) the New Seller Excess Amount, (v) the Transition Period Excess Amount, (vi) the Large Loans Excess Amount, (vii) the State Concentration Excess Amount, (viii) the Documents in Transit Excess Amount, (ix) the Fixed Week Excess Amount, (x) the Extended Term Excess Amount, (xi) the Presidential Reserve Loan Excess Amount, (xii) the Non-WorldMark Loan Excess Amount, (xiii) the WorldMark Loan FICO Score 650 Excess Amount, (xiv) the WorldMark Loan FICO Score 700 Excess Amount, (xv) the WorldMark Loan FICO Score 750 Excess Amount, (xvi) the WorldMark Loan FICO Score 800 Excess Amount, (xvii) the Wyndham Loan FICO Score 650 Excess Amount, (xviii) the Wyndham Loan FICO Score 700 Excess Amount, (xix) the Wyndham Loan FICO Score 750 Excess Amount, (xx) the Wyndham Loan FICO Score 800 Excess Amount, and (xxi) the California Excess Amount.

"Exchange Notes" shall mean notes issued pursuant to an Exchange Notes Indenture in exchange for Series 2008-A Notes then held by Extending Noteholders.

"Exchange Notes Indenture" shall have the meaning specified in Section 2.22(a).

"Existing Seller Purchase Agreement" shall have the meaning specified in the definition of Seller Purchase Agreements.

"Extended Portion" shall have the meaning assigned to such term in the Note Purchase Agreement.

"Extended Term Excess Amount" shall mean, on any date, the amount, if any, by which (i) the sum of the Loan Balances on such date for all Pledged Loans which have an original term greater than 120 months as of the last day of the immediately preceding Due Period exceeds (ii) ten percent (10%) of the Adjusted Loan Balance on such date.

"Extending Noteholder" shall mean a Noteholder which is either (x) the Funding Agent for a Purchaser Group that is an Extending Purchaser or (y) a Non-Conduit Committed Purchaser that is an Extending Purchaser.

"Extending Noteholders' Percentage" shall mean, as of any Liquidity Termination Date, the percentage equivalent of a fraction, (i) the numerator of which is equal to the aggregate principal amount of the Series 2008-A Notes held by each Extending Noteholder (or, in the case of any Extending Noteholder which is extending its Liquidity Termination Date for an amount that is less than its entire Purchaser Commitment Amount, the Extended Portion with respect to such Extending Noteholder) on such date and (ii) the denominator of which is equal to the Notes Principal Amount on such date.

"Extending Purchaser" shall have the meaning assigned to such term in the Note Purchase Agreement.

"Facility Documents" shall mean, collectively, this Indenture, each Seller Purchase Agreement, each Approved Sale Agreement, each Approved Sale Performance Guaranty, the Depositor Purchase Agreement, the Custodial Agreement, the Control Agreement, the Title Clearing Agreements, the Loan Conveyance Documents, the Collateral Agency Agreement, the Administrative Services Agreements, the Tax Sharing Agreement, the LLC Agreement, the Fee Letter, the Financing Statements and all other agreements, documents and instruments delivered pursuant thereto or in connection therewith, and "Facility Document" shall mean any of them.

"Facility Limit" shall mean, as of any date, the sum of the Purchaser Commitment Amounts for each Purchaser Group and each Non-Conduit Committed Purchaser as of such date.

"FairShare Plus Agreement" shall mean the Amended and Restated FairShare Vacation Plan Use Management Trust Agreement effective as of January 1, 1996 by and between WVRI, and certain of its subsidiaries and third party developers, as the same has been amended prior to the date of this Indenture and as the same may be further amended, supplemented or otherwise modified from time to time hereafter in accordance with its terms.

"FairShare Plus Program" shall mean the program pursuant to which the occupancy and use of a Timeshare Property is assigned to the trust created by the FairShare Plus Agreement in exchange for annual symbolic points that are used to establish the location, timing, length of stay and unit type of a vacation, including without limitation systems relating to reservations, accounting and collection, disbursement and enforcement of assessments in respect of contributed units.

"Fee Letter" shall have the meaning assigned to such term in the Note Purchase Agreement.

"FICO Score" shall mean a credit risk score for individuals calculated using the model developed by Fair, Isaac and Company. Any reference to FICO Score herein shall mean the FICO Score attributed to an Obligor at the time of sale of an interest in a Timeshare Property to the Obligor.

"FICO Score of 7-Year Loans Excess Amount" shall mean, on any date, an amount equal to the sum of the Loan Balances on such date of each Loan which has been specified by the Servicer in writing to the Trustee and the Deal Agent pursuant to Section 7.11(n) to be excluded from the calculation of the Aggregate Loan Balance.

"FICO Score of 10-Year Loans Excess Amount" shall mean, on any date, an amount equal to the sum of the Loan Balances on such date of each Loan which has been specified by the Servicer in writing to the Trustee and the Deal Agent pursuant to Section 7.11(n) to be excluded from the calculation of the Aggregate Loan Balance.

"Financing Statements" shall mean, collectively, the UCC financing statements and the amendments thereto required to be filed in connection with any of the transactions contemplated hereby or any of the other Facility Documents.

"Fitch" shall mean Fitch, Inc. or any successor thereto.

"Fixed Week" shall have the meaning set forth in the applicable Seller Purchaser Agreement.

"Fixed Week Excess Amount" shall mean, on any date, the amount by which (i) the combined amount of the Loan Balances

on such date of all Acquired Portfolio Loans for which the related Timeshare Property consists of a Fixed Week and which is not subject to the FairShare Plus Program and has not been converted and is not convertible into a UDI as of the last day of the immediately preceding Due Period, exceeds (ii) five percent (5%) of the Adjusted Loan Balance on such date.

"Four Month Default Percentage" shall mean, for any Payment Date, the sum of the Default Percentages for such Payment Date and each of the three immediately preceding Payment Dates divided by four.

"Funding Agent" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Funding Period" shall have the meaning assigned to such term in the Note Purchase Agreement.

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States.

"Grant" shall mean, as to any asset or property, to pledge, assign and grant a security interest in such asset or property. A Grant of any item of the Collateral shall include all rights, powers and options of the Granting party thereunder or with respect thereto, including without limitation the immediate and continuing right to claim, collect, receive and give receipt for principal, interest and other payments in respect of such item of the Collateral, principal and interest payments and receipts in respect of the Permitted Investments, Insurance Proceeds, purchase prices and all other monies payable thereunder and all income, proceeds, products, rents and profits thereof, to give and receive notices and other communications, to make waivers or other agreements, to exercise all such rights and options, to bring Proceedings in the name of the Granting party or otherwise, and generally to do and receive anything which the Granting party is or may be entitled to do or receive thereunder or with respect thereto.

"Green Loan" shall mean a Loan the proceeds of which are used to finance the purchase of a Timeshare Property for which construction on the related Resort has not yet begun or is subject to completion.

"Green Loan Advance Period" shall mean, with respect to any Rating Downgrade Condition, the period from the last day of the Due Period on which the Rating Downgrade Condition first exists to and including the earlier of (i) the first day on which such Rating Downgrade Condition no longer exists and (ii) the third next succeeding Payment Date.

"Green Loan Deficiency Amount" shall mean, as of any date as of which a Rating Downgrade Condition existed on the last day of the immediately preceding Due Period, the excess of (A) the product of (i) the excess of (a) the sum of the Loan Balances on such date (or, with respect to any such Green Loans that have been released from the Lien of this Indenture pursuant to Section 5.7, the Loan Balance on the date of such release) for all Loans which were Green Loans pledged to the Collateral Agent as Collateral as of the last day of the Due Period in which such Rating Downgrade Condition occurred over (b) the sum of (1) the Green Loans Excess Amount (without taking into account the second sentence of the definition thereof) on such date and (2) the Delayed Completion Green Loans Excess Amount on such date and (ii) the AAA Advance Rate over (B) the sum of the amounts distributed to Noteholders pursuant to clause NINTH of Section 4.1 on each Payment Date prior to such date.

"Green Loan Deficiency Principal Distribution Amount" shall mean, (i) with respect to any Payment Date as of which a Rating Downgrade Condition existed as of the last day of the related Due Period, an amount equal to the Green Loan Deficiency Amount on such date and (ii) with respect to any Payment Date as of which no Rating Downgrade Condition existed as of the last day of the related Due Period, zero.

"Green Loans Excess Amount" shall mean, on any date, the greater of (x) the amount, if any, by which (i) the sum of the Loan Balances on such date for all Pledged Loans which are Green Loans (not including any Delayed Completion Green Loans) as of the last day of the immediately preceding Due Period exceeds (ii) three percent (3%) of the Adjusted Loan Balance on such date and (y) the sum of the Six-Month Green Loans Excess Amount and the Twelve-Month Green Loans Excess Amount on such date. Notwithstanding the above, on any date as of which a Rating Downgrade Condition existed on the last day of the immediately preceding Due Period, the Green Loans Excess Amount shall mean the sum of the Loan Balances on such date for all Pledged Loans which are Green Loans (other than any Delayed Completion Green Loans) as of the last day of such Due Period.

"Green Loan Reserve Percentage" for any Payment Date shall mean with respect to any Green Loan:

(i) 0% if such Green Loan as of such Payment Date is a Six-Month Green Loan or is a Delayed Completion Green Loan;

(ii) 50% if such Green Loan as of such Payment Date is a Twelve-Month Green Loan; and

(iii) 100% if such Green Loan as of such Payment Date is a Twelve-Month Plus Green Loan;

provided, however, that, if as of such Payment Date a Twelve-Month Green Loans Excess Amount exists, the Green Loan Reserve

Percentage applicable to a portion of the Twelve-Month Green Loans equal to such Twelve-Month Green Loans Excess Amount shall be 0%.

"Green Timeshare Property" shall mean a Timeshare Property the acquisition of which was financed with a Green Loan.

"Gross Excess Spread Percentage" shall mean for any Due Period the percentage equivalent of a fraction, the numerator of which is the product of (x) the Interest Collections for such Due Period, minus the sum of (i) the aggregate amount of Senior Notes Interest due on the Payment Date immediately following such Due Period and (ii) the Monthly Servicer Fee for such Due Period and (y) 360 divided by the actual number of days in such Due Period, and the denominator of which is the average daily Aggregate Loan Balance for such Due Period.

"Guarantor" shall mean with respect to any Hedge Provider, any entity which provides to the Issuer a written guaranty of the Hedge Provider's obligations under the Hedge Agreement; provided that such guaranty shall have been consented to by the Deal Agent (such consent not to be unreasonably withheld) and prior written notice of such guaranty shall have been delivered to each Rating Agency.

"Hedge Agreement" shall mean the ISDA Master Agreement (including the schedule thereto and any annexes thereunder), dated August 29, 2012 between the Issuer and the Hedge Provider party thereto, and the confirmations thereunder, as such Hedge Agreement may be amended, modified, replaced or assigned.

"Hedge Payment" shall mean with respect to any Payment Date that is not also a Note Increase Date, the aggregate amount, if any, which the Issuer is obligated to pay as an additional premium to the Hedge Provider on such Payment Date as a result of an increase in the notional amount of the Hedge Agreement and/or any other change in the terms or adjustments of the Hedge Agreement which require payment of an increased or additional premium. The amount of any such Hedge Payment shall be calculated by the Servicer and provided in writing to the Trustee and the Deal Agent.

"Hedge Provider" shall mean the initial counterparty under the Hedge Agreement, and any permitted Qualified Hedge Provider counterparty to the Hedge Agreement thereafter.

"Hedge Receipt" shall mean with respect to any Payment Date, the aggregate amount, if any, paid on the Payment Date to the Trustee under the terms of the Hedge Agreement then in effect including payments for termination or sale of all or a portion of the Hedge Agreement.

"Impermissibly Modified Loan" shall mean any Pledged Loan (i) which is a Timeshare Upgrade unless such Timeshare Upgrade was originated in compliance with Section 11(k) of the Existing Seller Purchase Agreement or the equivalent provision in any other Seller Purchase Agreement or (ii) the provisions of which have been amended, modified or waived other than in compliance with Sections 6.2(b) and 7.5(d).

"Increase" shall have the meaning set forth in the Note Purchase Agreement.

"Incremental Interest" shall have the meaning assigned to such term in the Note Purchase Agreement.

"Incremental Program Fee" shall have the meaning assigned to such term in the Fee Letter.

"Indenture" shall mean the Original Indenture, as amended by the Amendment No. 1, and as amended and restated by this Amended and Restated Indenture, as further amended, supplemented, amended and restated or otherwise modified from time to time hereafter in accordance with the terms hereof.

"Initial Advance Date" shall mean the Payment Date on which the first advances are made on the Series 2008-A Notes pursuant to Sections 2.12 and 2.17 and the terms of the Note Purchase Agreement.

"Initial Cut-Off Date" shall mean the close of business on October 31, 2008.

"Initial Monthly Principal Distribution Amount" shall mean, for any Payment Date, an amount equal to the excess of (i) the Monthly Principal for such Payment Date over (ii) the Additional Monthly Principal Distribution Amount for such Payment Date.

"Initial Notes Principal Amount" shall have the meaning assigned to such term in the Note Purchase Agreement.

"Initial Pledged Loans" shall mean those Loans listed on the Series 2008-A Loan Schedule delivered to the Collateral Agent as of the Initial Advance Date.

"Insolvency Event" shall mean, with respect to a specified Person, (a) the filing of a decree or order for relief by a court having jurisdiction in the premises in respect of such Person or any substantial part of its property in an involuntary case under any Debtor Relief Law, or the filing of a petition against such Person in an involuntary case under any Debtor Relief Law, which case remains unstayed and undismissed within 30 days of such filing, or the appointing of a receiver, conservator, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Person or for any substantial part of its property, or the ordering of the winding-up or liquidation of such Person's business; or (b) the commencement by such Person of a voluntary case under any Debtor Relief Law, or the consent by such Person to the entry of an order for relief in an involuntary case under any such Debtor Relief Law, or the consent by such Person to the appointment of or taking possession by a receiver, conservator, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Person or for any substantial part of its property, or the making by such Person of any general assignment for the benefit of creditors, or the failure by such Person generally to pay its debts as such debts become due or the admission by such Person of its inability to pay its debts generally as they become due.

"Insolvency Proceeding" shall mean any proceeding relating to an Insolvency Event.

"Insurance Proceeds" shall mean, with respect to any Pledged Loans, the meaning assigned to that term in the Seller Purchase Agreement under which such Pledged Loan was transferred to the Depositor.

"Interest Collections" shall mean, for any Due Period, all Collections received on the Pledged Loans during such Due Period which are allocable to interest on such Loans in accordance with the terms thereof.

"Investment Company Act" shall mean the U.S. Investment Company Act of 1940, as amended.

"Issuer" shall mean Sierra Timeshare Conduit Receivables Funding II, LLC, a Delaware limited liability company and its successors and assigns.

"Issuer Excluded Excess Amount" shall mean, on any date, the sum of (i) the FICO Score of 7-Year Loans Excess Amount and (ii) the FICO Score of 10-Year Loans Excess Amount, in each case on such date.

"Issuer Order" shall mean a written order or request dated and signed in the name of the Issuer by an Authorized Officer of the Issuer.

"Large Loans Excess Amount" shall mean, on any date, the sum of (a) the combined amount of the Loan Balances on such date of all Pledged Loans which have a Loan Balance on such date greater than $100,000 plus (b) the amount by which (i) the combined amount of the Loan Balances on such date of all Pledged Loans which have a Loan Balance on such date of $75,000 or more (but not more than $100,000) on such date exceeds (ii) (A) if the weighted average FICO Score for all Pledged Loans which have a Loan Balance on such date of $75,000 or more (but not more than $100,000) is 700 or greater, fifteen percent (15%) of the Adjusted Loan Balance on such date or (B) if the weighted average FICO Score for all Pledged Loans which have a Loan Balance on such date of $75,000 or more (but not more than $100,000) is less than 700, five percent (5.0%) of the Adjusted Loan Balance on such date.

"LIBOR Rate" shall mean USD-LIBOR-BBA as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended from time to time, with the Designated Maturity as defined therein being one (1) month.

"Lien" shall mean any mortgage, security interest, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement under the UCC (other than any such financing statement filed for informational purposes only) or comparable law of any jurisdiction to evidence any of the foregoing.

"Liquidity Agreement" shall have the meaning assigned to such term in the Note Purchase Agreement.

"Liquidity Provider" shall have the meaning assigned thereto in the Note Purchase Agreement.

"Liquidity Termination Date" shall have the meaning assigned to such term in the Note Purchase Agreement.

"LLC Agreement" shall mean the Limited Liability Agreement of Sierra Timeshare Conduit Receivables Funding II, LLC, dated as of November 5, 2008, as amended, supplemented, restated or otherwise modified from time to time.

"Loan" shall mean each loan, installment contract, contract for deed, contract or note secured by a mortgage, deed of trust,

vendor's lien or retention of title originated or acquired by a Seller and relating to the sale of one or more Timeshare Properties.

"Loan Balance" shall mean, on any date, with respect to any Pledged Loan, the outstanding principal balance due under or in respect of such Pledged Loan as of the last day of the immediately preceding Due Period.

"Loan Conveyance Documents" shall mean, with respect to any Pledged Loan, (a) the applicable Seller Purchase Agreement or assignment of additional loans under which such Pledged Loan was sold from a Seller to the Depositor, (b) if such Pledged Loan is an Approved Loan, the applicable Approved Sale Agreement under which such Pledged Loan was sold from an Approved Seller to the Depositor, (c) the Depositor Purchase Agreement or assignment of additional loans under which such Pledged Loan was transferred from the Depositor to the Issuer, (d) this Indenture or the applicable Supplemental Grant pursuant to which the Pledged Loan is Granted to the Collateral Agent for the benefit of the Trustee and (e) any such other releases, documents, instruments or agreements as may be required by the Depositor, the Issuer, the Collateral Agent or the Trustee in order to more fully effect the transfer or Grant (including any prior assignments) of such Pledged Loan and any related Pledged Assets from the Originator to the Seller, from the Seller to the Depositor, from an Approved Seller to the Depositor, from the Depositor to the Issuer and from the Issuer to the Collateral Agent or the Trustee.

"Loan Documents" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement under which such Pledged Loan was transferred from a Seller to the Depositor.

"Loan File" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement under which such Pledged Loan was transferred from a Seller to the Depositor.

"Loss to Liquidation Ratio" shall mean for any Payment Date, a fraction (i) the numerator of which is the aggregate outstanding Loan Balance on such date of all Pledged Loans which became Defaulted Loans during the related Due Period and (ii) the denominator of which is the sum of (A) the aggregate outstanding Loan Balance on such date of all Pledged Loans which became Defaulted Loans during the related Due Period and (B) the excess of (x) all Collections and other payments (including prepayments related to Timeshare Upgrades and all other prepayments) of principal, interest and fees (which for the sake of clarity, excludes maintenance fees assessed with respect to POAs) over (y) all Interest Collections, in each case collected from or on behalf of the Obligors during the related Due Period on the Pledged Loans.

"Major Credit Card" shall mean a credit card issued by any VISA USA, Inc., MasterCard International Incorporated, American Express Company, Discover Bank or Diners Club International Ltd. credit card affiliate or member entity.

"Majority Facility Investors" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Mandatory Redemption Date" shall mean the Payment Date falling in the thirteenth calendar month after the calendar month in which the last Liquidity Termination Date occurs.

"Market Servicing Rate" shall mean the rate calculated by the Trustee following a Servicer Default, which rate shall be calculated as follows: (1) the Trustee shall, within 10 Business Days after the occurrence of a Servicer Default, solicit bids from entities which are experienced in servicing loans similar to the Pledged Loans and shall request delivery of such bids to the Trustee within 30 days of the delivery of the notice to potential Successor Servicers, and such bids shall state a servicing fee as part of the bid and (2) upon the receipt of three arms-length bids, the Trustee shall disregard the highest bid and the lowest bid and select the remaining middle bid, and the servicing fee rate bid by such bidder shall be the Market Servicing Rate.

"Material Adverse Effect" shall mean, with respect to any Person and any event or circumstance, a material adverse effect on:

(a) the business, properties, operations or condition (financial or otherwise) of any of such Person;

(b) the ability of such Person to perform its respective obligations under any of the Facility Documents to which it is a party;

(c) the validity or enforceability of, or collectibility of amounts payable under, this Indenture or any of the Facility Documents to which it is a party;

(d) the status, existence, perfection or priority of any Lien arising through or under such Person under any of the Facility Documents to which it is a party; or

(e) the value, validity, enforceability or collectibility of the Pledged Loans or any of the other Pledged Assets.

"Maturity Date" shall mean the August 2036 Payment Date.

"Member" shall have the meaning assigned thereto in the LLC Agreement.

"Missing Documentation Loan" shall mean any Pledged Loan with respect to which (A) the original Loan and/or the related Loan File or any part thereof are not in the possession of the Custodian at the time of the sale of such Loan to the Depositor and (B) if the related Mortgage is not in the possession of the Custodian because it has been removed from the Loan File for review and recording in the local real property recording office, it has not been returned to the Loan File in the time frame required by the applicable Seller Purchase Agreement, or if the documentation is not in the possession of the Custodian because it has not been delivered by the Seller thereof to the Custodian, such documentation is not in the custody of the Custodian within 30 days after the date of the sale of such Loan to the Issuer.

"Monthly Principal" shall mean, for any Payment Date (i) so long as neither an Amortization Event nor the Termination Date has occurred (x) if on the last day of the immediately preceding Due Period no Rating Downgrade Condition existed, an amount equal to the Principal Distribution Amount for such Payment Date and (y) if on the last day of the immediately preceding Due Period a Rating Downgrade Condition existed, an amount equal to the excess of (1) the Principal Distribution Amount for such Payment Date over (2) the Green Loan Deficiency Principal Distribution Amount for such Payment Date; and (ii) on or after the Termination Date or the occurrence of an Amortization Event, the lesser of the Notes Principal Amount and the excess of (1) the entire amount of the remaining Available Funds after making provisions for the payments and distributions required under clauses FIRST through FIFTH in Section 4.1 on such Payment Date over (2) the amount, if any, by which the amount on deposit in the Reserve Account is less than the Reserve Required Amount on such date.

"Monthly Servicer Fee" shall mean, in respect of any Due Period (or portion thereof), an amount equal to one-twelfth of the product of (a) 1.10% and (b) the Aggregate Loan Balance on the first day of such Due Period (or portion thereof) or if a Successor Servicer has been appointed and accepted the appointment or if the Trustee is acting as Servicer, an amount equal to one-twelfth of the product of (x) the lesser of 3.5% and the Market Servicing Rate and (y) the Aggregate Loan Balance on the first day of such Due Period.

"Monthly Servicing Report" shall mean each monthly report prepared by the Servicer as provided in Section 8.3.

"Monthly Trustee Fee" shall mean, in respect of any Due Period, the sum of $1,000.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor thereto.

"Mortgage" shall mean any mortgage, deed of trust, purchase money deed of trust or deed to secure debt encumbering the related Timeshare Property, granted by the related Obligor to the Originator of a Loan to secure payments or other obligations under such Loan.

"Multiemployer Plan" shall have the meaning set forth in Section 3(37) of ERISA.

"Net Liquidation Proceeds" shall mean, with respect to any Defaulted Loan which has not been released from the Lien of this Indenture, the proceeds of the sale, liquidation or other disposition of the Defaulted Loan and/or related Pledged Assets.

"New Seller" shall mean an entity other than WCF which (a) is a subsidiary of the Parent Corporation, (b) performs its own loan origination and servicing, (c) has entered into a Seller Purchase Agreement as provided in Section 3.5 and, (d) with respect to any Loan Granted under this Indenture has complied with all conditions set forth in Section 3.5.

"New Seller Excess Amount" shall mean, on any date, an amount equal to the sum of (a) the amount by which the sum of the Loan Balances for Pledged Loans that were sold to the Depositor by any one New Seller exceeds 10% of the Adjusted Loan Balance on such date plus, without duplication (b) the amount by which the sum of the Loan Balances for Pledged Loans that were sold to the Depositor by all New Sellers exceeds 15% of the Adjusted Loan Balance on such date.

"New Seller Loans" shall mean Loans sold by a New Seller to the Depositor under a Seller Purchase Agreement.

"New York UCC" shall have the meaning set forth in Section 1.2(f).

"Nominee" shall have the meaning set forth in each Seller Purchase Agreement.

"Non-Conduit Committed Purchaser" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Non-US Excess Amount" shall mean, on any date, the amount by which (i) the sum of the Loan Balances on such date for

all Pledged Loans with Obligors with billing addresses not located in the United States of America as of the last day of the immediately preceding Due Period exceeds (ii) five percent (5%) of the Adjusted Loan Balance on such date.

"Non-WorldMark Loan Excess Amount" shall mean, on any date, the amount by which (i) the sum of the Loan Balances on such date for all Wyndham Loans exceeds (ii) 77.5% of the Adjusted Loan Balance on such date.

"Note Purchase Agreement" shall mean the Amended and Restated Note Purchase Agreement dated as of October 1, 2010, which relates to the sale of the Series 2008-A Notes by the Issuer and which is by and among the Issuer, the Depositor, the Servicer, the Performance Guarantor, the Deal Agent, the Purchasers and the Funding Agents as amended, restated, supplemented or otherwise modified from time to time hereafter in accordance with its terms.

"Note Register" shall have the meaning specified in Section 2.5.

"Note Registrar" shall have the meaning specified in Section 2.5.

"Noteholder" or "Holder" shall mean the Person in whose name a Series 2008-A Note is registered in the Note Register.

"Notes Increase Date" shall mean with respect to an Increase, the Business Day on which the Increase occurs pursuant to Section 2.17.

"Notes Interest" shall mean for each Series 2008-A Note on any Payment Date, an amount equal to the Carrying Costs for the related Accrual Period with respect to a Non-Conduit Committed Purchaser that holds such Series 2008-A Note or the Purchaser Group in whose Funding Agent's name such Series 2008-A Note is registered, as applicable, as such amount is reported to the Trustee by the Deal Agent or the Servicer; plus the Purchaser Fees due on such Payment Date to such Noteholder under the terms of the Fee Letter as such amounts are reported to the Trustee by the Deal Agent or the Servicer.

"Notes Principal Amount" shall mean, as of the close of business on any date, the Initial Notes Principal Amount plus (i) the aggregate amount of all Increases made with respect to the Series 2008-A Notes pursuant to Section 2.17 less (ii) the aggregate amount of all principal payments made on the Series 2008-A Notes on or prior to such date less (iii) the principal amount of any Series 2008-A Notes cancelled pursuant to Section 2.22; provided that any principal payments required to be returned to the Issuer shall be reinstated to the Notes Principal Amount.

"Notice of Increase" shall mean the notice presented by the Issuer to the Deal Agent, Servicer and Trustee to request an Increase.

"NPA Costs" shall mean, as of any Payment Date, the Breakage and Other Costs as defined in the Note Purchase Agreement due and payable on such Payment Date.

"Obligor" shall mean, with respect to any Loan, the Person or Persons obligated to make Scheduled Payments thereon.

"Officer's Certificate" shall mean, unless otherwise specified in this Indenture, a certificate delivered to the Trustee signed by any Vice President or more senior officer of the Issuer or the Servicer, as the case may be, or, in the case of a Successor Servicer, a certificate signed by any Vice President or more senior officer or the financial controller (or an officer holding an office with equivalent or more senior responsibilities) of such Successor Servicer, and delivered to the Trustee.

"Opinion of Counsel" shall mean a written opinion of counsel who may be counsel for, or an employee of, the Person providing the opinion and who shall be reasonably acceptable to the Trustee.

"Original Indenture" shall have the meaning set forth in the preamble.

"Originator," with respect to any Pledged Loan, shall have the meaning assigned to such term in the Seller Purchase Agreement under which such Pledged Loan was transferred to the Depositor or if such term is not so defined, the entity which originates or acquires Loans and transfers such Loans directly or through a Seller to the Depositor.

"PAC" shall mean an arrangement whereby an Obligor makes Scheduled Payments under a Loan via pre-authorized debit.

"Parent Corporation" shall mean Wyndham Destinations.

"Paying Agent" shall mean the Trustee or any successor thereto, in its capacity as paying agent for the Series 2008-A Notes.

"Payment Date" shall mean the 13th day of each calendar month, or, if such 13th day is not a Business Day, the next succeeding Business Day, commencing December 15, 2008.

"Performance Guaranty" shall mean that Performance Guaranty dated as of November 7, 2008 given by Wyndham Destinations in favor of the Issuer, the Depositor and the Trustee.

"Performance Guarantor" shall mean Wyndham Destinations.

"Permitted Encumbrances" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement under which such Pledged Loan was transferred from a Seller to the Depositor.

"Permitted Investments" shall mean (i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities on or before the first Payment Date after the date of acquisition; (ii) time deposits and certificates of deposit having maturities on or before the first Payment Date after the date of acquisition, maintained with or issued by any commercial bank having capital and surplus in excess of $500,000,000 and having a short term senior unsecured debt rating of at least "F-l" by Fitch, "A-1" by S&P or "P-l" by Moody's; (iii) repurchase agreements having maturities on or before the first Payment Date after the date of acquisition for underlying securities of the types described in clauses (i) and (ii) above or clause (iv) below with any institution having a short term senior unsecured debt rating of at least "F-l" by Fitch, "A-l" by S&P, or "P-l" by Moody's; (iv) commercial paper maturing on or before the first Payment Date after the date of acquisition and having a short term senior unsecured debt rating of at least "F-l" by Fitch, "A-l" by S&P or "P-l" by Moody's; and (v) money market funds rated "Aaa" by Moody's which invest solely in any of the foregoing, including any such funds in which the Trustee or an Affiliate of the Trustee acts as an investment advisor or provides other investment related services; provided, however, that no obligation of any Seller shall constitute a Permitted Investment.

"Person" shall mean any person or entity including any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or other entity or organization of any nature, whether or not a legal entity.

"Plan" shall mean an employee benefit plan or other retirement arrangement subject to ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended from time to time.

"Pledged Asset" with respect to each Pledged Loan, shall mean the related "Assets" as defined in the Depositor Purchase Agreement.

"Pledged Loan" shall mean the Initial Pledged Loans and any Additional Pledged Loans, but excluding any Released Pledged Loans.

"POA" shall have the meaning assigned thereto in each Seller Purchase Agreement.

"Post Office Box" shall mean each post office box to which Obligors are directed to mail payments in respect of the Pledged Loans.

"Potential Amortization Event" shall mean an event which, but for the lapse of time or the giving of notice or both, would constitute an Amortization Event.

"Potential Event of Default" shall mean an event which, but for the lapse of time or the giving of notice or both, would constitute an Event of Default.

"Potential Servicer Default" shall mean an event which, but for the lapse of time or the giving of notice or both, would constitute a Servicer Default.

"Presidential Reserve Loan" shall mean any Pledged Loan which provides financing for the purchase of an UDI in a Timeshare Property Regime at a Resort in which all or a portion of the units comprising such Timeshare Property Regime are designated as Presidential Reserve units and in respect of which units the owners have preferential reservation rights.

"Presidential Reserve Loan Excess Amount" shall mean, on any date, the amount by which (i) the sum of the Loan Balances on such date for all Pledged Loans which are Presidential Reserve Loans as of the last day of the immediately preceding Due Period exceeds (ii) 10% of the Adjusted Loan Balance on such date.

"Principal Distribution Amount" shall mean for any Payment Date an amount equal to the Borrowing Base Shortfall on such Payment Date; provided, however, that for any Payment Date on which (x) the Securitized Pool Three Month Rolling Average Delinquency Percentage exceeds 4.50% or (y) the Securitized Pool Four Month Default Percentage exceeds 1.50%, the Principal Distribution Amount shall be the lesser of (a) the Notes Principal Amount as of such Payment Date and (b) the excess of (i) the

entire amount of the remaining Available Funds after making provisions for the payments and distributions required under clauses FIRST through FIFTH in Section 4.1 on such Payment Date over (ii) the amount, if any, by which the amount on deposit in the Reserve Account is less than the Reserve Required Amount on such Payment Date.

"Priority of Payments" shall mean the application of Available Funds in accordance with Section 4.1.

"Proceeding" shall have the meaning specified in Section 11.3.

"Proportional Delinquent Loan Balance" shall mean, with respect to any release of Eligible Loans from the lien of this Indenture, the product of (i) the Eligible Loan Release Percentage in respect of such release *multiplied by* (ii) the aggregate outstanding Loan Balance of all Delinquent Loans as of the Release Date in respect of such release (without giving effect to the release of any Pledged Loans on such Release Date).

"Purchase" shall mean a purchase of Pledged Loans by the Issuer from the Depositor pursuant to the Depositor Purchase Agreement.

"Purchaser" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Purchaser Commitment Amount" with respect to each Purchaser Group or each Non-Conduit Committed Purchaser, shall have the meaning assigned to that term in the Note Purchase Agreement.

"Purchaser Fees" shall have the meaning specified in the Fee Letter.

"Purchaser Group" shall have the meaning assigned to that term in the Note Purchase Agreement.

"PYF 2007-A Notes" shall mean the Premium Yield Facility 2007-A LLC Floating Rate Vacation Timeshare Loan Backed Notes, Series 2007-A.

"Qualified Hedge Provider" shall mean, at any time, any entity which is a counterparty to the Hedge Agreement so long as such entity or its Guarantor has a long-term unsecured debt rating of at least A3 from Moody's and A- from S&P and a short-term unsecured debt rating of at least P-2 from Moody's and A-2 from S&P.

"Qualified Substitute Loan" shall mean a substitute Pledged Loan that is an Eligible Loan on the applicable date of substitution and that on such date of substitution has a coupon rate not less than the coupon rate of the substituted Pledged Loan.

"Rating Agency" shall mean at any time any nationally recognized statistical rating organization then maintaining a rating on the Series 2008-A Notes at the request of the Issuer.

"Rating Agency Condition" shall mean, with respect to any action to be taken, that each Rating Agency shall have been given at least five (5) days prior notice thereof by the Issuer and shall have notified the Issuer and the Trustee in writing that such action will not result in a reduction, downgrade, suspension or withdrawal of the rating then assigned by it to the Series 2008-A Notes.

"Rating Downgrade Condition" shall mean that two or more of the following conditions have occurred: (i) the senior unsecured debt of Wyndham Destinations is rated below "Ba3" by Moody's, or Moody's has withdrawn its rating of the senior unsecured debt of Wyndham Destinations and has not reinstated a rating of at least "Ba3," (ii) the senior unsecured debt of Wyndham Destinations is rated below "BB-" by S&P, or S&P has withdrawn its rating of the senior unsecured debt of Wyndham Destinations and has not reinstated a rating of at least "BB-" and (iii) the senior unsecured debt of Wyndham Destinations is rated below "BB-" by Fitch, or Fitch has withdrawn its rating of the senior unsecured debt of Wyndham Destinations and has not reinstated a rating of at least "BB-" The occurrence of any Ratings Downgrade Condition shall continue until the date on which the senior unsecured debt of Wyndham Destinations meets or exceeds at least two of the following three ratings: "Ba3" by Moody's, "BB-" by S&P and "BB-" by Fitch.

"Record Date" shall mean the date on which Noteholders entitled to receive a payment of interest or principal on the succeeding Payment Date are determined, such date as to any Payment Date being the day preceding such Payment Date (or if such day is not a Business Day, the immediately preceding Business Day).

"Registered Noteholder" shall mean a Holder of a Series 2008-A Note that is registered in the Note Register.

"Registered Notes" shall have the meaning set forth in Section 2.1.

"Release Date" shall mean the date on which Pledged Loans are released from the Lien of this Indenture.

"Release Price" shall mean an amount equal to the outstanding Loan Balance of the Pledged Loan as of the date on which the release is to be made, plus accrued and unpaid interest thereon to the date of such release.

"Released Pledged Loan" shall mean any Loan which was a Pledged Loan, but which was released from the Lien of this Indenture pursuant to the terms hereof; provided that any Released Pledged Loan which subsequently becomes an Additional Pledged Loan shall not be a Released Pledged Loan, unless and until such Loan is again released from the Lien of the Indenture pursuant to the terms hereof.

"Required Cap Rate" shall mean, for any Accrual Period, the Weighted Average Series 2008-A Loans Rate less 7.50%.

"Required Facility Investors" shall have the meaning assigned to that term in the Note Purchase Agreement.

"Reserve Account" shall have the meaning specified in Section 4.6.

"Reserve Required Amount" shall mean (i) so long as no Amortization Event has occurred, as of any date an amount equal to the sum of (x) 2.0% of the Aggregate Loan Balance on such date and (y) an amount equal to the sum of the Green Loan Reserve Percentage of the Loan Balance for each Pledged Loan which is a Green Loan multiplied by the applicable Advance Rate on such date, and (ii) on and after the first Payment Date following the occurrence of an Amortization Event, the lesser of (x) 0.25% of the Notes Principal Amount as of the date on which the Amortization Event occurred and (y) 50% of the Notes Principal Amount as of such Payment Date before taking into account any distributions of principal on such Payment Date.

"Resort" shall have the meaning set forth in each Seller Purchase Agreement.

"Responsible Officer" shall mean any officer assigned to the Corporate Trust Office (or any successor thereto), including any Vice President, Assistant Vice President, Trust Officer, any Assistant Secretary, any trust officer or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers, in each case having direct responsibility for the administration of this Indenture.

"Revolving Credit Agreement" shall mean the Credit Agreement dated as of May 31, 2018 among Wyndham Destinations, as borrower, the lenders party to the agreement from time to time, the several joint bookrunners and joint lead arrangers party to the agreement from time to time, and Bank of America, N.A., as administrative agent, as amended, restated, replaced or refinanced from time to time.

"S&P" shall mean Standard & Poor's Ratings Services or any successor thereto.

"Sale" shall have the meaning specified in Section 11.12(a).

"Scheduled Payment" shall mean the scheduled monthly payment of principal and interest on a Pledged Loan.

"Second Amendment Effective Date" shall have the meaning set forth in Section 15.20 herein.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended.

"Securitized Pool" shall mean, as of any date, all assets originated by the Originators or any other Affiliate of WCF and financed by any special purpose entity and which are serviced by WCF including the assets in all term issuances, all warehouse facilities (other than the Series 2008-A Notes) and other securitization facilities that are outstanding at any time between the Closing Date and the date on which the Series 2008-A Notes are paid in full excluding PYF 2007-A Notes and any future securitized pool of assets that is not composed of collateral with eligibility requirements generally analogous to those of the Pledged Loans.

"Securitized Pool Default Percentage" shall mean for any Due Period a fraction (i) the numerator of which is the aggregate outstanding principal balance due in respect of all loans in the Securitized Pool which became Securitized Pool Defaulted Loans during such Due Period and (ii) the denominator of which is the aggregate outstanding loan balance due in respect of all loans in the Securitized Pool as of the last day of such Due Period.

"Securitized Pool Defaulted Loan" shall mean any loan in the Securitized Pool (a) with any portion of a scheduled monthly payment of principal or interest is delinquent more than 120 days, (b) with respect to which WCF as servicer shall have determined in good faith that the related obligor will not resume making scheduled monthly payments, (c) for which the related obligor shall have become the subject of a proceeding under a Debtor Relief Law or (d) for which cancellation or foreclosure actions have been commenced.

"Securitized Pool Delinquency Ratio" shall mean for any Due Period, a fraction (i) the numerator of which is the aggregate

outstanding principal balance due in respect of all loans in the Securitized Pool which are Securitized Pool Delinquent Loans at the end of such Due Period and (ii) the denominator of which is the aggregate outstanding loan balance due in respect of all loans in the Securitized Pool as of the last day of such Due Period.

"Securitized Pool Delinquent Loan" shall mean any loan in the Securitized Pool with any scheduled monthly payment of interest or principal (or any portion thereof) delinquent more than 60 days other than a loan that is a Securitized Pool Defaulted Loan.

"Securitized Pool Four Month Default Percentage" shall mean, for any Payment Date, the sum of the Securitized Pool Default Percentages for each of the four immediately preceding Due Periods divided by four.

"Securitized Pool Three Month Rolling Average Delinquency Percentage" shall mean, for any Payment Date, the sum of the Securitized Pool Delinquency Ratios for each of the three immediately preceding Due Periods divided by three.

"Seller" shall have the meaning assigned to that term in any Seller Purchase Agreement.

"Seller of Series 2008-A Loans" shall mean a Seller which has sold a Loan to the Depositor which is a Pledged Loan.

"Seller Purchase Agreements" shall mean collectively (i) the Master Loan Purchase Agreement among WCF, as Seller, WVRI, WRDC and the other Originators named therein and the Depositor, as supplemented by the Series 2008-A Supplement thereto (the "Existing Seller Purchase Agreement"), (ii) any Master Loan Purchase Agreement (as supplemented by any supplement thereto) to a sale of Loans from a New Seller to the Depositor, which Loans are subsequently sold by the Depositor to the Issuer and (iii) with respect to any Approved Loans originally sold by a Seller to the Depositor under a Collateral Seller Purchase Agreement, such Collateral Seller Purchase Agreement.

"Senior Notes Interest" shall mean, for each Series 2008-A Note on any Payment Date, the excess of (i) the Notes Interest for such Series 2008-A Note on such Payment Date over (ii) the Contingent Subordinated Notes Interest for such Series 2008-A Note on such Payment Date.

"Senior Overdue Interest" shall mean, as of any Payment Date, the amount, if any, by which the aggregate Senior Notes Interest in respect of all Series 2008-A Notes on all prior Payment Dates exceeds the amount paid to Noteholders on such prior Payment Dates pursuant to clause FOURTH of Section 4.1, together with interest thereon for each Accrual Period at the rate of the Bank Base Rate plus 1.5%.

"Series 2008-A Loan" shall mean a Loan that is a Pledged Loan.

"Series 2008-A Loan Schedule" shall mean the loan schedule containing information about the Pledged Loans, which loan schedule is delivered electronically by the Issuer to the Trustee as of the Initial Advance Date, and as such schedule is amended by delivery electronically by the Issuer to the Trustee of information related to the release of Pledged Loans or the Grant of Additional Pledged Loans or Qualified Substitute Loans.

"Series 2008-A Notes" shall mean the Sierra Timeshare Conduit Receivables Funding II, LLC, Loan-Backed Variable Funding Notes, Series 2008-A, issued pursuant hereto.

"Series 2008-A Supplement" shall mean the Amended and Restated Purchase Agreement Supplement, dated as of August 29, 2013, as further amended by Amendment No. 1 thereto dated as of April 24, 2019, and as further amended, supplemented, amended and restated or otherwise modified from time to time hereafter in accordance with its terms, to the Master Loan Purchase Agreement among WCF, as Seller, WVRI, WRDC, the other Originators named therein and the Depositor pursuant to which the Seller sells Loans to the Depositor.

"Service Transfer" shall have the meaning specified in Section 12.1.

"Servicer" shall mean Wyndham Consumer Finance, Inc., a Delaware corporation, or any Successor Servicer appointed pursuant to Section 12.2.

"Servicer Advance" shall mean amounts, if any, advanced by the Servicer, at its option, pursuant to Section 7.16 to cover any shortfall between (i) the Scheduled Payments on the Pledged Loans for a Due Period, and (ii) the amounts actually deposited in the Collection Account on account of such Scheduled Payments on or prior to the Payment Date immediately following such Due Period.

"Servicer Default" shall mean the defaults specified in Section 12.1.

"Servicing Officer" shall mean any officer of the Servicer involved in, or responsible for, the administration and servicing of the Loans whose name appears on a list of servicing officers furnished to the Trustee by the Servicer, as such list may be amended from time to time.

"Settlement Statement" shall mean the information furnished by the Servicer to the Trustee for distribution to the Noteholders pursuant to Section 8.1.

"Shell Loans" shall mean Pledged Loans which were originated by a Shell Originator. "Shell Originator" shall mean SVC-Americana, LLC, an Arizona limited liability company, SVC-Hawaii, LLC, a Hawaii limited liability company, and SVC-West, LLC, a California limited liability company and their respective successors and assigns.

"Six-Month Green Loans" shall mean, as of any date, Green Loans which finance a Timeshare Property related to a Resort which has a scheduled completion date not more than six months after the end of the Due Period during which such date occurs and which are not Delayed Completion Green Loans.

"Six-Month Green Loans Excess Amount" shall mean, on any date, the amount, if any, by which (i) the sum of the Loan Balances on such date for all Pledged Loans which are Six-Month Green Loans as of the last day of the immediately preceding Due Period exceeds (ii) three percent (3%) of the Adjusted Loan Balance on such date.

"State" shall mean any one of the 50 states of the United States plus the District of Columbia.

"State Concentration Excess Amount" shall mean, on any date, the sum of (i) with respect to each State other than California, the amount by which the sum of the Loan Balances on such date of all Pledged Loans of Obligors with mailing addresses located in such State on the last date of the immediately preceding Due Period exceeds twenty percent (20%) of the Adjusted Loan Balance on such date plus (ii) with respect to California, the amount by which the sum of the Loan Balances on such date of all Pledged Loans of Obligors with mailing addresses located in California on the last day of the immediately preceding Due Period exceeds thirty percent (30%) of the Adjusted Loan Balance on such date.

"STCRF" shall mean Sierra Timeshare Conduit Receivables Funding, LLC, a Delaware limited liability company and its successors and assigns.

"Step-Up CP Interest" shall have the meaning specified in the Note Purchase Agreement.

"Subsidiary" shall mean, as to any Person, any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the Board of Directors or other Persons performing similar functions are at the time directly or indirectly owned by such Person.

"Substitution Adjustment Amount" shall have the meaning specified in the Depositor Purchase Agreement.

"Successor Servicer" shall have the meaning set forth in Section 12.2.

"Supplemental Grant" shall mean, with respect to any Additional Pledged Loans Granted as provided in Section 5.1 of this Indenture, a Supplemental Grant substantially in the form of Exhibit A which shall be accompanied by an amendment which amends the Series 2008-A Loan Schedule listing such Loans and which shall be deemed to be incorporated into and made a part of this Indenture.

"Tax Sharing Agreement" shall mean the Tax Sharing Agreement dated as of November 7, 2008 by and among the Issuer, Wyndham Destinations and WCF as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms.

"Termination Date" shall mean the earliest to occur of (i) the Mandatory Redemption Date (unless repayment of the Series 2008-A Notes is waived in accordance with Section 2.13(a)), (ii) the Maturity Date and (iii) the first Payment Date on which the Liquidity Termination Date has occurred with respect to any Purchaser Group or any Non-Conduit Committed Purchaser.

"Termination Notice" shall have the meaning specified in Section 12.1.

"Three Month Rolling Average Delinquency Ratio" shall mean for any Payment Date, the sum of the Delinquency Ratios for such Payment Date and each of the two immediately preceding Payment Dates divided by three.

"Three Month Rolling Average Loss to Liquidation Ratio" shall mean for any Payment Date, the sum of the Loss to Liquidation Ratios for such Payment Date and each of the two immediately preceding Payment Dates divided by three.

"Timeshare Property" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement under which such Pledged Loan was transferred to the Depositors.

"Timeshare Property Regime" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement, under which such Pledged Loan was transferred to the Depositor.

"Timeshare Upgrade" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement, under which such Pledged Loan was transferred to the Depositor.

"Title Clearing Agreement" shall, with respect to any Pledged Loan, have the meaning assigned to that term in the Seller Purchase Agreement, under which such Pledged Loan was transferred to the Depositor.

"Transition Period" shall mean the period from the date a Seller acquires an organization, facility or program from an unrelated entity to the date on which such Seller has fully converted the servicing of Loans related to such organization, facility or program to the Servicer's Credit Standards and Collection Policies.

"Transition Period Excess Amount" shall mean, on any date, the amount by which the sum of the Loan Balances on such date for all Pledged Loans which are Acquired Portfolio Loans and for which the Transition Period has extended beyond 120 days and the Transition Period has not been completed as of the last day of the immediately preceding Due Period exceeds ten percent (10%) of the Adjusted Loan Balance on such date.

"Trustee" shall mean Wells Fargo Bank, National Association, or its successor in interest, or any successor trustee appointed as provided in this Indenture.

"Trustee Fee Letter" shall mean the schedule of fees attached as Schedule 1, and all amendments thereof, supplements thereto or replacements thereto.

"Twelve-Month Green Loans" shall mean, as of any date, Green Loans which finance a Timeshare Property related to a Resort which has a scheduled completion date more than six months but not more than 12 months after the end of the Due Period during which such date occurs and which are not Delayed Completion Green Loans.

"Twelve-Month Green Loans Excess Amount" shall mean, on any date, the amount, if any, by which (i) the sum of the Loan Balances on such date for all Pledged Loans which are Twelve-Month Green Loans as of the last day of the immediately preceding Due Period exceeds (ii) one and a half percent (1.5%) of the Adjusted Loan Balance on such date.

"Twelve-Month Plus Green Loans" shall mean, as of any date, Green Loans which finance a Timeshare Property related to a Resort which has a scheduled completion date more than 12 months after the end of the Due Period during which such date occurs and which are not Delayed Completion Green Loans.

"UCC" shall mean the Uniform Commercial Code, as amended from time to time, as in effect in any applicable jurisdiction.

"UDI" shall have the meaning assigned thereto in each Seller Purchase Agreement.

"Unused Fees" shall mean with respect to any Purchaser Group or any Non-Conduit Committed Purchaser, the unused fee described in the Fee Letter.

"Vacation Credits" shall mean ownership interests in WorldMark that entitle the owner thereof to use WRDC Resorts that are owned by WorldMark.

"WCF" shall mean Wyndham Consumer Finance, Inc., a Delaware corporation.

"Weighted Average Series 2008-A Loans Rate" shall mean, with respect to any Accrual Period, the weighted average of the Contract Rates for all Pledged Loans as the last day of the Due Period immediately preceding the related Payment Date.

"WorldMark" shall mean WorldMark, The Club, a California non-profit mutual benefit corporation, and its successors in interest.

"WorldMark Adjusted Loan Balance" shall mean, on any date, the Loan Balances on such date of all WorldMark Loans minus the sum of (i) the Loan Balances of any WorldMark Loans which are Defaulted Loans as of the last day of the immediately preceding Due Period, (ii) the Loan Balances of any WorldMark Loans which are Delinquent Loans as of the last day of the immediately preceding Due Period, (iii) the Loan Balances of any WorldMark Loans which are Defective Loans as of the last day of

the immediately preceding Due Period, (iv) the portion of the FICO Score of 7-Year Loans Excess Amount comprised of WorldMark Loans on such date and (v) the portion of the FICO Score of 10-Year Loans Excess Amount comprised of WorldMark Loans on such date.

"WorldMark Loans" shall mean Pledged Loans originated by WRDC.

"WorldMark Loan FICO Score 650 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are WorldMark Loans that have a FICO Score of 650 or less exceeds (ii) 20% of the WorldMark Adjusted Loan Balance on such date.

"WorldMark Loan FICO Score 700 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are WorldMark Loans that have a FICO Score of 700 or less exceeds (ii) the sum of (A) 49% of the WorldMark Adjusted Loan Balance on such date and (B) the WorldMark Loan FICO Score 650 Excess Amount on such date.

"WorldMark Loan FICO Score 750 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are WorldMark Loans that have a FICO Score of 750 or less exceeds (ii) the sum of (A) 74% of the WorldMark Adjusted Loan Balance on such date, (B) the WorldMark Loan FICO Score 650 Excess Amount on such date and (C) the WorldMark Loan FICO Score 700 Excess Amount on such date.

"WorldMark Loan FICO Score 800 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are WorldMark Loans that have a FICO Score of 800 or less exceeds (ii) the sum of (A) 95% of the WorldMark Adjusted Loan Balance on such date, (B) the WorldMark Loan FICO Score 650 Excess Amount on such date, (C) the WorldMark Loan FICO Score 700 Excess Amount on such date and (D) the WorldMark Loan FICO Score 750 Excess Amount on such date.

"WorldMark Resorts" shall mean resorts developed by WRDC in which WRDC sells vacation ownership interests .

"WRDC" shall mean Wyndham Resort Development Corporation, an Oregon corporation and its successors and assigns.

"WRDC California Loan" shall mean a Pledged Loan which was originated by WRDC and relates to Vacation Credits sold in California.

"WRDC Timeshare Upgrade" shall mean a Loan which was sold to the Depositor by WRDC and with respect to which the Obligor purchases a Timeshare Upgrade.

"WVRI" shall mean Wyndham Vacation Resorts, Inc., a Delaware corporation and its successors and assigns.

"Wyndham Adjusted Loan Balance" shall mean, on any date, the Loan Balances on such date of all Wyndham Loans minus the sum of (i) the Loan Balances of any Wyndham Loans which are Defaulted Loans as of the last day of the immediately preceding Due Period, (ii) the Loan Balances of any Wyndham Loans which are Delinquent Loans as of the last day of the immediately preceding Due Period, (iii) the Loan Balances of any Wyndham Loans which are Defective Loans as of the last day of the immediately preceding Due Period, (iv) the portion of the FICO Score of 7-Year Loans Excess Amount comprised of Wyndham Loans on such date and (v) the portion of the FICO Score of 10-Year Loans Excess Amount comprised of Wyndham Loans on such date.

"Wyndham Destinations" shall mean Wyndham Destinations, Inc. (formerly known as Wyndham Worldwide Corporation) and its successors and assigns.

"Wyndham Loans" shall mean Pledged Loans other than WorldMark Loans.

"Wyndham Loan FICO Score 650 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are Wyndham Loans that have a FICO Score of 650 or less exceeds (ii) 15% of the Wyndham Adjusted Loan Balance on such date.

"Wyndham Loan FICO Score 700 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are Wyndham Loans that have a FICO Score of 700 or less exceeds (ii) the sum of (A) 38.5% of the Wyndham Adjusted Loan Balance on such date and (B) the Wyndham Loan FICO Score 650 Excess Amount on such date.

"Wyndham Loan FICO Score 750 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan

Balances on such date for all Pledged Loans that are Wyndham Loans that have a FICO Score of 750 or less exceeds (ii) the sum of (A) 68.5% of the Wyndham Adjusted Loan Balance on such date, (B) the Wyndham Loan FICO Score 650 Excess Amount on such date and (C) the Wyndham Loan FICO Score 700 Excess Amount on such date.

"Wyndham Loan FICO Score 800 Excess Amount" shall mean, on any date, the amount by which (i) the sum of Loan Balances on such date for all Pledged Loans that are Wyndham Loans that have a FICO Score of 800 or less exceeds (ii) the sum of (A) 94% of the Wyndham Adjusted Loan Balance on such date, (B) the Wyndham Loan FICO Score 650 Excess Amount on such date, (C) the Wyndham Loan FICO Score 700 Excess Amount on such date and (D) the Wyndham Loan FICO Score 750 Excess Amount on such date.

Section 1.2 Other Definitional Provisions .

(a) Terms used in this Indenture and not otherwise defined herein shall have the meanings ascribed to them in the Existing Seller Purchase Agreement or the Depositor Purchase Agreement, each as in effect as of the August 2013 Amendment Effective Date.

(b) All terms defined in this Indenture shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(c) As used in this Indenture and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in Section 1.1, and accounting terms partly defined in Section 1.1 to the extent not defined, shall have the respective meanings given to them under GAAP as in effect from time to time. To the extent that the definitions of accounting terms herein or in any certificate or other document delivered pursuant hereto are inconsistent with the meanings of such terms under GAAP, the definitions contained herein or in any such certificate or other document shall control.

(d) Any reference to a Rating Agency or to each Rating Agency shall only apply to a rating agency then rating the Series 2008-A Notes, and any reference to satisfaction of the Rating Agency Condition or to delivery of documents or other items to the Rating Agencies or to a Rating Agency shall only apply to a rating agency then rating the Series 2008-A Notes. Other than as set forth in Section 15.16, at any time when the Series 2008-A Notes are not rated by any Rating Agency all references in this Indenture to actions to be taken with respect to any Rating Agency or the Rating Agencies and/or the Rating Agency Condition shall be disregarded and shall be of no effect.

(e) Unless otherwise specified, references to any amount as on deposit or outstanding on any particular date shall mean such amount at the close of business on such day.

(f) Terms used herein that are defined in the New York Uniform Commercial Code (the "New York UCC") and not otherwise defined herein shall have the meanings set forth in the New York UCC, unless the context requires otherwise. Any reference herein to a "beneficial interest" in a security also shall mean, unless the context otherwise requires, a security entitlement with respect to such security, and any reference herein to a "beneficial owner" or "beneficial holder" of a security also shall mean, unless the context otherwise requires, the holder of a security entitlement with respect to such security. Any reference herein to money or other property that is to be deposited in or is on deposit in a securities account shall also mean that such money or other property is to be credited to, or is credited to, such securities account.

(g) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Indenture shall refer to this Indenture as a whole and not to any particular provision of this Indenture; and Article, Section, subsection, Schedule and Exhibit references contained in this Indenture are references to Articles, Sections, subsections, Schedules and Exhibits in or to this Indenture unless otherwise specified.

(h) In determining whether the requisite percentage of Noteholders or of all Noteholders have concurred in any direction, waiver or consent, Series 2008-A Notes owned by the Issuer or an Affiliate of the Issuer shall be considered as though they are not outstanding, except that for the purposes of determining whether the Trustee shall be protected in making such determination or relying on any such direction, waiver or consent, only Series 2008-A Notes which a Responsible Officer of the Trustee knows pursuant to written notice (or in the case of the Issuer, by reference to the Note Register if the Trustee is also the Note Registrar) are so owned shall be so disregarded. Series 2008-A Notes so owned that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Series 2008-A Notes and that the pledgee is not the Issuer, any other obligor upon the Series 2008-A Notes, the Depositor, the Servicer or any Affiliate of any of the foregoing Persons.

Section 1.3 Intent and Interpretation of Documents

The arrangement by this Indenture, the Seller Purchase Agreements, any Approved Sale Agreement, the Depositor Purchase Agreement, the Custodial Agreement, the Collateral Agency Agreement and the other Facility Documents is intended not to be a taxable mortgage pool for federal income tax purposes, and is intended to constitute a sale of the Loans by the applicable Seller or Approved Seller to the Depositor for commercial law purposes. Each of the Depositor and the Issuer are and are intended to be a legal entity separate and distinct from each Seller and Approved Seller for all purposes other than tax purposes. This Indenture and the other Facility Documents shall be interpreted to further these intentions.

Article II
THE NOTES

Section 2.1 Form Generally .

(a) The Series 2008-A Notes shall be issued in fully registered form without interest coupons. The Series 2008-A Notes and the Trustee's or Authentication Agent's certificate of authentication thereon (the "Certificate of Authentication") shall be in substantially the forms set forth as Exhibit B, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon, as may, consistently herewith, be determined by the Authorized Officers of the Issuer executing the Series 2008-A Notes as evidenced by their execution of the Series 2008-A Notes. Any portion of the text of any Series 2008-A Note may be set forth on the reverse or subsequent pages thereof, with an appropriate reference thereto on the face of the Note.

The Series 2008-A Notes shall be typewritten, word processed, printed, lithographed or engraved or produced by any combination of these methods, all as determined by the officers executing such Series 2008-A Notes, as evidenced by their execution of such Series 2008-A Notes.

All Series 2008-A Notes shall be dated as provided in Section 2.15.

(b) Each Series 2008-A Note shall have a grid attached to it on which there shall be recorded the advances made on such Series 2008-A Note and all principal payments made on that Note; provided, that such amounts may instead be recorded in the Purchaser's or Funding Agent's records and the failure to make such recordings shall not affect the obligations of the Issuer hereunder or under such Series 2008-A Note.

(c) One Series 2008-A Note shall initially be issued for each Purchaser Group and be registered in the name of the Funding Agent for that Purchaser Group as set forth in Exhibit B.

(d) One Series 2008-A Note shall be issued for each Non-Conduit Committed Purchaser and be registered in the name of the Non-Conduit Committed Purchaser itself as set forth in Exhibit B.

Section 2.2 Denominations .

Except as otherwise specified in this Indenture and the Series 2008-A Notes, each Series 2008-A Note shall be issued in fully registered form in minimum amounts of U.S. $1,000.

Section 2.3 Execution, Authentication and Delivery .

Each Series 2008-A Note shall be executed by manual or facsimile signature on behalf of the Issuer by an Authorized Officer of the Issuer.

Series 2008-A Notes bearing the manual or facsimile signature of an individual who was, at the time when such signature was affixed, authorized to sign on behalf of the Issuer shall not be rendered invalid, notwithstanding the fact that such individual ceased to be so authorized prior to the authentication and delivery of such Series 2008-A Notes or does not hold such office at the date of issuance such Series 2008-A Notes.

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Series 2008-A Notes executed by the Issuer to the Trustee for authentication and delivery, and the Trustee shall authenticate and deliver such Series 2008-A Notes as provided in this Indenture and not otherwise.

No Series 2008-A Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2008-A Note a certificate of authentication substantially in the form provided for herein executed by or on behalf of the Trustee by the manual signature of a duly authorized signatory, and such certificate upon any Series 2008-A Note shall be conclusive evidence, and the only evidence, that such Series 2008-A Note has been duly authenticated and delivered hereunder.

Section 2.4 Authentication Agent .

(a) The Trustee may appoint one or more Authentication Agents with respect to the Series 2008-A Notes which shall be authorized to act on behalf of the Trustee in authenticating the Series 2008-A Notes in connection with the issuance, delivery, registration of transfer, exchange or repayment of the Series 2008-A Notes. Whenever reference is made in this Indenture to the authentication of Series 2008-A Notes by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication on behalf of the Trustee by an Authentication Agent and a certificate of authentication executed on behalf of the Trustee by an Authentication Agent. Each Authentication Agent must be acceptable to the Issuer and the Servicer.

(b) Any institution succeeding to the corporate agency business of an Authentication Agent shall continue to be an Authentication Agent without the execution or filing of any power or any further act on the part of the Trustee or such Authentication Agent.

(c) An Authentication Agent may at any time resign by giving notice of resignation to the Trustee and to the Issuer. The Trustee may at any time terminate the agency of an Authentication Agent by giving notice of termination to such Authentication Agent and to the Issuer and the Servicer. Upon receiving such a notice of resignation or upon such a termination, or in case at any time an Authentication Agent shall cease to be acceptable to the Trustee or the Issuer, the Trustee may promptly appoint a successor Authentication Agent. Any successor Authentication Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authentication Agent. No successor Authentication Agent shall be appointed unless acceptable to the Issuer and the Servicer.

(d) The Issuer agrees to pay to each Authentication Agent from time to time reasonable compensation for its services under this Section 2.4.

(e) The provisions of Sections 13.1 and 13.3 shall be applicable to any Authentication Agent.

(f) Pursuant to an appointment made under this Section 2.4, the Series 2008-A Notes may have endorsed thereon, in lieu of or in addition to the Trustee's certificate of authentication, an alternative certificate of authentication in substantially the following form:

"This is one of the Series 2008-A Notes described in the within-mentioned agreement.

as Authentication Agent
for the Trustee

By:
Authorized Signatory"

Section 2.5 Registration of Transfer and Exchange of Series 2008-A Notes .

(a) The Issuer shall cause to be kept at the Corporate Trust Office, a register (the "Note Register") in which, subject to such reasonable regulations as it may prescribe, the registration of Series 2008-A Notes and the registration of transfers of Series 2008-A Notes shall be provided. A note registrar (which may be the Trustee) (in such capacity, the "Note Registrar") shall provide for the registration of Registered Notes and transfers and exchanges of Registered Notes as herein provided. The Note Registrar shall initially be the Trustee. Any reference in this Indenture to the Note Registrar shall include any co-note registrar unless the context requires otherwise.

The Trustee may revoke such appointment and remove any Note Registrar if the Trustee determines in its sole discretion that such Note Registrar failed to perform its obligations under this Indenture in any material respect. Any Note Registrar shall be permitted to resign as Note Registrar upon thirty (30) days' notice to the Issuer and the Trustee; provided, however, that such resignation shall not be effective and such Note Registrar shall continue to perform its duties as Note Registrar until the Trustee has appointed a successor Note Registrar (which may be the Trustee) reasonably acceptable to the Issuer.

Upon surrender for registration of transfer or exchange of any Registered Note at any office or agency of the Note Registrar maintained for such purpose, subject to any transfer restrictions contained in this Indenture, one or more new Registered Notes in authorized denominations of like tenor and aggregate principal amount shall be executed, authenticated and delivered, in the name of

the designated transferee or transferees.

At the option of a Registered Noteholder, subject to the provisions of this Section 2.5 and any restrictions contained in this Indenture, Registered Notes may be exchanged for other Registered Notes of authorized denominations of like tenor and aggregate principal amount, upon surrender of the Registered Notes to be exchanged at any such office or agency.

All Series 2008-A Notes issued upon any registration of transfer or exchange of Series 2008-A Notes shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture as the Series 2008-A Notes surrendered upon such registration of transfer or exchange.

The preceding provisions of this Section 2.5(a) notwithstanding, the Trustee or the Note Registrar, as the case may be, shall not be required to register the transfer of or exchange any Series 2008-A Note for a period of fifteen (15) days preceding the due date for any payment with respect to the Note.

Whenever any Series 2008-A Notes are so surrendered for exchange, subject to any restrictions contained in this Indenture, the Issuer shall execute and the Trustee shall authenticate and deliver the Series 2008-A Notes which the Noteholder making the exchange is entitled to receive. Every Series 2008-A Note presented or surrendered for registration of transfer or exchange shall be accompanied by a written instrument of transfer in a form satisfactory to the Trustee or the Note Registrar duly executed by the Noteholder or the attorney-in-fact thereof duly authorized in writing.

Series 2008-A Notes issued upon transfer, exchange or replacement of other Series 2008 A Notes shall represent the outstanding principal amount of the Series 2008-A Notes so transferred, exchanged or replaced. If any Series 2008-A Note is divided into more than one Series 2008-A Note in accordance with this Article II the aggregate principal amount of the Series 2008-A Notes delivered in exchange shall, in the aggregate be equal to the principal amount of the divided Series 2008-A Note.

No service charge shall be made for any registration of transfer or exchange of Series 2008-A Notes, but the Note Registrar may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any such transfer or exchange.

All Series 2008-A Notes surrendered for registration of transfer and exchange or for payment shall be canceled and disposed of in a manner satisfactory to the Trustee.

The Issuer shall execute and deliver to the Trustee Series 2008-A Notes in such amounts and at such times as are necessary to enable the Trustee to fulfill its responsibilities under this Indenture and the Series 2008-A Notes.

(b) The Note Registrar will maintain at its expense in Minneapolis, Minnesota, or New York, New York an office or agency where Series 2008-A Notes may be surrendered for registration of transfer or exchange.

Section 2.6 Mutilated, Destroyed, Lost or Stolen Series 2008-A Notes .

If (a) any mutilated Series 2008-A Note is surrendered to the Note Registrar, or the Note Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Note, and (b) in case of destruction, loss or theft there is delivered to the Note Registrar such security or indemnity as may be required by it to hold the Issuer, the Note Registrar and the Trustee harmless, then, in the absence of notice to the Issuer, the Note Registrar or the Trustee that such Series 2008-A Note has been acquired by a protected purchaser, the Issuer shall execute, and the Trustee shall authenticate and the Note Registrar shall deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note, a replacement Series 2008-A Note of like tenor and aggregate principal amount, bearing a number not contemporaneously outstanding; provided, however, that if any such mutilated, destroyed, lost or stolen Series 2008-A Note shall have become or within seven days shall be due and payable, or shall have been selected or called for redemption, instead of issuing a replacement Note, the Issuer may pay such Series 2008-A Note without surrender thereof, except that any mutilated Series 2008-A Note shall be surrendered. If, after the delivery of such replacement Series 2008-A Note or payment of a destroyed, lost or stolen Series 2008-A Note pursuant to the proviso to the preceding sentence, a protected purchaser of the original Series 2008-A Note in lieu of which such replacement Series 2008-A Note was issued presents for payment such original Note, the Issuer and the Trustee shall be entitled to recover such replacement Series 2008-A Note (or such payment) from the Person to whom it was delivered or any Person taking such replacement Series 2008-A Note from such Person to whom such replacement Series 2008-A Note was delivered or any assignee of such Person, except a protected purchaser and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Issuer or the Trustee in connection therewith.

In connection with the issuance of any replacement Series 2008-A Note under this Section 2.6, the Issuer or the Note Registrar may require the payment by the Holder of such Series 2008-A Note of a sum sufficient to cover any tax or other

governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the reasonable fees and expenses of the Trustee or the Note Registrar) connected therewith.

Any replacement Series 2008-A Note issued pursuant to this Section in replacement of any mutilated, destroyed, lost or stolen Series 2008-A Note shall constitute complete and indefeasible evidence of a debt of the Issuer, as if originally issued, whether or not the destroyed, lost or stolen Series 2008-A Note shall be found at any time, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Series 2008-A Notes duly issued hereunder.

The provisions of this Section 2.6 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Series 2008-A Notes.

Section 2.7 Persons Deemed Owners .

The Trustee, the Paying Agent, the Note Registrar, the Issuer and any agent of any of them may prior to due presentation of a Registered Note for registration of transfer, treat the Person in whose name any Registered Note is registered as the owner of such Registered Note for the purpose of receiving distributions pursuant to the terms of this Indenture and for all other purposes whatsoever, and, in any such case, neither the Trustee, the Paying Agent, the Note Registrar, the Issuer nor any agent of any of them shall be affected by any notice to the contrary.

Section 2.8 Appointment of Paying Agent .

The Paying Agent shall make distributions to the Funding Agents on behalf of the applicable Noteholders and to the Non-Conduit Committed Purchasers as Noteholders from the Collection Account pursuant to the provisions of this Indenture and the Note Purchase Agreement and shall report the amounts of such distributions to the Issuer. Any Paying Agent shall have the revocable power to withdraw funds from the Collection Account for the purpose of making the distributions referred to above. The Issuer may revoke such power and remove the Paying Agent if the Issuer determines in its sole discretion that the Paying Agent shall have failed to perform its obligations under this Indenture in any material respect. The Issuer reserves the right at any time to vary or terminate the appointment of a Paying Agent for the Series 2008 A Notes, and to appoint additional or other Paying Agents, provided that it will at all times maintain the Trustee as a Paying Agent. In the event that any Paying Agent shall resign, the Issuer may appoint a successor to act as Paying Agent. Any reference in this Indenture to the Paying Agent shall include any co-paying agent unless the context requires otherwise.

Section 2.9 Cancellation .

All Series 2008-A Notes surrendered for payment, registration of transfer, exchange or redemption shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Issuer may at any time deliver to the Trustee for cancellation any Series 2008-A Notes previously authenticated and delivered hereunder which the Issuer may have acquired in any lawful manner whatsoever, and all Series 2008-A Notes so delivered shall be promptly cancelled by the Trustee. No Series 2008-A Notes shall be authenticated in lieu of or in exchange for any Series 2008-A Notes cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Series 2008-A Notes held by the Trustee shall be destroyed unless the Issuer shall direct by a timely order that they be returned to it.

Section 2.10 Confidentiality . The Trustee and the Collateral Agent hereby agree not to disclose to any Person any of the names or addresses of the Obligors under any of the Pledged Loans or other information contained in the Series 2008-A Loan Schedule or the data transmitted to the Trustee or the Collateral Agent hereunder, except (i) as may be required by law, rule, regulation or order applicable to it or in response to any subpoena or other valid legal process, (ii) as may be necessary in connection with any request of any federal or state regulatory authority having jurisdiction over it or the National Association of Insurance Commissioners, (iii) in connection with the performance of its duties hereunder, (iv) to a Successor Servicer appointed pursuant to Section 12.2, (v) in enforcing the rights of Noteholders and (vi) as requested by any Person in connection with the financing statements filed pursuant to this Indenture. The Trustee and the Collateral Agent hereby agree to take such measures as shall be reasonably requested by the Issuer of it to protect and maintain the security and confidentiality of such information. The Trustee and the Collateral Agent shall use reasonable efforts to provide the Issuer with written notice five days prior to any disclosure pursuant to this Section 2.10.

Section 2.11 144A Information . The Issuer agrees to furnish to the Trustee, for delivery to each Noteholder or any prospective transferee of a Series 2008-A Note at such Noteholder's (or transferee's) request, all information with respect to the Issuer, the Depositor, the Sellers, any Approved Seller, the Performance Guarantor or the Servicer, the Pledged Loans or the Series 2008-A Notes required pursuant to Rule 144A promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, to enable such Noteholder to effect resales of the Series 2008-A Notes (or interests therein) pursuant to such rule.

Section 2.12 Authorized Amount; Conditions to Initial Issuance . (a) The Series 2008-A Notes were issued on the Closing Date in a maximum principal amount of $942,500,000. The maximum principal amount of the Series 2008-A Notes on and after the April 2018 Amendment Effective Date is and shall be $800,000,000, subject to any changes in the Facility Limit made in accordance herewith and with the Note Purchase Agreement.

(a) The following were conditions to the initial funding of the Series 2008-A Notes on the Initial Advance Date:

(i) The Issuer shall have entered into and Granted to the Trustee the Hedge Agreement with terms described in Section 4.7;

(ii) The premium due for the Hedge Agreement as of the Initial Advance Date shall have been paid as of the Initial Advance Date; and

(iii) Any additional conditions set forth in Section 2.2 or Section 3.3 of the Note Purchase Agreement shall have been satisfied.

Section 2.13 Principal, Interest and NPA Costs . Principal. (i) The Series 2008-A Notes shall mature and be fully due and payable on the Maturity Date.

(i) The Series 2008-A Notes shall be subject to mandatory redemption in whole by the Issuer on the Mandatory Redemption Date and the entire principal amount of the Series 2008-A Notes shall be due and payable on such Mandatory Redemption Date unless such redemption is waived in writing prior to the Mandatory Redemption Date by the Holders of 100% of the Series 2008-A Notes which would be outstanding on such Mandatory Redemption Date.

(ii) To the extent of Available Funds distributed as provided in provision SIXTH, EIGHTH or NINTH of Section 4.1 on any Payment Date, principal of the Series 2008-A Notes will be subject to mandatory prepayment on such Payment Date in the amount of the Monthly Principal and the Green Loan Deficiency Principal Distribution Amount, if any. Series 2008-A Notes will also be subject to prepayment on the date designated under the terms of Section 2.19. All payments of principal on the Series 2008-A Notes shall be made pro rata based on the outstanding principal amount of the Series 2008-A Notes. All outstanding principal of the Series 2008-A Notes (unless sooner paid) will be due and payable on the Maturity Date.

(b) Interest. Interest on each Series 2008-A Note shall be due and payable on each Payment Date in the amount of the Notes Interest calculated for that Series 2008-A Note for that Payment Date. On the Determination Date prior to each Payment Date, the Deal Agent shall provide written notice to the Issuer, the Servicer and the Trustee of the aggregate amount of Notes Interest to be paid on such Payment Date on all Series 2008-A Notes and the components used in calculating the Notes Interest, including the amount of Carrying Costs and Purchaser Fees for each Purchaser Group and each Non-Conduit Committed Purchaser for such Payment Date.

(c) NPA Costs. NPA Costs shall be due and payable to each Funding Agent and each Non-Conduit Committed Purchaser on each Payment Date. On the Determination Date prior to each Payment Date, the Deal Agent shall provide written notice to Issuer, the Servicer and the Trustee of the aggregate amount of NPA Costs due on such Payment Date and the amount due to each Purchaser Group and each Non-Conduit Committed Purchaser.

(d) Payments in respect of interest on and principal of and any other amount payable on or in respect of any Series 2008-A Notes including NPA Costs shall be made on each Payment Date by wire transfer in immediately available funds sent by the Trustee on or prior to 11:00 a.m. New York City time on the Payment Date with respect to any Series 2008-A Note in accordance with Section 2.16(a).

Section 2.14 Nonrecourse to the Issuer . The Series 2008-A Notes are limited obligations of the Issuer payable only from and to the extent of the Collateral. The Holders of the Series 2008-A Notes shall have recourse to the Issuer only to the extent of the Collateral, and to the extent such Collateral is not sufficient to pay the Series 2008-A Notes and the Notes Interest thereon in full and all other obligations of the Issuer under this Indenture and the other Facility Documents, the Holders of the Series 2008-A Notes and holders of other obligations payable from the Collateral shall have no rights in any other assets which the Issuer may have including, but not limited to any assets of the Issuer which may be Granted to secure other obligations. To the extent any Noteholder is deemed to have any interest in any assets of the Issuer which assets have been Granted to secure other obligations, such Noteholder agrees that its interest in those assets is subordinated to claims or rights of such other debtholders with respect to those assets. Such Noteholders further agree that such agreement constitutes a subordination agreement for purposes of Section 510(a) of the Bankruptcy Code.

Section 2.15 Dating of the Series 2008-A Notes .

Each Series 2008-A Note authenticated and delivered by the Trustee or the Authentication Agent to or upon Issuer Order on or before the Closing Date shall be dated as of the Closing Date. All other Series 2008-A Notes that are authenticated after the Closing Date for any other purpose under this Indenture shall be dated the date of their authentication.

Section 2.16 Payment on the Series 2008-A Notes; Withholding Tax .

(a) The Trustee shall pay all amounts paid to or deposited with it for payment (x) to any Purchaser Group to the account or accounts so specified by the related Funding Agent and (y) to any Non-Conduit Committed Purchaser to the account or accounts so specified by such Non-Conduit Committed Purchaser; provided that unless the Trustee has received other instructions from a Funding Agent or Non-Conduit Committed Purchaser, such account or accounts for each Purchaser Group or each Non-Conduit Committed Purchaser shall be deemed to be those indicated under "Account for Payment" (i) under such Purchaser's signature to the Note Purchase Agreement as amended and supplemented from time to time and provided to the Trustee or (ii) if applicable, as provided in a Purchaser Assignment and Assumption Agreement and provided to the Trustee or provided by a Purchaser Group added under the provisions of Section 2.3(d) of the Note Purchase Agreement, as provided to the Trustee in writing at the time of such addition.

(b) As a condition to the payment of principal of and interest on any Series 2008-A Note without the imposition of U. S. withholding tax, the Issuer shall require compliance with Section 4.3(c) of the Note Purchase Agreement.

Section 2.17 Increases in Notes Principal Amount . The Noteholders agree by acceptance of the Series 2008-A Notes that, on any Payment Date (or, following the Advance Decrease Date, on any date), the Issuer may from time to time by irrevocable written notice substantially in the form attached to the Note Purchase Agreement given to the Deal Agent, the Trustee and the Servicer and subject to the terms and conditions of the Note Purchase Agreement, request that the Noteholders fund an Increase in the aggregate amount specified in the notice and on the date specified in the notice. If the terms and conditions to the Increase set forth in the Note Purchase Agreement are satisfied or waived, then such Increase shall be funded in accordance with the Note Purchase Agreement.

Section 2.18 Reduction of the Facility Limit . In accordance with the Note Purchase Agreement, the Issuer may, upon at least five Business Days' written notice to the Deal Agent reduce, in part, the Facility Limit to (but not below) the Notes Principal Amount. Any such reduction in the Facility Limit shall be in an amount not less than $20 million and in increments of $1 million in excess thereof and shall be applied to reduce the Purchaser Commitment Amount of each Purchaser Group and each Non-Conduit Committed Purchaser on a pro rata basis pursuant to the terms of the Note Purchase Agreement.

Section 2.19 Optional Repayment . (a) The Issuer may prepay the Series 2008-A Notes on any day, in whole or in part, on ten (10) days' prior written notice to the Deal Agent (or such lesser notice period as shall be acceptable to the Deal Agent) (such notice, a "Prepayment Notice") in accordance with Section 2.3 of the Note Purchase Agreement, provided that (i) the Notes Principal Amount prepaid is at least $10,000,000 (unless a lesser amount is agreed to by the Deal Agent) and (ii) the Issuer pays to the Deal Agent, for distribution to the Funding Agents and the Non-Conduit Committed Purchasers, on the date of prepayment, the amounts set forth on the Note Purchase Agreement.

(a) The applicable Prepayment Notice shall state (i) the principal amount of the Series 2008-A Notes to be paid and (ii) the aggregate Loan Balance of the Pledged Loans to be released under Section 5.4 at the time of the prepayment of the Series 2008-A Notes, with aggregate Loan Balances in an amount such that, after giving effect to such release, the Borrowing Base shall not exceed the Notes Principal Amount calculated immediately after the prepayment of the Series 2008-A Notes. Reference is made to Section 5.4 for the conditions to and procedure for the release of the Pledged Loans and the related Pledged Assets in connection with any such prepayment.

(b) Upon prepayment of the Series 2008-A Notes in accordance with subsection (a), the Issuer shall modify the existing Hedge Agreement in accordance with Section 4.7 such that the notional amount shall at least equal to the Notes Principal Amount after the prepayment of the Series 2008-A Notes.

(c) Notwithstanding any of the foregoing to the contrary, the Issuer shall on the August 2013 Amendment Effective Date redeem in whole the Series 2008-A Note held by the Exiting Purchaser Group (as defined in Section 6(e) of the August 2013 NPA Amendment) upon presentation of such Series 2008-A Note to the Trustee for payment and cancellation. The redemption price shall be equal to $29,129,657.46 representing the full principal amount then outstanding and without any premium and without any accrued interest, and receipt of such redemption price by the Exiting Purchaser Group shall constitute full payment and satisfaction of such Series 2008-A Note and the Trustee shall thereupon cancel such Series 2008-A Note.

Section 2.20 Transfer Restrictions .

(a) The Series 2008-A Notes have not been registered under the Securities Act or any state securities law. Neither the Issuer nor the Trustee nor any other Person is obligated to register the Series 2008-A Notes under the Securities Act or any other securities or "Blue Sky" laws or to take any other action not otherwise required under this Indenture to permit the transfer of the Series 2008-A Notes without registration.

(b) No transfer of the Series 2008-A Notes or any interest therein (including without limitation by pledge or hypothecation) shall be made except in compliance with the restrictions on transfer set forth in this Section 2.20 (including the applicable legend to be set forth on the face of the Series 2008-A Notes as provided in Exhibit B), in a transaction exempt from the registration requirements of the Securities Act and applicable state securities or "Blue Sky" laws (i) to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning thereof in Rule 144A (a "QIB") and (B) that is aware that the resale or other transfer is being made in reliance on Rule 144A.

(c) Each Holder of the Note, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Issuer and, in the case of any transferee of a Purchaser, such Purchaser as follows:

(i) It understands that the Series 2008-A Notes may be offered and may be resold by a Noteholder of the Series 2008-A Note only to QIBs pursuant to Rule 144A.

(ii) It understands that the Series 2008-A Notes have not been and will not be registered under the Securities Act or any state or other applicable securities law and that the Series 2008-A Notes, or any interest or participation therein, may not be offered, sold, pledged or otherwise transferred unless registered pursuant to, or exempt from registration under, the Securities Act and any other applicable securities law.

(iii) It acknowledges that none of the Issuer or any Purchaser or any person representing the Issuer or a Noteholder has made any representation to it with respect to the Issuer or the offering or sale of any Series 2008-A Notes. It has had access to such financial and other information concerning the Issuer, the Series 2008-A Notes and the source of payment for the Series 2008-A Notes as it has deemed necessary in connection with its decision to purchase the Series 2008-A Notes.

(iv) It is purchasing the Series 2008-A Notes for its own account, or for one or more investor accounts for which it is acting as fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirements of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Series 2008-A Notes, or any interest or participation therein, as described herein, in this Indenture and in the Note Purchase Agreement.

(v) It acknowledges that the Issuer, the Noteholders and others will rely on the truth and accuracy of the foregoing acknowledgments, representations and agreements, and agrees that if any of the foregoing acknowledgments, representations and agreements deemed to have been made by it are no longer accurate, it shall promptly notify the Issuer.

(vi) It is not and is not acquiring the Series 2008-A Notes by or on behalf of, or with "plan assets" of, (i) an employee benefit plan (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), whether or not subject to Title I of ERISA, (ii) a plan described in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code"); (iii) an entity whose underlying assets include "plan assets" by reason of a Plan's investment in the Purchaser; or (iv) a person who is otherwise a "benefit plan investor," as defined in U.S. Department of Labor ("DOL") Regulation Section 2510.3-101 (a "Benefit Plan Investor"), including any insurance company general account or a governmental or foreign plan that is generally not subject to ERISA or Section 4975(e) of the Code.

(vii) With respect to any foreign purchaser claiming an exemption from United States income or withholding tax, that it has delivered to the Trustee a true and complete Form W-8 BEN or Form W8ECI, indicating such exemption or any successor or other forms and documentation as may be sufficient under the applicable regulations for claiming such exemption.

Except as provided in subsection (d) below, any transfer, resale, pledge or other transfer of the Series 2008-A Notes contrary to the restrictions set forth above and in this Indenture shall be deemed void ab initio by the Trustee unless using such restriction is

waived by the Issuer by a written instrument delivered to the Trustee.

(d) Notwithstanding anything to the contrary herein, each Conduit under the terms of its Liquidity Agreement or the Note Purchase Agreement, may at any time sell or grant to one or more Liquidity Providers party to the Liquidity Agreement or one or more Alternate Investors party to the Note Purchase Agreement, participating interests or security interests in the Series 2008-A Notes provided that each Liquidity Provider or Alternate Investor shall, by any such purchase be deemed to have acknowledged and agreed to the provisions of Section 2.20(c).

(e) The Issuer has not registered as an investment company under the Investment Company Act in reliance upon an exemption provided by Rule 3a-7 promulgated under the Investment Company Act. In order to satisfy the requirements of such Rule 3a-7 the Issuer shall be entitled to receive a certificate or other agreement in writing from each Conduit and from each Committed Purchaser to the effect that each such Conduit and each such Committed Purchaser is a QIB. In addition to all other transfer restrictions set forth in this Section 2.20 or any other provision of this Indenture or the Note Purchase Agreement, no Series 2008-A Notes or any interest therein may be transferred and the Trustee shall not register any transfer of a Series 2008-A Note or any interest therein unless the transferee has delivered to the Trustee and to the Issuer a certificate satisfactory to the Issuer to the effect that such transferee is a QIB.

Section 2.21 Tax Treatment. The Issuer has structured this Indenture and the Series 2008-A Notes with the intention that the Series 2008-A Notes will qualify under applicable tax law as indebtedness of the Issuer, and the Issuer and each Noteholder by acceptance of its Series 2008-A Note agree to treat the Series 2008-A Notes (or beneficial interest therein) as indebtedness for purposes of federal, state and local income or franchise taxes or any other tax imposed on or measured by income.

Section 2.22 Liquidity Termination Dates. (a) If a Liquidity Termination Date occurs with respect to less than all Noteholders, then the Issuer, the Servicer, the Trustee and the Collateral Agent shall enter into an indenture and servicing agreement substantially in the form of Exhibit D, together with any changes mutually acceptable to such parties and the Extending Noteholders (each such indenture and servicing agreement, an "Exchange Notes Indenture"). The Issuer shall issue to each Extending Noteholder on the Payment Date immediately succeeding such Liquidity Termination Date an Exchange Note in a principal amount equal to the principal amount of such Extending Noteholder's Series 2008-A Note (or, in the case of any Extending Noteholder which is extending its Liquidity Termination Date for an amount that is less than its entire Purchaser Commitment Amount, the Extended Portion with respect to such Extending Noteholder); provided, however, that if, upon the issuance of the Exchange Notes, the initial aggregate outstanding principal amount of the Exchanges Notes would not be at least equal to $20,000,000, then the Issuer shall not issue any Exchange Notes and no Liquidity Termination Date with respect to any Noteholder shall be extended; provided further, however, that if, upon the issuance of the Exchange Notes, the Notes Principal Amount for the Series 2008-A Notes would not be at least $20,000,000, then the Issuer shall prepay the entire Notes Principal Amount pursuant to Section 2.19 immediately following the issuance of the Exchange Notes.

(a) Each Noteholder, by its acceptance of a Series 2008-A Note, hereby agrees that if it becomes an Extending Noteholder and the Liquidity Termination Date occurs with respect to any Noteholder, it will surrender its Series 2008-A Note to the Issuer in return for an Exchange Note in an equal principal amount (or, in the case of any Extending Noteholder which is extending its Liquidity Termination Date for an amount that is less than its entire Purchaser Commitment Amount, the Extended Portion with respect to such Extending Noteholder) on the Payment Date immediately succeeding the Liquidity Termination Date with respect to other Noteholder. Upon such exchange the Series 2008-A Notes surrendered shall be deemed to be fully paid and the Trustee shall cancel such Series 2008-A Notes.

(b) In connection with the execution by the Issuer of an Exchange Notes Indenture on the Payment Date immediately succeeding any Liquidity Termination Date, Pledged Loans with aggregate Loan Balances not less than the product of (i) the Extending Noteholders' Percentage with respect to such Liquidity Termination Date and (ii) the Aggregate Loan Balance on such Payment Date shall be released from the Lien of this Indenture pursuant to Section 5.5 and Granted as security for the Exchange Notes issued pursuant to such Exchange Notes Indenture.

(c) In connection with the issuance of any Exchange Notes on the Payment Date immediately succeeding a Liquidity Termination Date, the Issuer, the Servicer, the Depositor, the Performance Guarantor, each Extending Purchaser with respect to such Liquidity Termination Date and the Deal Agent shall enter into a note purchase agreement with respect to the Exchange Notes, substantially in the form of Exhibit F, together with any changes mutually acceptable to such parties.

Article III
REPRESENTATIONS AND WARRANTIES OF THE ISSUER

Section 3.1 Representations and Warranties Regarding the Issuer. The Issuer hereby represents and warrants to the Trustee, the Collateral Agent and the Noteholders on the Closing Date, on the Second Amendment Effective Date, on any Addition

Date, on any date of an increase in the Facility Limit and on any Notes Increase Date as follows:

(a) Due Formation and Good Standing. The Issuer is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware, and has full power, authority and legal right to own its properties and conduct its business as such properties are presently owned and such business is presently conducted, and to execute, deliver and perform its obligations under each of the Facility Documents to which it is a party. The Issuer is duly qualified to do business and is in good standing as a foreign entity, and has obtained all necessary licenses and approvals in each jurisdiction in which failure to qualify or to obtain such licenses and approvals would render any Pledged Loan unenforceable by the Issuer or would otherwise have a Material Adverse Effect with respect to the Issuer.

(b) Due Authorization and No Conflict. The execution, delivery and performance by the Issuer of each of the Facility Documents to which it is a party, and the consummation by the Issuer of each of the transactions contemplated hereby and thereby, including without limitation the acquisition of the Pledged Loans under the Depositor Purchase Agreement and the making of the Grants contemplated hereunder, have in all cases been duly authorized by the Issuer by all necessary action, do not contravene (i) the Issuer's certificate of formation or the LLC Agreement, (ii) any existing law, rule or regulation applicable to the Issuer, (iii) any contractual restriction contained in any material indenture, loan or credit agreement, lease, mortgage, deed of trust, security agreement, bond, note, or other material agreement or instrument binding on or affecting the Issuer or its property or (iv) any order, writ, judgment, award, injunction or decree binding on or affecting the Issuer or its property (except in the case of clause (ii) where such contravention would not have a Material Adverse Effect with respect to the Issuer), and do not result in or require the creation of any Lien upon or with respect to any of its properties (except as provided in such Facility Documents); and no transaction contemplated hereby requires compliance with any bulk sales act or similar law. Each of the other Facility Documents to which the Issuer is a party have been duly executed and delivered by the Issuer.

(c) Governmental and Other Consents. All approvals, authorizations, consents, orders of any court or governmental agency or body required in connection with the execution and delivery by the Issuer of any of the Facility Documents to which the Issuer is a party, the issuance of the Series 2008-A Notes consummation by the Issuer of the transactions contemplated hereby or thereby, the performance by the Issuer of and the compliance by the Issuer with the terms hereof or thereof, have been obtained, except where the failure so to do would not have a Material Adverse Effect with respect to the Issuer.

(d) Enforceability of Facility Documents. Each of the Facility Documents to which the Issuer is a party has been duly and validly executed and delivered by the Issuer and constitutes the legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its respective terms, except as enforceability may be subject to or limited by Debtor Relief Laws or by general principles of equity (whether considered in a suit at law or in equity).

(e) No Litigation. There are no proceedings or investigations pending or, to the best knowledge of the Issuer, threatened, against the Issuer before any court, regulatory body, administrative agency, or other tribunal or governmental instrumentality (i) asserting the invalidity of this Indenture or any of the other Facility Documents, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Indenture or any of the other Facility Documents, (iii) seeking any determination or ruling that would adversely affect the performance by the Issuer of its obligations under this Indenture or any of the other Facility Documents to which the Issuer is a party, (iv) seeking any determination or ruling that would adversely affect the validity or enforceability of this Indenture or any of the other Facility Documents or (v) seeking any determination or ruling which would be reasonably likely to have a Material Adverse Effect with respect to the Issuer.

(f) Use of Proceeds. All proceeds of the issuance of the Series 2008-A Notes shall be used by the Issuer to acquire Loans from the Depositor under the Depositor Purchase Agreement, to pay costs related to the issuance of the Series 2008-A Notes or to otherwise fund costs and expenses permitted to be paid under the terms of the Facility Documents.

(g) Governmental Regulations. The Issuer is not an "investment company" registered or required to be registered under the Investment Company Act.

(h) Margin Regulations. The Issuer is not engaged, principally or as one of its important activities, in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin stock" (as each of the quoted terms is defined or used in any of Regulations T, U or X of the Board of Governors of the Federal Reserve System, as in effect from time to time). No part of the proceeds of any of the Series 2008-A Notes has been used for so purchasing or carrying margin stock or for any purpose which violates, or which would be inconsistent with, the provisions of any of Regulations T, U or X of the Board of Governors of the Federal Reserve System, as in effect from time to time.

(i) Location and Names of Issuer. The Issuer was formed on April 21, 2008 as a limited liability company under the laws of the State of Delaware by filing a Certificate of Formation with the name of Sierra Timeshare 2008-3 Receivables Funding, LLC and has at all times since such date remained as a Delaware limited liability company. A Certificate of Amendment was filed

on September 30, 2008 to change the name of the Issuer to Sierra Timeshare Conduit Receivables Funding II, LLC. Since such Certificate of Amendment was filed, the Issuer has not had any legal name other than Sierra Timeshare Conduit Receivables Funding II, LLC. The Issuer has no trade names, fictitious names, assumed names or "doing business as" names, and has not had any such names or had any other legal name, other than as described in this Section 3.1(i), at any time since its formation. As of the Second Amendment Effective Date, the principal place of business and chief executive office of the Issuer is located at 10750 West Charleston Blvd., Suite 130, Mailstop 2064, Las Vegas, NV 89135. As of the Second Amendment Effective Date, the Issuer does not operate its business or maintain the Records at any other locations.

(j) Control Account. The Issuer has filed or has caused to be filed a standing delivery order with the United States Postal Service authorizing the Control Account Bank to receive mail delivered to the related Post Office Boxes. The account number of the Control Account, together with the names, addresses, ABA numbers and names of contact persons of the Control Account Bank maintaining such Control Account and the related Post Office Boxes, are specified in Exhibit E. From and after the Closing Date, the Trustee shall hold all right and title to and interest in all of the monies, checks, instruments, depository transfers or automated clearing house electronic transfers and other items of payment and their proceeds and all monies and earnings, if any, thereon in the Control Account. The Trustee has control over the Control Account and the Control Account Bank is required on each Business Day to transfer all collected and available balances in the Control Account to the Collection Account held by the Trustee.

(k) Subsidiaries. Other than through its ownership of the limited liability company interests of STCRF, the Issuer has no Subsidiaries and does not own or hold, directly or indirectly, any capital stock or equity security of, or any equity interest in, any Person, other than Permitted Investments.

(l) Facility Documents. The Depositor Purchase Agreement is the only agreement pursuant to which the Issuer purchases the Pledged Loans and the related Pledged Assets. The Issuer has furnished to the Trustee and the Collateral Agent, true, correct and complete copies of each Facility Document to which the Issuer is a party, each of which is in full force and effect. Neither the Issuer nor any Affiliate thereof is in default of any of its obligations thereunder in any material respect. Upon each Purchase pursuant to the Depositor Purchase Agreement, the Issuer shall be the lawful owner of, and have good title to, each Pledged Loan and all related Pledged Assets, free and clear of any Liens (other than the Lien of this Indenture and any Permitted Encumbrances on the related Timeshare Properties), or shall have a first-priority perfected security interest therein. All such Pledged Loans and other related Pledged Assets are purchased without recourse to the Depositor except as described in the Depositor Purchase Agreement. The Purchase by the Issuer under the Depositor Purchase Agreement constitutes either a sale or first-priority perfected security interest, enforceable against creditors of the Depositor.

(m) Business. Since its formation, the Issuer has conducted no business other than the execution, delivery and performance of the Facility Documents contemplated hereby, the Purchase of Loans thereunder, the issuance and payment of Series 2008-A Notes and such other activities as are incidental to the foregoing. The Issuer has incurred no Debt except that expressly incurred hereunder, under the other Facility Documents, and, if applicable, under any Exchange Note Indenture.

(n) Ownership of the Issuer. One hundred percent (100%) of the outstanding equity interest in the Issuer is directly owned (both beneficially and of record) by the Depositor.

(o) Taxes. The Issuer has timely filed or caused to be timely filed all federal, state, local and foreign tax returns which are required to be filed by it, and has paid or caused to be paid all taxes due and owing by it, other than any taxes or assessments, the validity of which are being contested in good faith by appropriate proceedings timely instituted and diligently pursued and with respect to which the Issuer has set aside adequate reserves on its books in accordance with GAAP and which proceedings have not given rise to any Lien.

(p) Tax Classification. Since its formation, for federal income tax purposes, the Issuer (i) has been classified as a disregarded entity or partnership and (ii) has not been classified as an association taxable as a corporation or a publicly traded partnership.

(q) Solvency. The Issuer (i) is not "insolvent" (as such term is defined in the Bankruptcy Code); (ii) is able to pay its debts as they become due; and (iii) does not have unreasonably small capital for the business in which it is engaged or for any business or transaction in which it is about to engage.

(r) ERISA. The Issuer has not established and does not maintain or contribute to any Benefit Plan that is covered by Title IV of ERISA.

(s) No Adverse Selection. No selection procedures materially adverse to the Noteholders, the Trustee or the Collateral Agent have been or will be employed by the Issuer in selecting the Pledged Loans for inclusion in the Collateral.

(t) Eligible Loans. Each Pledged Loan, on the date on which it becomes a Pledged Loan, is an Eligible Loan and is (i) a Loan sold by a Seller to the Depositor under a Seller Purchase Agreement or (ii) a Loan sold by an Approved Seller to the Depositor under an Approved Sale Agreement.

(u) Servicer Default. No Servicer Default has occurred and is continuing.

(v) Events of Default; Amortization Events. No Event of Default has occurred, no Amortization Event has occurred, no Potential Event of Default has occurred and is continuing, and no Potential Amortization Event has occurred and is continuing.

(w) Perfection of Security Interests in the Collateral. Payment of principal and interest on the Series 2008-A Notes and the prompt observance and performance by the Issuer of all of the terms and provisions of this Indenture are secured by the Collateral. Upon the issuance of the Series 2008-A Notes and at all times thereafter so long as any Series 2008-A Notes are outstanding, this Indenture creates a security interest (as defined in the applicable UCC) in the Collateral in favor of the Collateral Agent for the benefit of the Trustee and the Noteholders to secure amounts payable under the Series 2008-A Notes, the Indenture and the Note Purchase Agreement, which security interest is perfected and prior to all other Liens (other than any Permitted Encumbrances on the related Timeshare Properties) and is enforceable as such against all creditors of and purchasers from the Issuer.

Section 3.2 Representations and Warranties Regarding the Loan Files . The Issuer represents and warrants to each of the Trustee, the Collateral Agent, the Servicer and the Noteholders as to each Pledged Loan that:

(a) Possession. On or immediately prior to each Addition Date, the Custodian will have possession of each original Pledged Loan and the related Loan File, and will have acknowledged such receipt and its undertaking to hold such documents for purposes of perfection of the Collateral Agent's interests in such original Pledged Loan and the related Loan File; provided, however, that the fact that any of the Loan Documents not required to be in its respective Loan File under the terms of the respective Seller Purchase Agreement is not in the possession of the Custodian in its respective Loan File does not constitute a breach of this representation; and provided that, possession of Loan Documents may be in the form of microfiche or other electronic copies of the Loan Documents to the extent provided in the Custodial Agreement.

(b) Marking Records. On or before each Addition Date, each of the Issuer and the Servicer shall have caused the portions of the computer files relating to the Pledged Loans Granted to the Collateral Agent on such date to be clearly and unambiguously marked to indicate that such Loans constitute part of the Collateral Granted by the Issuer in accordance with the terms of this Indenture.

The representations and warranties of the Issuer set forth in this Section 3.2 shall be deemed to be remade without further act by any Person on and as of each Addition Date with respect to each Loan Granted by the Issuer on and as of each such date. The representations and warranties set forth in this Section 3.2 shall survive any Grant of the respective Loans by the Issuer.

Section 3.3 Rights of Obligors and Release of Loan Files .

(a) Notwithstanding any other provision contained in this Indenture, including the Collateral Agent's, the Trustee's and the Noteholders' remedies pursuant hereto and pursuant to the Collateral Agency Agreement, the rights of any Obligor to any Timeshare Property subject to a Pledged Loan shall, so long as such Obligor is not in default thereunder, be superior to those of the Collateral Agent, the Trustee and the Noteholders, and none of the Collateral Agent, the Trustee or the Noteholders, so long as such Obligor is not in default thereunder, shall interfere with such Obligor's use and enjoyment of the Timeshare Property subject thereto.

(b) If pursuant to the terms of this Indenture, the Collateral Agent or the Trustee shall acquire through foreclosure the Issuer's interest in any portion of the Timeshare Property subject to a Pledged Loan, the Collateral Agent and the Trustee hereby specifically agree to release or cause to be released any Timeshare Property from any Lien under this Indenture upon completion of all payments and the performance of all the terms and conditions required to be made and performed by such Obligor under such Pledged Loan, and each of the Collateral Agent and the Trustee hereby consents to any such release by the Collateral Agent.

(c) At such time as an Obligor has paid in full the purchase price or the requisite percentage of the purchase price for deeding pursuant to a Pledged Loan and has otherwise fully discharged all of such Obligor's obligations and responsibilities required to be discharged as a condition to such deeding, the Servicer shall notify the Trustee and the Collateral Agent by a certificate substantially in the form attached hereto as Exhibit G (which certificate shall include a statement to the effect that all amounts received in connection with such payment have been deposited in the appropriate Collection Account) of a Servicing Officer and shall request delivery to the Servicer from the Custodian of the related Loan Files. Upon receipt of such certificate and request or at such earlier time as is required by applicable law, the Trustee and the Collateral Agent (a) shall be deemed, without the necessity of taking any action, to have approved release by the Custodian of the Loan Files to the Servicer (in all cases in accordance

with the provisions of the Custodial Agreement), (b) shall be deemed to approve the release by the Nominee of the related deed of title, and any documents and records maintained in connection therewith, to the Obligor as provided in the Title Clearing Agreement, provided that title to the Timeshare Property has not already been deeded to the Obligor and/or (c) shall execute such documents and instruments of transfer and assignment and take such other action as is necessary to release its interest in the Timeshare Property subject to deeding (in the case of any Pledged Loan which has been paid in full). The Servicer shall cause each Loan File or any document therein so released which relates to a Pledged Loan for which the Obligor's obligations have not been fully discharged to be returned to the Custodian for the sole benefit of the Collateral Agent on behalf of the Noteholders when the Servicer's need therefor no longer exists.

Section 3.4 Assignment of Representations and Warranties. The Issuer hereby assigns to the Trustee its rights relating to the Pledged Loans under the Depositor Purchase Agreement including the rights assigned to the Issuer by the Depositor to payment due from the related Seller, or if applicable the related Approved Seller, for repurchases of Defective Loans (as such term is defined in the applicable Seller Purchase Agreement) resulting from the breach of representations and warranties under the applicable Seller Purchase Agreement or Approved Sale Agreement.

Section 3.5 Addition of New Sellers. Loans sold to the Depositor by a New Seller and sold by the Depositor to the Issuer may be Granted as Pledged Loans under the terms of Section 5.1 provided that the following conditions have been met:

(i) The New Seller shall have entered into a Seller Purchase Agreement with the Depositor substantially in the form of the Existing Seller Purchase Agreement but with such revisions as shall be necessary to accommodate the type of Loans and related assets of the New Seller;

(ii) The Depositor Purchase Agreement shall have been amended to include the Loans and related assets of the New Seller as assets being transferred to the Issuer thereunder;

(iii) The Performance Guaranty shall have been amended to include the New Seller as a party whose performance is guarantied or the Performance Guarantor shall have provided a new guaranty agreement under which the Performance Guarantor guaranties the performance of the New Seller;

(iv) The Custodial Agreement shall have been amended to provide that the New Seller may deliver Loan Files to the Custodian to be held for the benefit of the Collateral Agent;

(v) The New Seller shall have provided a Control Account Agreement which provides for the receipt of Collections on the Pledged Loans sold by such New Seller and the delivery of such Collections to the Collateral Agent;

(vi) The New Seller shall have provided to counsel for the Deal Agent copies of search reports certified by parties acceptable to counsel for the Deal Agent dated a date reasonably prior to the date on which the entity becomes a New Seller (A) listing all effective financing statements which name the New Seller (under its present name and any previous names) as debtor or seller and which are filed with respect to the New Seller in each relevant jurisdiction, together with copies of such financing statements (none of which shall cover any portion of the Pledged Loans sold by such New Seller to the Depositor except as contemplated by the Facility Documents);

(vii) The New Seller shall have provided filed copies of appropriate UCC financing statement amendments (Form UCC3), if any, necessary to terminate all security interests and other rights of any Person previously granted by the New Seller in the Loans of the New Seller to the extent such Loans are to become Pledged Loans and the related Pledged Assets;

(viii) An Opinion of Counsel with respect to true sale and federal bankruptcy matters similar in substance to the opinions delivered to the Purchaser Groups pursuant to the Note Purchase Agreement on the Closing Date shall have been delivered to the Trustee, the Deal Agent, the Funding Agents, and the Non-Conduit Committed Purchasers with respect to sales of the Loans by the New Seller to the Depositor;

(ix) The Issuer shall have delivered to the Trustee and the Collateral Agent and the Deal Agent copies of UCC financing statements with respect to the sale of the Loans from the New Seller to the Depositor, from the Depositor to the Issuer and the Grant to the Collateral Agent together with Opinions of Counsel to the effect that such transfer or security interests have been perfected and are of a first priority;

(x) Each of the items described in provisions (i) through (viii) above shall be in form and substance acceptable to the Majority Facility Investors; and

(xi) The Majority Facility Investors shall have delivered to the Issuer written consent to the addition of the New Seller and the inclusion of Loans sold by such New Seller as Pledged Loans.

Section 3.6 Addition of Pledged Loans Acquired from Approved Sellers . Loans sold to the Depositor by an Approved Seller and sold by the Depositor to the Issuer may be Granted as Pledged Loans under the terms of Section 5.1 provided that the following conditions have been met:

(i) The Approved Seller shall have entered into an Approved Sale Agreement with the Depositor substantially in the form and substance of Exhibit J to this Amended and Restated Indenture and the Approved Loans shall have been purchased by the Depositor pursuant to such Approved Sale Agreement;

(ii) The Approved Seller shall at such time as it acquired the Approved Loans have acquired such Approved Loans by transfer from the Depositor and prior to transfer of such Approved Loans by the Depositor to the Approved Seller, the Depositor shall have acquired the Approved Loans from a Seller pursuant to a Seller Purchase Agreement; provided, however, that the acquisition of such Approved Loans by the Depositor from the Seller need not have been simultaneous with the sale to the Approved Seller;

(iii) The Performance Guarantor shall have entered into and delivered to the Trustee an Approved Loan Performance Guaranty in substantially the form and substance of Exhibit K to this Amended and Restated Indenture guaranteeing the obligations of the Approved Seller under the Approved Sale Agreement and the obligations of the Seller under the Collateral Seller Purchase Agreement;

(iv) The Approved Seller shall have provided to counsel for the Deal Agent copies of search reports certified by parties acceptable to counsel for the Deal Agent dated a date reasonably prior to the date of the Approved Sale Agreement listing all effective financing statements which name the Approved Seller (under its present name and any previous names) as debtor or seller and which are filed with respect to the Approved Seller in each relevant jurisdiction, together with copies of such financing statements;

(v) The Approved Seller shall have filed appropriate UCC financing statement amendments, if any, necessary to terminate all security interests and other rights of any Person previously granted by the Approved Seller in the Loans sold under the Approved Sale Agreement to the extent such Loans are to become Pledged Loans and the related Pledged Assets;

(vi) The Issuer shall have delivered to the Trustee, the Collateral Agent and the Deal Agent copies of UCC financing statements with respect to the sale of the Loans from the Seller to the Depositor pursuant to the Collateral Seller Purchase Agreement, from the Depositor to the Approved Seller, from the Approved Seller to the Depositor, from the Depositor to the Issuer and the Grant to the Collateral Agent, together with Opinions of Counsel to the effect that each such transfer or security interest has been perfected and is of first priority;

(vii) An Opinion of Counsel or Opinions of Counsel shall have been delivered to the Trustee, the Deal Agent, the Funding Agents and the Non-Conduit Committed Purchasers covering the following matters: (x) true sale matters with respect to the transfer of the Approved Loans from the Seller to the Depositor pursuant to the relevant Collateral Seller Purchase Agreement and by the Approved Seller to the Depositor pursuant to the Approved Sale Agreement, such opinions to be similar in substance to the true sale opinion delivered to the Purchaser Groups pursuant to the Note Purchase Agreement on the Closing Date, (y) that in the event of the insolvency of WCF or any other Seller of the Approved Loans, the Issuer, the Depositor and the Approved Seller will not be subject to substantive consolidation into the insolvency proceeding of WCF or such Seller, such opinions to be similar in substance to the substantive consolidation opinion delivered to the Purchase Groups pursuant to the Note Purchase Agreement on the Closing Date, and (z) corporate and enforceability matters regarding the execution and delivery of the Approved Sale Agreement and related Approved Loan Performance Guaranty.

(viii) All liabilities incurred by the Approved Seller and secured by Loans shall have been paid in full and the related indenture shall have been terminated;

(ix) Each of the items described in provisions (i) through (viii) above shall be in form and substance acceptable to the Majority Facility Investors; and

(x) The Majority Facility Investors shall have delivered to the Issuer written consent to the execution of the Approved Sale Agreement and the inclusion of Approved Loans sold by such Approved Seller as Pledged Loans.

Article IV
PAYMENTS, SECURITY AND ALLOCATIONS

Section 4.1 Priority of Payments .

The Servicer shall apply, or by written instruction to the Trustee shall cause the Trustee to apply, on each Payment Date Available Funds for that Payment Date on deposit in the Collection Account to make the following payments and in the following order of priority:

FIRST, to the Trustee in payment of the sum of (x) the Monthly Trustee Fees for the related Due Period and any unpaid Monthly Trustee Fees for a previous Due Period, (y) the Capped Monthly Trustee Expenses for such Payment Date and (z) in the event of a Servicer Default and the replacement of the Servicer with the Trustee or a Successor Servicer, the Capped Successor Servicer Costs for such Payment Date;

SECOND, if the Servicer is not Wyndham Consumer Finance, Inc. or an affiliate of the Parent Corporation, to the Servicer, in payment of the Monthly Servicer Fee for the related Due Period and any unpaid Monthly Servicer Fee for a previous Due Period and, whether or not Wyndham Consumer Finance, Inc. or another affiliate of the Parent Corporation is then the Servicer, to the Servicer in reimbursement of any unreimbursed Servicer Advances;

THIRD, to the Hedge Provider under the Hedge Agreement, the Hedge Payments;

FOURTH, to each Noteholder, the Senior Notes Interest for such Payment Date and the NPA Costs payable to such Noteholder to the extent due and payable and any Senior Overdue Interest due to such Noteholder (and interest thereon);

FIFTH, if the Servicer is Wyndham Consumer Finance, Inc. or another affiliate of the Parent Corporation, to the Servicer, the Monthly Servicer Fee for the related Due Period and any unpaid Monthly Servicer Fee for a previous Due Period;

SIXTH, to the Noteholders, the Initial Monthly Principal Distribution Amount for such Payment Date;

SEVENTH, if the amount on deposit in the Reserve Account is less than the Reserve Required Amount, to the Reserve Account, all remaining Available Funds until the amount on deposit in the Reserve Account is equal to the Reserve Required Amount;

EIGHTH, to the Noteholders, the Additional Monthly Principal Distribution Amount for such Payment Date;

NINTH, to the Noteholders, the Green Loan Deficiency Principal Distribution Amount, if any, for such Payment Date;

TENTH, to each Noteholder, the Contingent Subordinated Notes Interest for such Payment Date and any Contingent Subordinated Overdue Interest due to such Noteholder (and interest thereon);

ELEVENTH, to the Trustee in payment of any reasonable expenses and costs under each of the Facility Documents to which the Trustee is a party, including with respect to replacing the Servicer, any such amounts not paid pursuant to clause FIRST;

TWELFTH, to the Issuer, any remaining amounts free and clear of the lien of this Indenture.

Section 4.2 Information Provided to Trustee . The Servicer shall promptly provide the Trustee in writing with all information necessary to enable the Trustee to make the payments and deposits required pursuant to Section 4.1.

Section 4.3 Payments . On each Payment Date, the Trustee, as Paying Agent, shall distribute to the Noteholders the amounts due and payable under this Indenture, the Series 2008 A Notes and the Note Purchase Agreement. Such payments shall be made as provided in Section 2.16(a).

Section 4.4 Collection Account .

(a) Collection Account. The Trustee, for the benefit of the Noteholders, shall establish and maintain in the name of the Trustee, a segregated account (the "Collection Account") designated as the "Sierra Timeshare Conduit Receivables Funding II, LLC Collection Account" bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders pursuant to this Indenture.

(b) Withdrawals. The Trustee shall have the sole and exclusive right to withdraw or order a transfer of funds from the Collection Account, in all events in accordance with the terms and provisions of this Indenture and the information most recently

delivered to the Trustee pursuant to Section 8.1; provided, however, that the Trustee shall be authorized to accept and act upon instructions from the Servicer regarding withdrawals or transfers of funds from the Collection Account, in all events in accordance with the provisions of this Indenture and the information most recently delivered pursuant to Section 8.1. In addition, notwithstanding anything in the foregoing to the contrary, the Trustee shall be authorized to accept instructions from the Servicer on a daily basis regarding withdrawals or order transfers of funds from the Collection Account, to the extent such funds either (i) have been mistakenly deposited into the Collection Account (including without limitation funds representing Assessments or dues payable by Obligors to POAs or other entities) or (ii) relate to items subsequently returned for insufficient funds or as a result of stop payments. In the case of any withdrawal or transfer pursuant to the foregoing sentence, the Servicer shall provide the Trustee with notice of such withdrawal or transfer, together with reasonable supporting details, on the next Monthly Servicing Report to be delivered by the Servicer following the date of such withdrawal or transfer (or in such earlier written notice as may be required by the Trustee from the Servicer from time to time). Notwithstanding anything therein to the contrary, the Trustee shall be entitled to make withdrawals or order transfers of funds from the Collection Account, in the amount of all reasonable and appropriate out-of-pocket costs and expenses incurred by the Trustee in connection with any misdirected funds described in clause (i) and (ii) of the second foregoing sentence. Within two Business Days of receipt, the Servicer shall transfer all Collections processed by the Servicer to the Trustee for deposit into the Collection Account. The Trustee shall deposit or cause to be deposited into the Collection Account upon receipt all amounts in respect of releases of Pledged Loans by the Issuer. On each Payment Date, the Trustee shall apply amounts in the Collection Account to make the payments and disbursements described in this Indenture.

(c) Administration of the Collection Account. Funds in the Collection Account shall, at the direction of the Issuer, at all times be invested in Permitted Investments; provided, however, that all Permitted Investments (i) shall be purchased at a price not exceeding the stated principal amount thereof, (ii) shall pay the stated principal amount thereof at the stated maturity of such investment and (iii) shall mature one Business Day prior to the next Payment Date, in order to ensure that funds on deposit therein will be available on such Payment Date. The Trustee shall maintain or cause to be maintained possession of the negotiable instruments or securities evidencing the Permitted Investments from the time of purchase thereof until the time of sale or maturity. Subject to the restrictions set forth in the first sentence of this paragraph, the Issuer shall instruct the Trustee in writing regarding the investment of funds on deposit in the Collection Account. All investment earnings on such funds shall be deemed to be available to the Trustee for the uses specified in this Indenture. The Trustee shall be fully protected in following the investment instructions of the Issuer, and shall have no obligation for keeping the funds fully invested at all times or for making any investments other than in accordance with such written investment instructions. If no investment instructions are received from the Issuer, the Trustee is authorized to invest the funds in Permitted Investments described in clause (v) of the definition thereof. In no event shall the Trustee be liable for any investment losses incurred in connection with the investment of funds on deposit in the Collection Account by the Trustee pursuant to this Indenture.

(d) Irrevocable Deposit. Any deposit made into the Collection Account hereunder shall, except as otherwise provided herein, be irrevocable and the amount of such deposit and any money, instrument, investment property or other property on deposit in or credited to such Account hereunder and all interest thereon shall be held in trust by the Trustee and applied solely as provided herein.

(e) Source. All amounts delivered to the Trustee shall be accompanied by information in reasonable detail and in writing specifying the source and nature of the amounts.

(f) Prepayment. On any date on which Series 2008-A Notes are prepaid as provided in Section 2.19 and Pledged Loans are released as provided in Section 5.4, the Trustee shall, if so directed by the Issuer and the Deal Agent, accept funds for deposit into the Collection Account and deposit such funds into the Collection Account. Any such amount deposited into the Collection Account on a prepayment date shall be used first to make the payments due in connection with such prepayment and release in accordance with the terms hereof on that date and any remaining amounts so deposited, shall be paid by the Trustee as the Trustee is instructed in writing by the Deal Agent and the Issuer.

Section 4.5 Control Account . The Issuer has established or has caused to be established and shall maintain or cause to be maintained a system of operations, accounts and instructions with respect to the Obligors and a Control Account at the Control Account Bank as described herein. Pursuant to the Control Agreement to which it is party, the Control Account Bank shall be irrevocably instructed to initiate an electronic transfer of all funds on deposit in the Control Account derived from Pledged Loans to the Collection Account on the Business Day on which such funds become available. Prior to the occurrence of an Event of Default the Trustee shall be authorized to allow the Servicer to effect or direct deposits into the Control Account. The Trustee is hereby irrevocably authorized and empowered, as the Issuer's attorney-in-fact, to endorse any item deposited in the Control Account, or presented for deposit in the Control Account or a Collection Account, requiring the endorsement of the Issuer, which authorization is coupled with an interest and is irrevocable.

All funds in the Control Account shall be transferred daily by or upon the order of the Trustee by electronic funds transfer or

intra-bank transfer to the Collection Account.

Section 4.6 Reserve Account .

(a) Creation and Funding of the Reserve Account. The Trustee shall establish and maintain in the name of the Trustee, an Eligible Account (the "Reserve Account") designated as the "Sierra Timeshare Conduit Receivables Funding II, LLC Series 2008-A Reserve Account" bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders pursuant to this Indenture. The Reserve Account shall be under the sole dominion and control of the Trustee; however, if so directed by the Issuer, the Reserve Account may be an account in the name of the Trustee opened at another financial institution. If, at any time, the Reserve Account ceases to be an Eligible Account, the Trustee (or the Servicer on its behalf) shall within ten (10) Business Days (or such longer period, not to exceed thirty (30) calendar days, as to which the Deal Agent may consent) establish a new Reserve Account as an Eligible Account and shall transfer any property held in the prior Reserve Account to such new Reserve Account. So long as the Trustee is an Eligible Institution, the Reserve Account may be maintained with it as an Eligible Account.

On the Initial Advance Date and each Addition Date the Issuer shall deposit or shall cause to be deposited into the Reserve Account an amount such that the amount on deposit therein equals the Reserve Required Amount on such date (after giving effect to the addition of the applicable Additional Pledged Loans on such date) and thereafter on each Payment Date if the amount on deposit in the Reserve Account (after giving effect to any deposit of the applicable portion of the proceeds of any Increase on such Payment Date) is less than the Reserve Required Amount, a deposit shall be made to the Reserve Account to the extent of funds available as provided in provision SEVENTH of Section 4.1.

(b) Transfer to Collection Account. On or prior to each Payment Date, prior to the allocation of funds pursuant to Section 4.1 on such Payment Date, the Servicer shall direct the Trustee to withdraw from the Reserve Account and deposit into the Collection Account to be included as Available Funds the sum of (i) such amount, if any, as shall be equal to the lesser of (A) the amount of cash or other immediately available funds on deposit in the Reserve Account on such Payment Date and (B) the amount, if any, by which (1) the amounts required to be applied pursuant to Section 4.1 provisions FIRST through SIXTH on such Payment Date exceed (2) the Available Funds for that Payment Date (calculated without regard to any amounts to be transferred from the Reserve Account) (such excess amount, the "Available Funds Shortfall") and (ii) the excess, if any, of (A) the amount of cash or other immediately available funds on deposit in the Reserve Account on such Payment Date over (B) the sum of (1) the Reserve Required Amount as of such Payment Date and (2) the Available Funds Shortfall as of such Payment Date. The Trustee shall withdraw such funds from the Reserve Account and deposit them in the Collection Account as directed by the Servicer.

(c) Application on Liquidity Termination Event. Notwithstanding anything contained in the foregoing subsections to the contrary, on the Payment Date immediately following each Liquidity Termination Date on which Exchange Notes are being issued by the Issuer pursuant to Section 2.22, the Trustee, acting at the direction of the Servicer, shall withdraw from the Reserve Account an amount equal to the excess of (i) the amount of cash or other immediately available funds on deposit in the Reserve Account on such Payment Date (after giving effect to any withdrawals pursuant to Section 4.6(b)) over (ii) the Reserve Required Amount as of such Payment Date (after giving effect to the release of any Pledged Loans on such date pursuant to Section 5.5) and pay such amount, free and clear of the Lien of this Indenture, to the trustee under the related Exchange Notes Indenture, for deposit into the reserve account for such Exchange Notes.

(d) [reserved]

(e) Withdrawals from the Reserve Account. The Trustee shall have the sole and exclusive right to withdraw or order a transfer of funds from the Reserve Account, in all events in accordance with the terms and provisions of this Section 4.6; provided, that the Trustee shall be authorized to transfer funds from the Reserve Account to the Collection Account at the direction of the Servicer as provided in subsection (b) and (c) above.

(f) Termination of Reserve Account. Any funds remaining in the Reserve Account after all Series 2008-A Notes (including both principal and interest thereon) have been paid in full and in cash and all other obligations of the Issuer under the Facility Documents have been paid in full and in cash shall be remitted by the Trustee to the Issuer free and clear of the lien of this Indenture.

(g) Administration of the Reserve Account. Funds in the Reserve Account shall be invested in Permitted Investments as directed by the Issuer; provided, however, that all Permitted Investments (i) shall be purchased at a price not exceeding the stated principal amount thereof, (ii) shall pay the stated principal amount thereof at the stated maturity of such investment and (iii) shall mature one Business Day prior to the next Payment Date. All such Permitted Investments shall be held by the Trustee. Subject to the restrictions set forth in the first sentence of this subsection (g), the Issuer shall instruct the Trustee in writing regarding the investment of funds on deposit in the Reserve Account. For purposes of determining the availability of

balances in Reserve Account for withdrawal pursuant to this Section 4.6, all investment earnings on such funds shall be deemed to be available under this Indenture for the uses specified in such section. The Trustee shall be fully protected in following the investment instructions of the Issuer, and shall have no obligation for keeping the funds fully invested at all times or for making any investments other than in accordance with such written investment instructions. If no investment instructions are received from the Issuer, the Trustee is authorized to invest the funds in Permitted Investments described in clause (v) of the definition thereof. In no event shall the Trustee be liable for any investment losses incurred in connection with the investment of funds on deposit in the Reserve Account by the Trustee pursuant to this Indenture.

(h) Deposit Irrevocable. Any deposit made into the Reserve Account hereunder shall, except as otherwise provided herein, be irrevocable and the amount of such deposit and any money, instruments, investment property, or other property credited to carried in, or deposited in the Reserve Account hereunder and all interest thereon shall be held in trust by the Trustee and applied solely as provided herein.

Section 4.7 Hedge Agreement. The Issuer shall at all times, so long as any Series 2008-A Notes remain unpaid, provide an interest rate cap with the terms described in this Section 4.7. When all Series 2008-A Notes have been paid in full, the Issuer shall terminate the Hedge Agreement. The Hedge Agreement shall meet the following requirements:

(a) the Hedge Agreement shall provide an interest rate cap for a notional amount at least equal to the Notes Principal Amount as of the Initial Advance Date and such notional amount shall amortize on a monthly basis for a term equal to the actual amortization schedule of payments on the Pledged Loans assuming a schedule of payments and prepayments mutually determined by the Servicer, the Issuer and the Deal Agent at such time (which schedule shall be based upon the historical amortization experience of Loans owned or serviced by the Servicer and/or its Affiliates, and a copy of which shall be provided to the Funding Agents and Non-Conduit Committed Purchasers);

(b) the Issuer shall, as of each Payment Date and Note Increase Date, cause the notional amount of the Hedge Agreement to be adjusted to reflect any increase or decrease in the Notes Principal Amount as of such Payment Date or Note Increase Date so that the adjusted notional amount of the Hedge Agreement shall on such Payment Date and Note Increase Date (after giving effect to the Increase on such date) be an amount at least equal to the Notes Principal Amount; the Issuer shall also, on the date of any addition or release of Pledged Loans adjust the Hedge Agreement to reflect the Required Cap Rate, adjustments to the termination date of the Hedge Agreement in accordance with subsection (c) of this Section 4.7 and adjustments to the amortization schedule under the Hedge Agreement in accordance with subsection (a) of this Section 4.7 following such addition or release of Pledged Loans; any additional Premium due for the adjustments to the Hedge Agreement (i) on any Note Increase Date shall be paid by the Issuer from the proceeds of the related Increase, (ii) on any Release Date shall be paid by the Issuer and (iii) on a Payment Date that is not also a Note Increase Date shall be paid as a Hedge Payment under Provision THIRD of Section 4.1;

(c) the Hedge Agreement shall have a termination date equal to the final maturity date of the latest maturing Pledged Loan; and

(d) the Hedge Agreement shall provide for a payment by the Hedge Provider to the Trustee for deposit into the Collection Account on each Payment Date if for the related Accrual Period the LIBOR Rate was greater than the Required Cap Rate.

References in this Section 4.7 or otherwise in this Indenture to a notional amount equal to the Notes Principal Amount shall allow for rounding to the nearest $1,000.

Section 4.8 Replacement of Hedge Provider. The Issuer agrees that if any Hedge Provider ceases to be a Qualified Hedge Provider, the Issuer shall have thirty (30) days (x) to cause such Hedge Provider to assign its obligations under the related Hedge Agreement to a new Qualified Hedge Provider (or such Hedge Provider shall have thirty (30) days to again become a Qualified Hedge Provider) or (y) to obtain a substitute Hedge Agreement in form and substance reasonably satisfactory to the Deal Agent together with the related Qualified Hedge Provider's acknowledgment of the Grant by the Issuer to the Trustee of such Hedge Agreement.

Article V
ADDITION, RELEASE AND SUBSTITUTION OF LOANS

Section 5.1 Addition of the Collateral.

(a) Transfer of Loans. Subject to the limitations and conditions specified in this Section 5.1, the Issuer may from time to time, identify additional Eligible Loans and related Pledged Assets to be granted to the Trustee and transferred to the Collateral Agent for the benefit of the Trustee on behalf of the Noteholders and such Loans and related assets shall be included as Collateral hereunder as provided herein.

(b) The transfer of Pledged Loans and the related Pledged Assets shall be subject to the satisfaction of the following conditions:

(i) at least two (2) Business Days preceding the Initial Advance Date or the proposed Addition Date, the Issuer shall have delivered to the Deal Agent a schedule of such Pledged Loans to be granted to the Trustee and transferred on the Initial Advance Date or such Addition Date and each of such Pledged Loans shall be a Loan sold by a Seller to the Depositor under a Seller Purchase Agreement or a Loan sold by an Approved Seller to the Depositor under an Approved Sale Agreement;

(ii) the Issuer, the Servicer, the Trustee and the Collateral Agent shall execute a Supplemental Grant in substantially the form of Exhibit A and the Servicer shall have delivered a signed copy of such Supplemental Grant to the Collateral Agent and the Trustee;

(iii) the Termination Date shall not have occurred and no Amortization Event, Servicer Default, Event of Default, Potential Amortization Event, Potential Servicer Default or Potential Event of Default shall have occurred and be continuing or would occur as a result of the addition of such Pledged Loans;

(iv) with the exception of Documents in Transit Loans, on or prior to the Initial Advance Date or the Addition Date the Custodian shall have possession of each original Pledged Loan and the related Loan File and shall have acknowledged to the Trustee such receipt and its undertaking to hold each such original Pledged Loan and the related Loan File for purposes of perfection of the Collateral Agent's interests in such original Pledged Loans and the related Loan File; provided that the fact that any document not required to be in its respective Loan File pursuant to the applicable Seller Purchase Agreement is not in the possession of the Custodian in its respective Loan File shall not constitute a failure to satisfy this condition;

(v) the Issuer shall have taken any actions necessary or advisable to maintain the Collateral Agent's perfected security interest in the Collateral (including in such Pledged Loans) for the benefit of the Trustee for the benefit of the Noteholders;

(vi) each such Pledged Loan shall be an Eligible Loan;

(vii) if any of such Pledged Loans are New Seller Loans, the conditions set forth in Section 3.5 shall have been satisfied with respect to such New Seller and if any of such Pledged Loans are Loans acquired by the Depositor under an Approved Sale Agreement the conditions set forth in Section 3.6 shall have been satisfied with respect to such Pledged Loans;

(viii) if any of such Pledged Loans are New Seller Loans and after the addition of such Loans, the Principal Balance of the Pledged Loans which are New Seller Loans sold by one New Seller to the Depositor would exceed 10% of the Adjusted Loan Balance, then the addition of such New Seller Loans shall be subject to the prior written consent of the Deal Agent;

(ix) if any of such Pledged Loans are New Seller Loans and after the addition of such Loans, the Principal Balance of all the Pledged Loans which are New Seller Loans will be greater than 15% of the Adjusted Loan Balance, then the addition of such New Seller Loans shall be subject to the prior written consent of each Funding Agent and each Non-Conduit Committed Purchaser;

(x) if any of such Pledged Loans are Acquired Portfolio Loans and after the addition of such Loans the Principal Balance of all Pledged Loans which are Acquired Portfolio Loans acquired as part of one portfolio will be more than 10% of the Adjusted Loan Balance, then the addition of such Loans shall be subject to the prior written consent of the Majority Facility Investors; and

(xi) if any of such Pledged Loans are Green Loans, no Rating Downgrade Condition shall exist as of the Addition Date with respect to such Loans.

(c) If on the last Business Day of any Due Period, WRDC has not met the target for qualification of WorldMark Resorts with the California Department of Real Estate ("DRE") as set forth in this Section 5.1(c), then until the target for qualification is satisfied, the California Excess Amount shall be included in the Excess Concentration Amount. References to the target for qualification of WorldMark Resorts with the DRE mean that, as of a specified time, WRDC shall have qualified with the DRE under Section 11018.10 of the California Business and Professions Code (the "Timeshare Law") WorldMark Resorts

supporting not less than 90% of the total Vacation Credits that, as of such date, have been sold in all jurisdictions including California.

Section 5.2 Release of Defective Loans .

(a) Obligation With Respect to Defective Loans. If a Seller is required to repurchase a Defective Loan under the terms of the Seller Purchase Agreement to which it is a party or if an Approved Seller is required to repurchase a Defective Loan under the terms of the Approved Sale Agreement to which it is a party, the Issuer shall, on the same date as such Seller or Approved Seller is required to repurchase the Defective Loan, be required either (i) to deposit the Release Price of such Defective Loan into the Collection Account and obtain the release of the Defective Loan from the Lien of this Indenture or (ii) substitute one or more Qualified Substitute Loans for such Pledged Loan as provided in Section 5.2(c) and obtain the release of the Defective Loan.

(b) Payments. The Issuer shall provide written notice to the Trustee and the Collateral Agent of any release pursuant to Section 5.2(a) not less than two Business Days prior to the date on which such release is to be effected, specifying (i) the Defective Loan and (ii) either (x) if such Defective Loan is to be repurchased by the Depositor, the Release Price therefor or (y) if such Defective Loan will be replaced with one or more Qualified Substitute Loans, the Substitution Adjustment Amount, if any, with respect thereto. Upon the release of a Defective Loan pursuant to Section 5.2(a) the Issuer shall deposit or cause to be deposited the Release Price or Substitution Adjustment Amount, if any, in the Collection Account no later than 12:00 noon, New York City time, on the date on which such release is made (the "Release Date").

(c) Substitution. If the Issuer elects to substitute a Qualified Substitute Loan or Qualified Substitute Loans for a Defective Loan pursuant to this Section 5.2(c), the Issuer shall Grant to the Trustee and transfer to the Collateral Agent such Qualified Substitute Loan in the same manner as other Additional Pledged Loans in accordance with Section 5.1 and shall include such Qualified Substitute Loans in the Additional Pledged Loans described in a Supplemental Grant. The Qualified Substitute Loan or Qualified Substitute Loans will not be selected in a manner adverse to the Noteholders, and the aggregate Loan Balance of the Qualified Substitute Loans will not be less than the Loan Balance of the Defective Loans for which the substitution occurs. In connection with the substitution for one or more Qualified Substitute Loans for one or more Defective Loans, the Issuer shall deposit an amount, if any, equal to the related Substitution Adjustment Amount in the Collection Account on the date of substitution without any reimbursement therefor. The Issuer shall cause the Servicer to amend the Series 2008-A Loan Schedule to reflect the removal of such Defective Loan and the substitution of the Qualified Substitute Loan or Qualified Substitute Loans and the Issuer shall cause the Servicer to deliver the amended Series 2008-A Loan Schedule to the Issuer, the Trustee and Collateral Agent.

(d) Upon each release of a Pledged Loan under this Section 5.2, the Collateral Agent and the Trustee shall automatically and without further action release, sell, transfer, assign, set over and otherwise convey to the Issuer, without recourse, representation or warranty, all of the Collateral Agent's and the Trustee's right, title and interest in and to such Defective Loan and the Pledged Assets related thereto, all monies due or to become due with respect thereto and all Collections with respect thereto (including payments received from Obligors from and including the last day of the Due Period immediately preceding the date of release) free and clear of the lien of this Indenture. The Collateral Agent and the Trustee shall execute such documents, releases and instruments of transfer or assignment and take such other actions as directed by the Issuer or the Depositor to effect the release of such Defective Loan and the related Pledged Assets pursuant to this Section 5.2. Promptly after the occurrence of a Release Date and after the payment for and release of or substitution for Defective Loans, the Issuer shall direct the Servicer to delete such Defective Loans from the Series 2008-A Loan Schedule.

(e) The obligation of the Issuer to deposit the Release Price or Substitution Adjustment Amount or provide a Qualified Substitute Loan for any Defective Loan shall constitute the sole remedy against the Issuer with respect to any breach of the representations and warranties set forth in 3.1(t) of this Indenture or the representations of the Seller assigned to the Trustee pursuant to Section 3.4.

Section 5.3 Release of Defaulted Loans . If any Pledged Loan becomes a Defaulted Loan during any Due Period, the Issuer may obtain a release of such Pledged Loan from the lien of this Indenture on any date thereafter. To obtain such release the Issuer shall be required to pay the Release Price of such Defaulted Loan to the Trustee for deposit into the Collection Account. The Issuer shall provide written notice to the Trustee and the Collateral Agent of any release pursuant to this Section 5.3 not less than two Business Days prior to the date on which such release is to be effected, specifying the Defaulted Loan and the Release Price therefor. The Issuer shall pay the Release Price to the Trustee for deposit into the Collection Account not later than 12:00 noon, New York City time, on the Business Day prior to the date on which such release is made.

Upon each release of a Pledged Loan under this Section 5.3, the Collateral Agent and the Trustee shall automatically and without further action release, sell, transfer, assign, set over and otherwise convey to the Issuer, without recourse, representation or warranty, all of the Collateral Agent's and Trustee's right, title and interest in and to such Defaulted Loan and the Pledged Assets related thereto, all monies due or to become due with respect thereto and all Collections with respect thereto free and clear of the

Lien of this Indenture. The Collateral Agent and the Trustee shall execute such documents, releases and instruments of transfer or assignment and take such other actions as directed by the Issuer to effect the release of such Defaulted Loans and the related Pledged Assets pursuant to this Section 5.3. Promptly after the occurrence of a Release Date and after the payment for and release of a Defaulted Loan, in respect to which the Release Price has been paid the Issuer shall direct the Servicer to delete such Defaulted Loans from the Series 2008-A Loan Schedule.

Section 5.4 Release Upon Optional Prepayments . If the Issuer exercises its right to prepay the Series 2008-A Notes in whole or in part as provided in Section 2.19 of this Indenture, the Issuer and the Deal Agent shall notify the Trustee and the Collateral Agent in writing of the prepayment date and the principal amount of the Series 2008-A Notes to be prepaid on the prepayment date and the amount of interest and other amounts due and payable on such date in accordance with this Indenture and the Note Purchase Agreement. On the prepayment date, upon receipt by the Trustee of all amounts to be paid to the Noteholders in accordance with this Indenture and the Note Purchase Agreement as a result of such prepayment and the satisfaction of the conditions set forth in the following paragraphs, then, the Collateral Agent and the Trustee shall release from the Lien of this Indenture those Pledged Loans and the related Pledged Assets, all monies due or to become due with respect thereto and all Collections with respect thereto from and including the last day of the Due Period immediately preceding such date of release which the Collateral Agent and Trustee are directed to release as described in the following paragraph.

The Issuer shall provide to the Collateral Agent and the Trustee a list of the Pledged Loans which are to be released, shall direct the Collateral Agent to release such Loans, and shall direct the Servicer to delete such Loans from the Series 2008-A Loan Schedule.

In addition to receipt by the Trustee of the principal amount of the Series 2008-A Notes to be prepaid, the interest thereon and other amounts due and payable in connection with such prepayment and the list of the Pledged Loans to be released, the following conditions shall be met before the Lien is released under this Section 5.4:

(i) After giving effect to such release, no Borrowing Base Shortfall shall exist and no Amortization Event or Event of Default shall have occurred; and

(ii) Each of the Issuer and the Servicer shall have delivered to the Deal Agent a certificate to the effect that the Pledged Loans to be released from the Lien of this Indenture were not selected in a manner involving any selection procedures materially adverse to the Noteholders and that the release of such Loans would not reasonably be expected to cause a Potential Amortization Event or an Amortization Event.

Section 5.5 Release Upon Issuance of Exchange Notes . (a) If the Issuer is required to issue any Exchange Notes on the Payment Date immediately succeeding a Liquidity Termination Date, the Issuer shall notify the Trustee and the Collateral Agent in writing of the aggregate principal amount of the Series 2008-A Notes held by Extending Noteholders to be canceled on such Payment Date. On such Payment Date, upon cancellation of the Series 2008-A Notes held by the Extending Noteholders, then the Collateral Agent and the Trustee shall release from the Lien of this Indenture Pledged Loans with aggregate Loan Balances at least equal to the Extending Noteholders' Percentage of the Aggregate Loan Balance on such Payment Date, and the related Pledged Assets, as the Collateral Agent and the Trustee are directed to release as set forth in Section 5.5(b).

(a) An independent auditor mutually agreeable to the Issuer and the Deal Agent shall select the Loans to be released from the Lien of this Indenture pursuant to this Section 5.5 on a random basis and no selection procedures adverse to the Noteholders or to the holders of the Exchange Notes shall be employed in such selection. The Loans selected to be released from the Lien of this Indenture pursuant to this Section 5.5(b) shall be such that the collateral for the Exchange Notes and the Collateral shall each conform to the criteria set forth in Exhibit H as of the date of the issuance of such Exchange Notes. Such independent auditor shall provide to the Collateral Agent, the Trustee and the Servicer a list of the Pledged Loans which are selected to be released, shall direct the Collateral Agent to release such Loans, and shall direct the Servicer to delete such Loans from the Series 2008-A Loan Schedule.

(b) The Lien on any Pledged Loans shall not be released under this Section 5.5 unless (i) after giving effect to such release, the Borrowing Base shall be at least equal to the Notes Principal Amount, (ii) the amount in the Reserve Account shall be at least equal to the Reserve Required Amount, (iii) no Potential Event of Default, Amortization Event or Event of Default shall exist or would occur as a result of such release, and (iv) each of the Issuer and the Servicer shall have delivered to the Deal Agent a certificate to the effect that the Pledged Loans to be released from the Lien of this Indenture pursuant to this Section 5.5 were not selected in a manner involving any selection procedures adverse to the Noteholders and that the release of such Loans would not reasonably be expected to cause a Potential Amortization Event or an Amortization Event.

(c) Upon each release of a Pledged Loan under this Section 5.5, the Collateral Agent and the Trustee shall automatically and without further action release, sell, transfer, assign, set over and otherwise convey to the Issuer, without recourse,

representation or warranty, all of the Collateral Agent's and Trustee's right, title and interest in and to such Pledged Loan and the Pledged Assets related thereto, all monies due or to become due with respect thereto and all Collections with respect thereto from and including the last day of the Due Period immediately preceding such date of release free and clear of the Lien of this Indenture. The Collateral Agent and the Trustee shall execute such documents, releases and instruments of transfer or assignment and take such other actions as directed by the Issuer to effect the release of such Pledged Loans and the related Pledged Assets pursuant to this Section 5.5.

Section 5.6 Release Upon Payment in Full. At such time as the Series 2008-A Notes have been paid in full, all amounts owing under the Note Purchase Agreement shall have been paid in full, all fees and expenses of the Trustee and the Collateral Agent with respect to Series 2008-A Notes have been paid in full and all obligations relating to the Facility Documents have been paid in full, then, the Collateral Agent shall, upon the written request of the Issuer, release all Liens and assign to the Issuer (without recourse, representation or warranty) all right, title and interest of the Collateral Agent in and to the Collateral, and all proceeds thereof. The Collateral Agent and the Trustee shall execute and deliver such instruments of assignment, in each case without recourse, representation or warranty, as directed by the Issuer to release the security interest of the Collateral Agent in the Collateral.

Section 5.7 Release of Green Loans Upon Rating Downgrade. (a) On any Payment Date as of which a Rating Downgrade Condition existed on the last day of the related Due Period, the Issuer shall have the right, so long as no Potential Amortization Event, Potential Event of Default, Amortization Event or Event of Default has occurred and is continuing, to obtain a release of the Lien of this Indenture on Green Loans with an aggregate Loan Balance on such date equal to the excess of (x) the product of (i) the sum of the amounts distributed to Noteholders pursuant to clause NINTH of Section 4.1 on such Payment Date and each prior Payment Date and (ii) one divided by (a) if such Payment Date is prior to the Advance Decrease Date, the AA Advance Rate for such date or (b) if such Payment Date is on or after the Advance Decrease Date, the AAA Advance Rate, over (y) the aggregate Loan Balance of all Green Loans released pursuant to this Section 5.7 since the occurrence of such Rating Downgrade Condition (calculated as of the date such Green Loans were released pursuant to this Section 5.7). The Issuer shall provide written notice to the Trustee and the Collateral Agent of any release pursuant to this Section 5.7 not less than two Business Days prior to the Payment Date on which such release is to be effected, specifying the Green Loans to be released.

(a) Upon each release of a Green Loan under this Section 5.7, the Collateral Agent and the Trustee shall automatically and without further action release, sell, transfer, assign, set over and otherwise convey to the Issuer, without recourse, representation or warranty, all of the Collateral Agent's and Trustee's right, title and interest in and to such Green Loan and the Pledged Assets related thereto, all monies due or to become due with respect thereto and all Collections with respect thereto from and including the last day of the Due Period immediately preceding such date free and clear of the Lien of this Indenture. The Collateral Agent and the Trustee shall execute such documents, releases and instruments of transfer or assignment and take such other actions as shall reasonably be requested by the Issuer to effect the release of such Green Loans and the related Pledged Assets pursuant to this Section 5.7. Promptly after the release of a Green Loan, the Issuer shall direct the Servicer to delete such Green Loan from the Series 2008-A Loan Schedule.

Article VI
ADDITIONAL COVENANTS OF ISSUER

Section 6.1 Affirmative Covenants.

(a) Compliance with Laws, Etc. The Issuer shall comply in all material respects with all applicable laws, rules, regulations and orders with respect to it, its business and properties, all Pledged Loans and all Facility Documents to which it is a party (including without limitation the laws, rules and regulations of each state governing the sale of timeshare contracts).

(b) Preservation of Existence. The Issuer shall preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its organization, and qualify and remain qualified in good standing as a foreign entity, and maintain all necessary licenses and approvals, in each jurisdiction in which it does business, except where the failure to preserve and maintain such existence, rights, franchises, privileges, qualifications, licenses and approvals would not have a Material Adverse Effect.

(c) Adequate Capitalization. The Issuer shall ensure that at all times it is adequately capitalized to engage in the transactions contemplated by this Indenture.

(d) Keeping of Records and Books of Account. The Issuer shall cause the Servicer to maintain and implement administrative and operating procedures (including without limitation an ability to recreate records evidencing the Pledged Loans in the event of the destruction or loss of the originals thereof) and keep and maintain, all documents, books, records and other information reasonably necessary or advisable for the collection of all Pledged Loans (including without limitation records adequate to permit the daily identification of all Collections with respect to, and adjustments of amounts payable under, each Pledged Loan).

(e) Performance and Compliance with Receivables and Loans. The Issuer shall at its expense, timely and fully perform and comply in all material respects with all material provisions, covenants and other promises required to be observed by it under the Pledged Loans and Pledged Assets.

(f) Credit Standards and Collection Policies. The Issuer shall comply in all material respects with the Credit Standards and Collection Policies and Customary Practices in regard to each Pledged Loan and the related Pledged Assets.

(g) Collections. (1) The Issuer shall instruct or cause all Obligors to be instructed to either:

(A) send all Scheduled Payments directly to Post Office Boxes for credit to the Control Account or directly to the Control Account,

(B) make Scheduled Payments by way of pre-authorized debits from a deposit account of such Obligor pursuant to a PAC or from a credit card of such Obligor pursuant to a Credit Card Account from which Scheduled Payments shall be electronically transferred to the Control Account or to another account for processing and transfer into the Collection Account, or

(C) make payment by electronic transfer of funds through Western Union to the Control Account or to another account for processing and transfer into the Collection Account.

(2) In the case of funds transfers pursuant to a PAC or Credit Card Account, or through Western Union, take, or cause each of the Servicer, the Control Account Bank and/or the Trustee to take, all necessary and appropriate action to ensure that each such pre-authorized debit or credit card payment or transfer is credited directly to the Control Account or another account for transfer to the Collection Account.

(3) The Issuer shall hold any Collections or other proceeds of the Collateral received directly by it in trust for the benefit of the Trustee and the Noteholders and deposit such Collections into the Control Account or the Collection Account within two Business Days following the Issuer's receipt thereof.

(4) Compliance with the foregoing provisions of this clause (g) shall not be required with respect to Collections on Shell Loans so long as and to the extent (i) the Obligors on such Shell Loans are directed to make payments into a separate bank account held in the name of the Issuer for the purpose of receiving Collections on Shell Loans for transfer to the Collection Account or Collections on the Shell Loans are otherwise directed to be deposited into such Issuer account, (ii) Collections deposited into such Issuer account are transferred to the Collection Account within two Business Days following the deposit into such Issuer account and (iii) no deposits other than Collections in respect of the Pledged Loans will be made into such Issuer account (provided that this provision (iii) shall not be violated if funds not constituting Collections in respect of Pledged Loans are inadvertently deposited into the account and are promptly segregated and removed from the account). The Issuer's representation in Section 3.1(w) with respect to the perfection of the security interest in the Collateral, shall not apply to amounts in such Issuer account until such amounts are transferred to the Collection Account.

(h) Compliance with ERISA. The Issuer shall comply in all material respects with the provisions of ERISA, the Code, and all other applicable laws and the regulations and interpretations thereunder.

(i) Perfected Security Interest. The Issuer shall take such action with respect to each Pledged Loan as is necessary to ensure that the Collateral Agent maintains on behalf of the Trustee, a first priority perfected security interest in such Pledged Loan and the Pledged Assets relating thereto, in each case free and clear of any Liens (other than the Lien created by this Indenture and in the case of any Timeshare Properties, any Permitted Encumbrance).

(j) No Release. The Issuer shall not take any action and shall use its best efforts not to permit any action to be taken by others that would release any Person from any of such Person's material covenants or material obligations under any document, instrument or agreement included in the Collateral, or which would result in the amendment, hypothecation, subordination, termination or discharge of, or impair the validity or effectiveness of, any such document, instrument or agreement except as expressly provided in this Indenture or such other instrument or document.

(k) Insurance and Condemnation.

(i) The Issuer shall do or cause to be done all things that it may accomplish with a reasonable amount of cost or effort to cause each of the POAs for each Resort to (A) maintain one or more policies of "all-risk" property

and general liability insurance with financially sound and reputable insurers, providing coverage in scope and amount which (x) satisfies the requirements of the declarations (or any similar charter document) governing the POA for the maintenance of such insurance policies and (y) is at least consistent with the scope and amount of such insurance coverage obtained by prudent POAs and/or management of other similar developments in the same jurisdiction; and (B) apply the proceeds of any such insurance policies in the manner specified in the relevant declarations (or any similar charter document) governing the POA and/or any similar charter documents of such POA. For the avoidance of doubt, the parties hereto acknowledge that the ultimate discretion and control relating to the maintenance of any such insurance policies is vested in the POAs in accordance with the respective declaration (or any similar charter document) relating to each Timeshare Property Regime.

(ii) The Issuer shall remit to the appropriate Collection Account the portion of any proceeds received pursuant to a condemnation of property in any Resort to the extent that such proceeds relate to any of the Timeshare Properties.

(l) Custodian.

(i) On or before each Addition Date and thereafter promptly upon the generation of any documents, instruments and agreements evidencing or otherwise relating to the Pledged Loans or related Pledged Assets received by any of the Issuer or the Servicer, the Issuer shall deliver or cause to be delivered directly to the Custodian for the benefit of the Collateral Agent pursuant to the Custodial Agreement the Loan File for each Pledged Loan. Such Loan File may be provided in microfiche or other electronic form to the extent permitted under the Custodial Agreement. The Issuer shall cause the Custodian to hold, maintain and keep custody of all the Loan File for the benefit of the Collateral Agent in a secure fire retardant location at an office of the Custodian, which location shall be reasonably acceptable to the Collateral Agent and the Trustee.

(ii) The Issuer shall cause the Custodian at all times to maintain control of the Loan File for the benefit of the Collateral Agent on behalf of the Trustee and the Noteholders, in each case pursuant to the Custodial Agreement. Each of the Issuer and the Servicer may access the Loan File at the Custodian's storage facility only for the purposes and upon the terms and conditions set forth herein and in the Custodial Agreement. Each of the Issuer and the Servicer may only remove documents from the Loan File for collection services and other routine servicing requirements from such facility in accordance with the terms of the Custodial Agreement, all as set forth and pursuant to the "Bailment Agreement" (as defined in and attached as an exhibit to the Custodial Agreement).

(iii) The Issuer shall at all times comply in all material respects with the terms of its obligations under the Custodial Agreement and shall not enter into any modification, amendment or supplement of or to, and shall not terminate the Custodial Agreement, without the Collateral Agent's and Trustee's prior written consent.

(m) Separate Identity. The Issuer shall take all actions required to maintain the Issuer's status as a separate legal entity. Without limiting the foregoing, the Issuer shall:

(i) Maintain in full effect its existence, rights and franchises as a limited liability company under the laws of the state of its formation and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Indenture and the other Facility Documents to which the Issuer is a party and each other instrument or agreement necessary or appropriate to proper administration hereof and permit and effectuate the transactions contemplated hereby.

(ii) Except as provided herein, maintain its own deposit, securities and other account or accounts with financial institutions, separate from those of any Affiliate of the Issuer. The funds of the Issuer will not be diverted to any other Person or for other than the use of the Issuer, and, except as may be expressly permitted by this Indenture or any other Facility Document to which the Issuer is a party, the funds of the Issuer shall not be commingled with those of any other Person.

(iii) Ensure that, to the extent that it shares the same officers or other employees as any of its members, managers or other Affiliates, the salaries of and the expenses related to providing benefits to such officers and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with all such common officers and employees.

(iv) Ensure that, to the extent that it jointly contracts with any of its stockholders, members or managers or other Affiliates to do business with vendors or service providers or to share overhead expenses, the costs incurred in so doing shall be allocated fairly among such entities, and each such entity shall bear its fair share of such costs. To

the extent that the Issuer contracts or does business with vendors or service providers where the goods and services provided are partially for the benefit of any other Person, the costs incurred in so doing shall be fairly allocated to or among such entities for whose benefit the goods and services are provided, and each such entity shall bear its fair share of such costs.

(v) Ensure that all material transactions between the Issuer and any of its Affiliates shall be only on an arm's-length basis and shall not be on terms more favorable to either party than the terms that would be found in a similar transaction involving unrelated third parties. All such transactions shall receive the approval of the Issuer's board of directors including the Independent Directors.

(vi) Maintain a principal executive and administrative office through which its business is conducted and a telephone number separate from those of its members, managers and other Affiliates. To the extent that the Issuer and any of its members, managers or other Affiliates have offices in contiguous space, there shall be fair and appropriate allocation of overhead costs (including rent) among them, and each such entity shall bear its fair share of such expenses.

(vii) Conduct its affairs strictly in accordance with its certificate of formation and limited liability company agreement and observe all necessary, appropriate and customary formalities, including, but not limited to, holding all regular and special meetings of the board of directors appropriate to authorize all actions of the Issuer, keeping separate and accurate minutes of such meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, intercompany transaction accounts. Regular meetings of the board of directors shall be held at least annually.

(viii) Ensure that its board of directors shall at all times include at least two Independent Directors (for purposes hereof, "Independent Directors" shall mean any member of the board of directors of the Issuer that is not and has not at any time been (x) an officer, agent, advisor, consultant, attorney, accountant, employee or shareholder of any Affiliate of the Issuer which is not a special purpose entity, (y) a director of any Affiliate of the Issuer other than an independent director of any Affiliate which is a special purpose entity or (z) a member of the immediate family of any of the foregoing).

(ix) Ensure that decisions with respect to its business and daily operations shall be independently made by the Issuer (although the officer making any particular decision may also be an officer or director of an Affiliate of the Issuer) and shall not be dictated by an Affiliate of the Issuer.

(x) Act solely in its own company name and through its own authorized members, managers, officers and agents, and no Affiliate of the Issuer shall be appointed to act as agent of the Issuer. The Issuer shall at all times use its own stationery and business forms and, except as is consistent with its tax treatment, describe itself as a separate legal entity.

(xi) Except as contemplated by the Facility Documents, ensure that no Affiliate of the Issuer shall loan money to the Issuer, and no Affiliate of the Issuer will otherwise guaranty debts of the Issuer.

(xii) Other than organizational expenses and as contemplated by the Facility Documents, pay all expenses, indebtedness and other obligations incurred by it using its own funds.

(xiii) Except as provided herein and in any other Facility Document, not enter into any guaranty, or otherwise become liable, with respect to or hold its assets or creditworthiness out as being available for the payment of any obligation of any Affiliate of the Issuer nor shall the Issuer make any loans to any Person.

(xiv) Ensure that any financial reports required of the Issuer shall comply with GAAP and shall be issued separately from, but may be consolidated with, any reports prepared for any of its Affiliates so long as such consolidated reports contain footnotes describing the effect of the transactions between the Issuer and such Affiliate and also state that the assets of the Issuer are not available to pay creditors of the Affiliate.

(xv) Ensure that at all times it is adequately capitalized to engage in the transactions contemplated in its certificate of formation and its limited liability company agreement.

(n) Computer Files. The Issuer shall mark or cause to be marked each Pledged Loan in its computer files as described in Section 3.2(b).

(o) Taxes. The Issuer shall file or cause to be filed, and cause each of its Affiliates with whom it shares consolidated tax liability to file, all federal, state, and foreign local tax returns which are required to be filed by it, except where the failure to file such returns could not reasonably be expected to have a Material Adverse Effect. The Issuer shall pay or cause to be paid all taxes due and owing by it, other than any taxes or assessments, the validity of which are being contested in good faith by appropriate proceedings and with respect to which the Issuer or the applicable Affiliate shall have set aside adequate reserves on its books in accordance with GAAP, and which proceedings could not reasonably be expected to have a Material Adverse Effect.

(p) Tax Classification. The Issuer shall, for as long as the Series 2008-A Notes are outstanding, not take any action, or fail to take any action, that would cause the Issuer not to remain classified, for federal income tax purposes, as a disregarded entity or a partnership that is not classified as a publicly traded partnership.

(q) Facility Documents. The Issuer shall comply in all material respects with the terms of, employ the procedures outlined in and enforce the obligations of the Depositor under the Depositor Purchase Agreement and of the parties to each of the other Facility Documents to which the Issuer is a party, and take all such action as may reasonably be required to maintain all such Facility Documents to which the Issuer is a party in full force and effect.

(r) Series 2008-A Loan Schedule. The Issuer shall at least once each calendar month, provide to the Trustee an amendment to the Series 2008-A Loan Schedule, or cause the Servicer to electronically provide an amendment to the Series 2008-A Loan Schedule, listing the Pledged Loans added to the Collateral and the Pledged Loans released from the Collateral and amending the Series 2008-A Loan Schedule to reflect terms or discrepancies in such schedule that become known to the Issuer since the filing of the original Series 2008-A Loan Schedule or since the most recent amendment thereto.

(s) Segregation of Collections. The Issuer shall with respect to the Control Account either (i) prevent the deposit into such account of any funds other than Collections in respect of Pledged Loans or (ii) enter into an intercreditor agreement with other entities which have an interest in the amounts in the Control Account to allocate the Collections with respect to the Pledged Loans to the Issuer and transfer such amounts to the Trustee for deposit into the Collection Account; (provided that, the covenant in clause (i) of this paragraph (s) shall not be breached to the extent that funds not constituting Collections in respect of the Pledged Loans are inadvertently deposited into such Control Account and are promptly segregated and remitted to the owner thereof).

(t) Filings; Further Assurances.

(i) On or prior to the Closing Date, the Issuer shall have caused at its sole expense the Financing Statements, assignments and amendments thereof necessary to perfect the security interest in the Collateral to be filed or recorded in the appropriate offices.

(ii) The Issuer shall, at its sole expense, from time to time authorize, prepare, execute and deliver, or authorize and cause to be prepared, executed and delivered, all such Financing Statements, continuation statements, amendments, instruments of further assurance and other instruments, in such forms, and shall take such other actions, as shall be required by the Servicer, the Trustee or the Deal Agent or as the Servicer, the Trustee or the Deal Agent otherwise deems reasonably necessary or advisable to perfect the Lien created by this Indenture in the Collateral. The Servicer agrees, at its sole expense, to cooperate with and assist the Issuer in taking any such action (whether at the request of the Issuer, the Trustee or the Deal Agent). Without limiting the foregoing, the Issuer shall from time to time, at its sole expense, authorize, execute, file, deliver and record all such supplements and amendments hereto and to this Indenture and all such Financing Statements, amendments thereto, continuation statements, instruments of further assurance, or other statements, specific assignments or other instruments or documents and take any other action that is reasonably necessary to, or that any of the Servicer, the Trustee deems reasonably necessary or advisable to: (i) Grant more effectively all or any portion of the Collateral; (ii) maintain or preserve the Lien Granted under this Indenture (and the priority thereof) or carry out more effectively the purposes hereof or thereof; (iii) perfect, maintain the perfection of, publish notice of, or protect the validity of any Grant made or to be made pursuant to this Indenture; (iv) enforce any of the Pledged Loans or any of the other Pledged Assets (including without limitation by cooperating with the Trustee, at the expense of the Issuer, in filing and recording such Financing Statements against such Obligors as the Servicer, the Trustee shall deem necessary or advisable from time to time); (v) preserve and defend title to any Pledged Loans or all or any other part of the Pledged Assets, and the rights of the Trustee in such Pledged Loans or other related Pledged Assets, against the claims of all Persons and parties; or (vi) pay any and all taxes levied or assessed upon all or any part of any Collateral.

(iii) The Issuer shall, on or prior to the date of Grant of any Pledged Loans under this Indenture, deliver or cause to be delivered all original copies of the Pledged Loan (other than in the case of any Pledged Loans not required under the terms of the relevant Seller Purchase Agreement to be in the relevant Loan File), together with the related

Loan File, to the Custodian, in suitable form for transfer by delivery, or accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to the Trustee. Such "original copies" may be provided in microfiche or other electronic form to the extent permitted under the Custodial Agreement. In the event that the Issuer receives any other instrument or any writing which, in either event, evidences a Pledged Loan or other Pledged Assets, the Issuer shall deliver such instrument or writing to the Custodian to be held as collateral in which the Collateral Agent has a security interest for the benefit of the Trustee within two Business Days after the Issuer's receipt thereof, in suitable form for transfer by delivery, or accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to the Trustee.

(iv) The Issuer hereby authorizes the Trustee, and gives the Collateral Agent its irrevocable power of attorney (which authorization is coupled with an interest and is irrevocable), in the name of the Issuer or otherwise, to execute, deliver, file and record any Financing Statement, continuation statement, amendment, specific assignment or other writing or paper and to take any other action that the Trustee in its sole discretion, may deem necessary or appropriate to further perfect the Lien created hereby. Any expenses incurred by the Trustee or the Collateral Agent pursuant to the exercise of its rights under this Section 6.l(t)(iv) shall be for the sole account and responsibility of the Issuer and payable under Section 13.5 to the Trustee.

(u) Management of Resorts. The Issuer hereby covenants and agrees that it will with respect to each Resort cause the Originator with respect to that Resort (to the extent that such Originator is otherwise responsible for maintaining such Resort) to do or cause to be done all things which it may accomplish with a reasonable amount of cost or effort, in order to maintain each such Resort (including without limitation all grounds, waters and improvements thereon) in at least as good condition, repair and working order as would be customary for prudent managers of similar timeshare properties.

(v) Amendment to Documents. The Issuer shall not enter into any amendment to any of the Facility Documents to which it is a party or consent to any amendment of any Facility Document without the prior written consent of the Majority Facility Investors.

(w) [Reserved].

Section 6.2 Negative Covenants of the Issuer . So long as any of the Series 2008-A Notes are outstanding, the Issuer shall not:

(a) Sales, Liens, Etc., Against Receivables and Related Security. Except for the releases contemplated under this Indenture sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist, any Lien (other than the Lien created by this Indenture or, with respect to Timeshare Properties relating to Pledged Loans, any Permitted Encumbrances thereon) upon or with respect to, any Pledged Loan or any other Pledged Assets, or any interests in either thereof, or upon or with respect to any Collateral under this Indenture. The Issuer shall immediately notify the Trustee and the Collateral Agent of the existence of any Lien on any Pledged Loan or any other Pledged Assets, and the Issuer shall defend the right, title and interest of each of the Issuer and the Collateral Agent, Trustee and Noteholders in, to and under the Pledged Loans and all other Pledged Assets, against all claims of third parties.

(b) Extension or Amendment of Loan Terms. Other than in accordance with Section 7.5(d), extend (other than as a result of a Timeshare Upgrade), amend, waive or otherwise modify the terms of any Pledged Loan or permit the rescission or cancellation of any Pledged Loan, whether for any reason relating to a negative change in the related Obligor's creditworthiness or inability to make any payment under the Pledged Loan or otherwise.

(c) Change in Business or Credit Standard and Collection Policies. (i) Make any change in the character of its business or (ii) make any change in the Credit Standards and Collection Policies, or (iii) deviate from the exercise of Customary Practices, which change or deviation would, in any such case, materially impair the value or collectibility of any Pledged Loan.

(d) Change in Payment Instructions to Obligors. Add or terminate any bank as a Control Account Bank (listed on Exhibit E) or make any change in the instructions to Obligors regarding payments to be made to any Control Account at a Control Account Bank, unless the Trustee shall have received (i) 30 days' prior notice of such addition, termination or change; (ii) written confirmation from the Issuer that after the effectiveness of any such termination, there shall be at least one (1) Control Account in existence; and (iii) prior to the effective date of such addition, termination or change, (x) executed copies of the Control Agreement executed by the new Control Account Bank, the Issuer, the Trustee and the Servicer and (y) copies of all agreements and documents signed by either the Issuer or the Control Account Bank with respect to any new Control Account.

(e) Stock, Merger, Consolidation, Etc. Consolidate with or merge into or with any other Person, or purchase or otherwise acquire all or substantially all of the assets or capital stock, or other ownership interest of, any Person or sell, transfer,

lease or otherwise dispose of all or substantially all of its assets to any Person, except as expressly permitted under the terms of this Indenture; provided, however, that nothing in this Section 6.2(e) shall prevent the Issuer from acquiring, owning or transferring or otherwise disposing of the limited liability company interests of STCRF in accordance with the provisions of this Indenture and the other Facility Documents.

(f) Change in Control. At any time fail to be a wholly owned direct or indirect subsidiary of the Performance Guarantor and a wholly owned direct or indirect subsidiary of WCF.

(g) ERISA Matters. Establish or maintain or contribute to any Benefit Plan that is covered by Title IV of ERISA.

(h) Terminate or Reject Loans. Without limiting anything in Section 6.2(b), terminate or reject any Pledged Loan prior to the end of the term of such Loan, whether such rejection or early termination is made pursuant to an equitable cause, statute, regulation, judicial proceeding or other applicable law, unless prior to such termination or rejection, such Pledged Loan and any related Pledged Assets have been released from the Lien created by this Indenture.

(i) Debt. Create, incur, assume or suffer to exist any Debt except as contemplated by the Facility Documents and any Exchange Notes Indenture.

(j) Guarantees. Guarantee, endorse or otherwise be or become contingently liable (including by agreement to maintain balance sheet tests) in connection with the obligations of any other Person, except endorsements of negotiable instruments for collection in the ordinary course of business and reimbursement or indemnification obligations as provided for under this Indenture or as contemplated by the Facility Documents.

(k) Limitation on Transactions with Affiliates. Enter into, or be a party to any transaction with any Affiliate, except for:

(i) the transactions contemplated hereby and by the other Facility Documents; and

(ii) to the extent not otherwise prohibited under this Indenture, other transactions upon fair and reasonable terms materially no less favorable to the Issuer than would be obtained in a comparable arm'slength transaction with a Person not an Affiliate.

(l) Lines of Business. Conduct any business other than that described in the LLC Agreement, or enter into any transaction with any Person which is not contemplated by or incidental to the performance of its obligations under the Facility Documents to which it is a party.

(m) Limitation on Investments. Make or suffer to exist any loans or advances to, or extend any credit to, or make any investments (by way of transfer of property, contributions to capital, purchase of stock or securities or evidences of indebtedness, acquisition of the business or assets or otherwise) in, any Affiliate or any other Person except for (i) Permitted Investments, (ii) the purchase of Loans pursuant to the terms of the Depositor Purchase Agreement and (iii) the limited liability company interests of STCRF.

(n) Insolvency Proceedings. Seek dissolution or liquidation in whole or in part of the Issuer.

(o) Distributions to Member. Make any distribution to its Member except as provided in the LLC Agreement.

(p) Place of Business; Change of Name. Change (x) its type or jurisdiction of organization from that listed in Section 3.1(i), (y) its name or (z) the location of its Records relating to the Collateral or its chief executive office or principal place of business from the location listed in Section 3.1(i), unless in any such event the Issuer shall have given the Trustee and the Collateral Agent at least ten (10) days prior written notice thereof and shall take all action reasonably necessary to amend its existing Financing Statements and file additional Financing Statements in all applicable jurisdictions necessary or advisable to maintain the perfection of the Lien of the Collateral Agent under this Indenture.

(q) Business Names. Use any trade names, fictitious names, assumed names or "doing business as" names.

(r) Subordinated Note. Amend, modify or supplement the Subordinated Note without the prior written consent of the Majority Facility Investors.

Article VII
SERVICING OF PLEDGED LOANS

Section 7.1 Responsibility for Loan Administration. The Servicer shall manage, administer, service and make collections on the Pledged Loans on behalf of the Trustee on behalf of the Noteholders and Issuer. Without limiting the generality of the foregoing, but subject to all other provisions hereof, the Trustee and the Issuer grant to the Servicer a limited power of attorney to execute and the Servicer is hereby authorized and empowered to so execute and deliver, on behalf of itself, the Issuer and the Trustee or any of them, any and all instruments of satisfaction or cancellation or of partial or full release or discharge and all other comparable instruments with respect to the Pledged Loans, any related Mortgages and the related Timeshare Properties, but only to the extent deemed necessary by the Servicer.

The Trustee, the Issuer and the Collateral Agent, at the request of a Servicing Officer, shall furnish the Servicer with any documents in its possession reasonably requested or take any action reasonably requested, necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder (subject, in the case of requests for documents contained in any Loan Files, to the requirements of Section 6.1(l)(ii)).

Wyndham Consumer Finance, Inc. is hereby appointed as the Servicer until such time as any Service Transfer shall be effected under Article XII.

Section 7.2 Standard of Care. In managing, administering, servicing and making collections on the Pledged Loans pursuant to this Indenture, the Servicer will exercise that degree of skill and care consistent with Customary Practices and the Credit Standards and Collection Policies.

Section 7.3 Records. The Servicer shall, during the period it is Servicer hereunder, maintain such books of account, computer data files and other records as will enable the Trustee to determine the status of each Pledged Loan and will enable such Loan to be serviced in accordance with the terms of this Indenture by a Successor Servicer following a Service Transfer.

Section 7.4 Series 2008-A Loan Schedule. The Servicer shall at all times maintain the Series 2008-A Loan Schedule and electronically provide to the Trustee, the Issuer, the Collateral Agent and the Custodian a current, complete copy of the Series 2008-A Loan Schedule. The Series 2008-A Loan Schedule may be in one or multiple documents including an original listing and monthly amendments listing changes.

Section 7.5 Enforcement.

(a) The Servicer will, consistent with Section 7.2, act with respect to the Pledged Loans in such manner as will maximize the receipt of Collections in respect of such Pledged Loans (including, to the extent necessary, instituting foreclosure proceedings against the Timeshare Property, if any, underlying a Pledged Loan or disposing of the underlying Timeshare Property, if any).

(b) The Servicer may sue to enforce or collect upon Pledged Loans, in its own name, if possible, or as agent for the Issuer. If the Servicer elects to commence a legal proceeding to enforce a Pledged Loan, the act of commencement shall be deemed to be an automatic assignment of the Pledged Loan to the Servicer for purposes of collection only. If, however, in any enforcement suit or legal proceeding it is held that the Servicer may not enforce a Pledged Loan on the grounds that it is not a real party in interest or a holder entitled to enforce the Pledged Loan, the Trustee on behalf of the Issuer shall, at the Servicer's expense, take such steps as the Servicer and the Trustee may mutually agree are necessary (such agreement not to be unreasonably withheld) to enforce the Pledged Loan, including bringing suit in its name or the name of the Issuer. The Servicer shall provide to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred thereby.

(c) The Servicer, upon notice to the Trustee, may grant to the Obligor on any Pledged Loan any rebate, refund or adjustment out of the appropriate Collection Account that the Servicer in good faith believes is required as a matter of law; provided that, on any Business Day on which such rebate, refund or adjustment is to be paid hereunder, such rebate, refund or adjustment shall only be paid to the extent of funds otherwise available for distribution from the Collection Account.

(d) The Servicer will not extend, amend, waive or otherwise modify the terms of any Pledged Loan or permit the rescission or cancellation of any Pledged Loan, whether for any reason relating to a negative change in the related Obligor's creditworthiness or inability to make any payment under the Pledged Loan or otherwise other than in accordance with Customary Practices.

(e) The Servicer shall have the discretion to sell the collateral which secures any Defaulted Loans free and clear of the Lien of this Indenture, in exchange for cash, in accordance with Customary Practices and Credit Standards and Collection Policies. All proceeds of any such sale of such collateral shall be deposited by the Servicer into the Collection Account.

(f) The Servicer shall not sell any Defaulted Loan or any collateral securing a Defaulted Loan to any Seller or

Originator except for an amount at least equal to the fair market value thereof.

(g) Notwithstanding any other provision of this Indenture, the Servicer shall have no obligation to, and shall not, foreclose on the collateral securing any Pledged Loan unless the proceeds from such foreclosure will be sufficient to cover the expenses of such foreclosure. Notwithstanding any other provision of this Indenture, proceeds from the foreclosure by the Servicer on the collateral securing any Pledged Loans shall first be applied by the Servicer to reimburse itself for the expenses of such foreclosure, and any remaining proceeds shall be deposited into the Collection Account.

Section 7.6 Trustee and Collateral Agent to Cooperate. Upon request of a Servicing Officer, the Trustee and the Collateral Agent shall perform such other acts as are reasonably requested by the Servicer (including without limitation the execution of documents) and otherwise cooperate with the Servicer in enforcement of the Trustee's rights and remedies with respect to Pledged Loans.

Section 7.7 Other Matters Relating to the Servicer. The Servicer is hereby authorized and empowered to:

(a) advise the Trustee in connection with the amount of withdrawals from Accounts in accordance with the provisions of this Indenture;

(b) execute and deliver, on behalf of the Issuer, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Pledged Loans and, after the delinquency of any Pledged Loan and to the extent permitted under and in compliance with applicable law and regulations, to commence enforcement proceedings with respect to such Pledged Loan including without limitation the exercise of rights under any power-of-attorney granted in any Pledged Loan; and

(c) make any filings, reports, notices, applications, registrations with, and to seek any consents or authorizations from the Securities and Exchange Commission and any state securities authority on behalf of the Issuer as may be necessary or advisable to comply with any federal or state securities or reporting requirements laws.

Prior to the occurrence of an Event of Default hereunder, the Trustee agrees that, it shall promptly follow the instructions of the Servicer duly given to withdraw funds from the Accounts in accordance with the terms hereof.

Section 7.8 Servicing Compensation. As compensation for its servicing activities hereunder, the Servicer shall be entitled to receive the Monthly Servicer Fee which shall be calculated under this Indenture and be paid to the Servicer pursuant to the terms of this Indenture.

Section 7.9 Costs and Expenses. The costs and expenses incurred by the Servicer in carrying out its duties hereunder, including without limitation the fees and expenses incurred in connection with the enforcement of Pledged Loans, shall be paid by the Servicer and the Servicer shall be entitled to reimbursement hereunder from the Issuer as provided herein. Failure by the Servicer to receive reimbursement shall not relieve the Servicer of its obligations under this Indenture.

Section 7.10 Representations and Warranties of the Servicer. The Servicer hereby represents and warrants to the Trustee, the Collateral Agent and the Noteholders as of the Closing Date and the Second Amendment Effective Date:

(a) Organization and Good Standing. The Servicer is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full corporate power, authority, and legal right to own its property and conduct its business as such properties are presently owned and such business is presently conducted, and to execute, deliver and perform its obligations under this Indenture. The Servicer is duly qualified to do business and is in good standing as a foreign corporation, and has obtained all necessary licenses and approvals in each jurisdiction necessary for the enforcement of each Pledged Loan or in which failure to qualify or to obtain such licenses and approvals would have a Material Adverse Effect.

(b) Due Authorization. The execution and delivery by the Servicer of each of the Facility Documents to which it is a party, and the consummation by the Servicer of the transactions contemplated hereby and thereby have been duly authorized by the Servicer by all necessary corporate action on the part of the Servicer.

(c) Binding Obligations. Each of the Facility Documents to which Servicer is a party constitutes a legal, valid and binding obligation of the Servicer enforceable against the Servicer in accordance with its terms, except as such enforceability may be subject to or limited by applicable Debtor Relief Laws and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(d) No Conflict; No Violation. The execution and delivery by the Servicer of each of the Facility Documents to

which the Servicer is a party, and the performance by the Servicer of the transactions contemplated by such agreements and the fulfillment by the Servicer of the terms hereof and thereof applicable to the Servicer, will not conflict with, violate, result in any breach of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under any provision of any existing law or regulation or any order or decree of any court applicable to the Servicer or its certificate of incorporation or bylaws or any material indenture, contract, agreement, mortgage, deed of trust or other material instrument, to which the Servicer is a party or by which it is bound, except where such conflict, violation, breach or default would not have a Material Adverse Effect.

(e) No Proceedings. There are no proceedings or investigations pending or, to the knowledge of the Servicer threatened, against the Servicer, before any court, regulatory body, administrative agency, or other tribunal or governmental instrumentality (i) asserting the invalidity of this Indenture or any of the other Facility Documents, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Indenture or any of the other Facility Documents, (iii) seeking any determination or ruling that, in the reasonable judgment of the Servicer, would adversely affect the performance by the Servicer of its obligations under this Indenture or any of the other Facility Documents, (iv) seeking any determination or ruling that would adversely affect the validity or enforceability of this Indenture or any of the other Facility Documents or (v) seeking any determination or ruling that would have a Material Adverse Effect.

(f) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or any governmental body or official required in connection with the execution and delivery by the Servicer of this Indenture or of the other Facility Documents to which it is a party or the performance by the Servicer of the transactions contemplated hereby and thereby and the fulfillment by the Servicer of the terms hereof and thereof, have been obtained, except where the failure so to do would not have a Material Adverse Effect.

Section 7.11 Additional Covenants of the Servicer . The Servicer further agrees as provided in this Section 7.11.

(a) Change in Payment Instructions to Obligors. The Servicer will not add or terminate any bank as a Control Account Bank from those listed on Exhibit E or make any change in its instructions to Obligors regarding payments to be made to any Control Account Bank, unless the Trustee shall have received (i) 30 Business Days' prior notice of such addition, termination or change and (ii) prior to the effective date of such addition, termination or change, (x) fully executed copies of the new or revised Control Agreement executed by the new Control Account Bank, the Issuer, the Trustee and the Servicer and (y) copies of all agreements and documents signed by either the Issuer or the Control Account Bank with respect to any new Control Account.

(b) Collections. The Servicer shall hold any Collections or other proceeds of the Collateral received directly by it in trust for the benefit of the Trustee and deposit such Collections or other proceeds into the Collection Account as soon as practicable but in any event within two Business Days following the Servicer's receipt thereof.

(c) Compliance with Requirements of Law. The Servicer will maintain in effect all qualifications required under all relevant laws, rules, regulations and orders in order to service each Pledged Loan, and shall comply in all material respects with all applicable laws, rules, regulations and orders with respect to it, its business and properties, and the servicing of the Pledged Loans (including without limitation the laws, rules and regulations of each state governing the sale of timeshare contracts).

(d) Protection of Rights. The Servicer will take no action that would impair in any material respect the rights of any of the Collateral Agent or the Trustee in the Pledged Loans or any other the Collateral, or violate the Collateral Agency Agreement.

(e) Credit Standards and Collection Policies. The Servicer will comply in all material respects with the Credit Standards and Collection Policies and Customary Practices with respect to each Pledged Loan.

(f) Notice to Obligors. The Servicer will ensure that the Obligor of each Pledged Loan either:

(1) has been instructed, pursuant to the Servicer's routine distribution of a periodic statement to such Obligor next succeeding:

(A) the date the Loan becomes a Pledged Loan, or

(B) the day on which a PAC ceased to apply to such Pledged Loan, in the case of a Pledged Loan formerly subject to a PAC,

but in no event later than the then next-succeeding due date for a Scheduled Payment under the related Pledged Loan, to remit Scheduled Payments thereunder to a Post Office Box for credit to the Control Account, or directly to the Control Account, in each case maintained at a Control Account Bank pursuant to the terms of a Control Agreement,

(2) has entered into a PAC, pursuant to which a deposit account of such Obligor is made subject to a pre-authorized debit in respect of Scheduled Payments as they become due and payable, and the Servicer has, and has caused each of the Control Account Bank and/or the Trustee, to take all necessary and appropriate action to ensure that each such pre-authorized debit is credited directly to the Control Account or the Collection Account;

(3) has authorized Scheduled Payments from a credit card of such Obligor pursuant to a Credit Card Account, and the Servicer has taken all necessary and appropriate action to ensure that each such payment is credited directly to the Control Account or another account for immediate transfer to the Collection Account; or

(4) has authorized electronic transfer of payments through Western Union, and the Servicer has taken all necessary and appropriate action to ensure that each such transfer is credited directly to the Control Account or another account for immediate transfer to the Collection Account.

(5) Compliance with the foregoing provisions of this clause (f) shall not be required with respect to Collections on Shell Loans so long as and to the extent (i) the Obligors on such Shell Loans are directed to make payments into a separate bank account held in the name of the Issuer for the purpose of receiving Collections on Shell Loans for transfer to the Collection Account or Collections on the Shell Loans are otherwise directed to be deposited into such Issuer account, (ii) Collections deposited into such Issuer account are transferred to the Collection Account within two Business Days following the deposit into such Issuer account and (iii) no deposits other than Collections in respect of the Pledged Loans will be made into such Issuer account (provided that this provision (iii) shall not be violated if funds not constituting Collections in respect of Pledged Loans are inadvertently deposited into the account and are promptly segregated and removed from the account).

(g) Relocation of Servicer. The Servicer shall give the Trustee, the Collateral Agent and each Rating Agency at least 30 days, prior written notice of any relocation of any office from which it services Pledged Loans or keeps records concerning the Pledged Loans. The Servicer shall at all times maintain each office from which it services Pledged Loans within the United States of America.

(h) Instruments. The Servicer will not remove any portion of the Pledged Loans or other collateral that consists of money or is evidenced by an instrument, certificate or other writing (including any Pledged Loan) from the jurisdiction in which it is then held unless the Trustee has first received an Opinion of Counsel to the effect that the Lien created by this Indenture with respect to such property will continue to be maintained after giving effect to such action or actions; provided, however, that each Custodian, the Collateral Agent and the Servicer may remove Loans from such jurisdiction to the extent necessary to satisfy any requirement of law or court order, in all cases in accordance with the provisions of the Custodial Agreement, the Collateral Agency Agreement and this Indenture.

(i) Series 2008-A Loan Schedule. The Servicer will promptly amend the related Series 2008-A Loan Schedule to reflect terms or discrepancies that become known to the Servicer at any time.

(j) Segregation of Collections. The Servicer will, with respect to the Control Account either (i) prevent the deposit into such account of any funds other than Collections in respect of Pledged Loans or (ii) enter into an intercreditor agreement with other entities which have an interest in the amounts in the Control Account to allocate the Collections with respect to Pledged Loans to the Issuer and transfer such amounts to the Trustee for deposit into the appropriate Collection Account; (provided that, the covenant in clause (i) of this paragraph (j) shall not be breached to the extent funds not constituting Collections in respect of Pledged Loans are inadvertently deposited into such Control Account and are promptly segregated and remitted to the owner thereof.

(k) Terminate or Reject Loans. Except to the extent necessary to address defects in the sales process or in cases of exceptional hardship of the Obligor, and without limiting anything in Section 6.2(b), the Servicer will not terminate any Pledged Loan prior to the end of the term of such Loan, whether such early termination is made pursuant to an equitable cause, statute, regulation, judicial proceeding or other applicable law, unless prior to such termination, the Issuer consents and any related Pledged Assets have been released from the Lien of this Indenture.

(l) Change in Business or Credit Standards and Collection Policies. The Servicer will not make any change in the Credit Standards and Collection Policies or deviate from the exercise of Customary Practices, which change or deviation would materially impair the value or collectibility of any Pledged Loan.

(m) Keeping of Records and Books of Account. The Servicer shall maintain and implement administrative and

operating procedures (including without limitation an ability to recreate records evidencing the Pledged Loans in the event of the destruction or loss of the originals thereof) and keep and maintain, all documents, books, records and other information reasonably necessary or advisable for the collection of all Pledged Loans (including without limitation records adequate to permit the daily identification of all Collections with respect to, and adjustments of amounts payable under, each Pledged Loan).

(n) Issuer Excluded Excess Amount. If on any Determination Date the weighted average FICO Score of all Loans with an original term of longer than 84 months as of the last day of the immediately preceding Due Period is not at least 655 (the "7-Year Loans Restriction"), then the Servicer shall, at the direction of the Issuer, specify in writing Loans to be included in the FICO Score of 7-Year Loans Excess Amount such that, upon such inclusion, the 7-Year Loans Restriction shall be fulfilled. If on any Determination Date the weighted average FICO Score of all Loans with an original term of longer than 120 months as of the last day of the immediately preceding Due Period is not at least 730 (the "10-Year Loans Restriction"), then the Servicer shall, at the direction of the Issuer, specify in writing Loans to be included in the FICO Score of 10-Year Loans Excess Amount such that, upon such inclusion, the 10-Year Loans Restriction shall be fulfilled.

(o) No Impermissibly Modified Loan. The Servicer shall not take any action that would cause a Loan to be an Impermissibly Modified Loan.

Section 7.12 Servicer not to Resign. The entity then serving as Servicer shall not resign from the obligations and duties hereby imposed on it hereunder except upon determination that (i) the performance of its duties hereunder is no longer permissible under applicable law, (ii) there is no reasonable action which can be taken to make the performance of its duties hereunder permissible under applicable law and (iii) a Successor Servicer shall have been appointed and accepted the duties as Servicer pursuant to Section 12.2. Any such determination permitting the resignation of the Servicer pursuant to clause (i) of the preceding sentence shall be evidenced by an Opinion of Counsel to such effect delivered to the Trustee. No such resignation shall be effective until a Successor Servicer shall have assumed the responsibilities and obligations of the Servicer in accordance with Section 12.2.

Section 7.13 Merger or Consolidation of, or Assumption of the Obligations of Servicer.

The Servicer shall not consolidate with or merge into any other corporation or convey or transfer its properties and assets substantially as an entirety to any Person unless:

(i) the corporation formed by such consolidation or into which the Servicer is merged or the Person which acquires by conveyance or transfer the properties and assets of the Servicer substantially as an entirety shall be a corporation organized and existing under the laws of the United States of America or any state or the District of Columbia and, if the Servicer is not the surviving entity, shall expressly assume by an agreement supplemental hereto, executed and delivered to the Trustee in form satisfactory to the Trustee, the performance of every covenant and obligation of the Servicer hereunder;

(ii) the Servicer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance or transfer and such supplemental agreement comply with this Section 7.13, and all conditions precedent provided for herein relating to such transaction have been satisfied;

(iii) the Rating Agency Condition has been satisfied with respect to such consolidation, amendment, merger, conveyance or transfer; and

(iv) immediately prior to and after the consummation of such merger, consolidation, conveyance or transfer, no event which, with notice or passage of time or both, would become a Servicer Default under the terms of this Indenture shall have occurred and be continuing.

Section 7.14 Examination of Records. Each of the Issuer and the Servicer shall clearly and unambiguously identify each Pledged Loan in its respective computer or other records to reflect that such Pledged Loan has been Granted to the Collateral Agent pursuant to this Indenture. Each of the Issuer and the Servicer shall, prior to the sale or transfer to a third party of any Loan similar to the Pledged Loans held in its custody, examine its computer and other records to determine that such Loan is not a Pledged Loan.

Section 7.15 Delegation of Duties; Subservicing. (a) In the ordinary course of business, the Servicer, including any Successor Servicer, may at any time delegate any duties hereunder to any Person who agrees to conduct such duties in accordance with the terms of this Indenture, and any such Person to whom such duties have been delegated may be terminated concurrently with the termination of the Servicer hereunder. Any such delegations shall not constitute a resignation within the meaning of Section 7.12 of this Indenture. Notwithstanding anything to the contrary contained herein, or in any agreement relating to such delegations, the Servicer shall remain obligated and liable to the Trustee, the Issuer, the Collateral Agent and the Noteholders for the servicing and administration of the Pledged Loans in accordance with the provisions of this Indenture to the same extent and under the same terms

and conditions as if it alone were servicing and administering the Pledged Loans.

(b) In addition, the Servicer may service the Pledged Loans or certain portions of the Pledged Loans by retaining the services of a subservicer or subservicers and by entering into subservicing agreements with such subservicers provided, that any such subservicing agreement is not inconsistent with this Indenture. References in this Indenture to action taken or to be taken by the Servicer include actions taken or to be taken by any subservicer retained by the Servicer. As part of its servicing activities hereunder, the Servicer shall monitor the performance and enforce the obligations of each subservicer retained by it. Subject to the terms of any subservicing Agreement, the Servicer shall have the right to remove any subservicer retained by it at any time it considers to be appropriate. Notwithstanding anything to the contrary contained herein, or in any subservicing agreement, the Servicer shall remain obligated and liable to the Trustee, the Issuer, the Collateral Agent and the Noteholders for the servicing and administration of the Pledged Loans in accordance with the provisions of this Indenture to the same extent and under the same terms and conditions as if it were servicing and administering the Pledged Loans directly.

Section 7.16 Servicer Advances . On or before each Determination Date the Servicer may deposit into the Collection Account an amount equal to the aggregate amount of Servicer Advances, if any, with respect to Scheduled Payments on Pledged Loans for the preceding Due Period which are not received on or prior to such Determination Date. Such Servicer Advances shall be included as Available Funds. Neither the Servicer, any Successor Servicer nor the Trustee, acting as Servicer, shall have any obligation to make any Servicer Advance and may refuse to make a Servicer Advance for any reason or no reason. The Servicer shall not make any Servicer Advance that, after reasonable inquiry and in its sole discretion, it determines is unlikely to be ultimately recoverable from subsequent payments or collections or otherwise with respect to the Pledged Loan with respect to which such Servicer Advance is proposed to be made.

Section 7.17 Fair Market Value of Defaulted Loans . For the purpose of Section 7.5(f), no Defaulted Loan or Collateral related thereto shall be sold to any Seller or Originator unless the cash proceeds of such sale are at least equal to the fair market value of such Pledged Loan. For this purpose, "fair market value" shall mean initially, an amount equal to 25% of the original sale price of the related Timeshare Property and, in the event either the Issuer or the applicable Seller or Originator shall determine that such percentage is not reflective of the fair market value of the Pledged Loan or Collateral related thereto, the Issuer and the applicable Seller or Originator shall determine the fair market value of such Pledged Loan or Collateral related thereto, as a percentage of the original sale price of the related Timeshare Property. Prior to any such determination of a revised fair market value, written notice of such determination including, in reasonable detail, the calculation thereof, shall be given by the Servicer to each Funding Agent and each Non-Conduit Committed Purchaser. Any such determination shall be based on the historical inventory cost of the applicable Seller or Originator consistent with the cost of goods sold.

Article VIII
REPORTS

Section 8.1 Monthly Report to Trustee . On or before 3:00 p.m., New York City time, on the Determination Date prior to each Payment Date, the Servicer shall transmit to the Trustee in a form or forms acceptable to the Trustee information necessary to make payments and transfer funds as provided in Article IV, and the Servicer shall produce the Settlement Statement for such Payment Date. Transmission of such information to the Trustee shall be deemed to be a representation and warranty by the Servicer to the Trustee and the Noteholders that such information is true and correct in all material respects. At the option of the Servicer, the Settlement Statement may be combined with the Monthly Servicing Report described in Section 8.2 and delivered to the Trustee as one report.

Section 8.2 Monthly Servicing Reports . On each Determination Date, the Servicer shall deliver to the Trustee, the Issuer and each Rating Agency the Monthly Servicing Report in the form set forth in Exhibit C with such additions as the Trustee may from time to time request, together with a certificate of a Servicing Officer substantially in the form of Exhibit C, certifying the accuracy of such report and that no Event of Default, Potential Event of Default, Amortization Event or Potential Amortization Event has occurred, or if such event has occurred and is continuing, specifying the event and its status. Such certificate shall also identify which, if any, Pledged Loans have become Defective Loans or Defaulted Loans during the preceding Due Period.

Section 8.3 Other Data . In addition, the Servicer shall at the reasonable request of the Trustee, the Issuer or a Rating Agency, furnish to the Trustee, the Issuer or such Rating Agency such underlying data as can be generated by the Servicer's existing data processing system without undue modification or expense; provided, however, nothing in this Section 8.3 shall permit any of the Trustee, the Issuer or any Rating Agency to materially change or modify the ongoing data reporting requirements under this Article VIII.

Section 8.4 Annual Servicer's Certificate . The Servicer will deliver to the Issuer, the Trustee and each Rating Agency within forty-five (45) days after the end of each fiscal year, beginning with the fiscal year, ending December 31, 2008, an Officer's Certificate stating that (a) a review of the activities of the Servicer during the preceding calendar year (or, in the case of the first such

Officer's Certificate, the period since the Closing Date) and of its performance under this Indenture during such period was made under the supervision of the officer signing such certificate and (b) to the Servicer's knowledge, based on such review, the Servicer has fully performed all of its obligations under this Indenture for the relevant time period, or, if there has been a default in the performance of any such obligation, specifying each such default known to such officer and the nature and status thereof.

Section 8.5 Notices to WCF. In the event that WCF is not acting as Servicer, any Successor Servicer appointed and acting pursuant to Section 12.2 shall deliver or make available to the Issuer and WCF each certificate and report required to be prepared, forwarded or delivered thereafter pursuant to the provisions of this Article VIII.

Section 8.6 Delivery of Reports to Deal Agent. The Servicer shall on each date it delivers a report to the Trustee under Section 8.1 or 8.2 above deliver a copy of each such report to the Deal Agent, each Funding Agent and each Non-Conduit Committed Purchaser.

Section 8.7 Tax Reporting. The Trustee shall file or cause to be filed with the Internal Revenue Service and furnish or cause to be furnished to Noteholders Information Reporting Forms 1099, together with such other information, reports or returns at the time or times and in the manner required by the Internal Revenue Code consistent with the treatment of the Series 2008-A Notes as indebtedness of the Issuer for federal income tax purposes.

Article IX
INDEMNITIES

Section 9.1 Liabilities to Obligors. No obligation or liability to any Obligor under any of the Pledged Loans is intended to be assumed by the Trustee or the Noteholders under or as a result of this Indenture and the transactions contemplated hereby and, to the maximum extent permitted by law, the Trustee and the Noteholders expressly disclaim any such obligation and liability.

Section 9.2 Tax Indemnification. The Issuer agrees to pay, and to indemnify, defend and hold harmless the Trustee, the Servicer and the Noteholders from, any taxes which may at any time be asserted with respect to, and as of the date of, the Grant of the Pledged Loans to the Collateral Agent for the benefit of the Trustee, the Servicer and the Noteholders, including without limitation any sales, gross receipts, general corporation, personal property, privilege or license taxes (but not including any federal, state or other income or intangible asset taxes arising out of the issuance of the Series 2008-A Notes or distributions with respect thereto, other than any such intangible asset taxes in respect of a jurisdiction in which the indemnified person is not otherwise subject to tax on its intangible assets) and costs, expenses and reasonable counsel fees in defending against the same.

Section 9.3 Servicer's Indemnities. Each entity serving as Servicer shall defend and indemnify the Issuer and the Trustee against any and all costs, expenses, losses, damages, claims and liabilities, including reasonable fees and expenses of counsel and expenses of litigation, in respect of any action taken, or failure to take any action by such entity as Servicer (but not by any predecessor or successor Servicer) with respect to this Indenture or any Pledged Loan; provided, however, that such indemnity shall apply only in respect of any negligent action taken, or negligent failure to take any action, or reckless disregard of duties hereunder, or bad faith or willful misconduct by the Servicer. This indemnity shall survive any Service Transfer (but a Servicer's obligations under this Section 9.3 shall not relate to any actions of any Successor Servicer after a Service Transfer) and any payment of the amount owing hereunder or under this Indenture or any release by the Issuer of any such Pledged Loan.

Section 9.4 Operation of Indemnities. Indemnification under this Article IX shall include without limitation reasonable fees and expenses of counsel and expenses of litigation. If the Servicer has made any indemnity payments to the Trustee, the Noteholders or the Issuer pursuant to this Article IX and if either the Trustee, the Noteholders or the Issuer thereafter collect any of such amounts from others, the Trustee, the Noteholders or the Issuer will promptly repay such amounts collected to the Servicer without interest.

Article X
AMORTIZATION EVENTS

Section 10.1 Amortization Events. If one or more of the following events shall occur and be continuing:

(a) the Issuer fails to pay in full the Senior Notes Interest due and payable on the Series 2008-A Notes on any Payment Date and such failure continues for two Business Days; provided, however, that if the Issuer has made deposits of Collections to the Collection Account in an amount sufficient to make such interest payment when due in accordance with the Priority of Payments, but the payment cannot be made in a timely manner as a result of circumstances beyond the Issuer's control, the grace period shall be extended to three Business Days;

(b) the Issuer fails to pay in full the principal of the Series 2008-A Notes on or before the Mandatory Redemption

Date;

(c) any Event of Default occurs;

(d) a Servicer Default occurs;

(e) the amount on deposit in the Reserve Account is less than the Reserve Required Amount for any three consecutive Business Days;

(f) the Four Month Default Percentage as of any Payment Date exceeds 1.50%;

(g) the Three Month Rolling Average Delinquency Ratio as calculated for any Payment Date exceeds 4.50%;

(h) on any Payment Date, the Gross Excess Spread Percentage for the related Due Period is less than 3.50%;

(i) a Change of Control with respect to a Seller (other than WCF, WVRI or WRDC) occurs without the prior satisfaction of the Rating Agency Condition and the prior written consent of the Required Facility Investors, or a Change of Control with respect to the Issuer, the Depositor, WCF, WVRI or WRDC occurs without the prior satisfaction of the Rating Agency Condition and the prior written consent of each Funding Agent and each Non-Conduit Committed Purchaser;

(j) if (i) any WorldMark Loans are then included in the Pledged Loans and (ii) (A) WorldMark voluntarily incurs or at any time becomes voluntarily liable for any Debt (other than customary trade payables), (B) any of WorldMark's property becomes subject to any Liens, other than utility or other easements or licenses unrelated to any debt of WorldMark or Liens that do not exceed, in the aggregate, $100,000 or (C) WorldMark involuntarily incurs or is liable for any debt or its property becomes involuntarily subject to any Liens (other than utility or similar easements or licenses unrelated to any debt of WorldMark) that individually or in the aggregate (with respect to all such Debt and the obligations secured by all such Liens) exceed $1,000,000;

(k) [reserved];

(l) the Notes Principal Amount on any Payment Date (without giving effect to any Increase on such date) exceeds the Borrowing Base Amortization Trigger Amount as of such Payment Date and the Issuer fails on such Payment Date either (i) to pay in full an amount of principal on the Series 2008-A Notes equal to such excess or (ii) to pledge Loans as Collateral with Loan Balances in an amount such that the Borrowing Base Amortization Trigger Amount would have been at least equal to the Notes Principal Amount on such date;

(m) an Insolvency Event occurs with respect to any Seller of Series 2008-A Loans or the Parent Corporation;

(n) Wyndham Destinations fails to perform under the terms of the Performance Guaranty or any Approved Loan Performance Guaranty, or the Performance Guaranty or any Approved Loan Performance Guaranty shall cease to be in full force and effect;

(o) the Notes Principal Amount shall at any time exceed the Adjusted Loan Balance;

(p) failure on the part of the Depositor duly to observe or perform any covenants or agreements of the Depositor set forth in any of the Facility Documents to which the Depositor is a party (other than any failure described in any other clause of this Section 10.1) and such failure continues unremedied for a period of 30 days after the earlier of the date on which the Depositor has actual knowledge of the failure and the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Depositor by the Issuer, the Trustee or any Noteholder;

(q) any representation and warranty made by the Depositor in any Facility Document shall prove to have been incorrect in any material respect when made and the Depositor is not in compliance with such representation or warranty within 30 days after the earlier of the date on which the Depositor has actual knowledge of such breach and the date on which written notice of such breach requiring that such breach be remedied, shall have been given to the Depositor by the Issuer, the Trustee or any Noteholder;

(r) the Securitized Pool Three Month Rolling Average Delinquency Percentage exceeds 4.50% for four consecutive Payment Dates;

(s) the Securitized Pool Four Month Default Percentage exceeds 1.5% for four consecutive Payment Dates; or

(t) the Three Month Rolling Average Loss to Liquidation Ratio as calculated for any Payment Date exceeds 25.0%;

then, in the case of an event described in any clause except clause (a)(1), (c) or (e) of the Events of Default in Section 11.1, or clause (b) or (m) above, the Deal Agent at the direction of the Majority Facility Investors, or, with respect to an event described in clause (j), (l) or (n), the Deal Agent, at the direction of any Funding Agent or any Non-Conduit Committed Purchaser, by notice given in writing to the Issuer, the Servicer and the Trustee, may declare that an Amortization Event has occurred as of the date of such notice and, in the case of any event described in clause (a)(1), (c) or (e) of the Events of Default in Section 11.1, or clause (b) or (m) of this Section 10.1, an Amortization Event will occur immediately upon the occurrence of such event without any notice or other action on the part of the Deal Agent, the Trustee or any other entity.

Article XI
EVENTS OF DEFAULT

Section 11.1 Events of Default. If any of the following events occur:

(a) Failure on the part of the Issuer (1) to repay the Notes Principal Amount in full on or before the Mandatory Redemption Date, (2) to repay the Notes Principal Amount in full on or before the Maturity Date, (3) to make or cause to be made any payment or deposit required by the terms of this Indenture or any other Document on or before the date such payment or deposit is required to be made and such failure remains unremedied for two Business Days (provided, however, that if the Issuer is unable to make a payment or deposit when due and such failure is as a result of circumstances beyond the Issuer's control, the grace period shall be extended to three Business Days), (4) on or after the Initial Advance Date, to provide a Hedge Agreement meeting the requirements of Section 4.7 and such failure continues for five Business Days, (5) if the Hedge Provider ceases to be a Qualified Hedge Provider, to comply with the requirements set forth in Section 4.8 within the time provided in such Section 4.8, or (6) to duly to observe or perform or cause to be observed or performed any covenant or agreement of the Issuer set forth in this Indenture or any other Facility Document to which the Issuer is a party (other than these events caused in clause (1), (2), (3), (4) or (5) of this subsection), which continues unremedied for a period of 30 days (or five Business Days, in the case of Section 6.1(b), (f), (g)(2) or (g)(3) or 6.2(a), (c), (d), (e), (i), (l), (n), (o) or (p)) after the earlier of (x) the date on which written notice of such failure, requiring the same to be remedied, shall have been given to an officer of the Issuer by the Trustee or any Noteholder or (y) the date on which an officer of the Issuer has actual knowledge thereof;

(b) any representation or warranty made by the Issuer with respect to itself in this Indenture shall prove to have been incorrect in any material respect when made and has a material adverse effect on the Trustee's or the Collateral Agent's interest in the Pledged Loans and other related Pledged Assets and the Issuer is not in compliance with such representation or warranty within ten Business Days after the earlier of the date on which the Issuer or a Responsible Officer of the Trustee has actual knowledge of such breach and the date on which written notice of such breach requiring that such breach be remedied, shall have been given to the Issuer by the Trustee or any Noteholder;

(c) (1) an Insolvency Event shall occur with respect to the Depositor or the Issuer, or (2) an Insolvency Event shall occur with respect to any Seller of Series 2008-A Loans or the Parent Corporation;

(d) the Issuer shall become an "investment company" or shall become under the control of an "investment company" within the meaning of the Investment Company Act; or

(e) the Servicer shall have been terminated following a Servicer Default, and a Successor Servicer shall not have been appointed or such appointment shall not have been accepted within five Business Days after the date of the termination stated in the Termination Notice and the Trustee is not acting as Servicer;

THEN, in the case of the event described in subparagraph (a)(1), (a)(5), (a)(6) or (c)(2), after the applicable grace period, if any, set forth in such subparagraphs, the Majority Facility Investors by notice given in writing to the Issuer (and to the Trustee) may declare that an event of default has occurred as of the date of such notice, and in the case of any event described in subparagraph (a)(2), (a)(3), (a)(4), (b), (c)(1), (d) or (e), an Event of Default shall occur without any notice or other action on the part of the Deal Agent, immediately upon the occurrence of such event and shall continue unless waived in writing by each of the Funding Agents and each of the Non-Conduit Committed Purchasers.

Section 11.2 Acceleration of Maturity; Rescission and Annulment.

(a) If an Event of Default described in paragraph (a)(1), (a)(2), (a)(3), (a)(4), (a)(5), (a)(6), (b), (c)(2), (d) or (e) of Section 11.1 should occur and be continuing, then and in every such case the Majority Facility Investors may declare all the Series 2008-A Notes to be immediately due and payable, by a notice in writing to the Issuer and to the Trustee, and upon any such declaration the unpaid principal amount of the Series 2008-A Notes, together with accrued or accreted and unpaid interest thereon through the date of acceleration, shall become immediately due and payable. If an Event of Default described in paragraph (c)(1) of

Section 11.1 should occur then and in every such case the Series 2008-A Notes together with accrued or accreted and unpaid interest through the date of acceleration, shall become automatically and immediately due and payable.

(b) If an Event of Default has occurred and the maturity of the Series 2008-A Notes has been accelerated, such acceleration may be rescinded or annulled by each of the Funding Agents and each of the Non-Conduit Committed Purchasers by written notice to the Issuer and the Trustee.

Section 11.3 Collection of Indebtedness and Suits for Enforcement by Trustee . The Issuer covenants that if the Series 2008-A Notes are accelerated following the occurrence of an Event of Default, and such acceleration has not been rescinded and annulled, the Issuer shall, upon demand of the Trustee, pay to it, for the benefit of the Noteholders, the whole amount then due and payable on the Series 2008-A Notes for principal and interest, with interest upon the overdue principal and upon overdue installments of interest to the extent that payment of such interest shall be legally enforceable; and, in addition thereto, such further amount as shall be sufficient to cover the reasonable costs and expenses of collection, including the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; provided, however, the amount due under this Section 11.3 shall not exceed the aggregate proceeds from the sale of the Collateral and amounts otherwise held by the Issuer and available for such purpose.

Until such demand is made by the Trustee, the Issuer shall pay the principal of and interest on the Series 2008-A Notes to the Trustee for the benefit of the registered Holders to be applied as provided in this Indenture, whether or not the Series 2008-A Notes are overdue.

If the Issuer fails to pay such amounts forthwith upon such demand, then the Trustee for the benefit of the Noteholders and as trustee of an express trust, may, with the prior written consent of or at the direction of the Majority Facility Investors, institute suits in equity, actions at law or other legal, judicial or administrative proceedings (each, a "Proceeding") for the collection of the sums so due and unpaid, and may prosecute such Proceeding to judgment or final decree, and may enforce the same against the Issuer and collect the monies adjudged or decreed to be payable in the manner provided by law out of the Collateral wherever situated. In the event a Proceeding shall involve the liquidation of the Collateral, the Trustee shall pay all costs and expenses for such Proceeding and shall be reimbursed for such costs and expenses from the resulting liquidation proceeds. In the event that the Trustee determines that liquidation proceeds will not be sufficient to fully reimburse the Trustee, the Trustee shall receive indemnity satisfactory to it against such costs and expenses from the Noteholders (which indemnity may include, at the Trustee's option, consent by each Noteholder authorizing the Trustee to be reimbursed from amounts available in the Collection Account).

If an Event of Default occurs and is continuing, the Trustee may, and with the prior written consent of or at the direction of the Majority Facility Investors, shall, proceed to protect and enforce its rights and the rights of the Noteholders hereunder and under the Series 2008-A Notes, by such appropriate Proceedings as are necessary to effectuate, protect and enforce any such rights, whether for the specific enforcement of any covenant, agreement, obligation or indemnity in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 11.4 Trustee May File Proofs of Claim . In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other Proceeding relative to the Issuer or the property of the Issuer or its creditors, the Trustee (irrespective of whether the principal of the Series 2008-A Notes shall then be due and payable as therein expressed or by declaration or otherwise) shall be entitled and empowered, by intervention in such Proceeding or otherwise,

(a) to file a proof of claim for the whole amount of principal and interest owing and unpaid in respect of the Series 2008-A Notes and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Noteholders allowed in such Proceeding, and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same to the Noteholders;

and any receiver, assignee, trustee, liquidator or sequestrator (or other similar official) in any such Proceeding is hereby authorized by each Noteholder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Noteholders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee under Article XIII.

Nothing contained herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Noteholder any plan of reorganization, arrangement, adjustment or composition affecting the Series 2008-A Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Noteholder in any such Proceeding.

Section 11.5 Remedies .

(a) If an Event of Default shall have occurred and be continuing, the Trustee and the Collateral Agent (upon direction by the Trustee) may, with the prior written consent of or at the direction of the Majority Facility Investors, do one or more of the following (subject to Section 11.6):

(1) institute Proceedings in its own name and as trustee of an express trust for the collection of all amounts then payable on the Series 2008-A Notes or under this Indenture, whether by declaration or otherwise, enforce any judgment obtained, and collect from the Collateral and the property of the Issuer monies adjudged due;

(2) obtain possession of the Pledged Loans in accordance with the terms of the Custodial Agreement and sell the Collateral or any portion thereof or rights or interests therein, at one or more public or private sales called and conducted in any manner permitted by law and in accordance with Section 11.13;

(3) institute Proceedings in its own name and as trustee of an express trust from time to time for the complete or partial foreclosure of this Indenture with respect to the Collateral; and

(4) exercise any remedies of a secured party under the UCC with respect to the Collateral and take any other appropriate action to protect and enforce the rights and remedies of the Trustee or the Holders and each other agreement contemplated hereby (including retaining the Collateral pursuant to Section 11.6 and applying distributions from the Collateral pursuant to Section 11.6);

provided, however, that the Trustee may not sell or otherwise liquidate, or direct the Collateral Agent to sell or otherwise liquidate, the Collateral which constitutes Loans and Pledged Assets following an Event of Default other than an Event of Default described in this Indenture resulting from an Insolvency Event, unless either (i) each of the Noteholders consent thereto, or (ii) the proceeds of such sale or liquidation distributable to the Noteholders are sufficient to discharge in full the amounts then due and unpaid upon the Series 2008-A Notes for principal and accrued interest and the fees and other amounts required to be paid prior to payment of amounts due on the Series 2008-A Notes pursuant to Section 11.6.

For purposes of clause (i) or clause (ii) of the preceding paragraph, the Trustee may, but need not, obtain and rely upon an opinion of an independent accountant or an independent investment banking firm of national reputation as to the feasibility of such proposed action and as to the sufficiency of the distributions and other amounts receivable with respect to the Collateral to make the required payments of principal of and interest on the Series 2008-A Notes, and any such opinion shall be conclusive evidence as to such feasibility or sufficiency. The Issuer shall bear the reasonable costs and expenses of any such opinion.

(b) In addition to the remedies provided in Section 11.5(a), if so provided in this Indenture, the Trustee may, and at the request of the Majority Facility Investors shall, institute a Proceeding in its own name and as trustee of an express trust solely to compel performance of a covenant, agreement, obligation or indemnity or to cure the representation or warranty or statement, the breach of which gave rise to the Event of Default; and the Trustee may enforce any equitable decree or order arising from such Proceeding.

Section 11.6 Application of Monies Collected During Event of Default . If the Series 2008-A Notes have been accelerated following an Event of Default and such acceleration and its consequences have not been rescinded and annulled, and distributions on the Collateral securing the Series 2008-A Notes are not being applied pursuant to Section 11.6, any monies collected by the Trustee pursuant to this Article XI or otherwise with respect to such Series 2008-A Notes shall be applied in accordance with the following order:

FIRST, to the Trustee in payment of the Monthly Trustee Fees and in reimbursement of permitted expenses of the Trustee under each of the Facility Documents to which the Trustee is a party; in the event of a Servicer Default and the replacement of the Servicer with the Trustee or a Successor Servicer, the costs and expenses of replacing the Servicer shall be permitted expenses of the Trustee;

SECOND, if the Servicer is not Wyndham Consumer Finance, Inc. or an affiliate of the Parent Corporation, to the Servicer, in payment of amounts due and unpaid of the Servicer Fee and, whether or not Wyndham Consumer Finance, Inc. or another affiliate of the Parent Corporation is then the Servicer, to the Servicer in reimbursement of any unreimbursed Servicer Advances;

THIRD, to Noteholders for interest according to the amounts due and unpaid on such Series 2008-A Notes for interest and all other amounts (other than principal of the Series 2008-A Notes) due to the Noteholders under the Facility Documents;

FOURTH, if the Servicer is Wyndham Consumer Finance, Inc. or another affiliate of the Parent Corporation, to the Servicer, in payment of amounts due and unpaid of the Servicer Fee;

FIFTH, to the Noteholders in payment of unpaid principal on the Series 2008-A Notes; provided, however, that, upon the direction of 100% of the Noteholders and to the extent permitted by law as determined solely by the Noteholders, any amounts otherwise due to the Noteholders under this provision FIFTH, shall not be applied to reduce principal, but shall be applied by the Trustee to purchase a Hedge Agreement in the amount and manner specified by the Noteholders;

SIXTH, to the hedge provider or hedge providers under the Hedge Agreement or Hedge Agreements any termination payments due under any Hedge Agreement; and

SEVENTH, to Issuer, any remaining amounts free and clear of the lien of this Indenture.

Section 11.7 Limitation on Suits by Individual Noteholders. Subject to Section 11.8, no Noteholder shall have any right to institute any Proceeding with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder or thereunder, unless:

(a) such Holder has previously given written notice to the Trustee of a continuing Event of Default;

(b) the Majority Facility Investors shall have made written requests to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(c) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and

(d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such Proceeding,

it being understood and intended that no one or more Noteholders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Noteholders or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided.

Section 11.8 Unconditional Rights of Noteholders to Receive Principal and Interest. Notwithstanding any other provision in this Indenture, the Holder of any Series 2008-A Note shall have the right, which right is absolute and unconditional, to receive payment of the principal and interest on such Series 2008-A Note on or after the respective due dates thereof expressed in such Series 2008-A Note or in this Indenture and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Noteholder.

Section 11.9 Restoration of Rights and Remedies. If the Trustee or any Noteholder has instituted any Proceeding to enforce any right or remedy under this Indenture and such Proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Noteholder, then and in every such case the Issuer, the Trustee and the Noteholders shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Noteholders shall continue as though no such Proceeding had been instituted.

Section 11.10 Waiver of Event of Default. Prior to the Trustee's acquisition of a money judgment or decree for payment, in either case for the payment of all amounts owing by the Issuer in connection with this Indenture and the Series 2008-A Notes issued hereunder the Required Facility Investors have the right to waive any Event of Default (other than an Event of Default pursuant to Section 11.1(a)(1)) and its consequences.

Upon any such waiver, such Event of Default shall cease to exist, and be deemed to have been cured, for every purpose of this Indenture but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Section 11.11 Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, on the basis of any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 11.12 Sale of the Collateral .

(a) The power to effect any sale (a "Sale") of any portion of the Collateral pursuant to Section 11.5 shall not be exhausted by any one or more Sales as to any portion of such Collateral remaining unsold, but shall continue unimpaired until the entire Collateral shall have been sold or all amounts payable on the Series 2008-A Notes and this Indenture shall have been paid, whichever occurs later. The Trustee may from time to time postpone any Sale by public announcement made at the time and place of such Sale. The Trustee hereby expressly waives its right to any amount fixed by law as compensation for any Sale. The Trustee may reimburse itself from the proceeds of any sale for the reasonable costs and expenses incurred in connection with such sale. The net proceeds of such sale shall be applied as provided in this Indenture.

(b) The Trustee and/or the Collateral Agent (as directed by the Trustee), as applicable, shall execute and deliver an appropriate instrument of conveyance transferring its interest in any portion of the Collateral in connection with a Sale thereof. In addition, the Trustee is hereby irrevocably appointed the agent and attorney-in-fact of the Issuer to transfer and convey the Issuer's interest in any portion of the Collateral in connection with a Sale thereof, and to take all action necessary to effect such Sale. No purchaser or transferee at such Sale shall be bound to ascertain the Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

Section 11.13 Action on Series 2008-A Notes . The Trustee's right to seek and recover judgment on the Series 2008-A Notes or under this Indenture shall not be affected by the seeking, obtaining or application of any other relief under or with respect to this Indenture. None of the rights or remedies of the Trustee or the Noteholders hereunder shall be impaired by the recovery of any judgment by the Trustee or any Noteholder against the Issuer or by the levy of any execution under such judgment upon any portion of the Collateral or upon any of the assets of the Issuer.

Section 11.14 Control by Noteholders . If an Event of Default has occurred and is continuing, the Majority Facility Investors shall have the right to direct the time, method and place of conducting any Proceeding for any remedy available to the Trustee with respect to the Series 2008-A Notes or exercising any trust or power conferred on the Trustee; provided that

(i) such direction shall not be in conflict with any rule of law or with this Indenture;

(ii) any direction to the Trustee to sell or liquidate the Collateral which constitutes Loans and the related Pledged Assets shall be subject to the provisions of Sections 11.5; and

(iii) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction;

provided, however, that, subject to Section 13.1, the Trustee need not take any action that it determines might involve it in liability.

Section 11.15 Sale of Defaulted Loans After an Event of Default . If an Event of Default has occurred and is continuing, the Servicer will not sell, assign, transfer or otherwise dispose of any Defaulted Loan or any interest therein, or any Collateral securing a Defaulted Loan, without the prior written consent of the Deal Agent.

Article XII
SERVICER DEFAULTS

Section 12.1 Servicer Defaults . If any one of the following events (each, a "Servicer Default") shall occur and be continuing:

(a) any failure by the Servicer to make any payment, transfer or deposit on or before the date such payment, transfer or deposit is required to be made or given under the terms of this Indenture and such failure remains unremedied for two Business Days; provided, however, that if the Servicer is unable to make a payment, transfer or deposit when due and such failure is as a result of circumstances beyond the Servicer's control, the grace period shall be extended to five Business Days;

(b) failure on the part of the Servicer duly to observe or perform any other covenants or agreements of the Servicer set forth in this Indenture or any other Facility Document to which the Servicer is a party and such failure continues unremedied for a period of 20 days after the earlier of the date on which the Servicer has actual knowledge of the failure and the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Trustee, or to the Servicer and the Trustee by any Noteholder or the Deal Agent;

(c) any representation and warranty made by the Servicer in this Indenture or any other Facility Document to which the Servicer is a party shall prove to have been incorrect in any material respect when made and has a material and adverse impact on

the Trustee's interest in the Pledged Loans or other Pledged Assets and the Servicer is not in compliance with such representation or warranty within ten Business Days after the earlier of the date on which the Servicer has actual knowledge of such breach and the date on which written notice of such breach requiring that such breach be remedied, shall have been given to the Servicer by the Trustee or to the Servicer and the Trustee by any Noteholder or the Deal Agent;

(d) an Insolvency Event shall occur with respect to the Servicer or the Parent Corporation;

(e) the Servicer fails to deliver reports to the Trustee in accordance with Section 8.2 of this Indenture and such failure remains unremedied for five Business Days;

(f) any Indebtedness (as defined in the Revolving Credit Agreement) of the Parent Corporation or any of its Material Subsidiaries (as defined in the Revolving Credit Agreement) exceeding $50,000,000 in the aggregate, is accelerated after default beyond any applicable grace period provided with respect thereto;

(g) the Servicer fails to deliver reports to the Deal Agent in accordance with Section 8.6 of this Indenture and such failure remains unremedied for five (5) Business Days;

(h) so long as WCF is the Servicer, the breach by the Parent Corporation or any of its Affiliates of any covenant under the Revolving Credit Agreement to the extent such covenant requires compliance by the Parent Corporation or its Affiliates with a leverage ratio, an interest coverage ratio, or a minimum EBITDA level, whether or not such breach is waived pursuant to the terms of the Revolving Credit Agreement,

THEN, so long as such Servicer Default shall be continuing, either the Trustee, or the Majority Facility Investors of all Series 2008-A Notes by notice then given in writing to the Servicer and each Rating Agency (and to the Trustee if given by the Majority Facility Investors) (a "Termination Notice"), may terminate all of the rights and obligations of the Servicer as Servicer under this Indenture (such termination being herein called a "Service Transfer"). After receipt by the Servicer of such Termination Notice and subject to the terms of Section 12.2(a), the Trustee shall automatically assume the responsibilities of the Servicer hereunder until the date that a Successor Servicer shall have been appointed pursuant to Section 12.2 and all authority and power of the Servicer under this Indenture shall pass to and be vested in the Trustee or such Successor Servicer, as the case may be, without further action on the part of any Person, and, without limitation, the Trustee at the direction of the Majority Facility Investors is hereby authorized and empowered (upon the failure of the Servicer to cooperate) to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments upon the failure of the Servicer to execute or deliver such documents or instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights.

The Servicer agrees to cooperate with the Trustee and such Successor Servicer in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing hereunder, including without limitation the transfer to such Successor Servicer of all authority of the Servicer to service the Pledged Loans provided for under this Indenture, including without limitation all authority over any Collections which shall on the date of transfer be held by the Servicer for deposit in the Control Account or which shall thereafter be received by the Servicer with respect to the Pledged Loans, and in assisting the Successor Servicer in enforcing all rights under this Indenture including, without limitation, allowing the Successor Servicer's personnel access to the Servicer's premises for the purpose of collecting payments on the Pledged Loans made at such premises. The Servicer shall promptly transfer its electronic records relating to the Pledged Loans to the Successor Servicer in such electronic form as the Successor Servicer may reasonably request and shall promptly transfer to the Successor Servicer all other records, correspondence and documents necessary for the continued servicing of the Pledged Loans in the manner and at such times as the Successor Servicer shall reasonably request. The Servicer shall allow the Successor Servicer access to the Servicer's officers and employees. To the extent that compliance with this Section 12.1 shall require the Servicer to disclose to the Successor Servicer information of any kind which the Servicer reasonably deems to be confidential, the Successor Servicer shall be required to enter into such customary licensing and confidentiality agreements as the Servicer shall deem necessary to protect its interest and as shall be satisfactory in form and substance to the Successor Servicer. The Servicer hereby consents to the entry against it of an order for preliminary, temporary or permanent injunctive relief by any court of competent jurisdiction, to ensure compliance by the Servicer with the provisions of this paragraph.

Section 12.2 Appointment of Successor .

(a) Appointment. On and after the receipt by the Servicer of a Termination Notice pursuant to Section 12.1, or any permitted resignation of the Servicer pursuant to Section 7.12, the Servicer shall continue to perform all servicing functions under this Indenture until the date specified in the Termination Notice or otherwise specified by the Trustee or until a date mutually agreed upon by the Servicer and the Trustee. Upon receipt by the Servicer of a Termination Notice, the Trustee, acting on behalf of the Majority Facility Investors, shall as promptly as possible after the giving of a Termination Notice appoint a successor servicer (in any case, the "Successor Servicer") and such Successor Servicer shall accept its appointment by a written assumption in a form

acceptable to the Trustee; provided that such appointment shall be subject to satisfaction of the Rating Agency Condition. In the event a Successor Servicer has not been appointed and accepted the appointment by the date of termination stated in the Termination Notice the Trustee shall automatically assume responsibility for performing the servicing functions under this Indenture on the date of such termination. In the event that a Successor Servicer has not been appointed and has not accepted its appointment and the Trustee is legally unable or otherwise not capable of assuming responsibility for performing the servicing functions under this Indenture, the Trustee shall petition a court of competent jurisdiction to appoint any established financial institution having a net worth of not less than $100,000,000 and whose regular business includes the servicing of receivables similar to the Pledged Loans or other consumer finance receivables; provided, however, pending the appointment of a Successor Servicer, the Trustee will act as the Successor Servicer.

(b) Duties and Obligations of Successor Servicer. Upon its appointment, the Successor Servicer shall be the successor in all respects to the Servicer with respect to servicing functions under this Indenture and shall be subject to all the responsibilities and duties relating thereto placed on the Servicer by the terms and provisions hereof, and all references in this Indenture to the Servicer shall be deemed to refer to the Successor Servicer.

(c) Compensation of Successor Servicer; Costs and Expenses of Servicing Transfer. In connection with such appointment and assumption, the Trustee may make such arrangements for the compensation of the Successor Servicer as provided in this Indenture. The costs and expenses of transferring servicing shall be paid by the Servicer which is resigning or being replaced and to the extent such costs and expenses are not so paid, shall be paid from Collections as provided in this Indenture.

Section 12.3 Notification to Noteholders. Upon the occurrence of any Servicer Default or any event which, with the giving of notice or passage of time or both, would become a Servicer Default, the Servicer shall give prompt written notice thereof to the Trustee, the Deal Agent and the Issuer and the Trustee shall give notice to the Noteholders at their respective addresses appearing in the Note Register. Upon any termination or appointment of a Successor Servicer pursuant to this Article XII, the Trustee shall give prompt written notice thereof to the Issuer and to the Noteholders at their respective addresses appearing in the Note Register.

Section 12.4 Waiver of Past Defaults. The Majority Facility Investors of all Series 2008-A Notes may, on behalf of all Holders, waive any Servicer Default and its consequences. Upon any such waiver of a past default, such default shall cease to exist, and any default arising therefrom shall be deemed to have been remedied for every purpose of this Indenture. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

Section 12.5 Termination of Servicer's Authority. All authority and power granted to the Servicer under this Indenture shall automatically cease and terminate upon termination of this Indenture pursuant to Section 14.1, and shall pass to and be vested in the Issuer and without limitation the Issuer is hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights upon termination of this Indenture. The Servicer shall cooperate with the Issuer in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing on the Pledged Loans. The Servicer shall transfer its electronic records relating to the Pledged Loans to the Issuer in such electronic form as Issuer may reasonably request and shall transfer all other records, correspondence and documents relating to the Pledged Loans to the Issuer in the manner and at such times as the Issuer shall reasonably request. To the extent that compliance with this Section 12.5 shall require the Servicer to disclose information of any kind which the Servicer deems to be confidential, the Issuer shall be required to enter into such customary licensing and confidentiality agreements as the Servicer shall deem necessary to protect its interests and as shall be reasonably satisfactory in form and substance to the Issuer.

Section 12.6 Matters Related to Successor Servicer.

The Successor Servicer will not be responsible for delays attributable to the Servicer's failure to deliver information, defects in the information supplied by the Servicer or other circumstances beyond the control of the Successor Servicer.

The Successor Servicer will make arrangements with the Servicer for the prompt and safe transfer of, and the Servicer shall provide to the Successor Servicer, all necessary servicing files and records, including (as deemed necessary by the Successor Servicer at such time): (i) microfiche loan documentation, (ii) servicing system tapes, (iii) Pledged Loan payment history, (iv) collections history and (v) the trial balances, as of the close of business on the day immediately preceding conversion to the Successor Servicer, reflecting all applicable Pledged Loan information. The current Servicer shall be obligated to pay the costs associated with the transfer of the servicing files and records to the Successor Servicer.

The Successor Servicer shall have no responsibility and shall not be in default hereunder nor incur any liability for any failure, error, malfunction or any delay in carrying out any of its duties under this Indenture if any such failure or delay results from the Successor Servicer acting in accordance with information prepared or supplied by a Person other than the Successor Servicer or the failure of any such Person to prepare or provide such information. The Successor Servicer shall have no responsibility, shall not

be in default and shall incur no liability (i) for any act or failure to act by any third party, including the Servicer, the Issuer or the Trustee or for any inaccuracy or omission in a notice or communication received by the Successor Servicer from any third party or (ii) which is due to or results from the invalidity, unenforceability of any Pledged Loan under applicable law or the breach or the inaccuracy of any representation or warranty made with respect to any Pledged Loan.

If the Trustee or any other Successor Servicer assumes the role of Successor Servicer hereunder, such Successor Servicer shall be entitled to appoint subservicers whenever it shall be deemed necessary by such Successor Servicer.

Neither the Trustee nor any other successor Servicer hereunder shall have any obligation for any action or failure to act on the part of any predecessor Servicer.

Article XIII
THE TRUSTEE; THE COLLATERAL AGENT; THE CUSTODIAN

Section 13.1 Duties of Trustee .

(a) The Trustee, prior to the occurrence of an Event of Default of which a Responsible Officer of the Trustee shall have actual knowledge and after the curing of all such Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If an Event of Default of which a Responsible Officer of the Trustee shall have actual knowledge has occurred and has not been cured or waived, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent institutional trustee would exercise or use under the circumstances in the conduct of such institution's own affairs. The Trustee is hereby authorized and empowered to make the withdrawals and payments from the Accounts in accordance with the instructions set forth in this Indenture until the termination of this Indenture in accordance with Section 14.1 unless this appointment is earlier terminated pursuant to the terms hereof.

(b) The Trustee, upon receipt of all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Trustee which are specifically required to be furnished pursuant to any provision of this Indenture, shall examine them to determine whether they conform to such requirements; provided, however, that the Trustee shall not be responsible for the accuracy or content of any resolution, certificate, statement, opinion, report, document, order or other instrument furnished by the Servicer, the Issuer or any other Person hereunder (other than the Trustee). The Trustee shall give prompt written notice to the Noteholders of any material lack of conformity of any such instrument to the applicable requirements of this Indenture discovered by the Trustee.

(c) Subject to Section 13.1(a), no provision of this Indenture shall be construed to relieve the Trustee from liability for its own gross negligence, reckless disregard of its duties, bad faith or misconduct; provided, however, that:

(i) the Trustee shall not be personally liable for an error of judgment made in good faith by a Responsible Officer or employees of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(ii) the Trustee shall not be personally liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with this Indenture or at the direction of the Majority Facility Investors relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising or omitting to exercise any trust or power conferred upon the Trustee, under this Indenture;

(iii) the Trustee shall not be charged with knowledge of any failure by any other party hereto to comply with its obligations hereunder or of the occurrence of any Event of Default or Servicer Default unless a Responsible Officer of the Trustee obtains actual knowledge of such failure based upon receipt of written information or other communication or a Responsible Officer of the Trustee receives written notice of such failure from the Servicer or any Noteholder. In the absence of receipt of notice or actual knowledge by a Responsible Officer the Trustee may conclusively assume there is no Event of Default or Servicer Default; and

(iv) Prior to the occurrence of an Event of Default of which a Responsible Officer of the Trustee shall have actual knowledge or have received notice and after all the curing of all such Events of Default which may have occurred, the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, no implied covenants or obligations shall be read into this Indenture against the Trustee and, in the absence of bad faith, willful misconduct or negligence on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any

certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture.

(d) The Trustee shall not be required to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it (which adequate indemnity may include, at the Trustee's option, consent by the Majority Facility Investors authorizing the Trustee to be reimbursed for any funds from amounts available in the Collection Account), and none of the provisions contained in this Indenture shall in any event require the Trustee to perform, or be responsible for the manner of performance of, any of the obligations of the Servicer under this Indenture except during such time, if any, as the Trustee shall be the successor to, and be vested with the rights, duties, powers and privileges of, the Servicer in accordance with the terms of this Indenture.

(e) Except for actions expressly authorized by this Indenture, the Trustee shall take no action reasonably likely to impair the interests of the Issuer in any Pledged Loan now existing or hereafter created or to impair the value of any Pledged Loan now existing or hereafter created.

(f) Except as provided in this Indenture, the Trustee shall have no power to dispose of or vary any Collateral.

(g) In the event that the Registrar shall fail to perform any obligation, duty or agreement in the manner or on the day required to be performed by the Registrar, as the case may be, under this Indenture, the Trustee (if it is not then the Registrar) shall be obligated promptly to perform such obligation, duty or agreement in the manner so required.

(h) The Trustee shall have no duty to (A) see to any recording, filing or depositing of this Indenture or any agreement referred to herein or any financing statement or continuation statement evidencing a security interest, or to see to the maintenance of any such recording or filing or depositing or to any rerecording, refiling or redepositing of any thereof, (B) see to any insurance, (C) see to the payment or discharge of any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of any Collateral other than from funds available in the related Collection Account, or (D) confirm or verify the contents of any reports or certificates of the Servicer delivered to the Trustee pursuant to this Indenture believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties.

(i) Promptly after the occurrence of an Event of Default, and, in any event, within two Business Days thereafter, the Trustee shall notify each Noteholder and each Rating Agency, if any, of the occurrence thereof to the extent a Responsible Officer of the Trustee has actual knowledge thereof based upon receipt of written information or other communication.

Section 13.2 Certain Matters Affecting the Trustee . Except for its own gross negligence, reckless disregard of its duties, bad faith or misconduct:

(a) the Trustee may rely on and shall be protected from liability to the Issuer and the Noteholders in acting on, or in refraining from acting in accord with, any resolution, Officer's Certificate, certificate of auditors or any other certificate, statement, conversation, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed, sent or made by the proper Person or Persons;

(b) the Trustee may consult with counsel and any advice of counsel (including without limitation counsel to the Issuer or the Servicer) shall be full and complete authorization and protection from liability to the Issuer and the Noteholders in respect to any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel;

(c) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture, or to institute, conduct or defend any litigation hereunder or in relation hereto, at the request, order or direction of any of the Noteholders, pursuant to the provisions of this Indenture, unless such Noteholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby; nothing contained herein shall, however, relieve the Trustee of the obligations, upon the occurrence of any Servicer Default or Event of Default of which a Responsible Officer of the Trustee shall have actual knowledge or have received notice (which has not been cured), to exercise such of the rights and powers vested in it by this Indenture, and to use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs;

(d) neither the Trustee nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be personally liable for any action taken, suffered or omitted to be taken by the Trustee or such Person in good faith and believed by such Person to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, nor for any action taken or omitted to be taken by any other party hereto;

(e) the Trustee shall not be bound to make any investigation into the facts of matters stated in any Monthly Servicing Report, any other report or statement delivered to the Trustee by the Servicer, resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing so to do by the Majority Facility Investors; provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require indemnity satisfactory to the Trustee against such cost, expense or liability as a condition to taking any such action.

(f) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys or a custodian, and the Trustee shall not be responsible for any misconduct or negligence on the part of any such agent, attorney or custodian appointed with due care by it hereunder;

(g) except as may be required by Section 13.1(b), the Trustee shall not be required to make any initial or periodic examination of any documents or records related to the Pledged Loans for the purpose of establishing the presence or absence of defects, the compliance by the Servicer or the Issuer with their respective representations and warranties or for any other purpose;

(h) the right of the Trustee to perform any discretionary act enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for the performance of such act; and

(i) the Trustee shall not be required to give any bond or surety in respect of the powers granted hereunder.

Section 13.3 Trustee Not Liable for Recitals in Series 2008-A Notes or Use of Proceeds of Series 2008-A Notes . The Trustee assumes no responsibility for the correctness of the recitals contained herein and in the Series 2008-A Notes (other than the certificate of authentication on the Series 2008-A Notes) or for any statements, representations or warranties made herein by any Person other than the Trustee (except as expressly set forth herein). Except as set forth in Section 13.14, the Trustee makes no representations as to the validity, enforceability or sufficiency of this Indenture or of the Series 2008-A Notes (other than the certificate of authentication on the Series 2008-A Notes) or of any Pledged Loan or related document. The Trustee shall not be accountable for the use or application of funds properly withdrawn from any Account on the instructions of the Servicer or for the use or application by the Issuer of the proceeds of any of the Series 2008-A Notes, or for the use or application of any funds paid to the Issuer in respect of the Pledged Loans. The Trustee shall not be responsible for the legality or validity of this Indenture or the validity, priority, perfection or sufficiency of the security for the Series 2008-A Notes issued or intended to be issued hereunder. The Trustee shall have no responsibility for filing any financing or continuation statement in any public office at any time or to otherwise perfect or maintain the perfection of any security interest or lien granted to it hereunder or to record this Indenture.

Section 13.4 Trustee May Own Series 2008-A Notes; Trustee in its Individual Capacity . Wells Fargo Bank, National Association, in its individual or any other capacity, may become the owner or pledgee of Series 2008-A Notes with the same rights as it would have if it were not the Trustee. Wells Fargo Bank, National Association and its Affiliates may generally engage in any kind of business with the Issuer or the Servicer as though Wells Fargo Bank, National Association were not acting in such capacity hereunder and without any duty to account therefor. Nothing contained in this Indenture shall limit in any way the ability of Wells Fargo Bank, National Association and its Affiliates to act as a trustee or in a similar capacity for other interval ownership and lot contract and installment note financings pursuant to agreements similar to this Indenture.

Section 13.5 Trustee's Fees and Expenses; Indemnification . The Trustee shall be entitled to receive from time to time pursuant to this Indenture and the Trustee Fee Letter, (a) such compensation as shall be agreed to between the Issuer and the Trustee (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) for all services rendered by it in the execution of the trust hereby created and in the exercise and performance of any of the powers and duties hereunder as the Trustee and to be reimbursed for its out-of-pocket expenses (including reasonable attorneys' fees), incurred or paid in establishing, administering and carrying out its duties under this Indenture or the Collateral Agency Agreement and (b) subject to Section 9.3, the Issuer and the Servicer agree, jointly and severally, to pay, reimburse, indemnify and hold harmless the Trustee (without reimbursement from any Account or otherwise) upon its request for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever (including without limitation fees, expenses and disbursements of counsel) which may at any time (including without limitation at any time following the termination of this Indenture and payment on account of the Series 2008-A Notes) be imposed on, incurred by or asserted against the Trustee in any way relating to or arising out of this Indenture, the Collateral Agency Agreement or any other Facility Document to which the Trustee is a party or the transactions contemplated hereby or any action taken or omitted by the Trustee under or in connection with any of the foregoing except for those liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting solely from the gross negligence, reckless disregard of its duties, bad faith or willful misconduct of the Trustee and except that if the Trustee is appointed Successor Servicer pursuant to Section 12.2, the provisions of this Section 13.5 shall not apply to expenses, disbursements and advances made or incurred by the Trustee in its capacity as Successor Servicer. The

agreements in this Section 13.5 shall survive the termination of this Indenture, the resignation or removal of the Trustee and all amounts payable on account of the Series 2008-A Notes.

Anything in this Indenture to the contrary notwithstanding, in no event shall the Trustee be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 13.6 Eligibility Requirements for Trustee. The Trustee hereunder (if other than Wells Fargo Bank, National Association) shall at all times be an Eligible Institution and a corporation or banking association organized and doing business under the laws of the United States of America or any state thereof authorized under such laws to exercise corporate trust powers, and such Trustee (including Wells Fargo Bank, National Association) shall have a combined capital and surplus of at least $25,000,000 (or, in the case of a successor to the initial Trustee, $100,000,000) and subject to supervision or examination by federal or state authority. If such corporation or banking association publishes reports of condition at least annually, pursuant to law or to the requirements of federal or state supervising or examining authority, then for the purpose of this Section 13.6, the combined capital and surplus of such corporation or banking association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 13.6, the Trustee shall resign immediately in the manner and with the effect specified in Section 13.7.

Section 13.7 Resignation or Removal of Trustee.

(a) The Trustee may at any time resign and be discharged from the trust hereby created by giving 60 days prior written notice thereof to the Issuer, the Servicer, the Noteholders and each Rating Agency. Upon receiving such notice of resignation, the Issuer shall promptly arrange to appoint a successor trustee meeting the requirements of Section 13.6 and the Servicer shall notify the Trustee and each Rating Agency of such appointment by written instrument, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor Trustee. If no successor Trustee shall have been so appointed and have accepted within 30 days after the giving of such notice of resignation, a successor Trustee shall be appointed by Majority Facility Investors. The successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the Trustee. If no successor Trustee shall have been so appointed by the Issuer or the Noteholders and shall have accepted appointment in the manner hereinafter provided, any Noteholder, on behalf of itself and all others similarly situated, or the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(b) If at any time the Trustee shall cease to be eligible in accordance with the provisions of Section 13.6 and shall fail to resign after written request therefor by the Issuer or the Servicer, or if at any time the Trustee shall be legally unable to act, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Issuer, the Servicer or the Majority Facility Investors may remove the Trustee and promptly appoint a successor Trustee by written instrument, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor Trustee.

(c) At any time the Majority Facility Investors may remove the Trustee and promptly appoint a successor Trustee by written instrument, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor Trustee.

(d) Any resignation or removal of the Trustee and appointment of a successor Trustee pursuant to any of the provisions of this Section 13.7 shall not become effective until acceptance of appointment by the successor Trustee as provided in Section 13.8.

Section 13.8 Successor Trustee.

(a) Any successor Trustee, appointed as provided in Section 13.7, shall execute, acknowledge and deliver to the Issuer, the Servicer and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein. The predecessor Trustee shall deliver to the successor Trustee all money, documents and other property held by it hereunder; and Issuer and the predecessor Trustee shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor Trustee all such rights, power, duties and obligations.

(b) No successor Trustee shall accept appointment as provided in this Section 13.8 unless at the time of such acceptance such successor Trustee shall be eligible under the provisions of Section 13.6.

(c) Upon acceptance of appointment by a successor Trustee as provided in this Section 13.8, such successor Trustee shall mail notice of such succession hereunder to the Trustee, the Issuer, the Servicer and all Noteholders at their addresses as shown in the Note Register.

Section 13.9 Merger or Consolidation of Trustee . Any Person into which the Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Person succeeding to the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided, such corporation shall be eligible under the provisions of Section 13.6, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 13.10 Appointment of Co-Trustee or Separate Trustee .

(a) Notwithstanding any other provisions of this Indenture, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Collateral may at the time be located, the Trustee shall have the power and may execute and deliver all instruments to appoint one or more Persons to act as a co-trustee or co-trustees, or separate trustee or separate trustees, of all or any part of the Collateral and to vest in such Person or Persons, in such capacity and for the benefit of the Noteholders, such title to the Collateral, or any part thereof, and subject to the other provisions of this Section 13.10, such powers, duties, obligations, rights and trusts as the Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 13.6 and no notice to the Noteholders of the appointment of any co-trustee or separate trustee shall be required under Section 13.8.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act), except to the extent that under any laws of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Collateral, or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee;

(ii) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(iii) the Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Article XIII. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Indenture, specifically including every provision of this Indenture relating to the conduct of, affecting the liability of, or affording protection to, the Trustee. Every such instrument shall be filed with the Trustee and a copy thereof given to the Servicer.

(d) Any separate trustee or co-trustee may at any time constitute the Trustee its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect to this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or a successor trustee.

Section 13.11 Trustee May Enforce Claims Without Possession of Series 2008-A Notes . All rights of action and claims under this Indenture or the Series 2008-A Notes may be prosecuted and enforced by the Trustee without the possession of any of the Series 2008-A Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the Noteholders in respect of which such judgment has been obtained.

Section 13.12 Suits for Enforcement . If an Event of Default or a Servicer Default shall occur and be continuing, the

Trustee, in its discretion, may, subject to the provisions of Article XI and Section 12.1, proceed to protect and enforce its rights and the rights of the Noteholders under this Indenture by a suit, action or proceeding in equity or at law or otherwise, whether for the specific performance of any covenant or agreement contained in this Indenture or in aid of the execution of any power granted in this Indenture or for the enforcement of any other legal, equitable or other remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of the rights of the Trustee or the Noteholders.

Section 13.13 Rights of Noteholders to Direct the Trustee. The Majority Facility Investors shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that, subject to Section 13.1, the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel determines that the action so directed may not lawfully be taken, or if the Trustee in good faith shall, by a Responsible Officer or Responsible Officers of the Trustee, determine that the proceedings so directed would be illegal or involve it in personal liability or be unduly prejudicial to the rights of Noteholders not parties to such direction, or if the Trustee has not been offered reasonable security or indemnity, as contemplated by Section 13.2, by such Holders; and provided further, that nothing in this Indenture shall impair the right of the Trustee to take any action deemed proper by the Trustee and which is not inconsistent with such direction by the Noteholders.

Section 13.14 Representations and Warranties of the Trustee. The Trustee represents and warrants that:

(a) the Trustee is a national banking association with trust powers organized, validly existing and in good standing under the laws of the United States;

(b) the Trustee has full power, authority and right to execute, deliver and perform this Indenture and has taken all necessary action to authorize the execution, delivery and performance by it of this Indenture; and

(c) this Indenture has been duly executed and delivered by the Trustee and constitutes the legal, valid and binding agreement of the Trustee enforceable against the Trustee in accordance with its terms, except as such enforceability may be limited by Debtor Relief Laws and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

Section 13.15 Maintenance of Office or Agency. The Trustee appointed will maintain at its expense in Minneapolis, Minnesota, or New York, New York, an office or offices or agency or agencies where notices and demands to or upon the Trustee in respect of the Series 2008-A Notes and this Indenture may be served, and each successor Trustee will give prompt written notice to the Issuer, the Servicer and the Noteholders of any change in the location of any such office or agency.

Section 13.16 No Assessment. Wells Fargo Bank, National Association's agreement to act as Trustee hereunder shall not constitute or be construed as Wells Fargo Bank, National Association's assessment of the Issuer's or any Obligor's creditworthiness or a credit analysis of any Loans.

Section 13.17 UCC Filings and Title Certificates. The Trustee and the Noteholders expressly recognize and agree that the Collateral Agent may be listed as the secured party of record on the various Financing Statements required to be filed under this Indenture in order to perfect the security interest in the Collateral and such listing will not affect in any way the respective status of the other secured parties under the Collateral Agency Agreement as the holders of their respective interests in other collateral. In addition, such listing shall impose no duties on the Collateral Agent other than those expressly and specifically undertaken in accordance with this Indenture and the Collateral Agency Agreement.

Section 13.18 Replacement of the Custodian. Each of the Issuer and the Servicer agree not to replace the Custodian unless the Rating Agency Condition has been satisfied with respect to such replacement.

Article XIV
TERMINATION

Section 14.1 Termination of Agreement. The respective obligations and responsibilities of the Issuer, the Servicer and the Trustee created hereby (other than the obligation of the Trustee to make payments to Noteholders as hereafter set forth) shall terminate on the day after the Payment Date following the date on which funds shall have been deposited in the Collection Account sufficient to pay the Notes Principal Amount plus all interest accrued on the Series 2008-A Notes through the day preceding such Payment Date plus all other amounts payable pursuant to the Note Purchase Agreement; provided that, all amounts required to be paid on such Payment Date pursuant to this Indenture shall have been paid.

Section 14.2 Final Payment.

(a) Written notice of any termination shall be given (subject to at least two Business Days' prior notice from the Servicer to the Trustee) by the Trustee to the Noteholders and each Rating Agency then rating the Series 2008-A Notes mailed not later than the fifth day of the month of such final payment specifying (a) the Payment Date and (b) the amount of any such final payment. The Trustee shall give such notice to the Registrar at the time such notice is given to the Noteholders.

(b) On or after the final Payment Date, upon written request of the Trustee, the Noteholders shall surrender their Series 2008-A Notes to the office specified in such request.

Section 14.3 Release of Collateral. Upon the termination of this Indenture pursuant to Section 14.1, the Trustee shall release all liens and assign to the Issuer (without recourse, representation or warranty) all right, title and interest of the Trustee in and to the Collateral and all proceeds thereof. The Trustee shall execute and deliver such instruments of assignment, in each case without recourse, representation or warranty, as shall be reasonably requested by the Issuer to release the security interest of the Trustee in the Collateral.

Article XV
MISCELLANEOUS PROVISIONS

Section 15.1 Amendment.

(a) Amendments Without Consent of the Noteholders. The Issuer, the Trustee, the Collateral Agent and the Servicer, at any time and from time to time, without the consent of any of the Noteholders, may enter into one or more amendments to this Indenture in form satisfactory to the Trustee for any of the following purposes:

(i) to cure any ambiguity, correct, modify or supplement any provision which is defective or inconsistent with any other provision herein; provided that, such correction, modification or supplement shall not alter in any material respect, the amount or timing of payments to or other rights of the Noteholders; or

(ii) to modify transfer restrictions on the Series 2008-A Notes, so long as any such modifications comply with the Securities Act and the Investment Company Act;

provided that, (x) in each case, the Issuer shall have satisfied the Rating Agency Condition with respect to such corrections, amendments, modifications or clarifications and (y), the Issuer shall have delivered to the Trustee an Officer's Certificate of the Issuer, an Officer's Certificate of the Servicer, and an Opinion of Counsel each to the effect that such change will not adversely affect the rights of any Noteholders and evidence that any additional conditions to such amendment have been satisfied.

Subject to Section 15.1(c), the Trustee is hereby authorized to join in the execution of any such amendment and to make any further appropriate agreements and stipulations that may be therein contained. So long as any of the Series 2008-A Notes are outstanding, at the cost of the Issuer, the Trustee shall provide to each Rating Agency then rating the Series 2008-A Notes a copy of any proposed amendment prior to the execution thereof by the Trustee and, as soon as practicable after the execution by the Issuer, the Trustee and the Collateral Agent of any such amendment, provide to each Rating Agency a copy of the executed amendment.

(b) Amendments With Consent of the Noteholders. With the consent of the Required Facility Investors and upon satisfaction of the Rating Agency Condition, the Issuer and the Trustee may enter into an amendment hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Indenture, or modifying in any manner the rights of the Holders of the Series 2008-A Notes under this Indenture; provided that, no such amendment shall, without the consent of all affected Noteholders:

(i) reduce in any manner the amount of, or change the timing of, principal, interest and other payments required to be made on any Note;

(ii) change the application of proceeds of any Collateral to the payment of Series 2008-A Notes or modify the Priority of Payments;

(iii) reduce the percentage of Noteholders required to take or approve any action under this Indenture; or

(iv) permit the creation of any lien ranking prior to or on a parity with the lien of this Indenture, with respect to any part of the Collateral or terminate the lien of this Indenture on any property at any time subject thereto or deprive the Noteholders of the security afforded by the lien of this Indenture.

It shall not be necessary in connection with any consent of the Noteholders under this Section 15.1(b) for the Noteholders to

approve the specific form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The Trustee will not be permitted to enter into any such amendment if, as a result of such amendment, the ratings of the Series 2008-A Notes (if then rated) would be reduced without the consent of each affected Noteholder.

Promptly after the execution by the Issuer, the Trustee, the Collateral Agent and the Servicer of any amendment pursuant to this Section 15.1(b), the Trustee, at the expense of the Issuer shall mail to the Noteholders and each Rating Agency rating the Series 2008-A Notes, a copy thereof.

(c) Execution of Amendments. In executing or accepting the additional trusts created by any amendment permitted by this Section 15.1 or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Sections 13.1 and 13.2) shall be fully protected in relying in good faith upon, an Opinion of Counsel stating that the execution of such amendment is authorized or permitted by this Indenture and that all conditions precedent applicable thereto under this Indenture have been satisfied. The Trustee may, but shall not be obligated to, enter into any such amendment which affects the Trustee's own rights, duties or immunities under this Indenture, or otherwise.

(d) Effect of Amendments. Upon the execution of any amendment under this Section 15.1, this Indenture shall be modified in accordance therewith, and such amendment shall form a part of this Indenture for all purposes; and every Holder of a Series 2008-A Note theretofore and thereafter authenticated and delivered hereunder shall be bound thereby.

(e) Reference in Series 2008-A Notes to Amendments. Series 2008-A Notes executed, authenticated and delivered after the execution of any amendment pursuant to this Section 15.1 may, and if required by the Trustee shall, bear a notation in form approved by the Trustee as to any matter provided for in such amendment. If the Issuer shall so determine, new Series 2008-A Notes, so modified as to conform in the opinion of the Issuer to any such amendment, may be prepared and executed by the Issuer and authenticated and delivered by the Trustee or its authenticating agent in exchange for outstanding Series 2008-A Notes.

(f) Consent of Deal Agent. Notwithstanding any of the foregoing to the contrary, the Issuer shall not enter into any amendment to the Indenture the effect of which would be a material change in the rights or responsibilities of the Deal Agent hereunder without the consent of the Deal Agent.

(g) Consent of Funding Agents and Non-Conduit Committed Purchasers. The Issuer shall not enter into any amendment to the Indenture that would require the consent of each of the Funding Agents and each of the Non-Conduit Committed Purchasers under the Note Purchase Agreement unless such consents have been obtained.

Section 15.2 Limitation on Rights of the Noteholders .

(a) The death or incapacity of any Noteholder shall not operate to terminate this Indenture, nor shall such death or incapacity entitle such Noteholder's legal representatives or heirs to claim an accounting or to take any action or commence any proceeding in any court for a partition or winding up of the Collateral, nor otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

(b) Nothing herein set forth, or contained in the terms of the Series 2008-A Notes, shall be construed so as to constitute the Noteholders from time to time as partners or members of an association; nor shall any Noteholder be under any liability to any third person by reason of any action taken by the parties to this Indenture pursuant to any provision hereof.

Section 15.3 Governing Law; Waiver of Jury Trial; Submission to Jurisdiction .

(a) THIS INDENTURE IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING BUT NOT LIMITED TO §5-1401 AND §5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, BUT OTHERWISE WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES. EACH OF THE PARTIES HERETO AND THEIR ASSIGNEES AGREES TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL COURT LOCATED WITHIN THE STATE OF NEW YORK.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO AND THEIR ASSIGNEES WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP BETWEEN ANY OF THE PARTIES HERETO IN CONNECTION WITH THIS INDENTURE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 15.4 Notices . All communications and notices hereunder shall be in writing and shall be deemed to have been duly given if personally delivered to, or transmitted by overnight courier, or transmitted by telex or telecopy and confirmed by a

mailed writing:

If to the Issuer:

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC
10750 West Charleston Boulevard
Suite 130
Mailstop 2064
Las Vegas, Nevada 89135
Attention: President
(or such other address as may hereafter be furnished to the Trustee, the Servicer and the Collateral Agent in writing by the Issuer).

If to the Servicer:

WYNDHAM CONSUMER FINANCE, INC.
10750 West Charleston Boulevard
Suite 130
Las Vegas, Nevada 89135
Fax number: 702-227-3114
Attention: President, Treasurer and Controller
(or such other address as may hereafter be furnished to the Trustee, the Issuer and the Collateral Agent in writing by the Servicer).

If to the Trustee:

WELLS FARGO BANK, NATIONAL ASSOCIATION
Sixth & Marquette
MAC N9311-161
Minneapolis, Minnesota 55479
Fax number: 612-667-3464
Attention: Corporate Trust Services Asset-Backed Administration

(or such other address as may be furnished to the Servicer, the Issuer and the Collateral Agent in writing by the Trustee).

If to the Collateral Agent:

U.S. BANK NATIONAL ASSOCIATION
269 Technology Way
Building B, Unit 3
Rocklin, CA 95765
Fax number: 916-626-3252
Attention: Structured Finance Trust Services
Re: Sierra Timeshare Conduit Receivables Funding II, LLC Series 2008-A
(or such other address as may be furnished in writing to the Trustee, the Issuer and the Servicer by the Collateral Agent).

If to the Rating Agency:

Standard & Poor's Ratings Services
55 Water Street
New York, New York 10041
Fax number: 212-438-2655
(or such other address as may be furnished in writing to the Trustee, the Issuer and the Servicer).

If to the Noteholders:

(to such addresses as may be furnished in writing by any Noteholder to the Trustee).

If to the Deal Agent:

JPMorgan Chase Bank, N.A.
10 South Dearborn Street
13th Floor
Chicago, Illinois 60670
Fax number: 312-732-3600
Attention: ABS Transaction Management

All communications and notices pursuant hereto to a Noteholder will be given by first-class mail, postage prepaid, to the registered holders of such Series 2008-A Notes at their respective address as shown in the Note Register. Any notice so given within the time prescribed in this Indenture shall be conclusively presumed to have been duly given, whether or not the Noteholder receives such notice.

Section 15.5 Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Indenture shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Indenture and shall in no way affect the validity or enforceability of the other provisions of this Indenture or of the Series 2008-A Notes or rights of the Noteholders thereof.

Section 15.6 Assignment. Notwithstanding anything to the contrary contained herein, except as provided in Section 12.2, this Indenture may not be assigned by the Issuer or the Servicer without the prior consent of the Majority Facility Investors.

Section 15.7 Series 2008-A Notes Non-assessable and Fully Paid. It is the intention of the Issuer that the Noteholders shall not be personally liable for obligations of the Issuer and that the indebtedness represented by the Series 2008-A Notes shall be non-assessable for any losses or expenses of the Issuer or for any reason whatsoever.

Section 15.8 Further Assurances. Each of the Issuer, the Servicer and the Collateral Agent agree to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Trustee more fully to effect the purposes of this Indenture, including without limitation the authorization of any financing statements, amendments thereto, or continuation statements relating to the Collateral for filing under the provisions of the UCC of any applicable jurisdiction.

Section 15.9 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Trustee or the Noteholders, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No waiver of any provision hereof shall be effective unless made in writing. The rights, remedies, powers and privileges therein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 15.10 Counterparts. This Amended and Restated Indenture may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

Section 15.11 Third-Party Beneficiaries. This Indenture will inure to the benefit of and be binding upon the parties hereto, the Noteholders and their respective successors and permitted assigns. Except as otherwise provided in this Article XV, no other person will have any right or obligation hereunder.

Section 15.12 Actions by the Noteholders.

(a) Wherever in this Indenture a provision is made that an action may be taken or a notice, demand or instruction given by the Noteholders, such action, notice or instruction may be taken or given by any Noteholder, unless such provision requires a specific percentage of the Noteholders. If, at any time, the request, demand, authorization, direction, consent, waiver or other act of a specific percentage of the Noteholders is required pursuant to this Indenture, written notification of the substance thereof shall be furnished to all Noteholders.

(b) Any request, demand, authorization, direction, consent, waiver or other act by a Noteholder binds such Noteholder and every subsequent holder of such Series 2008-A Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or omitted to be done by the Trustee, the Issuer or the Servicer in reliance thereon, whether or not notation of such action is made upon such Note.

Section 15.13 Merger and Integration. Except as set forth in the Trustee Fee Letter, and except as specifically stated otherwise herein, this Indenture and the other Facility Documents set forth the entire understanding of the parties relating to the

subject matter hereof, and, except as set forth in such Trustee Fee Letter, all prior understandings, written or oral, are superseded by this Indenture and the other Facility Documents. This Indenture may not be modified, amended, waived or supplemented except as provided herein.

Section 15.14 No Bankruptcy Petition. The Trustee, the Servicer, the Collateral Agent, each Noteholder, the Deal Agent, each Funding Agent, each Non-Conduit Committed Purchaser, and each beneficial owner of a Series 2008-A Note or an interest therein, by accepting a Note, hereby covenant and agree that they will not at any time institute against the Issuer or the Depositor, or join in instituting against the Issuer or the Depositor, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any Debtor Relief Law until one year and one day after such time as all of the Issuer and the Depositor have paid in full all indebtedness owed by such Person. The provisions of this Section 15.14 will survive any termination of this Indenture.

Section 15.15 Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

Section 15.16 Satisfaction of Rating Agency Condition. It is agreed by the parties hereto that any action which, under the terms of this Indenture, is stated to be subject to the satisfaction of the Rating Agency Condition, such action shall, without regard to whether or not the satisfaction of the Rating Agency Condition is then actually required pursuant to Section 1.2(d), be subject to the condition that such action shall not be taken unless the Deal Agent has given its prior written consent to the action.

Section 15.17 [Reserved].

Section 15.18 Changes in the Hedge Agreement. The Issuer agrees that it will notify each Rating Agency then maintaining a rating on the Series 2008-A Notes of any amendments to the Hedge Agreement.

Section 15.19 Discretion with Respect to Derivative Financial Instruments. The parties to this Indenture recognize and agree that, in the course of managing its assets and obligations, the Issuer may, from time to time, find it useful and prudent to enter into, or to terminate or modify, derivative financial instruments for the purpose of hedging its interest rate risk, and the parties hereby agree that, (a) in addition to the Hedge Agreement, the Issuer may, from time to time, enter into derivative financial instruments for the purpose of hedging the Issuer's interest rate risk in accordance with the terms of the Facility Documents and (b) the Issuer may, in its discretion, terminate, or modify, any such derivative financial instrument in accordance with the terms of the Facility Documents; provided that the Issuer shall not terminate or modify the Hedge Agreement except as provided in this Indenture and solely in accordance with the appropriate mechanism(s) as set forth in the Hedge Agreement, and, with respect to any derivative financial instruments, other than the Hedge Agreement, the Issuer shall not enter into any such instruments unless the Rating Agency Condition has been satisfied with respect to such derivative financial instrument; provided further, however, that, so long as the Hedge Agreement is in effect, (x) no instrument shall be entered into pursuant to clause (a) above and (y) no termination (or modification) shall be effected pursuant to clause (b) above, without the prior written consent of the Hedge Provider if the effect of such instrument, termination (or modification) would be to adversely affect the Hedge Provider's ability or right to receive payment under the terms of the Hedge Agreement, or if the instrument, termination (or modification) would modify the obligations of or impair the ability of the Issuer to fully perform any of its payment obligations under the Hedge Agreement; and provided further, however, that any termination, modification or replacement with respect to the Hedge Agreement effected otherwise in accordance with this Indenture and the appropriate mechanism(s) as set forth in the Hedge Agreement shall not be subject to the provisions of this Section 15.19.

Section 15.20 Effectiveness. Any amendment to the Amended Indenture by this Amended and Restated Indenture shall be effective upon the date (the "Second Amendment Effective Date") that is the later of (i) the date hereof and (ii) the first date on which each of the following conditions precedent shall have been satisfied:

(a) This Amended and Restated Indenture shall have been executed and delivered by each of the parties hereto;

(b) The Trustee shall have received the written consent of the Required Facility Investors, each Funding Agent and the Deal Agent to the amendment to the Amended Indenture by this Amended and Restated Indenture;

(c) The Rating Agency Condition shall have been satisfied;

(d) The Trustee shall have received any Opinions of Counsel required by the Trustee to be delivered to the Trustee; and

(e) The Amended and Restated Note Purchase Agreement, dated the date hereof, shall have been executed and delivered by each party thereto.

Section 15.21 Purchaser Invested Amount . The Issuer hereby notifies the Trustee that on October 1, 2010, after giving effect to this Amended and Restated Indenture: (a) the entire principal amount represented by the Series 2008-A Note registered in the name of BARCLAYS BANK, PLC, as Funding Agent, will have been transferred to and acquired by the other Purchaser Groups, with JPMORGAN CHASE BANK, N.A., DEUTSCHE BANK, AG, NEW YORK BRANCH and BANK OF AMERICA, N.A., as Funding Agents; (b) the entire principal amount represented by the Series 2008-A Note registered in the name of BANK OF AMERICA, N.A., as Funding Agent, after giving effect to subsection (a) above, will have been transferred to and acquired by BANK OF AMERICA, N.A., as a Non-Conduit Committed Purchaser; and (c) the portion of the principal amount represented by the Series 2008-A Note that is transferred under subsection (a) above and registered in the name of JPMORGAN CHASE BANK, N.A., as Funding Agent, will have been transferred to and acquired by COMPASS BANK, as a Non-Conduit Committed Purchaser. Upon receipt by the Trustee of the Series 2008-A Notes registered in the name of BARCLAYS BANK, PLC and BANK OF AMERICA, N.A. for cancellation, the Trustee shall cancel such notes. The Issuer shall have issued a new Series 2008-A Note to each of BANK OF AMERICA, N.A. and COMPASS BANK, each as a Non-Conduit Committed Purchaser, and the Issuer hereby authorizes and directs the Trustee to authenticate such new notes. The outstanding Series 2008-A Notes (including the newly issued notes) shall represent the entire Notes Principal Amount of $215,429,514.46 on October 1, 2010 after giving effect to this Amended and Restated Indenture (subject to future Increases and principal payments and cancellations as provided in the Original Indenture and the Note Purchase Agreement). The principal amount of each such outstanding Series 2008-A Note on October 1, 2010 after giving effect to this Amended and Restated Indenture shall be equal to the applicable Purchaser Invested Amount (as such term is defined in the Note Purchase Agreement) with respect to each Purchaser Group and Non-Conduit Committed Purchaser, as set forth on Schedule 2 to this Amended and Restated Indenture.

[The Remainder of This Page is Intentionally Left Blank.]

IN WITNESS WHEREOF, Issuer, the Servicer, the Trustee and the Collateral Agent have caused this Indenture to be duly executed by their respective officers as of the day and year first above written.

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC, as Issuer

By:
Name:
Title:

WYNDHAM CONSUMER FINANCE, INC., as Servicer

By:
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By:
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, as as Collateral Agent

By:
Name:
Title:

[Schedules and Exhibits on file with Registrant]

Exhibit 15

May 1, 2019

Wyndham Destinations, Inc.
6277 Sea Harbor Drive
Orlando, Florida 32821

We have reviewed, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the unaudited interim condensed consolidated financial information of Wyndham Destinations, Inc. and subsidiaries for the three-month periods ended March 31, 2019 and 2018, as indicated in our report dated May 1, 2019. As indicated in such report, because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, is incorporated by reference in Registration Statement No. 333-136090 and 333-228435 on Forms S-8 and Registration Statement No. 333-223859 on Form S-3ASR. We also are aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP
Tampa, Florida

Exhibit 31.1

CERTIFICATION

I, Michael D. Brown, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wyndham Destinations, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 1, 2019

/S/ MICHAEL D. BROWN

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Exhibit 31.2

CERTIFICATION

I, Michael A. Hug, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wyndham Destinations, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 1, 2019

/S/ MICHAEL A. HUG

CHIEF FINANCIAL OFFICER

Exhibit 32

CERTIFICATION OF PRESIDENT AND CEO AND CFO PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Wyndham Destinations, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2019 , as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Michael D. Brown, as President and Chief Executive Officer of the Company, and Michael A. Hug, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1.) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2.) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ MICHAEL D. BROWN

MICHAEL D. BROWN

PRESIDENT AND CHIEF EXECUTIVE OFFICER

MAY 1, 2019

/S/ MICHAEL A. HUG

MICHAEL A. HUG

CHIEF FINANCIAL OFFICER

MAY 1, 2019