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Susan Crook
SUSAN CROOK
SOLICITOR
LANCASTER

Dated 5th November 2007

The Companies Acts 1985 to 1989

WEDNESDAY



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14/11/2007

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COMPANIES HOUSE

COMPANY LIMITED BY SHARES

Articles of Association

of

Diamond Resorts Holidays Limited

PRELIMINARY

1. Regulations 2, 1, 24, 64, 84, 94 and 99 of Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall not apply to the Company, but the Articles hereinafter contained together with the remaining regulations of Table A subject to the modifications hereinafter expressed, shall constitute the regulations of the Company.¹

CAPITAL

2. The initial share capital of the Company is £4,000 divided into 4,000 shares of £1.00 each. 1,050,000 1,050,000

3. The shares of the Company, whether forming part of the original capital or of any increased capital, may be allotted or otherwise disposed of to such persons and for such consideration and upon such terms as the Directors may determine subject, in the case of any shares forming part of any increased capital, to such directions as to the allotment or disposal thereof as may be given by the Company in general meeting at the time of the creation of such shares.

4. (a) After the initial allotment of shares by the Directors any further shares proposed to be issued shall first be offered to the Members in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by such Special Resolution as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be offered on terms which are more favourable to the subscribers thereof than the terms on which they are offered to the Members. In accordance with Section 91 of the Act, Section 89(1) and Section 90(1) to (6) of the Act shall be excluded from applying to the Company.

(b) Subject to paragraph (a) of this Article the Directors are authorised in accordance with Section 89 of the Act to exercise any power of the Company (and in particular the power contained in Article 3 of these regulations) to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the share capital created

¹ The Insertion of Regulation 40 to be included.

² As Amended increase share capital to 100,000 by an Ordinary Resolution of 28th September 1995.
Written Resolution to increase share capital to 1,050,000 on 18th February 2007.

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on the incorporation of the Company and may do so at any time before the date of the fifth anniversary of such incorporation and this authority shall expire on that date except that the Directors may allot shares thereafter in pursuance of any agreement or offer to allot made before that date. This authority may be revoked, varied or renewed (but not for more than five years at a time) by an Ordinary Resolution.

5. Subject to the provisions of Chapter VII of Part V of the Act any Shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.

TRANSFER OF SHARES

6. Any share may be transferred by a member to his or her spouse or lineal descendant and any shares of a deceased member may be transferred to any such relative as aforesaid of the deceased member. Save as aforesaid the Directors, in their absolute discretion and without assigning any reason therefor, may decline to register the transfer of any share whether or not it is a fully paid share.

VOTES OF MEMBERS

7. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.

DIRECTORS

8. A Director who has disclosed his interest and the interest of any person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company) connected with the Director and, in the case of an alternate director, any interest of his appointor, in accordance with Regulation 83 of Table A and Section 317 of the Act may vote in respect of any contract, proposed contract or any arrangement in which he is interested directly or indirectly and such Director shall be counted in the quorum present at any meeting at which such contract or proposed contract or arrangement is being considered.

9. Any Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine.

10. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director to act as Auditor for the Company.

11. The Company shall not be subject to Section 293 of the Act, and accordingly any person may be appointed or elected as a Director whatever his age, and no Director shall be required to vacate his office of Director by reason of his attaining or having attained the age of seventy years or any other age.

12. The office of a Director shall be vacated:

- (1) in any of the circumstances specified in article 81 of Table A (any resignation of office being by notice in writing); or
- (2) if he is removed from office by a resolution duly passed under Section 303 of the Act.

MANAGING DIRECTORS AND MANAGERS

13. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such period and on such terms (as to remuneration and otherwise) as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed, whilst holding such

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office, shall not be subject to retirement by rotation or be taken into account in determining the number of Directors to retire by rotation or the rotation of retirement of Directors, but his appointment, subject to the payment to him of such compensation or damages as may be payable to him by reason thereof, shall be automatically terminated if he ceases from any cause to be a Director.

SECRETARY

14. Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. If at any time there shall be no Secretary or for any reason no Secretary capable of acting, the Directors may appoint an assistant or deputy Secretary.

NOTICES

15. Notice of every general meeting shall be given in manner authorised by Table A to every member except those members who are by these Articles disentitled from receiving such notices and those members who (having no registered address within the United Kingdom) have not supplied to the Company any address within the United Kingdom for the giving of notices to them, and shall also be given to the directors and the auditors.

FIRST DIRECTORS

16. The number of Directors shall not be more than ten but the Company in General Meeting may reduce or increase this limit. The first Director shall be WILDMAN & BATTELL LIMITED.

FIRST SECRETARY

17. The first Secretary of the Company shall be SAME-DAY COMPANY SERVICES LIMITED.

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18. All or any of the Directors may participate in a meeting of the Directors or any committee of the directors by means of a conference telephone or any other form of communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or to be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the chairman of the meeting then is.³

19.1 For so long as the holder of not less than 90% of the issued share capital of the company is Signature Resorts, Inc., or any company which is itself a subsidiary of Signature Resorts, Inc. ("the Parent Company") the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of the company's articles of association:

- (a) the Parent Company may at any time and from time to time appoint any person to be a Director or Secretary, or remove from office any Director or Secretary (whether or not appointed by the Parent Company) but so that in the case of an Executive Director or an Executive Secretary his removal from office shall be deemed to be an act of the company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the company;**
- (b) the Parent Company may at any time and from time to time appoint any person to be an alternate director for any Director (in which case the Director shall during the currency of such appointment have no right to appoint an alternate director himself and shall have no right to remove such alternate director or to direct him how to vote or act) or remove from office any alternate director (whether or not appointed by the Parent Company) but so that in the case of appointment the alternate director shall be deemed for the purposes of these Articles to have been appointed by such Director and no approval of the Directors shall be required;**
- (c) the Parent Company may at any time and from time to time appoint any person (whether or not a Director and notwithstanding that members are otherwise required to be Directors) to be a member of any committee of Directors or remove from office any member of any such committee (whether or not appointed by the Parent Company);**
- (d) no security or security interest shall be created or allowed to subsist without the consent of the Parent Company; and**
- (e) any or all the powers of Directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the company from time to time prescribe.⁴**

19.2 Any such appointment, removal, consent, or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its Directors or by any one of its Directors and either its Secretary or some other person duly authorised for the purpose.

³ Article 18 Printed and added by a Special Resolution on the 28th August 1997.

⁴ Article 19 Printed and added by a Special Resolution on the 28th August 1997

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20. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation shall be a quorum. Notwithstanding the above, if the Company has only one member, that one member present in person, by proxy or duly authorised representative shall be a quorum in accordance with Section 370(A) of the Companies Act 1985.⁵

21. The number of directors (other than alternate directors) need not exceed one and shall not be subject to any maximum. If and so long as there is only one director in office, he may exercise all powers and authorities vested in the directors by these Articles or by Table A notwithstanding any contrary provision of Table A.⁶

22. Regulations 73, 74, 75, 77 and 80, together with other references to retirement of directors by rotation and the second and third sentences of regulation 79 in Table A, shall not apply to the Company.⁷

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5th November 2007

⁵ The disapplication of Regulation 40 of Table A, and Article 20 Printed and added by Special Resolution on 19th November 1999.

⁶ The disapplication of Regulation 64 of Table A, and Article 21 Printed and added by Special Resolution on 19th November 1999.

⁷ Article 22 Printed and added by a Special Resolution on the 19th November 1999.