

## **GOLDRUSH GETAWAYS COMPANY OVERVIEW**

TravelMasters, Inc. d.b.a. Goldrush Getaways (GG) is a privately held California “C” Corporation founded in 1996, it owns and operates a membership-based “host” travel agency with multiple offices. For the past 19 years GG has successfully served the travel needs of Californians with its award-winning, host-travel agency and Member/Agent program.

### ***MISSION STATEMENT***

***Goldrush Getaways initiates, builds and sustains a mutually rewarding relationship with Independent Member/Travel Agents. We accomplish this by providing members with an exclusive gateway to all forms of real travel values. We employ professional and experienced in-house agents who are committed to providing Member/Agents with excellent service and assistance in an innovative, informative, and friendly environment.***

All travel is booked directly with travel wholesalers, vendors and suppliers herein referred to as Travel Suppliers” by GG Member/Agents. There are over 14,000 GG Independent Travel Agents (Member/Agents) located throughout the Western U.S and Texas.

As a “Host” travel agency, GG assists its Independent Member/Agents on an as-requested basis with its salaried staff of in-house professional travel agents and member service personnel. Communication with GG is managed with toll-free lines, email, fax, and an interactive website along with face-to-face training and booking assistance. We also publish a weekly newsletter on-line along with “Travelwise” a quarterly hard copy mailed with annual dues statements.

TravelMasters Inc., d.b.a. Goldrush Getaways produces multi-millions of dollars in annual sales volume and its name and logo are nationally trademarked. GG is in good standing in the communities it serves. GG enjoys an A rating with the BBB.

GG is a registered seller of travel with the State of California (CST 2055171-40) and is endorsed by International Association of Travel Agents (IATA). GG is also a member of the Cruise Lines International Association (CLIA), the American Society of Travel Agents (ASTA) and Condominium Resorts and Exchangers (CARE) and The Citrus Height’s Chamber of Commerce.

GG is an affiliate and member of Presidents Circle of the Vacation.com network that produces over \$1.2 Billion dollars a annual in travel revenue. GG has earned numerous awards from cruise lines and tour companies worldwide for our travel sales production. GG has also earned the “President’s Award” from Suntrips, a “Golden Apple” from Apple Vacations and qualified for Pleasant Holidays “Tournament of Centurions” for two years running. Princess Cruise Line has honored GG as a “Top 50 Producer nationwide” every year since 2006 thru 2014. GG is the second largest producer of Princess Cruises in California. GG is especially proud of earning two “Pinnacle Awards” from Carnival Cruise Lines placing GG in the top 200 producers in North America.

GG services Member/Agents in the Western United States from its Corporate Home Office and Northern California Travel and Training Service Center located at 8350 Auburn Boulevard, Suite 200, Citrus Heights, California 95610. Member/Agents may contact our member travel service and training center toll free at 1-800-377-6765 or locally at 916-722-1648.

In addition, we also operate a full service host travel agency providing support for our Southern California Member/Agents in our Southern California Travel and Training Service Center east of Los Angeles at 337 N Vineyard Ave Ste.400, Unit 26, Ontario, CA 91764. Member/Agents may contact our Southern California member travel service and training center toll free at 1-800-838-0423 or locally at 909-230-5926.

GG also has a Member/Agent Training Center in the Silicon Valley near San Francisco at 1475 S. Bascom Ave, suite 104 Campbell, CA 95008, (the San Jose office). Members may contact the San Jose Office by calling 1-800-377-6567 or

locally at 916-722-1648. The telephone systems are integrated between the Home office and the San Jose office to insure quality communication access.

The travel industry plays a big part in the U.S. economy; annual sales exceed \$850 billion with hundreds of millions in commissions earned each year. In the travel industry, the gross annual sales volume of a travel agency determines the commissions paid on completed travel made through each Travel Supplier. For example, a high volume travel agency may qualify for significantly higher commission rate than a small operator.

In the late 1990's, consumers started booking travel on the Internet. Since then, the Internet has restructured the travel industry in a major way, but GG has continued to thrive. The vast majority of brick and mortar travel agencies have long since closed their doors due to consumers increased use of the Internet. American Express recently closed their travel offices and has moved to using home-based independent travel agents. In fact, most independently owned travel agencies now operate as home based businesses. GG has decided the better approach is to appeal directly to consumers by offering an education on how to become an astute travel purchaser as a GG member/agent.

Consumers purchasing travel on the internet are in reality acting as their own travel agent, doing the work for free, but paying commissions on the travel they booked to the internet provider. GG simply bypasses the internet provider by allowing the consumer Member/Agent to access GG Travel Suppliers to get the best travel values...And get the majority of commissions to boot! This simple business model has proven to be a phenomenal success with GG paying out over \$92 million dollars in commissions to its Member /Agents to date. However, GG is not positioned to be a "business opportunity" nor does it claim to be, a "discount travel provider".

Another consideration is booking on-line travel can be challenging and once the booking is completed, correcting an error or making changes may be problematic. Some web-based providers do not provide toll free live customer services or agent service access numbers. However, GG Member /Agents may search the Internet for bargains and then use Goldrush Getaways' IATA/CLIA agency number to book the travel direct with the Travel Supplier(s). Airfare, in general, is not commissionable so GG tracks and recommends the best airfare service providers to its Member /Agents. However, occasionally international fares may have a small commission attached.

GG splits travel sales commissions with its independent Member/Agents. GG Member/Agents receive 60% of the GG agency commission on travel they book for clients, friends and family, and 20% of the commission when the Member/Agent simply refers travel requests to a professional GG in-house travel agent. Member/agent's are eligible to receive 100% of commissions realized on their own personal travel (with agency management pre-approval; the Member/Agent must be a passenger on the trip). Member/Agents are free to find their own deals on the Internet or through a myriad of GG Travel Suppliers, Member/Agents have the added benefit of being able to access a GG professional in-house travel agent toll-free for any assistance they may need.

In today's markets, consumers learn about deep discounted Internet packages through various media advertisements. In many cases when consumers go to an Internet site to book travel they are disappointed to learn that the "deal" they want has been sold out, or did not include hidden fees and/or markups. This happens because more often than not, consolidators and wholesalers are alerted to deep discounted deals and snap them up before the consumer has been made aware of them. However, GG Member/Agents who register with GG approved Travel Suppliers may get first notice of these bargains by email and can thus position themselves to get information on bargains in advance of the general public. The main thing to remember is that travel rates are "fluid" and are only typically only valid on the day of the quote. Travel rates may change daily, hourly or even by the minute.

Member/Agents get information and learn about vendor specials and GG special travel promotions through travel flyers, travel vendor training seminars, a weekly e-newsletter and frequent e-mail blasts which highlight all manner of travel bargain opportunities. GG involvement in the Member/Agent travel experience is limited to whatever support is requested, along with the distribution of Member/Agent commissions on the travel they book. GG collects and reconciles the commissions and pays the Member/Agent commissions as they are earned.

GG members always get support when requested because a GG professional in-house travel agent is only a toll-free number away. The GG staff of professional salaried travel agents are a Member/Agent resource and serve as a "Travel

Help Desk". Our purpose is to assist the Member/Agent in receiving or booking a quality travel experience. GG encourages each Member/Agent to make their own commissionable travel reservations with GG approved vendors.

Another advantage of membership is that Goldrush Getaways offers an in-depth training program that allows our Member/Agents to gain valuable travel product knowledge. Member/Agents who take the training courses/classes may become savvy travel buyers much sooner than they may expect. Our ongoing classes include condos, cruises, tours, hotels, car rentals, rail travel and a variety of travel related products. We offer helpful tools to help our Member/Agents understand the travel industry and Goldrush Getaways member travel benefits. Goldrush Getaways is constantly upgrading its training to incorporate changes in the industry as they occur. In addition, seminars conducted by our valued Travel Suppliers cover a range of cruises, tours, hotels, and unique travel products to educate, guide and sample some of the exciting travel opportunities. We arrange travel with over 25 cruise lines and over 100 tour companies plus many other destination specialty products.

Goldrush Getaways offers live classes as well as webinars for members to learn from home. Our Travel Suppliers have extensive 'specific product' webinars for destinations and offer guidance to use their websites and to gain product knowledge. The class attendance is at the member's own pace and classes are ongoing and frequently repeated. GG continues to add new classes and seminars as travel products change and as we see the need within our membership. The learning and education does not stop after the initial Introduction Class. We encourage the members to select the training that suits their own travel needs and interests and continue to learn and participate.

There is a great value in the GG training programs. Although the former 'brick and mortar' travel schools no longer exist the type of travel education the Goldrush Getaways members have available to them would have cost \$2,500-\$5,000 back in the day for a 6-12 week one-time course. Travel Agent Training Schools of this type are not available in today's environment so the Goldrush Getaways Independent Member/Agent training program is a real bargain because it is free and ongoing. ***Our outside agent/members see strong value in attending the classes that are included as a benefit to their membership, so that they learn how to access the best values while maximizing the commissions they receive by booking travel for not only themselves but for their friends and family.***

Travel Suppliers periodically offer GG Member/Agents special promotions and cruises at greatly reduced rates (up to 70% off). In exchange, for the bargain prices, Member/Agents are required to participate in all vendor sponsored activities as a condition of privileges they receive while on the Special Promotions trip. Member/Agents, who take advantage of special cruise promotions, get a fabulous discounted price. They also gain valuable knowledge of ship features and amenities, various cabins types, onboard activities and shore excursions in the various ports-of-call. By participating in the on-board training made available by the sponsor, the members learn about the entire cruise line fleet and gains valuable experience enabling them to better sell travel. Cruise lines extend extra benefits to Member/Agents who complete their training courses. For example, through Princes Cruise Lines Member/Agents may eventually attain the honorary rank of Commodore. As the saying goes, "rank has its privileges". Commodore members access broader features and benefits within the Princess Cruise Line organization. Other cruise lines offer similar program for GG members. Additionally, GG Member/Agents may attend "agent only" travel supplier seminars and trade shows.

In addition to the training offered by Travel Suppliers, GG also offers continuing education through GG training programs in its classrooms, webinars, and on-line. GG has developed nine (9) proprietary core-training classes (*1. Introduction Class (recommended), 2. Air/ Consolidators, 3. Auto Rental Class, 4. Hotel Class, 5. Tours Class, 6. Cruises Class, 7. Groups Class, 8. Internet Class, 9. Condo Class*) that are offered to Member/Agents via live classes, webinars and in the member only section of the GG website. The monthly calendar for these classes and seminars can be accessed via our website.

All new Member/Agents are encouraged to attend the Introduction Class because this initial training class gives the new member information necessary to more effectively utilize their membership and begin to realize terrific travel values. The member/agent is encouraged to complete our remaining full slate of classes and vendor seminars. To simplify access to our training, live "webinars" are available to our Member/Agents, allowing them to attend class from the comfort of their home or office.

If a GG Member/Agent wishes to pursue a travel industry recognized identification card, they may do so, through their association with GG, by enrolling in the Cruise Line Industry Association (CLIA) certification program. However there are separate qualifications and additional annual costs involved in becoming a CLIA agent. Currently GG is an authorized CLIA training center. IATAN membership is also possible, but there is a minimum commission earnings requirement of \$5,000 over a rolling 12-month period that must be met.

Besides encompassing every facet of the travel industry, GG membership provides a gateway to thousands of resort condominiums “Condos” worldwide, including access to short notice wholesale “hot week” Condo rentals starting as low as \$249 a week for 30-day or less advance reservations. Members may make reservations up to one year in advance starting at \$449 per week. Condo rental prices vary with location, time of year and unit size, location and amenities. Condo weeks may be accessed through the GG Condo Department or booked live on our website via Goldrush Weeks. A member may put a hold on up to five condos for 24 hours and then book the one they want with a simple click of their mouse. GG has a relationship with multiple condo rental and exchange network vendors. This relationship allows GG vendors to access to over 120,000-140,000 unoccupied timeshare units that are put on the rental market weekly.

GG offers much more value when compared to a traditional timeshare as it is more flexible, economical and has low non-binding dues as opposed to ever increasing and binding timeshare maintenance fees. However, GG is not a travel club per se. GG offers many more features and benefits as a “host” travel agency than any travel club. However, it incorporates the best attributes found in an excellent travel club while combining independent travel agent status, perks and commissions. The GG model is different as it is totally vertically integrated. GG controls the sales, marketing and servicing of the GG product line and maintains its own proprietary website. The result is an exclusive Member/Agent relationship providing consumers the opportunity to elevate their travel experience while getting more value from the travel they buy, sell or refer to GG.

GG members may search and shop Travel Suppliers for travel values and book their own travel directly with the vendor, GG Member/Agents use the agency IATA/CLIA travel agency ID number to book the travel with the various Travel Suppliers and vendors. In this way members/agents participate in and become responsible for the travel services and their experience in whole or in part. ***The participation of the GG Member/Agent in the travel service process goes a long way to mitigate service issues as the Member/Agent confers with the GG travel host agency to provide the service experience.***

GG maintains an exclusive Member/Agent only website at <http://www.goldrushgetaways.com>. Each member/agent is assigned a personal login name and password to the GG website, which features special promotions and links that connect to GG Wholesalers, Consolidators and Travel Suppliers. The website features exclusive promotions and travel opportunities, through various Travel Suppliers for all types of travel as well as the 9 core-training classes. Members have 24/7 access to the member website provided their dues are current.

GG seeks member input and continuously works to improve communication and membership features and benefits. GG Member/Agents have ample opportunity to engage and enjoy the benefits of their membership on their time schedule and at their discretion. This, along with an affordable membership price (\$4,400 average membership price) and \$149 annual dues, are reasons why a Goldrush Getaways host travel agency membership has been met with such enthusiasm in today’s market.

Since its inception, GG has paid millions of dollars in travel commissions to its Member/Agents, but as mentioned earlier, GG is not sold as a business opportunity. GG’s focus is on increasing travel sales volume thus increasing commissions and benefits earned with Travel Suppliers. This results in greater returns to our Member/Agents in the form of value driven travel and vacation packages along with a better commission structure and opportunities.

An Agent/Member has the opportunity of recouping the cost of the membership from commissions and travel savings over time...however, some have done it within their first year or two. We cannot guarantee this will happen for each member...because it depends on the individual and amount of time the member devotes to traveling and learning how to get the most value from their travel. However, the majority of our members have found that by taking the classes and learning how to book travel they really have fun in the process and get the best value for their travel dollars especially when they put groups of friends and family together for cruises and exciting adventures.

GG supports an experienced staff of professional travel agent employees and the company is led by seasoned travel, sales, and marketing professionals.

GG is constantly working to improve its infrastructure and website and much has been accomplished. GG remodeled its sales centers, refurbished and re-tooled the agency offices and classrooms, updated electronic equipment and replaced all computer hardware. We have developed new proprietary software and a new website featuring on-line condominium booking. We also put all the training programs on line utilizing professional voice over.

**The following is a summary of the Goldrush Getaways Agent/Membership benefits. Please remember that GG never promises discounted airfares and stresses the fact *that most Member/Agents see value in attending the training because it shows how to maximize the travel values, perks and commissions they receive by booking travel for themselves and their friends and family.***

- ✓ CONDOMINIUM WEEKS WORLDWIDE FROM \$449 PER WEEK (up to 1-year in advance).
- ✓ CONDOMINIUM "HOT WEEKS" STARTING FROM \$249 PER WEEK (short notice 30-days or less)
- ✓ UPDATED, ONGOING, IN-HOUSE TRAINING OPPORTUNITIES FOR INDEPENDENT MEMBER/AGENTS.
- ✓ PAY 20% OF THE AGENCY'S COMMISSION ON TRAVEL BOOKED BY AGENCY FROM A MEMBER/AGENT REFERRAL.
- ✓ PAY 60% OF THE AGENCY'S COMMISSION ON TRAVEL BOOKED BY MEMBER/AGENT FOR OTHERS.
- ✓ PAY 100% OF THE AGENCY COMMISSION ON PERSONAL TRAVEL by MEMBER/AGENT (requires pre-approval-Member/Agent must be one of the travelers).
- ✓ FREE SUBSCRIPTIONS TO EXCLUSIVE TRAVEL AGENT INDUSTRY PUBLICATIONS
- ✓ EXCLUSIVE ENTRANCE TO TRAVEL AGENT SEMINARS AND SHOWS.
- ✓ PROFESSIONAL FULL SERVICE TRAVEL AGENT SERVICES ARE AVAILABLE FOR TRAVEL ADVICE. MEMBERS MAY SPEAK DIRECTLY TO A PROFESSIONAL GOLDRUSH GETAWAYS FULL TIME SALARIED TRAVEL AGENT TOLL-FREE FROM ANYWHERE IN THE UNITED STATES.
- ✓ EXCLUSIVE MEMBER WEBSITE ([goldrushgetaways.com](http://goldrushgetaways.com))
- ✓ EXCLUSIVE EMAIL NOTICES (Weekly newsletter featuring travel bargains and alerts...monthly training calendars...special event notification...Goldrush Getaways member only special travel and FAM deals.)
- ✓ 24-HOUR VOICEMAIL