

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 12-1

REGISTRATION STATEMENT UNDER THE SECURITIES REGULATION CODE

1. SEC Identification Number-----CS200904554
2. CALIRAYA RESORT CLUB, INC. doing business under the name and style of Caliraya Vacation Club International.
(formerly: Caliraya Re-Creation Center & Resort, Inc.)
3. LAGUNA, PHILIPPINES
Province, Country or other jurisdiction of incorporation or organization
4. BIR TAX IDENTIFICATION NO. ----- 007-269-420
5. RESORT PROPERTY DEVELOPMENT
General character of business of registrant
6. Industry Classification Code -----SEC use only
7. Principal Office Address:

Ground Floor Unit 2B
Tiffany Mansion Condominium
21 Eisenhower Street
Greenhills, San Juan City
Telephone No. 632-10-10
8. NOT APPLICABLE
If registrant is a resident of the Philippines, and its principal business is in the Philippines.
9. Fiscal year is 31 December

Computation of Registration Fees

STRAIGHT AVAILMENT		RED (22 WEEKS)	WHITE (12 WEEKS)	BLUE (13 WEEKS)	TOTAL (47 WEEKS)
1 BEDROOM (3 UNITS)	NO. OF WEEKS	66	36	39	141
	LIST PRICE	620,000	550,000	480,000	
	PROCEEDS	40,920,000.00	19,800,000.00	18,720,000.00	79,440,000.00
STUDIO (6 UNITS)	NO. OF WEEKS	132	72	78	282
	LIST PRICE	429,000	385,000	330,000	
	PROCEEDS	56,628,000.00	27,720,000.00	25,740,000.00	110,088,000.00
	PROCEEDS				189,528,000.00
ALTERNATE AVAILMENT		RED (22 WEEKS)	WHITE (12 WEEKS)	BLUE (13 WEEKS)	TOTAL (47 WEEKS)
1 BEDROOM (6 UNITS)	NO. OF WEEKS	264	144	156	564
	LIST PRICE	372,000	330,000	288,000	
	PROCEEDS	98,208,000.00	47,520,000.00	44,928,000.00	190,656,000.00
STUDIO (12 UNITS)	NO. OF WEEKS	528	288	312	1128
	LIST PRICE	257,400	231,000	198,000	
	PROCEEDS	135,907,200.00	66,528,000.00	61,776,000.00	264,211,200.00
	PROCEEDS				454,867,200.00
Total Timeshare Units					2115
Total Proposed Aggregate Proceeds					644,395,200.00
Filing Fee					608,296.40
Legal Research Fee					6,082.96
Total Fees					614,379.36

Details of Filing Fee Computation

	Amount
More than P500,000,000 but not more than P750,000,000	500,000.00
Plus .075% of the Excess of P500,000,000	108,296.40
Total Filing Fee	608,296.40
Legal Research Fee of 1% of the filing fee	6,082.96
Total Fees	614,379.36

FINAL PROSPECTUS

CALIRAYA RESORT CLUB, INC.

doing business under the name and style of Caliraya Vacation Club

International

(Formerly: Caliraya Re-Creation Center & Resort, Inc.)

*** Issuer/ Registrant ***

For the Offer and sale of

TIMESHARE CERTIFICATES

The Prospectus pertains to the registration of Two Thousand One Hundred Fifteen (2,115) Timeshare Certificates which shall be directly sold to the public at the minimum offer price of Seventy Nine Thousand and Two Hundred (P79,200.00) pesos each and a maximum offer price of Six Hundred Twenty Thousand (P620,000.00) pesos each. The Registrant expects to generate gross proceeds in the maximum aggregate amount of Six Hundred Forty Four million and Three Hundred Ninety Five Thousand and Two Hundred pesos (P644,395,200.00).

Under this registration, the exercise of the occupancy shall be done on a Straight Availment and Alternate Availment System at the resort at Lumban, Laguna property, hence, the total offered shares to be issued shall be Two Thousand One Hundred Fifteen (2,115) Timeshare Certificates. The specific “even” or “odd” years of occupancy will be clearly stated in the timeshare certificates. A comparison of the straight availment and alternate availment system are shown below:

STRAIGHT AVAILMENT SYSTEM		RED	WHITE	BLUE
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)
1 Bedroom	Minimum Price	248,000.00	220,000.00	192,000.00
	Maximum Price	620,000.00	550,000.00	480,000.00
Studio	Minimum Price	171,600.00	154,000.00	132,000.00
	Maximum Price	429,000.00	385,000.00	330,000.00

ALTERNATE AVAILMENT SYSTEM		RED	WHITE	BLUE
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)
1 Bedroom	Minimum Price	148,800.00	132,000.00	115,200.00
	Maximum Price	372,000.00	330,000.00	288,000.00
Studio	Minimum Price	102,960.00	92,400.00	79,200.00
	Maximum Price	257,400.00	231,000.00	198,000.00

STRAIGHT AVAILMENT SYSTEM		RED	WHITE	BLUE	TOTAL
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)	(47 WEEKS)
1 BEDROOM (3 UNITS)	NO. OF TIMESHARES	66	36	39	141
	LIST PRICE	620,000	550,000	480,000	
	PROCEEDS	40,920,000	19,800,000	18,720,000	79,440,000
STUDIO (6 UNITS)	NO. OF TIMESHARES	132	72	78	282
	LIST PRICE	429,000	385,000	330,000	
	PROCEEDS	56,628,000	27,720,000	25,740,000	110,088,000
SUB TOTAL					189,528,000

ALTERNATE AVAILMENT SYSTEM		RED	WHITE	BLUE	TOTAL
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)	(47 WEEKS)
1 BEDROOM (6 UNITS)	NO. OF WEEKS	264	144	156	564
	LIST PRICE	372,000	330,000	288,000	
	PROCEEDS	98,208,000	47,520,000	44,928,000	190,656,000
STUDIO (12 UNITS)	NO. OF TIMESHARES	528	288	312	1128
	LIST PRICE	257,400	231,000	198,000	
	PROCEEDS	135,907,200	66,528,000	61,776,000	264,211,200
SUB TOTAL					454,867,200

GRAND TOTAL

* Number of Timeshares	2,115.00
* Number of Rooms	27.00
* Gross Maximum Proceeds	644,395,200.00

The amounts are in Philippine Currency. Offer prices are inclusive of VAT.

This Prospectus is dated 10 November 2015

Principal Office Address:

Ground Floor Unit 2B
Tiffany Mansion Condominium
21 Eisenhower Street
Greenhills, San Juan City

Telephone No. 632-10-10

This Prospectus does not constitute an offer of any securities other than those to which it relates, or an offer to sell or a solicitation of an offer to buy those to which it relates, in any jurisdiction to any person to whom it is unlawful to make such offer or

solicitation in such jurisdiction. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time other than as indicated.

The information contained in this Prospectus has been supplied by the Company. The Company hereby accepts full responsibility for the accuracy of the information given herein and confirms that these facts, the omission or addition of which would make any statement in this Prospectus misleading.

The offering will not be traded in the Stock Exchange, instead the same will be sold over the counter by employees of the Registrant.

The offer of the Securities to the public shall not be underwritten; hence, no underwriter's fees shall be incurred.

No dividends shall be distributed as the corporation is a non-stock, non-profit entity.

**ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL
INFORMATION CONTAINED HEREIN IS TRUE AND CURRENT.**

CALIRAYA RESORT CLUB, INC.

doing business under the name and style of Caliraya Vacation Club International

By:

Sarah T. Roxas-Wage

Chairman/President

SUBSCRIBED AND SWORN to before me this ____ day of November 2015 at San Juan City, Philippines, affiant exhibiting to me her TIN _____.

NOTARY

Doc. No. _____;

Page No. _____;

Book No. _____;

Series of 2015.

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SUMMARY INFORMATION

The Offer

For the registration of Two Thousand One Hundred Fifteen (2,115) Timeshare Certificates for a Six Hundred Forty Four Million and Three Hundred Ninety Five Thousand and Two Hundred Pesos (P644,395,200.00) to be sold to the public in the Philippines. The timeshare period shall be forty seven (47) weeks, which pertains to the months January to December each year. All amounts are inclusive of applicable Tax.

The offer is expected to raise a maximum gross proceeds of Six Hundred Forty Four Million Three Hundred Ninety Five Thousand Two Hundred Pesos (P644,395,200.00). Net proceeds of Php420,360,986 is then obtained and shall be used for the cost of timeshare, maintenance levy, capital expenditure and registrants working capital.

The price per membership certificate is inclusive of the Twenty Thousand Pesos (P20,000.00) non-refundable processing and administration fee, if in case the client will cancel the purchase agreement within five (5) days from the signing of the contract, he/she will be fully refunded with any amount of the purchase price paid upon signing of the agreement less the Twenty Thousand Pesos (P20,000.00) non-refundable fee. If the down payment for the purchase of the timeshare be less than the P20,000.00 processing fee, the purchaser shall be liable for the balance of the processing fee therefore the right to refund any amount paid shall not apply.

The Company

Caliraya Resort Club, Inc. doing business under the name and style of Caliraya Vacation Club International (formerly: Caliraya Re-creation Center & Resort, Inc.) was originally registered on 16 April 2009 for the primary purpose of fostering, conducting and promoting the social, fraternal, business, athletic and Christian activities among its members with the main objective of engaging in the development, construction, maintenance, management and operation of club houses and other indoor and outdoor sports, and physical fitness facilities, restaurants, dining halls, worship areas, prayer rooms, conference centers and similar facilities; to offer and issue membership shares to the public. Allied to these activities it will offer timeshares to the public over its existing properties as well as those it will develop in the future.

For brevity, the registrant shall consistently carry its Trade Name: Caliraya Vacation Club International in this Prospectus as well as in all flyers and selling materials.

Risks of Investing

Prospective investors should take into consideration the following investment components which may have a direct bearing in a decision to invest enumerated by order of importance:

1. Nature of investment
2. Disasters and natural calamities

3. Political and economic factors
4. Competition
5. No secondary market for time shares

Summary Financial Information:

Presented herein is the Financial Statements of Caliraya Resort Club, Inc. :

Statements of Financial Position	Audited as of June 2015	Audited 2014	Audited 2013
ASSETS			
Current Assets			
Cash	30,247,025	10,892,035	15,094,718
Receivables	4,684,814	14,181,132	15,844,671
Inventories - at cost	802,240	879,494	1,101,553
Due from related parties	179,824	90,979	163,103
Prepayments and other current assets	701,260	764,904	674,761
Total Current Assets	36,615,163	26,808,544	32,878,807
Noncurrent Assets			
Property and equipment	344,243,205	315,037,738	247,260,488
Deferred tax asset	2,264,797	3,781,805	3,455,296
	383,123,165	345,628,087	283,594,591
LIABILITIES AND MEMBERS' EQUITY			
Current Liabilities			
Accounts and other payables	102,225,528	80,446,335	43,651,074
Current portion of notes payable			20,000,000
Due to related parties	93,581,510	84,852,390	41,665,015
Income tax payable	747,452	382,938	371,722
Total Current Liabilities	196,554,490	165,681,663	105,687,811
Noncurrent Liabilities			
Notes Payable -net of current portion		-	-
Retirement liability	5,321,734	4,763,420	3,932,340
Total Noncurrent Assets	5,321,734	4,763,420	3,932,340
Total Liabilities	201,876,224	170,445,083	109,620,151
Members' Equity			
Proprietary shares	32,508,000	32,508,000	32,508,000
Additional contribution from members	116,506,906	116,506,906	116,506,906
Accumulated net earnings (losses)	26,221,112	25,012,548	22,143,638
Net earnings /losses for the year	6,063,937	1,208,564	2,868,910
Other Comprehensive Loss	(53,014)	(53,014)	(53,014)
Accumulated net earnings (losses)	32,232,035	26,168,098	24,959,534
Total Members' Equity	181,246,941	175,183,004	173,974,440
	383,123,165	345,628,087	283,594,591

Statements of Comprehensive Income	For the Six Months ended		Audited	Audited
	June 2015 (Audited)	June 2014 (Unaudited)	2014	2013
SERVICE REVENUE	75,395,344	75,384,318	116,677,948	104,464,820
COST OF SERVICES	39,182,244	34,323,428	71,421,399	62,215,735
GROSS PROFIT	36,213,100	41,060,890	45,256,549	42,249,085
GENERAL AND ADMINISTRATIVE EXPENSES	27,577,508	25,894,337	41,803,894	35,538,542
INTEREST EXPENSE	-	1,464,755	1,676,043	2,696,587
INTEREST INCOME	19,022	25,013	38,720	67,493
NET INCOME before TAX	8,654,614	13,726,811	1,815,332	4,081,449
PROVISION FOR INCOME TAX				
Current	2,726,522	3,637,195	933,277	885,134
Deferred	(135,845)	476,439	(326,509)	327,405
	2,590,677	4,113,634	606,768	1,212,539
NET INCOME after TAX	6,063,937	9,613,177	1,208,564	2,868,910
OTHER COMPREHENSIVE LOSS				
Item that will not be reclassified subsequently to profit or loss/remeasurement loss on retirement liability-net of deferred income tax				(53,014)
NET INCOME	6,063,937	9,613,177	1,208,564	2,815,896

GLOSSARY

When used in this Prospectus, the following expressions shall have the following meanings:

Accommodation Certificate	A document issued to the member after confirmation of the booking request, which shall then be presented to the reception staff upon check in.
Affiliate Resort	Any resort or venue accredited with the Resort Condominium International
Annual Maintenance Levy	The yearly sum payable by the member including such increases thereof as may be allowed under the Purchase Agreement, Membership Rules and/or other Rules and Regulations. The first annual maintenance levy is incorporated in the Purchase Price.
Assessment	Any written notification by the Company to any member of dues payable

Availment System	<p>Straight Availment A purchaser buys one timeshare unit for the full offer price and for the full period of 30 years.</p> <p>Alternate Availment This method affords the purchaser with an option to buy one timeshare unit for a 15 years accommodation which shall be exercised every other year under the “odd” or “even” years category.</p>
The Company / the Corporation	The Registrant, Caliraya Resort Club Inc. doing business under the name and style of Caliraya Vacation Club International.
Family	Parents and their children/wards over whom the member exercises parental/legal guardianship
Guests	A member’s family, servants, guests or any person authorized by the member to use an accommodation or any of the amenities offered at the venue.
Guest Certificate	A document issued should a member opted to assign his accommodation right to others for a given period.
Holiday Ownership or Timeshare Ownership	The exclusive right to occupy for a specific week, a chosen facility/unit as specified in the Purchase Agreement.
Member	A person who has been registered by the Company as holder of the Timeshare Certificate
Membership Certificate or Holiday Timeshare Certificate	A document confirming the registration of a member as holder of a Timeshare Certificate indicating therein particulars of the ownership.
Cancellation Period or Cooling Off Period	The period within which the purchaser of timeshares may rescind the purchase and receive a refund of the amount of the purchase price paid except for the Twenty Thousand Pesos (PhP 20,000.00) non-refundable processing and administration fees. The period may be exercised within five (5) days commencing from the date of

	<p>signing of the Purchase Agreement only. Beyond this period, no refund shall be allowed. If the down payment for the purchase of the timeshare be less than the PHP20,000.00 processing fee, the purchaser shall be liable for the balance of the processing fee therefore the right to refund any amount paid shall not apply.</p>
Purchase Agreement	<p>A document confirming the purchase by an investor of the timeshare week chosen to enable him to exercise the right of occupancy. This contains the right of security holders and an undertaking that in the event that the project for which the securities are sold is not completed as disclosed, it shall refund all investments of purchasers within five (5) days from written demand</p>
RCI	<p>Resorts Condominium International, the Exchange Provider</p>
RCI Accreditation	<p>Enrollment by the resort owner with the RCI to enable members to avail of the Exchange.</p>
RCI Exchange Fee	<p>Fee paid by a Holiday Timeshare holder in the event that the request for an exchange through the RCI is granted</p>
RCI Membership Fee	<p>The fee paid annually by the member to maintain membership with RCI, which is a prerequisite to the usage of the exchange privilege. The first two years' RCI membership fees are included in the Purchase Price.</p>
Red, white, blue	<p>Seasons of the year:</p> <p><u>Red</u>, is the peak season covering 04 January to 15 February, 22 February to 5 April, 12 April to 31 May and 29 November to 20 December of a calendar year.</p> <p><u>White</u>, is the period in each calendar year covering 31 May to 26 July and 1 November to 29 November.</p>

Blue, is the period in each calendar year covering 2 August to 1 November.

Venue Rental	Amount paid by the registrant for its sales deck
Special Owners' discount price	Discounted prices of the membership being given to buyers on the day they attended the sales presentation
Sales Deck	Is the venue used to do the sales presentation in presenting the full concept of membership to prospective members
Timeshare	A property with a particular form of ownership or use rights, specifically, ownership of future accommodation for either Thirty (30) Years or Fifteen (15) years (in case of alternate usage) each.

RISK FACTORS AND OTHER INFORMATION

GENERAL RISK WARNING

- The price of securities can and does fluctuate, and any individual security may experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities.
- Past performance is not a guide to future performance.
- There is an extra risk of losing money when securities are bought from smaller companies. There may be a big difference between the buying price and the selling price of these securities.
- An investor deals in a range of investments each of which may carry a different level of risk.

Prudence Required

The risk disclosure does not purport to disclose all the risks and other significant aspects of investing in these securities. An investor should undertake his or her own research and study on the trading of securities before commencing any trading activity. He/she may request information on the securities and the issuer thereof from the Commission which are available to the public.

Professional Advice

Investors should seek professional advice if they do not understand any aspect of the securities to invest in or the nature of the risks involved in trading of securities especially high risk securities.

The following is the list of risks in the order of importance as perceived by the registrant.

1. Nature of Investment

The international exchange facilities for timeshares of resorts affiliated with the RCI will be done outside the Philippines, and is conditioned on the success of the exchange process, which is neither guaranteed by the Exchange Provider nor by the issuer. A purchaser acquires no proprietary interest in the property of the resort, and does not exercise voting rights in the management of the corporation neither is he entitled to dividend distribution.

Risk Management

RCI is the largest timeshare vacation exchange network in the world with 4,500 affiliated resorts globally in over 100 countries. This gives the purchaser plenty of options to choose from on where they would want to do an exchange. In case their preferred venue is not available, they have over 4,500 other affiliated resorts to choose from.

2. Disasters and calamities

In the event of destruction of the entire resort by fire or natural calamities, timeshare holders may be deprived of the use of their vacation/lodging preference.

Risk Management

This is among the reasons why the registrant has accredited with the RCI, an Exchange Provider, to ensure that the purchasers of timeshares are not left without recourse to other accommodations within the ambit of its affiliates in the Philippines. In case of destruction of the facilities at the venue, the timeshare owners will not be deprived of their vacation privilege because that is precisely the role of the Exchange Provider, to accommodate them at any chosen resort, outside or within the country. Fire is among the risks that hotels and such structures is heir to.

3. Political and Economic Factors

Political instability in a country may cause loss of revenue because tourists become wary therefore scarce while locals tend to avoid leaving their comfort zones.

Risk Management

Risks of this nature are short-lived unless there is a violent overthrow of the government. The registrant, the resort owner or any one engaged in business for that matter would be unable to offer a solution but hold firm to its management policies for the safety of those in the establishment.

4. Competition

The operation of the Registrant is expected to encounter competition from existing hotels and lodging concerns conducting similar business in the area. Competition will come generally in the competitiveness of the offer price, the amenities offered and the accessibility of the venue.

The Company has a highly competitive resort that can compete with the likes of its distant neighbors like resorts in Laguna and Batangas, which may not really pose as a threat to its business.

Risk Management

Good and efficient management is the best weapon against competition. Facilities and amenities have been constantly upgraded to better serve the needs of timeshare holders as well as its corporate clients. As far as management of the venue is concerned, the registrant does not have to prove itself because it has withstood the test of time. Since its registration it never faltered in providing the best service there is in the business.

5. No Secondary Market for Timeshares

This class of securities is sold over the counter and not through the Stock Exchange. Selling of timeshares is done via marketing outfits owned by the resort owner.

Risk Management

There is no formal or organized secondary market for the purchase and sale of securities similar to the Offered Securities. As such, holders of the Offered Securities who may wish to sell or dispose their shares may not readily find a counter-party for the transaction at the desired asking price. The registrant, however, will assist members seeking to dispose their shares by matching them with potential buyers who will signify their intention to purchase such shares.

USE OF PROCEEDS

The offer is expected to raise a maximum gross proceeds of Six Hundred Forty Four Million Three Hundred Ninety Five Thousand Two Hundred Pesos

(P644,395,200.00). Net proceeds of Php420,360,986 is then obtained and shall be used for the following:

Particulars	Amount
Gross Proceeds	644,395,200
Discounts	148,210,896
RCI Membership	25,380,000
VAT	50,443,318
Net Proceeds	420,360,986
Application:	
Cost of Timeshare	345,641,256
Maintenance Levy	10,998,000
CAPEX	22,464,000
Total	379,103,256
Balance	41,257,729

COST OF TIMESHARE

Particulars	Amount
Commissions	109,690,246
Salaries and Allowances	75,607,776
Venue Rental	37,440,000
Taxes and Licenses	27,309,313
Buffet	22,464,000
Exhibits	14,400,000
SPIF Incentives	12,610,830
Publications, Promo Advertising	12,610,830
Telephone & Cellphone	10,792,800
Gift Certificate	4,320,000
Competition	4,320,000
Bonuses	3,600,000
Owner's Pack	2,520,000
Miscellaneous	1,800,000
Utilities	1,440,000
Team Building Budget	1,440,000
RCI Fees	1,400,000
Printing of Prospectus & Other Selling Materials	1,261,083
Registration Fees	614,379
TOTAL	345,641,256

CAPITAL EXPENDITURE

Renovation	Amount
Civil Works	11,072,761
Electrical Works	3,178,552
Plumbing Works	657,772
Interior Works	7,554,915
Total	22,464,000

Balance on the proceeds amounting **P41,257,729.00** will be allotted for the registrant's working capital, which will be used for expenses, such as but not limited to administrative salaries, supplies, employee benefits, utilities, communication, miscellaneous expenses among others and other unexpected costs that may arise. Any remaining portion shall be used for the Company's any other corporate purposes.

As of the moment, the company has no plans yet where to invest should there be any material excess amount on the balance of the proceeds after settling the amount needed for its working capital.

There are no material amounts of proceeds that will discharge debt.

There are no material amounts of proceeds that will be used to acquire assets or finance the acquisition of other business.

DETERMINATION OF OFFER PRICE

The following factors were taken into consideration in the determination of the offering price:

- Prevailing market price for the securities offer

The amount was arrived at, on the basis of a survey and evaluation of effective prices among the existing potential competitors in the region.

- Cost of development

The development program was designed to work around the possibility of dearth of construction materials and labor. The cost and availability of construction materials and supplies is volatile and may arise during the construction period.

- Facilities/amenities offered at the venue

In order for the price to be competitive, at a survey of amenities offered by competitors were identified to ensure that marketability of the project is achieved. The needs and demands of the market is the prevailing factor in determining the offer price.

- Location of the Resort

Accessibility to the resort is of prime importance. To make the offering attractive and reasonable to purchasers, the price was structured to fit prospective clients, such as expats and residents of the surrounding areas.

PLAN OF DISTRIBUTION

Offering Period

The offering will begin upon issuance of the “Certificate to Offer Securities for Sale” by the Securities and Exchange Commission (SEC) to the Registrant and shall continue for such period as the Board of Trustees may, in its discretion, determine. The Registrant has developed the Project’s brochures. The entire sales and marketing kits have yet to be prepared. The Registrant is also scheduled to conduct trainings for its sales and marketing personnel.

Over-the-Counter-Sales

The timeshare membership certificates offered will be sold mainly through the sales and marketing force of the Corporation. For this purpose, the Registrant will be recruiting and training those with excellent selling experience and those who are experts in selling club certificates, condominiums and other products related to real estate. However, the need of its marketing group to obtain the Certified Investments Solicitor (CIS) permit from the Securities and Exchange Commission to sales consultants engaged in the offering of Timeshares. This license shall be obtained by the Consultants who shall submit to a seminar conducted by the Market Regulation Department (MRD) of the Securities and Exchange Commission, after the Registration Statement has been rendered effective but before actual sales shall be done.

The Registrant has not engaged the services of any person or entity as underwriter for the offer. Likewise, no dealers, brokers, or marketing agents have been engaged for the distribution of the Timeshare Certificates, these will all be sold through the marketing efforts of the management of the Registrant.

Strict but reasonable screening requirements shall be enforced by the Registrant to maintain the Vacation Club’s premium image.

The Registrant shall create good opportunities for its desired target market to avail themselves of the club’s timeshare certificates.

Advertising and Promotions

The Registrant shall establish sufficient means of communication to reach the desired market, and will use picture-filled brochures, posters, mailers, print, advertising and audio-visual presentations for the purpose. It will also provide specialized advertising materials catering to its non-English speaking clients.

Term of Payment for Purchase of Membership Certificates

The company offers discounts to timeshare purchasers for as long as they avail the membership on the day they attended the sales presentation, wherein, cash purchasers are given a forty percent (40%) discount, which can be paid either thru cash, cheque or credit card or a 20% to 30% discount for installment purchasers.

The following installment plans are available:

30 to 90 days	10% down payment, balance payable in three (3) equal monthly payments to commence on the second month from date of sale. Buyers of this plan are given a thirty percent (30%) discount.
Installment (3 years)	10% down payment, balance payable in thirty-six (36) equal monthly payments to commence on the second month from date of sale. Buyers of this plan are given a twenty percent (20%) discount.

If a purchase is made on an installment basis, the following rules shall apply in the event of delay and/or default in installment payment(s):

If a purchaser, fails to pay his regular installment after thirty (30) days of having received a written notice, the Company shall send a further notice to the purchaser advising that failure to discharge of the full arrears (including any arrears that have risen since the date of the first notice) within thirty (30) days from receipt of notice, will result in the termination of the Purchase Agreement without the benefit of refund to the purchaser or any and all prior installment payments made before the default.

Upon default, the Registrant shall have the exclusive right and option to demand all outstanding amounts to be immediately due and demandable, and require payment of the same.

DESCRIPTION OF SECURITIES

Timeshare ownership is a legal arrangement that enables a purchaser to own one weekly¹ interval at the Caliraya Resort Club or any of its offered destinations in the affiliated resorts of RCI. The purchaser has the right to occupy a specific room type chosen by him at the time of purchase which details are incorporated in the Purchase Agreement. On 28 August 2015, RCI letter² to the Securities and Exchange Commission confirmed Caliraya Resort Club, Inc. has signed an RCI Weeks Affiliation Agreement with RCI Asia Pacific Singapore LLC.

A comparison of the straight availment and alternate availment system are shown below:

STRAIGHT AVAILMENT SYSTEM		RED	WHITE	BLUE
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)
1 Bedroom	Minimum Price	248,000.00	220,000.00	192,000.00
	Maximum Price	620,000.00	550,000.00	480,000.00
Studio	Minimum Price	171,600.00	154,000.00	132,000.00
	Maximum Price	429,000.00	385,000.00	330,000.00

ALTERNATE AVAILMENT SYSTEM		RED	WHITE	BLUE
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)
1 Bedroom	Minimum Price	148,800.00	132,000.00	115,200.00
	Maximum Price	372,000.00	330,000.00	288,000.00
Studio	Minimum Price	102,960.00	92,400.00	79,200.00
	Maximum Price	257,400.00	231,000.00	198,000.00

¹ One (1) week stay (accommodation entitlement for the members)

² Attached exhibit

STRAIGHT AVAILMENT SYSTEM		RED	WHITE	BLUE	TOTAL
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)	(47 WEEKS)
1 BEDROOM (3 UNITS)	NO. OF TIMESHARES	66	36	39	141
	LIST PRICE	620,000	550,000	480,000	
	PROCEEDS	40,920,000	19,800,000	18,720,000	79,440,000
STUDIO (6 UNITS)	NO. OF TIMESHARES	132	72	78	282
	LIST PRICE	429,000	385,000	330,000	
	PROCEEDS	56,628,000	27,720,000	25,740,000	110,088,000
SUB TOTAL					189,528,000

ALTERNATE AVAILMENT SYSTEM		RED	WHITE	BLUE	TOTAL
		(22 WEEKS)	(12 WEEKS)	(13 WEEKS)	(47 WEEKS)
1 BEDROOM (6 UNITS)	NO. OF WEEKS	264	144	156	564
	LIST PRICE	372,000	330,000	288,000	
	PROCEEDS	98,208,000	47,520,000	44,928,000	190,656,000
STUDIO (12 UNITS)	NO. OF TIMESHARES	528	288	312	1128
	LIST PRICE	257,400	231,000	198,000	
	PROCEEDS	135,907,200	66,528,000	61,776,000	264,211,200
SUB TOTAL					454,867,200

The registrant has classified the seasons of the year, as follows:

Red, is the peak season covering 04 January to 15 February, 22 February to 5 April, 12 April to 31 May and 29 November to 20 December of a calendar year.

White, is the period in each calendar year covering 31 May to 26 July and 1 November to 29 November.

Blue, is the period in each calendar year covering 2 August to 1 November.

The remaining weeks not mentioned above are for the maintenance of the resort and its facilities.

Straight Availment System

In this kind of availment system, members shall have the benefit and privilege of having a one (1) week accommodation entitlement every year for 30 years. This entitlement can be used either to his home resort every year, which is the Caliraya Resort Club, or to any other hotels/resorts affiliated with RCI.

Alternate Availment System

To make the purchase of timeshares affordable to those who are really interested in the program but do not have sufficient cash or expected income to cope with the

payments, the registrant devised a method by which the purchaser may buy at a price of 40% less of the full offer price or baseprice of its straight availment system.

For the alternate usage, the first 15 years shall be used by the purchasers of “even” years while the other 15 years shall be used by purchasers of “odd” years.

The total offered shares of 2,115 timeshares, which is 27 units x 47 weeks a year, only 423 timeshares will be allocated to full membership while 1,692 to alternate availment system timeshare membership will be issued. The members who availed the alternate availment system shall have the benefit and privilege of having a one (1) week accommodation entitlement every other year.

In this registration, the right of occupancy of 30 years may be converted into 15 years if the buyers opt to avail alternate year accommodation. The Fifteen (15) years or alternate year accommodations shall be sold at a price where a 40% less of the full offer price or base price of its straight availment system.

The Timeshare Certificate shall be issued within 60 days upon 100% payment of the purchase price.

On the third year, the owner may continue his membership with RCI by paying the RCI membership fees for the succeeding years. The owner can either use his timeshare each year at Registrant’s venue or he may exchange it through the RCI for another RCI affiliated resort. The ownership of the timeshare shall represent ownership of future accommodation for either Thirty (30) Years or Fifteen (15) years (in case of alternate usage) each, ensuring substantial savings on future holiday accommodation assessments. If the owner does not use his specific week for a particular year, the right to use may be banked with the RCI.

The fact that the term of existence of the company is for 50 years should not cause anxiety to the investors because aside from the fact that the expiry of its 50 years of existence is still far off, the company has limited its selling period to 6 years.

The Company competes actively with the existing non-proprietary membership clubs operating within the Philippines in terms of quality of service, the price, terms and conditions of the club being sold, and the location of the sites and its environment.

Annual RCI Membership Fee

RCI Membership is computed as follows:

	1 Bedroom	Studio	TOTAL
<u>STRAIGHT (30 years)</u>			
Timeshare Units	141	282	423
Membership Fee	6,000	6,000	
Total For Year 1	846,000	1,692,000	2,538,000
Total For Year 2	846,000	1,692,000	2,538,000
Total	1,692,000	3,384,000	5,076,000
<u>ALTERNATE (30 years)</u>			
Timeshare Units	564	1,128	1,692
Membership Fee	6,000	6,000	
Total For Year 1	3,384,000	6,768,000	10,152,000
Total For Year 2	3,384,000	6,768,000	10,152,000
Total	6,768,000	13,536,000	20,304,000
GRAND TOTAL RCI MEMBERSHIP			25,380,000

The annual RCI Membership Fee is P12,000 which refers to the annual membership fee of P6,000 times two (2) years which is included in the purchase price. Total cost of registering a total of 2,115 timeshare membership is P25,380,000.00.

Annual Maintenance Levy

	1 Bedroom	Studio	TOTAL
<u>STRAIGHT (30 years)</u>			
Timeshare Units	141	282	423
Maintenance Fee per Unit	10,000	8,000	
Total For Year 1	1,410,000	2,256,000	3,666,000
<u>ALTERNATE (30 years)</u>			
Timeshare Units	564	1,128	1,692
Maintenance Fee per Unit	5,000	4,000	
Total For Year 1	2,820,000	4,512,000	7,332,000
TOTAL MAINTENANCE FEES			10,998,000

Members shall pay the Annual Maintenance levy to meet the cost and expenses of the Company for the proper operation and maintenance of the Club in respect of each Membership Year. Members shall be notified of the increase in fees upon the Board's approval of the said increase and a report (under oath) on any increase in fees and the rationale for said increase shall be made to the SEC within thirty (30) days from Board approval. The Levy for each membership year commencing during the fiscal year shall be computed by dividing the aggregate amount of estimated expenses to be incurred by the Company during that financial year and the number of weeks held by the members.

The amount of Maintenance Levy need not be paid for the first year because it is incorporated in the purchase price. The assessment of the Annual Maintenance Levy for each financial year shall be issued to the member one (1) month before the start of the financial year, every first day of December to be exact. Payment shall be due and payable on or before thirty (30) days before the start of the next financial year or whenever a member makes a reservation for usage, whichever event appears first in time. The method and procedure of payment may from time to time vary as the Company may introduce alternative payment dates, discounts and other incentives for prompt payment as it considers appropriate. Notices and other communications on the charging of fees shall be sent to members and copies thereof posted in the Bulletin Board situated at conspicuous place/s at the site.

Financial Obligation of Members

Annual Maintenance Levy (second year, onwards)

- Straight Availment – P10,000 for 1 bedroom; P8,000 for studio
- Alternate Availment – P5,000 for 1 bedroom; P4,000 for studio

Annual Increase in the Maintenance Levy, if any, shall be maximum of 10% or the government mandated inflation rate, whichever is lower, subject to Commission's approval.

RCI Fees (third year onwards)

From the third year of membership and onwards, a member may opt to renew his RCI membership either annually or for a maximum of five (5) years under the following renewal fees:

1 year ----- S\$ 150.00
3 years ----- 330.00
5 years ----- 500.00

A member will pay the RCI Exchange Fee only if he avails of a successful exchange of week and resort through RCI. The fee will vary depending upon the location of the chosen resort and whether the exchange will be for a full week, a weekend or weekdays.

RCI Exchange Fee

Asian and Domestic ----- S\$ 188.00
International ----- 388.00

The Weekend Exchange and the Midweek Exchange are bonus offers granted for those who choose not to avail of the regular week purchased but would rather spend a shorter period in any of the Asian resorts. This scheme makes the enjoyment of the timeshare weeks more flexible for the purchasers.

All figures are subject for adjustment.

CALIRAYA VACATION CLUB INTERNATIONAL (CVCI)

All timeshare purchasers of Caliraya Vacation Club International shall be automatically a member of CVCI. A purchaser will be considered a member provided that he was able to pay 10% deposit equivalent of the purchase price indicated in the purchase agreement and remains active.

All CVCI Members will be automatically enrolled into the RCI Exchange System as soon as they are able to pay the purchase price equivalent to at least 40% so as to become member of RCI. Their membership with RCI will be paid by the Registrant and will be good for two years. Starting on the third year, it will be option of the member should they pay the renewal fee to continue their membership with RCI. There is no way that RCI Membership will affect their CVCI Membership.

Club Membership shall be subject to the terms and conditions of the House Rules.

How To Become a Member

Any person, not being a minor, may own and purchase a timeshare and be admitted as a member of the Club after pre-qualification requirements are met. The term person shall include a juridical person, in legal contemplation. All potential clients are invited to attend a presentation at which the Program is explained and offered. A copy of the Prospectus is given to participants in the presentation.

When a client agrees to invest in the Program, a Purchase Agreement is signed and the full payment of the purchase price or a ten percent (10%) down payment is required. As a purchaser on installment basis, the balance of the purchase price can be amortized in up to three (3) years, without interest. A purchaser on an installment basis further, shall be considered as member, provided he was able to pay at least ten percent (10%) required amount of down payment. As such, he can also enjoy all the benefits and privileges of a member except for his week entitlement, which shall commence only upon full payment of the purchase price.

Register of Members

No person shall be considered as member unless his name appears in the Register of Members, and all names appearing in the Register are prima facie members of the Caliraya Vacation Club International. The Company shall maintain in its custody the Register of Members that shall contain, at least, the following information:

- ☐ The names, addresses and telephone numbers and the corresponding Holiday Ownership Week and unit type owned.
- ☐ Date of entry as member.

Availing of the Fixed Holiday Ownership

Members may request for the use of his unit at the home resort immediately upon full payment of purchase price. To avail oneself of international exchange, full payment of his purchase price and the RCI exchange fee are required.

If the availment will be at any of the RCI accredited resorts, the members may request for a reservation for the use of their fixed week forty-five (45) days after full payment of the purchase price to give RCI sufficient time to process his registration. Reservations can be made up to twenty-four (24) months in advance or at least, thirty (30) days before the check-in date. However, confirmation of his intention to use the reserved week must be made within seven (7) days prior to the designated check-in date otherwise, his Holiday Week will be considered open and may be reserved by any other Member.

Reservation is made, by accomplishing and submitting to the Reservations Department, a Reservation Request Form. The Reservation Request Form should indicate the Membership number found at the top right hand corner of the Timeshare Membership Certificate. He should, in addition, inform the Reservations Department of his travel dates, the number of people accompanying him and the lodging units he or his guests require.

Reservation of a Holiday Week other than that specified in the Timeshare Membership Certificate shall be honored on a strictly first-reserved, first-served space available basis.

The Reservations personnel will call the member to confirm its receipt of the Holiday Week confirmation Form. If the member does not receive word within forty-eight (48) hours from furnishing the Reservations Department of his Holiday Week Confirmation Form, call should be made to the Reservations Department. The Reservation Officer will then send an Accommodation Certificate to the member as written confirmation of the Members' reservation request. The confirmation will specify the fees charged for the reservation. The Member should present his Accommodation Certificate to the reception staff upon check-in.

The current Annual Maintenance Levy should be paid before a member can make a reservation. This levy may be changed from time to time and implemented after due notice. A member must also be in good standing with respect to all other financial obligations and dealings with the Club.

The RCI Exchange System

As an RCI member, the timeshare holder is given the privilege of taking his vacations at any of the affiliated resorts that are part of the world's largest vacation exchange network. With RCI, one can have a vacation at different resorts, at different times through a variety of exchange options. Holiday ownership owners can enjoy the privilege of visiting resorts in Asia Pacific and around the world.

RCI's Vacation Exchange System is used by more than a million owners around the world. RCI's dedicated vacation consultants are available twenty-four hours to help members plan their vacations. Their phone lines are open five and a half days a week,

year round from the Philippines. A Holiday owner can call RCI's Asia Pacific Head Office toll-free at 1-800-651-0048.

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- ☐ ☐ Over four thousand (4,500) resorts to choose from
- ☐ ☐ Travel Insurance
- ☐ ☐ RCI Asia Pacific has negotiated an exclusive travel insurance package for members with the Leisure Safe Insurance. For a minimal sum, members can be assured of worry-free vacations.
- ☐ ☐ Publications
- ☐ ☐ To provide members with exciting travel information and great ideas on where and when to travel
- ☐ ☐ RCI publishes Endless Vacation magazine and the RCI Directory of Resorts.

RCI's unique Spacebank concept allows members the opportunity to deposit the weeks and to request for vacation exchanges.

Basic steps to making a Holiday Exchange transaction:

Step 1 Deposit the Holiday week into the RCI space bank pool up to twenty-four (24) months in advance, or as close as thirty (30) days before the starting date of the Holiday entitlement. All it takes is a telephone call.

Step 2

Request for a vacation exchange. Simply consult the Endless Vacation magazine or the RCI Directory of Resorts and Supplement for information on RCI affiliated resorts available for exchange. (These contact numbers and addresses are provided upon membership.) Once the week has been deposited and the member has decided where to spend the vacation, the member can request an exchange with a start date as close as two days away, or as far as two years in advance. To ensure member satisfaction, RCI's Exchange System operates on a value-for-value basis. The Exchange System will work best for the member if he requests resorts with accommodations (units or villas) and time

divisions (red or white or blue) similar to those of the deposit. An exchange fee is required when request for Holiday week is made.

Step 3

Upon confirmation of the Holiday week exchange request, RCI will send:

- ☐ ☐ A written vacation exchange confirmation; and
- ☐ ☐ A resort information sheet with comprehensive information on the confirmed resort and resort area.

All the above benefits may be availed of, only if the Resort continues to be affiliated with RCI, and the member has paid the membership fees for the year. The Company's affiliation with RCI is renewable every six years.

The RCI Asia Pacific Pte. Ltd. is located at #37 Jalan Pemimpin, Block #05-01, Clarus Centre, Singapore, 577177. Tel. Nos: +65 6223 4333, Fax: +65 6223 4334. Email asiamembers@rci.com. Its toll free telephone number is 1-800-6510048.

HOUSE RULES

Use by Guests

The procedure for availing of the Holiday Ownership by the owner is the same for guests. However, the owner must disclose in the reservation and confirmation process that his guest, and not him, will use the Holiday Ownership. Instead of an Accommodation Certificate, the Company will issue a Guest Certificate. Guests will be required to show proof of identification and sign a registration card at check-in. They will be treated as members. Guests shall observe all provisions of the House Rules. A member warrants that his guest shall comply with the House Rules and will be responsible for any repairs for damages whether caused intentionally or through negligence. No one under the age of eighteen (18) years may occupy the unit unless accompanied by a person aged twenty-one (21) years or older. A member may charge guests at an agreed price for their use of the Holiday Ownership. The member must however indicate on the Reservation Request Form that the guest is renting the Holiday Ownership from him.

Undertaking of Compliance with SEC Directives

The Corporation undertakes to comply with the following commitments:

1. The Company shall qualify the prospective members before the actual sale/transfer of the share/certificates is executed.
2. Report under oath to the Securities and Exchange Commission (SEC) any increase fees upon the Board approval.
3. Notify the members of the increase in fees upon the Board's approval of said increase.

4. Post notices and other communications on the charging fees, on bulletin boards situated at conspicuous places at the site.

5. The Company shall not collect monthly membership dues³ unless the project is fifty percent (50%) usable as indicated in the Prospectus, unless the Company's By-Laws provide for a higher percentage of usability.

6. The Certificates shall be issued within sixty (60) days from the date of full payment.

7. The CIS of selling agents shall be obtained as soon as the Permit to Sell Securities has been issued.

Rights and Privileges of Members

☐ ☐ Any Member may apply to dispose of his exclusive right of occupation to any person, twenty-one years and above, whether by sale, gift, or otherwise, by means of a Certificate of Transfer appearing on the dorsal portion of the Timeshare Membership Certificate.

☐ ☐ Upon the death of a Member, his personal representative may apply to pass off his exclusive right of occupation in accordance with the Philippine law on succession, both estate and interstate.

☐ ☐ A member may let or grant rights of occupation of the unit to which his membership relates for the whole or a part of the weekly period to which his membership relates, subject to the consent of the Company, provided that the member will, in any event during the period, remain fully responsible for all obligations incumbent on the holder of the Membership Certificate.

☐ ☐ A member may also affiliate with the RCI and avail of the benefits of the Exchange Program subject to fees and other charges imposed in connection with the affiliation.

☐ ☐ Whether or not he has fully paid for the purchase price, the purchaser shall have the right to cancel his purchase and claim refund for any amount he has paid, without interest, within a period of five (5) days from the day he signed the Purchase Agreement, except for the non-refundable Processing and Administration Fee of Twenty Thousand Pesos (PhP 20,000.00).

³ Monthly membership dues pertains to annual maintenance levy which can be paid by the members annually or monthly.

Obligations Of And/Or Limitations on Members

Each member shall be subject to the following obligations, and such obligations shall continue to bind his estate after his death and until such time as his Timeshare Membership Certificate shall have been transferred to a new Member:

☐ ☐ At all times comply with the provisions of the House Rules, Membership Rules and other rules and regulations as amended from time to time.

☐ ☐ In the event of breach of any of the above, by a member or his guest, the member shall be subject to the penalties imposed by the Company. The company shall in no case be responsible for the actions or conduct of any Member or guest at any time, when using the venue.

☐ ☐ Upon request by the venue personnel, the member shall present his/her Membership Card for identification purposes. The Membership Card cannot be used as a form of payment.

☐ ☐ To keep and maintain the interior of the venue and all its contents in a good and tenable state and condition during the period of his or his guest's occupancy, and to pay and indemnify the Company against any damage, deterioration or dilapidation, other than the result of fair wear and tear and damage or destruction by fire or any other insured risk, which may have occurred during his occupancy, of which the Company shall be the sole judge.

☐ ☐ Not to do anything which would make void or voidable the insurance of the unit and its contents or any other insurance for the time being, in force and relating to the units, or which may operate to increase the premium payable in respect of any such insurance; to indemnify the Company against any increase or additional premium, which by reason of any such act or default may be required for effecting or keeping up such insurance; and, in the event of the facility or any other property or any part thereof being damaged or destroyed by any insured risks, the insurance money being wholly or partially be irrecoverable by reason solely, or in part, of any act or default of such member, to pay a fair proportion, to be conclusively determined by a surveyor to be appointed by the Company, of the cost of rebuilding and/or reinstatement of the same, togetherwith the whole or portion of the fees of the surveyor.

☐ ☐ In the event that any repair or maintenance work is required of a part of the venue or its contents while it is occupied by the Member, to allow access on reasonable notice to enable such work to be carried out with due diligence and speed, except in case of emergency, when no notice will be necessary.

☐ ☐ Not to make alterations on the venue.

☐ ☐ To vacate the venue to which the Timeshare Certificate relates, on the last day of each week allocated to him in any year at 11:00 AM, local time. This is to allow clean-up and preparation for the earliest possible check-in time at 4:00 PM of the same day.

☐ ☐ If the member or his guest fails to vacate the venue by check-out time of the last day of his week, the Member will be charged all the costs of financial and other consequential damages incurred by the Company and the affected Member.

☐ ☐ In no event shall the occupancy limitation be exceeded. If a Member with the occupancy limitations established, he shall be charged a penalty for such breach. The amount of penalty will be set at the sole discretion of the Company.

☐ ☐ To pay all other expenses incurred by the Member, including long distance and overseas telephone calls made, during occupation of the venue; to pay such reasonable deposit as the Company may demand against such charges; and where the unit is not metered, the Company may make a preliminary charge on the basis of estimated consumption.

☐ ☐ To notify the Company of any change in his permanent address.

☐ ☐ To pay the Annual Maintenance Levy on or before its due date.

☐ ☐ To pay all costs related to the issue and registration of an alternative document conveying the right to use by the Member of the weekly periods in the venue designated in the Membership Certificate.

☐ ☐ Any confirmation of reservation will not be honored if the Member is in default for any amount owing to the Company as of the check-in date and time for which the Confirmation was given.

If substantial charges remain unpaid, suspension of a Membership can be implemented, until such time as charges are paid. Subject to Company approval, failure to pay substantial charges, in exceptional cases, may result in termination of membership. Initially the non-payment of charges amounting to a total of twenty thousand pesos (Php 20,000.00) is considered substantial. If, in the ultimate discretion of the Company, any Member shall have committed a substantial breach of the obligations imposed on him by the House Rules, then the Member's rights and privileges may be suspended or canceled by the Club upon written notice to this effect to the Member.

Procedure for Termination of Membership

After sixty (60) days of being sent written notice of a substantial breach, the Member's exclusive rights of occupation shall be suspended until the default is remedied. If the default is not remedied within sixty (60) days of the notice first being given, the Company shall send a further notice to the Member advising that failure to comply within thirty (30) days, will result in permanent cancellation of the Member's exclusive right of occupation. If the breach is not remedied within that period of notice, the Member's right of exclusive occupation shall be cancelled and sold as soon as possible at whatever price the Company can get and the proceeds of the sale applied to the satisfaction of the arrears and any expenses incurred by the Company in effecting the sale. The balance, if any shall be remitted to the Member.

Powers of the Company under the Timeshare Program

The Company shall have the power to do all things that may be necessary to carry out the purposes of the Holiday Ownership and for its general management. It shall have the following specific powers:

- ☐ ☐ The power to contract or otherwise obtain other benefits such as travel, leisure products, cruises and other related products or services for the use of the Members.
- ☐ ☐ To amend the House Rules, Membership Rules and other rules and regulations, provided that the members are notified and informed of amendments one (1) month before the amendments become effective.
- ☐ ☐ The power to suspend or cancel the exclusive rights of occupation of a member who has committed a substantial breach of his duties and responsibilities. Initially repeated violations for at least three (3) consecutive times of the obligation to vacate by check-out time, non-compliance with occupancy imitations, non-payment of substantial charges and

the Annual Maintenance Levy are considered as substantial breaches to warrant the suspension/cancellation of Membership.

- ☐ ☐ To contract a Management Company to administer, supervise and manage the Club, and the Holiday Program.
- ☐ ☐ To substitute a different unit at the Venue of similar or better standard than the type specified in the Timeshare Membership Certificate.

Transfer of Holiday Ownership

In the event of the sale or transfer, the Timeshare Membership Certificate shall be delivered to the Company with the Request for Transfer properly endorsed by the transferor to the transferee. A reasonable fee of five thousand pesos (PhP5,000.00) will be charged for the registration of transfer and issuance of a new Membership Certificate, which fee may be revised from time to time after prior clearance with the Securities and Exchange Commission. Upon payment of the required fee, the payment of all outstanding obligations to the Company and the Club and with the transferee's express consent to assume all liabilities to the Company and the Club as of the date of transfer and be bound by the provisions of the Purchase Agreement and all rules of the Club, the Company shall promptly issue a new Membership Certificate. Upon delivery to the Company of the Certificate evidencing the exclusive right of occupation to be transferred, together with a completed Request for Transfer signed by the transferor and such fee as the Company has assessed, the Company shall replace the name of the transferor with that of the transferee in the Register of Members and issue a new Certificate of Membership in the name of the transferee.

In case of death of the member, the heir may present the Timeshare Membership Certificate and the inheritance document to the Company for the registration and issuance of a new Certificate. The fee and the assumption of liabilities and obligations discussed above are also applicable to the inheritance.

INTERESTS OF NAMED EXPERTS AND INDEPENDENT COUNSEL

There are no named experts who have any direct or indirect interest in the Registrant.

DESCRIPTION OF THE BUSINESS OF REGISTRANT

The Registrant

Caliraya Resort Club, Inc. doing business under the name and style of Caliraya Vacation Club International (formerly: Caliraya Re-creation Center & Resort, Inc.) is a non-stock, non-profit corporation. It was originally registered in the name of Caliraya Re-creation Realty Inc. with the Securities and Exchange Commission (SEC) on 16 April 2009. Its' principal office address is at Ground Floor Unit 2B, Tiffany Mansion Condominium, 21 Eisenhower Street, Greenhills, San Juan City. Its primary purpose of fostering, conducting and promoting the social, fraternal, business, athletic and Christian activities among its members with the main objective of engaging in the development, construction, maintenance, management and operation of club houses and other indoor and outdoor sports, and physical fitness facilities, restaurants, dining halls, worship areas, prayer rooms, conference centers and similar facilities; to offer and issue membership shares and timeshares to the public.

The company has no bankruptcy, receivership or similar proceedings.

The company has no reclassification, merger, consolidation, or purchase of sale of a significant amount of assets.

Potential Market

The Department of Tourism has projected that the Philippines is one of the fastest growing tourist destinations in Asia with a yearly average increase of 5.7% for the period 2007-2016. The estimated tourist arrival in the country, for the year 2006, is about 2.7 million, up for the 1.8 million arrivals exhibited in the year 2000. South Koreans, about 570,000 visitors appear to be leading the pack of travelers to the Philippines, equal to that from the United States. The Japanese are not far behind with total arrivals of 426,000.

With the South Luzon Expressway (SLEX) recently rehabilitated, travel time to Laguna has been dramatically reduced.

The company's principal products or services that will be offered for sale are the timeshare certificates, which shall contribute ten percent (10%) or more to sales or revenue.

The company has no percentage of sales or revenues and net income contributed by foreign sales.

Competition

The offer price of the securities is highly acceptable in the market. A survey of the resort and country clubs as mentioned earlier, both existing and in process of development in close proximity to the project shows club prices from Php 550,000 to Php 1,500,000. In order for the project to succeed, the offer prices for certificates shall be at least P 200,000.

The amount was arrived at taking into consideration a survey and evaluation of effective share prices in existing resort and country clubs that can be considered as potential competitors of the project. Thus, the highlights of the survey result as follows:

Resort and Country Club	Total Shares	Approximate Price/Share
Alabang Country Club	2,500	P 1,600,00
Evercrest Golf Club Resort	3,500	P200,000
Puerto Azul Beach and Country Club	900	P150,000
Tagaytay Highlands International	3,000	P1,100,000
Royale Tagaytay	4,500	Class A – P 50,000 Class B – P 78,000 Class C – P 90,000
Club Malarayat	4,000	Gold Shares A – P250,000 Gold Shares B – P250,000 Gold Shares C – P340,000
Canyon Wood Resort Club. Inc.	1,300	P425,000

While it is true that the price of shares is one of the most important factors in determining the competitiveness of a resort club, there are also other relevant factors that should be considered from the marketing standpoint. Among these factors is a development plan responsive to the needs and demands of the target market an image that draws positive market perception.

With respect to the marketing plan, a survey of the amenities offered by relevant competitors identified above was conducted to ensure that the desired marketability of the project is achieved. Such survey is aimed at identifying the distinctions that can be given the project to weather competition. Hereunder are the highlights of the survey:

Resort and Country Clubs	Features and Amenities
Alabang Country Club	18-hole course with driving range, 10

Evercrest Golf Club Resort	food and beverage outlets including restaurants, main bar, 2 tea houses, swimming pool, bowling alleys, billiards, tennis court, gym 18-hole golf course with clubhouse with showers and lockers, sauna bath, Jacuzzi, bar and restaurant, pro shop, driving range, function room and swimming pool
Sta. Elena Golf and Country Club	27-hole all weather championship golf course, clubhouse, verandah restaurant, air-conditioned main dining area, cocktail lounge, game room, 2 function rooms, tee houses, driving range, putting greens
Tagaytay Highlands International	18-hole course driving range, tee houses, 2 main dining areas, and bar
Mt. Malarayat	27-hole course, tennis court, squash courts, swimming pools, bowling area, volleyball courts, basketball courts, billiards, gym area, equestrian facilities, children's pavilions, day care center, clubhouse, Jacuzzi, massage parlor.
Canyon Wood Resorts Club	9-hole golf course, spa and hair salon, swimming pools, gym, fishing and boating, badminton court, tennis court, basketball court, lodging units

The registrant believes that there is no known issuer of timeshare certificate in the immediate vicinity of Laguna. The registrant believes in its strength because of the location of its resort, the design and challenges presented and the ambiance both of the Club and its environment.

The company does not depend upon a single customer or a few customers that would have a material adverse effect on its operation taken as a whole.

The company does not need for any government approval on principal products or services except for the timeshare certificates application.

The company does not spend on research. However, development activities during the last three fiscal years are still on-going. Property and equipment increased by P67.77 million from P247.26 million against P315 million in December 31, 2013 and 2014, respectively. This is mainly due to the construction in progress.

The company's present employees are Fifty Six (56) (4 Administrative, 48 Operations, 4 clericals). It anticipates to hires additional Fifty Eight employees (12 Administrative and 46 Operations) within the ensuing twelve (12) months. The present employees are not members of any collective bargaining agreements and therefore they are not likely to involve themselves in any strike or disputes.

Presently, there are no supplemental benefits or incentive arrangements the registrant has or will have with its employees.

Cost and Effects of Compliance with Environmental Laws

The Project is covered by an Environmental Compliance Certificate (ECC) issued by the Department of environment and Natural Resources on December 28, 2010.

As discussed in page13, as one of the risks in investing, the operation of the Company is expected to encounter competition from existing hotels and lodging concerns conducting similar business in the area. Competition will come generally in the competitiveness of the offer price, the amenities offered and the accessibility of the venue.

The Company shall put up a highly competitive resort that can compete with the likes of its distant neighbors like the resorts in Laguna and Batangas, which may not really pose a risk to its business. But at the moment, there is no known direct competitor to the Registrant in the area in terms of selling timeshare membership.

Compliance with Environmental laws

The Company is in compliance with laws and regulations governing the offer and sale of membership certificates.

It has complied with all the permits and licenses necessary for the development of the property.

The registrant does not foresee any adverse effect the government regulations may have on the business and its operations.

Negative Disclosures

1. The Company does not foresee any existing or probable government regulations, which may in any way hinder its operations.
2. Raw materials for the construction of facilities are sourced from different suppliers. It is not dependent on any one supplier neither is the Company dependent upon a few customers since it tries to reach to as many customers as possible. There are no existing supply contracts.
3. The company has not been the subject of any material reclassification, merger, consolidation or purchase nor have assets been subject of any sale of a significant or insignificant amount conducted not in the ordinary course of business.
4. There has been no sale of unregistered securities, including those securities constituting an exempt transaction.

5. It has no record of employees who are subject of Collective Bargaining Agreement (CBA). The Company has no Supplemental Benefits or Incentive Arrangements with its employees.

6. The Company is not dependent upon one or a limited number of suppliers for essential raw materials. There are no major supply contracts as business is conducted as a hotel with a restaurant where supplies for food are obtained from available food sources in the area. The business of the registrant is not dependent upon any single or a few customers, the loss of any or more of which would have a material adverse effect on the registrants.

7. The company is not dependent on any related party/ies for its business operations/transactions. There are no major existing sales contracts. The sales are individually conducted.

8. There are no patents, trademarks, copyrights, concessions and royalty agreements held.

9. The company does not foresee any adverse effect on the operations of government regulations either existing or probable, on this business.

10. The company has no subsidiaries over which major risks and management thereof.

11. The company does not transact with a promoter, neither does any person have any indirect material interest in any transaction involving the present registration.

12. There are no loans or material obligations, which would affect the company's liquidity position.

13. The law states that dividends shall be declared only from unrestricted retained earnings and shall be payable at such time and in such manner and in such amounts as the Board of Trustees shall determine. No dividends shall be declared which will impair the capital of the corporation. In this instance however there shall be no declaration of dividends among the purchasers of timeshares because the issue is non-proprietary.

14. There are no material off-balance sheet transaction, arrangements, obligations (including contingent obligations and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

DESCRIPTION OF THE PROPERTY

The issuer owns real property located at Barangay Lewin, Lumban, with an approximate area of 76,201 square meters, where the resort and recreational facilities are situated. The real property is evidenced by Transfer Certificate of Title No. T-264575 issued in the name of the club. The property is under real estate mortgaged in favor of State Investment Trust Inc. for the sum of Sixty Million Pesos (P60,000,000).

It was fully settled on 2014, hence, there is no outstanding loan balance to date.⁴ The company has no plan to acquire any properties in the next 12 months.

Caliraya Resort Club is envisioned to be a first class center and resort. The club is exquisitely situated among the hilltops and breathtaking view of the Caliraya Lake and a getaway where the members can enjoy the beauty of nature. Caliraya Resort Club is a haven for honeymooners, family and corporate groups looking for meetings and seminar facilities.

The venue offers the following recreational facilities and amenities:

- Hotel Lobby and Main Dining Area
- Room Accommodations
 - Villa A – 18 studio units and 9 one bedroom units (timeshare units)
 - Hotel Building - 70 standard rooms and 2 VIP rooms
 - Duplex - 12 rooms
 - Nipa Cottage - 12 units
- Function Rooms
 - Viewing Deck Gazebo
 - Function Hall 1 & 2
 - Seminar A
 - Seminar B
 - New Function Room
 - Sonic Wing
 - Big Open Pavilion
 - Small Open Pavilion
 - Picnic Gazebo
 - Valley Theater
 - Picnic Pavilion
- Sports Facilities and Amenities
 - Water front facilities
 - Jet ski – 2 units
 - Kayak – 5 units
 - Canoe – 4 units
 - Speedboat – 2 units
 - Ferry boat – 3 units
 - Windsurfing - 2 units
 - Wake Board
 - Indoor
 - Billiard – 2 units
 - Table Tennis
 - Dart – 3 units
 - KTV & Magic Sing - 4 units
 - Table games - 10 units
 - Outdoor
 - Wall Climbing
 - Zip Line

⁴ On 11 August 2015, State Investment Trust Inc. certified that Caliraya Resort Club, Inc. has no outstanding balance as of this date.

- Sky Bicycle – 4 units
 - Rappelling
 - Earthball – 2 units
 - Basketball
 - Bonfire - 3 units
 - Slide Pinoy
 - Bungee fun
 - Children playground
 - Horseback riding
 - Bump boat
 - Zorbball
 - Obstacle course
- Other amenities
- Swimming Pool
 - Olympic size swimming pool (Wave Pool)
 - L shaped pool
 - Kiddy pool
 - Mini beach (lake side)
- Snack Bar
- House of Prayer
- Hanging Bridge
- RainbowPass
- Wishing Well
- Fish Pond
- Waiting Shed
- Pathways
- Guard House and Pier
- Generator Shed
- Residential Building/Staff House
- 2 units Two-story Staff Quarter/Barracks
- Laundry House

All facilities and amenities aforementioned are 100% complete and available for use except Villa A which is still under renovation.

The time shareholders is given the privilege of a free use of the specific resort facilities, as follows; a) earthball; b) slide pinoy; c) children playground; d) obstacle course; e) Olympic size swimming pool (wave pool); f) L shape pool; g) kiddy pool; h) house of prayer; i) hanging bridge; j) rainbow pass; and k) wishing well.

Amenities in the Units

One – bedroom Units

- Bedroom: vanity mirror with hairdryer, closet, LED TV, luggage rack,
- Toilet & Bath: shower, lavatory, water closet
- Living Room and Kitchenette: dining set for 4, refrigerator, sink, cooker microwave oven, kitchenware, coffeemaker

Studio Units

- Bedroom: vanity mirror with hairdryer, closet, LED TV, luggage rack
- Toilet & Bath: shower, lavatory
- Partial kitchen: dining set for 4, mini-refrigerator, sink, microwave oven, kitchenware, coffeemaker

The property subject to timeshares pertains to Villa A. Villa A is designed to provide members of Caliraya Resort Club a serene and pleasant stay. Its good location allows members to appreciate the beauty of nature while its peaceful ambiance makes it perfect for a spiritual retreat. It has 27 well-appointed guestrooms featuring 18 Studio Units and 9 One-bedroom Units. It features spacious and fully-furnished rooms. Villa A is located few meters away from the Wave Pool, one of the newest amenities of the resort with artificially generated waves similar to the ocean's, and is beside the Picnic and Big Open Pavilion. Villa A is 100% completed, however, it is still under renovation for timeshare improvements. As of September 4, 2015, the percentage of completion is thirty (30%) percent. Estimated completion period for the renovation of Villa A is July 30, 2016.

Legal Proceedings

As of the date of this Prospectus, the Company is not engaged in any litigation or arbitration proceedings of material importance and no litigation or claim of material importance is known to the trustees to be pending or threatened against the Company and its properties. The company has no subsidiaries or affiliates.

**MARKET PRICE OF AND DIVIDENDS ON THE COMPANY'S SHARES
AND RELATED SHAREHOLDER MATTERS****Market Information**

Prior to the Offer, there has been no public trading market for any of the Company's Shares.

Holders of the Company's Shares

Immediately prior to the Offer, the following are the top 20 shareholders of the company as set forth in the following table:

Title of Class	Name	Address	No. of Shares	Nature of Ownership	Citizenship	Percent of Class
Proprietary	St. Francis Square Development Corporation	4th Floor, St. Francis Square Mall, Bank Drive corner Julia Vargas Avenue, Ortigas Center, Mandaluyong City	2,500	Record and Beneficial	Filipino	99.68%
Proprietary	Jenny S. Sia	30 Norway St. Better Living Subd. Paranaque City	2	Record and Beneficial	Filipino	0.08%
Proprietary	Sarah T. Roxas-Wage	Unit AP8 BSA Twin Tower, Bank Drive, Ortigas Center, Mandaluyong City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Rebekah T. Roxas	1425 Campanilla Street, Dasmarinas Village, Makati City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Mary T. Roxas	1425 Campanilla Street, Dasmarinas Village, Makati	1	Record and Beneficial	Filipino	0.04%
Proprietary	Bessie C. Manzano	1198 Benavidez St., Sta. Cruz, Manila	1	Record and Beneficial	Filipino	0.04%
Proprietary	Gay Christine Cortes-Lopez	No. 64-A Montreal St., Brgy. E. Rodriguez, Cubao, Quezon City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Leo Angelo A. Quismorio	4C, Velante Drive. Brgy. Socorro, Quezon City	1	Record and Beneficial	Filipino	0.04%
TOTAL			2,508			100.00%

PLAN OF OPERATIONS AND MANAGEMENT DISCUSSION & ANALYSIS

Marketing of the securities is projected to commence on the date that the Registration Statement is rendered effective by the SEC.

For the first 12 months, the registrant will focus all its efforts to marketing locally. Construction of the club and its facilities are complete.

There are no noted incidents or events that will trigger direct or contingent financial obligation that is material to the company including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, obligations and other relationships of the company with unconsolidated entities or other persons created during the period under consideration.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material unfavorable impact on net sales or revenues or income from continuing operations.

There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

Financial Soundness Indicators

Indicators	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014	Dec 31, 2013
Current/Liquidity Ratio	0.19	0.18	0.16	0.31
Solvency Ratio	0.10	0.15	0.14	0.19
Debt to Equity Ratio	1.11	0.77	0.97	0.63
Other Relevant Ratio:				
Profitability Ratio:				
*Gross Profit Margin	0.48	0.54	0.39	0.40
*Return on Asset	0.05	0.06	0.07	0.07
*Return on Equity	0.11	0.11	0.14	0.12

Key Performance Indicators

Particulars	For the Six Months Ended June 2015	2014 Audited	2013 Audited
Revenue	75,395,344	116,677,948	104,464,820
Cost of Sales and Administrative Expenses	66,759,752	113,225,293	97,754,277
Income (loss) before income tax expense	8,654,614	1,815,332	4,081,449
Net Income	6,063,937	1,208,564	2,815,896
Revenue Growth			
For the Six Months Ended June 2015 vs. June 2014	0.01%		
2014 revenue to 2013 revenue		11.69%	
2013 revenue to 2012 revenue			8.95%
Cost & Operating Expenses to Revenue	88.55%	97.04%	93.58%
Gross Operating Margin:			
Gross Profit to Total Revenue	11.48%	1.56%	3.91%
Net Profit Margin:			
Net Income (Loss) to Total Revenue	8.04%	1.04%	2.70%

Inventories are initially measured at cost. Subsequently, inventories are stated at the lower of cost and net realizable value. The costs of inventories are calculated using the first-in, first-out method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale.

When the net realizable value of the inventories is lower than the cost, the company provides for an allowance for the decline in the value of the inventory and recognizes the write-down as an expense in profit or loss. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or the receivable and represents amounts receivable for the goods and services provided in the normal course of business.

Sale of Timeshare

Revenue from the sale of timeshare in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue from sale of goods is recognized when all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognized as a reduction of revenue as the sales are recognized.

The company recognizes income from timeshare weeks after the cooling off period and when the risk and reward of ownership of the timeshare have passed to the buyer. This is generally consummated when the buyer has taken undisputed delivery of the timeshares.

A collection before the expiration of the cooling off period is not considered revenue and is temporary lodged under trade payable

For future expense recognition after the approval of the registration statement:

Expenses are recognized in profit or loss when decrease in future economic benefit related to a decrease in an asset or an increase in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss: on the basis of a direct association between the costs incurred and

the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify; or cease to qualify, for recognition in the statements of financial position as an asset.

Expenses in the statement of comprehensive income are presented using the function of expense method.

Review of fiscal period as of June 30, 2015 Operations versus full year 2014

Revenues

In June 30, 2015, the Club's has increase of accumulated excess of revenues by P6.074 million from P26.22 million in 2014 to P32.285 million in June 2015 was mainly due to continuing revenues of P75.384 million and P75.395 million in 2014 and June 2015, respectively. The Club reported its accommodation amounting to ₱ 66.3 million in 2014 and ₱66.14 million in July 2015.

Cost of Services

The cost of services includes direct and indirect expenses. Cost of Services increased in June 2015 totaling ₱39.18 million compared to P34.3 million in 2014. Majority of the Club's expenses are fixed in nature and did not follow the increase in revenues. Major expenses include depreciation, personnel and utilities, among others.

Increase in costs of services is mainly due to depreciation and amortization, utilities, gas and oil and higher outside services, housekeeping supplies and laundry expenses as a result of higher room occupancy.

Financial Condition

As of June 2015, the Club posted total assets of ₱383.123 million and total liabilities of ₱201.8 million. The increase in assets of P37.495 million is mainly due to its increased in property and equipments amounting to ₱29.2 million.

Cash on hand and in banks

The Club was able to maintain its cash position. The increase in cash is mainly due to its availability for use in its operation. Cash on hand and in banks increased of P19.35 million from P10.8 million in 2014 to 30.25 million in July 2015.

Receivables

Receivables represent trade receivables and advances to officers and employees. In June 2015, receivables decreased by P9.496 million from P14.18 million in 2014 to

P4.684 million in 2015 to due payment to related parties, consisting of advances and reimbursement of expenses, marketing and administrative service agreement.

Inventories

In June 2015, inventories decreased by P77,254 from P879,494 in 2014 to P802,240 in June 2015 to due to the cost of inventories charged to operation. The NRV of the inventories approximates the cost as of the fiscal years.

Due from related parties

Due from related parties account increased by P88,845 from P90,979 in 2014 to P179,824 as of June 2015. This is in the normal course of business, has entered related into transactions with related parties which consists of advances and reimbursement of expenses, marketing and administrative service agreement mainly lower accruals and settlement of statutory payables.

Other Current Asset

The Club's other current assets includes input VAT, prepayments and others. Other current assets decreased by P63,644 from P764,904 in 2014 to P701,260 in June 2015.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and any impairment in value. The initial cost of the property and equipment comprises its purchase price, including duties, taxes and any directly attributable costs to bring the asset to useful condition. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged to operations in the period the costs are incurred.

Property and equipment increased by P29.205 million from P315 million to P344.24 million in December 31, 2014 and June 2015, respectively. This is mainly due to the construction in progress.

The Club still uses property and equipment that are fully depreciated. The asset's useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits.

Deferred tax assets

Deferred tax assets account decreased by P1.517 million from P3.78 million in 2014 to P2.26 million in June 2015 to due the outstanding NOLCO.

Trade and Other Payables

Trade and other payables account increased by P21.779 million from P80.4 million in December 31, 2014 to P102.225 million as of June 2015. This is mainly pertains to payable to suppliers for the material used in the construction of resort facilities.

The Club monitors risk for shortage of funds through monitoring of financial assets and projected cash flows from operations. The objective is to maintain continuity of funding. The Club's policy is to maximize the use of suppliers' credit for all its major purchases and limit major capital expenditures.

Due to Related Parties

Parties are considered to be related if one party has the ability to influence directly or indirectly the other party in financial and operating decisions. In addition, parties are considered to be related if they are subject to common control. Due to related parties account increased by P8.729 million from P84.85 million in 2014 to P93.58 million in June 2015 to due mainly to cash advances to related party.

Income Tax Payable

In June 2015, income tax payable increased by P364,514 from P382,938 in 2014 to P747,452 in 2015 due to the reconciliation of income tax expenses.

Retirement benefit liability

The Club's retirement benefit liability increased by P558,314 from P4.763 million in 2014 to P5.3 million in June 2015 to due mainly to the components of retirement benefits recognized in profit or loss. The benefits are based on years of service and compensation on the last year of employment as determined by an external actuarial.

Members' Equity

The Club has issued proprietary certificates with no par value that are classified as equity. In June 2015, there is no change in the amount of proprietary certificates amounting P 32.5 million issued last year of 2014. The Club's has increase of accumulated excess of revenues by P6.064 million from P26.22 million in 2014 to P32.285 million in June 2015.

Review of full year 2014 Operations versus full year 2013

Revenues

In 2014, the Club's has increase of accumulated excess of revenues by P1.2 million from P25.01 million in 2013 to P26.2 million in 2014 was mainly due to higher revenues from P104 million to P116 million in 2013 and 2014, respectively. The Club reported an increased in its accommodation amounting to P92 million and P102.678 million in 2013 and 2014, respectively.

Cost of Services

The cost of services includes direct and indirect expenses. Operating expenses increased in 2014 totaling P71.42 million compared to P62.2 million in 2013.

Majority of the Club's expenses are fixed in nature and did not follow the increase in revenues. Major expenses include depreciation, personnel and utilities, among others.

Increase in costs of services is mainly due to depreciation and amortization, utilities, gas and oil and higher outside services, housekeeping supplies and laundry expenses as a result of higher room occupancy.

Financial Condition

As of December 31, 2014, the Club posted total assets of ₱345.6 million and total liabilities of ₱170.4 million. The increase in assets of ₱62 million is mainly due to its increased in property and equipments amounting to ₱67.7 million.

Cash on hand and in banks

The Club was able to maintain its cash position. The decrease in cash is mainly due to its availability for use in its operation. Cash on hand and in banks decreased of ₱4.2 million from ₱15 million in 2013 to ₱10.8 million in 2014.

Receivables

Receivables represent trade receivables and advances to officers and employees. In 2014, receivables decreased by ₱1.6 million from ₱15.8 million in 2013 to ₱14.18 million in 2014 due related parties consisting of advances and reimbursement of expenses, marketing and administrative service agreement.

Inventories

In 2014, inventories decreased by ₱222,059 from ₱1.1 million in 2013 to ₱879,494 in 2014 due to the cost of inventories charged to operation. The NRV of the inventories approximates the cost as of the fiscal years.

Due from related parties

Due from related parties account decreased by ₱72,124 from ₱163,103 as of December 31, 2013 to ₱90,979 in 2014. This is in the normal course of business, has entered related into transactions with related parties which consists of advances and reimbursement of expenses, marketing and administrative service agreement mainly lower accruals and settlement of statutory payables.

Other Current Asset

The Club's other current assets includes input VAT, prepayments and others. Other current assets increased by ₱90,143 from ₱674,761 in 2013 to ₱764,904 in 2014.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and any impairment in value. The initial cost of the property and equipment comprises its purchase price, including duties, taxes and any directly attributable costs to bring the

asset to useful condition. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged to operations in the period the costs are incurred.

Property and equipment increased by P67.77 million from ₱247.26 million against P315 million in December 31, 2013 and 2014, respectively. This is mainly due to the construction in progress.

The Club still uses property and equipment that are fully depreciated. The asset's useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits.

Deferred tax assets

Deferred tax assets account increased by P326,509 from P3.45 million in 2013 to P3.78 million in 2014 due the outstanding NOLCO which was fully utilized in 2014.

Trade and Other Payables

Trade and other payables account increased by P36.79 million to P80.4 million as of December 31, 2014 from ₱43.65 million in 2013. This is mainly pertains to payable to suppliers for the material used in the construction of resort facilities.

The Club monitors risk for shortage of funds through monitoring of financial assets and projected cash flows from operations. The objective is to maintain continuity of funding. The Club's policy is to maximize the use of suppliers' credit for all its major purchases and limit major capital expenditures.

Due to Related Parties

Parties are considered to be related if one party has the ability to influence directly or indirectly the other party in financial and operating decisions. In addition, parties are considered to be related if they are subject to common control. Due to related parties account increased by P43.38 million from P41.6 million in 2013 to P84.85 million in 2014 due mainly to cash advances to related party.

Notes Payable

Notes payable represent loan obtained from State Investment Trust. In 2014, the loan balance amounting to P20,000,000.00 for the fiscal year as of December 31, 2013, was fully settled in 2014.

Retirement benefit liability

The Club's retirement benefit liability increased by P831,080 from P3.93 million in 2013 to P4.763 million in 2014 due mainly to the components of retirement benefits recognized in profit or loss. The benefits are based on years of service and compensation on the last year of employment as determined by an external actuarial.

Members' Equity

The Club has issued proprietary certificates with no par value that are classified as equity. In 2014, there is no change in the amount of proprietary certificates amounting P 32.5 million issued last year of 2013. The Club's has an accumulated excess of revenues by P1.2 million from P25.01 million in 2013 to P26.2 million in 2014.

Review of full year 2013 Operations versus full year 2012

Revenues

In 2013, the Club's has increase of accumulated excess of revenues by P2.869 million from P22.01 million in 2012 to P25.01 million in 2013 was mainly due to higher revenues from ₱95.885 million to ₱104.465 million in 2012 and 2013, respectively. The Club reported an increased in its accommodation amounting to ₱87 million and ₱ 92 million in 2012 and 2013, respectively.

Cost of Services

The cost of services includes direct and indirect expenses. Operating expenses increased in 2013 totaling ₱62.216 million compared to P53.348 million in 2012. Majority of the Club's expenses are fixed in nature and did not follow the increase in revenues. Major expenses include depreciation, personnel and utilities, among others.

Increase in costs of services is mainly due to depreciation and amortization, utilities, gas and oil and higher outside services, housekeeping supplies and laundry expenses as a result of higher room occupancy.

Financial Condition

As of December 31, 2013, the Club posted total assets of ₱283.6 million and total liabilities of ₱109.5 million. The increase in assets of P55.4 million is mainly due to its increased in property and equipments amounting to ₱52.5 million.

Cash on hand and in banks

The Club was able to maintain its cash position. The decrease in cash is mainly due to its availability for use in its operation. Cash on hand and in banks decreased of P2.588 million from P17.68 million in 2012 to P15.09 million in 2013.

Receivables

Receivables represent trade receivables and advances to officers and employees. In 2013, receivables decreased by P1.3 million from P2.65 million in 2012 to P3.95 million in 2013 due related parties consisting of advances and reimbursement of expenses, marketing and administrative service agreement.

Inventories

In 2013, inventories decreased by P116,824 from P984,729 in 2012 to P1.1 million in 2013 due to the cost of inventories charged to operation. The NRV of the inventories approximates the cost as of the fiscal years.

Due from related parties

Due from related parties account increased by P7.051 million from P5.006 million as of December 31, 2012 to P12.057 million in 2013. The company has entered related into transactions with related parties which consist of advances and reimbursement of expenses, marketing and administrative service agreement mainly lower accruals and settlement of statutory payables.

Other Current Asset

The Club's other current assets includes input VAT, prepayments and others. Other current assets decreased by P2.56 million from P3.24 million in 2012 to P674,761 in 2013.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and any impairment in value. The initial cost of the property and equipment comprises its purchase price, including duties, taxes and any directly attributable costs to bring the asset to useful condition. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged to operations in the period the costs are incurred.

Property and equipment increased by P52.468 million from P194.79 million against P247.26 million in December 31, 2012 and 2013, respectively. This is mainly due to the construction in progress.

The Club still uses property and equipment that are fully depreciated. The asset's useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits.

Deferred tax assets

Deferred tax assets account decreased by P304,685 from P3.759 million in 2012 to P3.45 million in 2013 to due the outstanding NOLCO.

Trade and Other Payables

Trade and other payables account increased by P34.829 million to P43.65 million as of December 31, 2013 from P8.822 million in 2012. This is mainly pertains to payable to suppliers for the material used in the construction of resort facilities.

The Club monitors risk for shortage of funds through monitoring of financial assets and projected cash flows from operations. The objective is to maintain continuity of

funding. The Club's policy is to maximize the use of suppliers' credit for all its major purchases and limit major capital expenditures.

Due to Related Parties

Parties are considered to be related if one party has the ability to influence directly or indirectly the other party in financial and operating decisions. In addition, parties are considered to be related if they are subject to common control. Due to related parties account increased by P41.3 million from P284,770 in 2012 to P41.66 million in 2013 to due mainly to cash advances to related party.

Notes Payable

Notes payable represent loan obtained from State Investment Trust. Notes payable increased by P20.69 million from P20 million in 2012 to P40.69 million in 2013 due to the additional loan agreement.

Retirement benefit liability

The Club's retirement benefit liability increased by P743,354 from P3.189 million in 2012 to P3.93 million in 2013 to due mainly to the components of retirement benefits recognized in profit or loss. The benefits are based on years of service and compensation on the last year of employment as determined by an external actuarial.

Members' Equity

The Club has issued proprietary certificates with no par value that are classified as equity. In 2013, there is no change in the amount of proprietary certificates amounting P32.5 million issued last year of 2012. The Club's has an accumulated excess of revenues by P2.87 million from P22.14 million in 2012 to P25.01 million in 2013.

Changes in and Disagreements with Accountant on Accounting and Financial Disclosures

During the last fiscal year, the registrant had no changes in and disagreements with the accountant on matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

External Audit Fees

	2014	2013
Audit And Audit Related Fees		
Audit of Annual Financial Statements	492,800	449,680
Other assurance and related services performed by the auditor	None	None
Others	None	None
Tax Fees	None	None
All Other Fees	None	None

The management pre-approves all audit and non-audit services as these are proposed or endorsed by the Board of Trustees before the services as performed.

CONTROL AND COMPENSATION INFORMATION

Trustees and Executive Officers:

The term of office of the Board of Trustees and Executive Officers is for a period of one (1) year from their election or until the succeeding election of such trustees and officers.

The business experience of the company's Board of Trustees and Executive Officers during the last five years, are as follows:

Sarah T. Roxas-Wage, Chairman and President

Ms. Sarah T. Roxas-Wage is 31 years old and a Filipino citizen. She is a director of St. Francis Bookstore, Inc., St. Francis Generic Drugstore, Inc., St. Francis Square Dept. Store, Inc., former manager in marketing department of Globe Telecom.

Jenny S. Sia, Trustee

Ms. Jenny S. Sia is 49 years old and a Filipino citizen. She is the Assistant Vice-President of St. Francis Square Holdings, Inc. and ASB Realty Corp.

Rebekah T. Roxas, Trustee

Ms. Rebekah T. Roxas is 65 years old and a Filipino citizen. She is a director of St. Francis Bookstore, Inc., St. Francis Generic Drugstore, Inc. and St. Francis Square Dept. Store, Inc.

Mary T. Roxas-Chua, Trustee

Ms. Mary T. Roxas is 29 years old and a Filipino citizen. She is a director of St. Francis Bookstore, Inc., St. Francis Generic Drugstore, Inc., St. Francis Square Dept. Store, Inc. and a Purchasing Manager for St. Francis Square Realty Corp.

Bessie C. Manzano, Trustee, Treasurer

Ms. Bessie C. Manzano is 50 years old and a Filipino citizen. She is the Vice-President of St. Francis Square Realty Corp., director of St. Francis Square Generic Drugstore, St. Francis Bookstore, and St. Francis Department Store.

Gay Christine Cortes-Lopez, Independent Trustee

Ms. Gay Christine C. Cortez is 36 years old and a Filipino citizen. She is presently an associate of Buñag and Associates Law Office.

Mr. Leo Angelo A. Quismorio, Independent Trustee

Mr. Leo Angelo A. Quismorio is 31 years old and a Filipino citizen. He is presently an associate of Buñag and Associates Law Office.

Noel S.R. Jose, Corporate Secretary

Mr. Noel S.R. Jose is 50 years old and a Filipino citizen. He is presently the head of legal department of St. Francis Square Group of Companies.

Significant Employee

The Registrant has no employee whose employment can be considered significant. The sales will be supervised by a team of marketing staff ably led by an executive of the Company.

Family Relationship

Caliraya Resort Club Inc. operating under the name and style Caliraya Vacation Club International is owned by the Roxas family. Except for the Treasurer (Bessie C. Manzano), One (1) Trustee (Jenny S. Sia), Corporate Secretary (Noel S.R. Jose) and Two (2) Independent Trustees (Gay Christine C. Cortez and Leo Angelo A. Quismorio), all of the above mentioned Trustees are of the Roxas family.

Involvement in Certain Legal Proceedings

For the past five years up to the present, the Company is not aware of any order, judgment, or decree not subsequently reversed, superseded, or vacated, by any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting the involvement of a trustee, person nominated to become a trustee, executive officer, or control person of the Company in any type of business, securities, commodities, or banking activities.

None of the Trustees and Officers of the Registrant and neither has the corporation been involved in any legal proceedings nor are they party to any pending criminal proceeding, or convicted by final judgment in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses or subject to any other order or judgment or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities or found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

There are no bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time.

EXECUTIVE COMPENSATION

The above-named members of the Board of Trustees and executive officers have not received any compensation, however they are entitled to receive per diem, honorarium and other emoluments. As of this date they haven't receive any remuneration in whatever form from the registrant since the time of assumption of their positions for the last two years and ensuing year.

No dividends shall be declared which will impair the capital of the corporation.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Record and Beneficial Owners with more than 5% of ownership **as of August 31, 2015:**

Title of Class	Name	Address	No. of Shares Held	Nature of Ownership	Citizenship	Percent of Class
Proprietary	St. Francis Square Development Corporation	4th Floor, St. Francis Square Mall, Bank Drive corner Julia Vargas Avenue, Ortigas Center, Mandaluyong City	2,500	Record and Beneficial	Filipino	99.68%

Security Ownership of Management as of August 31, 2015:

Title of Class	Name	Address	No. of Shares Held	Nature of Ownership	Citizenship	Percent of Class
Proprietary	Jenny S. Sia	30 Norway St. Better Living Subd. Paranaque City	2	Record and Beneficial	Filipino	0.08%
Proprietary	Sarah T. Roxas-Wage	Unit AP8 BSA Twin Tower, Bank Drive, Ortigas Center, Mandaluyong City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Rebekah T. Roxas	1425 Campanilla Street, Dasmarinas Village, Makati City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Mary T. Roxas	1425 Campanilla Street, Dasmarinas Village, Makati City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Bessie C. Manzano	1198 Benavidez St., Sta. Cruz, Manila	1	Record and Beneficial	Filipino	0.04%
Proprietary	Gay Christine Cortes-Lopez	No. 64-A Montreal St., Brgy. E. Rodriguez, Cubao, Quezon City	1	Record and Beneficial	Filipino	0.04%
Proprietary	Leo Angelo A. Quismorio	4C, Velante Drive. Brgy. Socorro, Quezon City	1	Record and Beneficial	Filipino	0.04%

No dividends shall be distributed as the corporation is a non-stock, non-profit entity.

There are no recent sales of unregistered or exempt securities, including recent issuance of securities constituting an exempt transaction.

There are no any arrangements recently which may result in a change in control of the registrant.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The interest of trustees and executive officers arise only from the ownership of shares of the registrant.

The Club, in the normal course of business, has entered into transactions with related parties principally consisting of advances and reimbursement of expenses, marketing and administrative service agreement. Details of which, are shown in the company's Audited Financial Statements for the fiscal year ended December 31, 2014.

CORPORATE GOVERNANCE

(a) The company has adopted the Manual of Corporate Governance and full compliance with the same has been made since the adoption of the Manual, except for the development of a mechanism to monitor the performance of the Board of Trustees. The members of the Board are still reviewing such before its full implementation.

(b) The company monitors compliance with the provisions and requirements

of the manual and issues certification on the extent of the Corporation's compliance with its Manual.

- (c) There are no deviations from the Company's Manual of Corporate Governance.
- (d) The company is attentive to any amendments to the rules of the Commission so that improvement in the Company's Manual of Corporate Governance may be adopted.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

For the past five years up to the present, the Company is not aware of any order, judgment, or decree not subsequently reversed, superseded, or vacated, by any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting the involvement of a trustee, person nominated to become a trustee, executive officer, or control person of the Company in any type of business, securities, commodities, or banking activities.

None of the Trustees and Officers of the Registrant and neither has the corporation been involved in any legal proceedings nor are they party to any pending criminal proceeding, or convicted by final judgment in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses or subject to any other order or judgment or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities or found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

There is no pending legal proceeding of which the registrant, its affiliates or their properties is the subject.

There has been no sale of unregistered securities because the company is just about to embark in the securities market, neither has it issued securities constituting an exempt transaction.

The registrant foresees no event that will trigger a direct or contingent financial obligation that is material to the company including ant default or acceleration of an obligation.

There are no material off-balance sheet transaction, arrangements, obligations (including contingent obligations) and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

Voting Trust

The Registrant has no voting trust or similar agreement with any person, corporation, or association, and neither is there any arrangement with person or entity which may result in a change in control of the company.