

TIMESHARE
SUPPORT NETWORK

TIMESHARE ARBITRATION
CLAUSE PETITION

**Protect Timeshare Buyers with Clear Arbitration Disclosure
and a 30-Day Opt-Out**

Petition to the United States Congress
A consumer-protection proposal

ONE CLEAR DOCUMENT. ONE INFORMED DECISION. THIRTY DAYS TO CHOOSE.

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timesharesupportnetwork.org

Petition to the United States Congress

Timeshare Support Network asks the United States Congress to introduce federal consumer-protection requirements governing arbitration provisions connected to timeshare purchases.

Arbitration can remain an option. It should simply be an informed choice.

Why This Petition Is Needed

Timeshare buyers can be asked to sign lengthy and complex contracts immediately after intensive sales presentations. Among the many provisions in those agreements may be an arbitration clause that can significantly affect how a future dispute is resolved.

Depending on the wording of the agreement, arbitration can affect whether a consumer may take a covered dispute to court, have it heard by a jury, or participate in certain class or collective proceedings.

The issue is not whether arbitration should exist. The issue is whether agreement to arbitration was clear, informed and genuinely voluntary.

A consumer should not discover only after a serious dispute has begun that a clause buried within a larger purchase agreement changed the route available to seek redress.

The core reform

Require arbitration provisions connected to timeshare purchases to be disclosed separately, in clear plain language and normal readable font - and give every consumer **30 calendar days to opt out of arbitration** without cancelling or otherwise affecting the underlying timeshare purchase.

What We Are Asking Congress To Do

1. Require a Separate Arbitration Disclosure

Any arbitration provision connected to a timeshare purchase should be presented in a separate, standalone document rather than being left only within the main purchase agreement. The disclosure should use clear plain language and normal, easily readable type.

2. Require a Clear Explanation of the Rights Affected

The disclosure should explain what arbitration means, whether court or jury-trial rights may be restricted, whether class or collective proceedings are limited, which arbitration provider and rules apply, and how the consumer can obtain those rules.

What We Are Asking Congress To Do - Continued

3. Create a Mandatory 30-Day Arbitration Opt-Out

Every purchaser should have at least 30 calendar days after receiving the arbitration disclosure and their signed purchase documents to reject the arbitration agreement.

- Opting out must not cancel the timeshare purchase.
- Opting out must not change the purchase price.
- Opting out must not remove benefits or membership rights.
- Opting out must not result in any penalty or disadvantage.

The arbitration opt-out should remain separate from any statutory or contractual period during which the consumer may cancel the timeshare purchase itself.

4. Require Independent Time to Review the Disclosure

Purchasers should be given an opportunity to read the arbitration disclosure privately and away from sales pressure before acknowledging receipt.

Sales personnel may provide administrative information, but they should not be permitted to minimise, contradict or provide legal interpretations that undermine the written disclosure.

The disclosure should state clearly: This document does not replace your full purchase agreement. You should read the entire contract before signing.

5. Make the Opt-Out Simple and Free

Timeshare companies should provide at least one simple, free method for exercising the opt-out, clearly state where and how the notice must be sent, and provide written confirmation when the consumer's decision has been received and processed.

6. Make Non-Compliance Matter

If the required separate disclosure, independent review opportunity or 30-day opt-out is not properly provided, the arbitration provision should not be enforceable against the consumer.

A disclosure requirement without a meaningful consequence for non-compliance risks becoming another box-ticking exercise.

The Protection Should Follow the Arbitration Obligation

The protection should not apply only to first-time timeshare purchases. It should apply whenever a consumer is asked to accept a new or materially changed arbitration obligation connected to a timeshare.

- A first-time timeshare purchase
- An upgrade or additional points purchase
- A conversion from one ownership or product type to another
- A replacement, refinancing or re-documentation agreement where arbitration terms are added or changed
- A club or membership agreement connected to the timeshare
- A later contract amendment that introduces or materially expands arbitration

The rule should follow the arbitration obligation, not the label given to the transaction. A company should not be able to avoid the protection merely by describing a transaction as an upgrade, conversion, membership change or replacement agreement.

Why the 30-Day Opt-Out Must Be Separate From Rescission

A timeshare cancellation or rescission period determines whether the consumer may cancel the purchase itself. An arbitration opt-out answers a different question: if the consumer keeps the timeshare, do they also wish to remain bound by the arbitration agreement?

Those decisions should not be confused. A consumer may decide to keep the timeshare while still choosing not to surrender or restrict access to the court system for future covered disputes.

Keeping the timeshare should never be conditional on accepting arbitration.

Why a Summary Sheet Alone Is Not Enough

Timeshare Support Network supports genuine transparency, but more paperwork does not automatically create better consumer protection.

A general summary of price, fees and key terms can unintentionally create false confidence. A buyer may feel that the important parts of the transaction have already been explained and therefore treat the full contract as a formality.

That risk is particularly serious if a salesperson sits with the consumer and talks through the summary, using reassuring verbal explanations that may gloss over the significance of individual provisions.

The proposed arbitration disclosure is different. It is not intended to replace the contract or summarise the whole commercial deal. Its sole purpose is to ensure that one important dispute-resolution provision is conspicuous, understandable and subject to a genuine period of choice.

The Evidence Behind This Proposal

1. High-pressure timeshare sales are a recognised consumer-protection concern

The Federal Trade Commission warns consumers not to be pressured into buying a timeshare and advises them to understand what they are getting into before committing. FTC consumer guidance also warns against being rushed into signing before having time to consider an offer.

2. Arbitration agreements can have significant legal consequences

Section 2 of the Federal Arbitration Act provides that covered written arbitration agreements are generally valid, irrevocable and enforceable, subject to legal or equitable grounds that would permit revocation of a contract. That makes informed agreement before a dispute arises especially important.

3. Consumer-arbitration research shows a wider understanding problem

The Consumer Financial Protection Bureau's 2015 Arbitration Study examined consumer-finance contracts and found widespread uncertainty among consumers about arbitration provisions. That study was not a timeshare study, and Timeshare Support Network does not present it as one. It is relevant as evidence of the broader difficulty consumers can have recognising and understanding arbitration clauses in standard-form contracts.

4. Even arbitration providers emphasise clear notice

The American Arbitration Association's Consumer Due Process Protocol states that consumers should receive clear and adequate notice of arbitration provisions and their consequences, reasonable access to information about the process, and a clear statement of any choice between arbitration and court process.

5. Timeshare arbitration disputes have already reached the courts

Cases involving Capital Resorts, Westgate and Wyndham demonstrate that arbitration provisions can become central once a dispute begins. The legal outcomes differ and should not be oversimplified, but the cases reinforce one basic point: understanding the arbitration arrangement before a dispute is preferable to arguing about consent and enforceability after the relationship has already broken down.

The best time to understand an arbitration clause is before there is a dispute - and ideally before the consumer signs the contract at all.

Why Timeshare Support Network Is Bringing This Petition

Timeshare Support Network was created to help consumers understand their rights, options and risks around timeshare ownership.

That work includes supporting British, Canadian and Australian consumers who may purchase timeshares in the United States and later find themselves dealing with contracts governed by U.S. law.

Through that work, one issue became increasingly clear: important arbitration provisions can be agreed to during the same high-pressure sales process in which the timeshare itself is purchased.

This is not only an issue for international buyers. The same contracts, sales environments and arbitration provisions can affect American consumers too.

Timeshare Support Network is not asking Congress to change U.S. law simply because overseas consumers may be affected. We are highlighting a consumer-protection issue identified through cross-border support work and proposing a safeguard that could benefit everyone.

If stronger protections help the British, Canadian and Australian consumers this work originally set out to support, that matters greatly. If the same reform also helps protect millions of American consumers, that would be an even greater success.

What This Petition Is - and Is Not

- It is not a demand to ban arbitration.
- It is not an attack on the timeshare industry.
- It is not an argument that every arbitration clause is unfair or unenforceable.
- It is a request for clear disclosure, genuine choice and a meaningful period away from the sales table.
- It is a proposal designed to work for legitimate businesses as well as consumers.

The principle

A business may prefer arbitration. A consumer may prefer arbitration. Both can remain free to use it. But a pre-dispute arbitration agreement should be something the consumer knowingly chooses, not something they discover only after a dispute has already begun.

The Petition

We, the undersigned, call on the United States Congress to introduce federal legislation requiring clear, standalone disclosure of arbitration provisions connected to timeshare agreements and a mandatory 30-day period during which consumers may opt out of arbitration without cancelling or otherwise affecting their timeshare purchase.

We ask Congress to ensure that consumers are clearly informed of what arbitration means, which rights may be affected, how the arbitration process would operate, and exactly how an opt-out can be exercised.

We ask that consumers be given a genuine opportunity to review the disclosure independently and away from sales pressure, and that sales personnel not be permitted to minimise or contradict the written explanation.

We ask that opting out be simple, free and confirmed in writing, and that failure to provide the required disclosure and 30-day choice render the arbitration provision unenforceable against the consumer.

We ask that these protections apply whenever a consumer is asked to accept a new or materially changed arbitration obligation connected to a timeshare, including purchases, upgrades, additional points, conversions, replacement agreements, related membership agreements and later amendments.

Consumers should know what rights they are agreeing to give up - and they should have time to make that choice away from the sales table.

Companion Consumer-Protection Documents

Timeshare Support Network has prepared supporting materials to show how this proposal could work in practice:

- Proposed Model Timeshare Arbitration Disclosure & 30-Day Opt-Out Notice
- Timeshare Arbitration Petition - Evidence & Sources Pack
- Timeshare Arbitration Clauses: What Every Owner and Buyer Should Know Before a Dispute Begins

These materials are intended to support public discussion, consumer education and engagement with lawmakers and regulators. They are not proposed statutory wording and do not replace legal drafting by Congress.

Our Request to Congress

Please consider introducing this protection as a focused standalone reform, or incorporating it into an appropriate federal timeshare or consumer-protection measure.

The legislative vehicle is for Congress to determine. The consumer-protection principle is straightforward:

ONE CLEAR DOCUMENT. ONE INFORMED DECISION. THIRTY DAYS TO CHOOSE.

References and Sources

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<https://consumer.ftc.gov/articles/timeshares-vacation-clubs-and-related-scams>
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<https://uscode.house.gov/view.xhtml?edition=prelim&num=0&req=granuleid%3AUSC-prelim-title9-section2>
3. American Arbitration Association - Consumer Due Process Protocol Statement of Principles
https://apps.adr.org/ClauseRegistryUI/downloadcontentservlet?pDocName=f2c54b4300054406b5d43ffdac9d85d7_2789267.pdf
4. Consumer Financial Protection Bureau - Arbitration Study: Report to Congress 2015
<https://www.consumerfinance.gov/data-research/research-reports/arbitration-study-report-to-congress-2015/>
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6. Bedgood v. Wyndham Vacation Resorts, U.S. Court of Appeals for the Eleventh Circuit (2023)
<https://media.ca11.uscourts.gov/opinions/pub/files/202211504.pdf>
7. Steines v. Westgate, U.S. Court of Appeals for the Eleventh Circuit (2024)
<https://media.ca11.uscourts.gov/opinions/pub/files/202214211.pdf>

Important Information

This petition and its supporting materials are intended for consumer education, public-policy discussion and advocacy. They do not constitute legal advice and do not state that any particular arbitration clause is valid, invalid, fair or unfair.

Arbitration rights depend on the wording of the particular agreement, the circumstances in which it was made and the law that applies. Anyone needing advice about the enforceability of an arbitration provision or the merits of an individual claim should consult an appropriately qualified attorney in the relevant jurisdiction.

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Awareness • Transparency • Support

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