

A F F I L I A T E A N D S U B S I D I A R Y O P E R A T I O N S

TL Enterprises, Inc.

Ventura, CA

Elkhart, IN

Seattle, WA

Camping World

Bowling Green, KY

Coast to Coast

Englewood, CO

Golf Card

Englewood, CO

Traffic Builders

San Jose, CA

Ehlert Publishing Group, Inc.

Maple Grove, MN

Woodall Publications Corp.

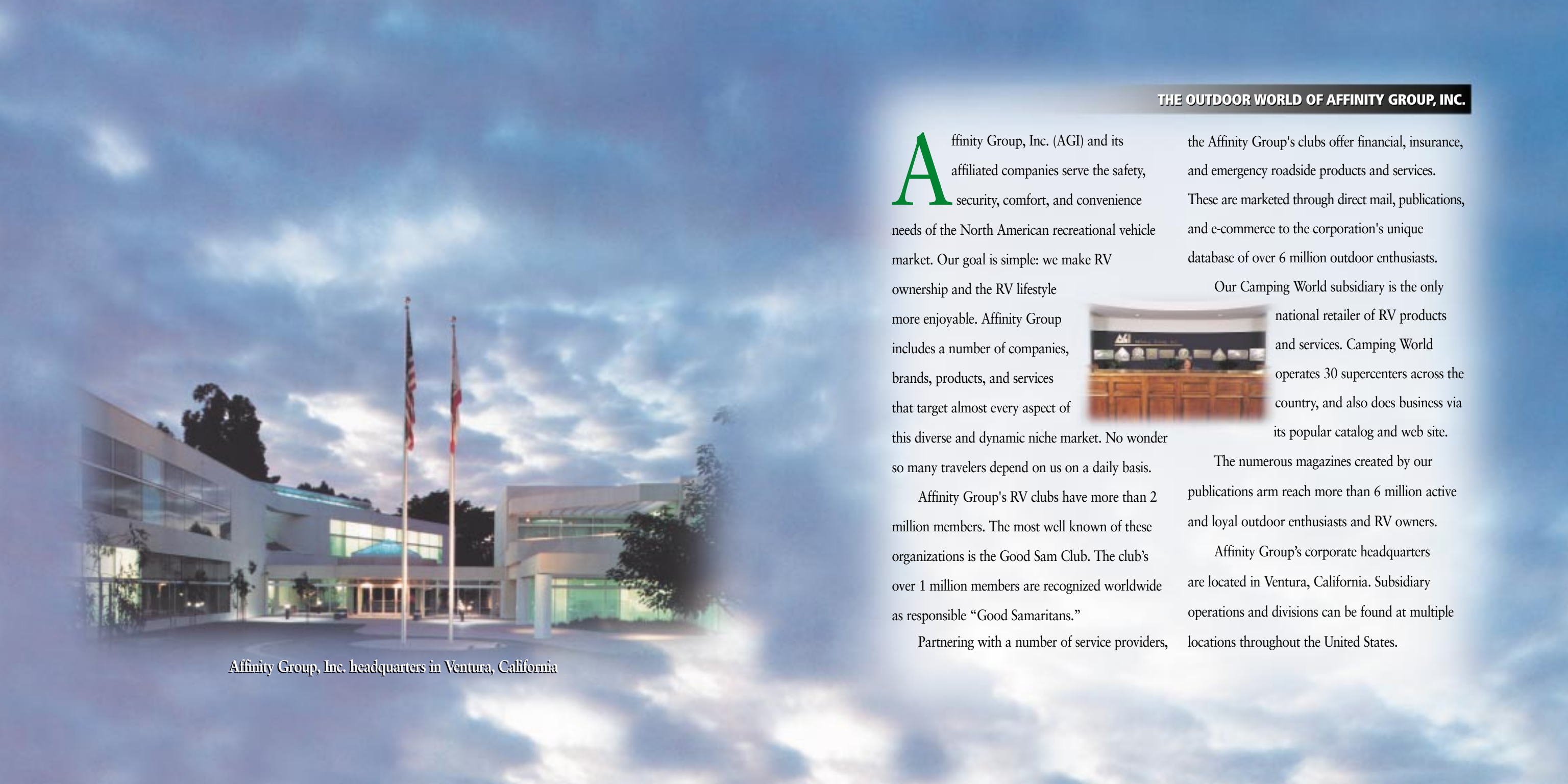
Ventura, CA

Woodall's World of Travel

Greenville, MI



This year, more than 9 million people will hit the great American road in a recreational vehicle. Making sure their RV adventures are filled with fun and friendship, safety and security, and comfort and convenience is our business at Affinity Group, Inc.



Affinity Group, Inc. headquarters in Ventura, California

THE OUTDOOR WORLD OF AFFINITY GROUP, INC.

Affinity Group, Inc. (AGI) and its affiliated companies serve the safety, security, comfort, and convenience needs of the North American recreational vehicle market. Our goal is simple: we make RV ownership and the RV lifestyle more enjoyable. Affinity Group includes a number of companies, brands, products, and services that target almost every aspect of this diverse and dynamic niche market. No wonder so many travelers depend on us on a daily basis.

Affinity Group's RV clubs have more than 2 million members. The most well known of these organizations is the Good Sam Club. The club's over 1 million members are recognized worldwide as responsible "Good Samaritans."

Partnering with a number of service providers,

the Affinity Group's clubs offer financial, insurance, and emergency roadside products and services. These are marketed through direct mail, publications, and e-commerce to the corporation's unique database of over 6 million outdoor enthusiasts.



Our Camping World subsidiary is the only national retailer of RV products and services. Camping World operates 30 supercenters across the country, and also does business via its popular catalog and web site.

The numerous magazines created by our publications arm reach more than 6 million active and loyal outdoor enthusiasts and RV owners.

Affinity Group's corporate headquarters are located in Ventura, California. Subsidiary operations and divisions can be found at multiple locations throughout the United States.

AMERICA, THE GREAT OUTDOORS AND THE GOOD TIMES AHEAD

Americans have always enjoyed the great outdoors. And more and more Americans have come to realize that there's no better way to experience everything "America the Beautiful" has to offer than with a recreational vehicle. No wonder the RV industry is stronger now than at any other time in its history.

In the next 10 years, the number of RV-owning households will rise from 9 million to 10.4 million, according to the Recreational Vehicle Industry Association. That's a 15% increase in ownership during a period when population growth is less than 5%! Positive demographic and economic factors are creating record sales of RVs

of all types. Most recently, more than 300,000 RVs were shipped. Ninety percent of RV owners also maintain a fixed residence in addition to their RV. The industry expects the Baby Boom generation to reach peak RV purchasing age during the next decade. This will result in dramatically increased RV unit sales, rentals and demand for related services – including RV campgrounds.

The RV market is a large, dynamic, growing market. It's also a rapidly changing market. The stereotypical view of RVers and their rigs must be quickly discarded in order to make the most of the changes reshaping us all. The RVer will be a vital participant in the active lifestyle of the coming years.



THE RV LIFESTYLE OF THE 21ST CENTURY

The overall population of the U.S. is getting older, and people are entering the RV market at a younger age. In the next decade, an average of 12,000 Baby Boomers per day will turn 50. What's more, ownership of RVs among 45 to 54 year-olds, the core of the Baby Boom generation, has risen 25% since 1993. That's more of an increase than in any other age group. Meanwhile, life expectancy is also increasing, lengthening an individual's years of active RVing. The bottom line? The total population in the RV segment is growing at a rate never seen before.

RVs are changing, too. On-board computers, global positioning systems, microchip-enhanced

systems, and other technological breakthroughs are making recreational vehicles more appealing to more people.

These and other trends lead us to a new view of the RV market. The continuing economic boom will generate a market populated by individuals with more disposable income and a heightened sense of financial well being. Future RVers will be more technologically savvy, casually using technology to enhance their lifestyles. They'll seek out RVs that include many of the features first introduced in passenger cars, along with many of the high-tech devices they use at home or the office. Technology will make them both more connected and more independent.



AGI PUBLICATIONS: POWER AND REACH

Affinity Group, Inc., publishes a wide array of magazines and directories for the RV market. Our publications include *Highways*, *MotorHome*, *Trailer Life*, *Roads to Adventure*, *Woodall's*, *Coast to Coast*, *RV View*, and *Golf Traveler*—a publication for Golf Card Members—making us far and away the leader in the RV publishing industry.

The annual *Trailer Life* and *Woodall's* campground directories, buyer's guides, and books are considered the undisputed authorities on these subjects. The Affinity publications' proprietary RV audience comprises an unduplicated circulation list of over 3 million readers. Our target audience is an economically powerful group. With a median age of 63 years, the typical RVer has reached a stable and secure financial position. Their investment in

their RV, in addition to their permanent residence, is typically substantial.

RVIA (Recreation Vehicle Industry Association) surveys point to a market that is both financially conservative and highly financially responsible. On average, each AGI RVer has an investment portfolio valued at \$215,000, for an aggregate wealth of more than \$645 billion. It is an extraordinarily strong audience economically, and more than credit-worthy.

And while they may be fiscally conservative, they're physically on the move. The group owns more than 9 million vehicles in addition to their RVs! Well over 50% of those surveyed own a personal computer. And an ever-increasing number are taking their computers along on their travels.



EHLERT PUBLISHING REACHES THE RECREATIONAL ENTHUSIASTS

In addition to our RV publications, we produce many outdoor recreational magazines through our Ehlert Publishing Group (EPG) subsidiary. These magazines are predominantly targeted at powersports vehicle enthusiasts who own motorcycles, personal watercraft, snowmobiles, and all terrain vehicles (ATVs). Readers of the EPG magazines are primarily males in the peak earning 25-54 age demographic. They are well-educated, married homeowners who have a median income well above the national average. The powersports enthusiasts are particularly aggressive in pursuing their passions,

investing an average of almost \$12,000 annually in equipment and travel. They ride their vehicles on average of 47 days each year and 40% will buy a new motorcycle, ATV, personal watercraft, or snowmobile every year.

These over 2 million readers are a perfect complement to the broad RV audiences reached by our AGI publications. Together, the combined reach of all publications is in excess of 6 million. This active market shares a great love of the outdoors, and has the purchasing power to support the lifestyle of their choice.



The cumulative circulation of all Affinity publications is in excess of 6 million

THE NATIONAL SUPERMARKET FOR RV SERVICES AND SUPPLIES



Camping World is the world's largest supplier of RV accessories and supplies, stocking over 8,000 SKUs. Since the opening of the first Camping World store in 1966, the company has been providing RVers with quality products and services that make life on the road easier and more convenient. Every year, Camping World serves over 5 million visitors at their retail locations, while their web site receives over 20 million hits annually. In addition, the company sells its products through over 22 million mail-order catalogs and flyers. It's by far the largest catalog operation in the RV industry. The entire enterprise is supported by a 24-hour, toll-free ordering service staffed by more than 100 trained RV specialists.

Camping World's business philosophy is simple. "No unhappy customers, not even one."

This concept has served as the basis of its remarkable growth and the foundation of its spectacular success as the largest RV specialty retailer in the industry.

Camping World's operations include:

- The President's Club, whose more than 600,000 RVers receive a 10% discount on all purchases at Camping World, plus added benefits and privileges.
- ProCare Maintenance Service, specialized repair and maintenance packages that include RV winterizing, appliance services, and 45-point RV inspections.
- The Camping World RV Institute, which provides comprehensive training and quality vocational education for prospective RV service technicians.

Good Sam Club



The Golf Card

CAMPING WORLD
PRESIDENT'S
CLUB

Coast to Coast
RESORTS

WOODALL'S

COME TOGETHER – THE LOYAL AFFINITY CLUBS

Whether it's a local weekend campout, a round of golf, or the high adventure of a 40-day trek to Alaska, Affinity Group clubs, rallies, events and tours are surefire routes to outdoor fun. With its one-million-plus members, Affinity's Good Sam Club is not only the world's largest RV owner organization, it promotes membership and active participation in local and area chapters. This creates a one-of-a-kind sense of *esprit de corps* between the RV industry and the club's extended family.

The Camping World President's Club chalks up over 600,000 members and stands strong as the world's second-largest RV club, representing a diverse group of experienced RV owners whose love of the open road is unsurpassed.

Coast to Coast Resorts is the largest members-only reciprocal-use network of luxury RV resorts. Coast to Coast brings old friends together at favorite camping properties all across America.

Our Woodall's World of Travel produces RV rallies, tours, and caravans. It provides RVers with structured group travel without sacrificing the RV traveler's personal desire for freedom of individual choice and personal privacy.

The Great North American RV Rally is Affinity Group's premier annual RV rally. The Great North American hosts members of all Affinity clubs as well as readers of all Affinity publications. It's a four to five day event that focuses on presenting the latest safety practices and information through entertaining educational seminars while also introducing new RVs, and RV-related products, services, and components.

At AGI, we understand that the RV owner has an unquenchable wanderlust, and appreciates being with others of like mind and spirit. So AGI responds with annual travel destinations and over 180 yearly events designed to please everyone who enjoys the RV lifestyle.

SUCCESSFUL ALLIANCES FOR SUPERIOR PRODUCTS AND SERVICES

Our remarkable ability to reach most active RVers is the cornerstone of a series of strategic alliances that helps us bring more to the RV lifestyle. Over the years, Affinity Group has partnered with a number of companies in successful new business ventures.

RV & Vehicle Insurance. This program is specifically designed for the RV enthusiast through a more than 20-year partnership with GMAC Insurance. The program has generated \$200 million in written premiums, and offers competitive rates with reductions for club members. Those covered can also benefit from various discounts and special coverages created especially for RVers.

Camping World RV Insurance. In partnership with the National Alliance Insurance Company

(NAIC), this program has resulted in more than \$54 million in annual premiums in just 6 years. Today, 40% of NAIC's sales are generated through Camping World stores.

RV Financing. Ganis Credit Corporation is Affinity Group's partner for RV financing. Financing covers purchases of both new and used vehicles and refinancing of existing loans. Ganis is a consumer lending division of Deutsche Financial Services, one of the world's leading financial service providers. Since 1989, Ganis has provided more than \$1 billion in total loans to RV and boating enthusiasts. In addition to low rates, Ganis offers Affinity Group customers a fast, easy, and remarkably convenient loan process.



Ganis
Credit Corporation

CAMPING
WORLD[®]
RV Insurance

GMAC
Insurance

SUCCESSFUL ALLIANCES CONTINUED...

Emergency Road Service. In an alliance with the Cross Country Motor Club and Rapid Response Roadservice Motor Club, Inc. (an i-Fleet Company), Affinity Group provides a service network of more than 30,000 RV towing and repair facilities located across the U.S. and Canada. Over 332,000 members are assured rapid emergency response around the clock.

Mechanical Breakdown Protection. The Continued Service Plan has generated more than \$25 million in aftermarket mechanical breakdown coverage since 1997. Working with specific underwriters at world famous Lloyd's of London, the program has been reinsured since 1997, and specific Lloyd's of London underwriters have been a direct insurer and partner with AGI since 1998.

Credit Card Services. MBNA America Bank N.A. is recognized as the industry leader in affinity credit card marketing. AGI's more than 120,000

cardholders have more than \$189 million in outstanding balances. Partnering with Affinity Group, MBNA offers credit cards that reflect and encourage the RV lifestyle. Special features include no annual fee, low APR, and loyalty points allowing members to earn discounts on Affinity products and services.

Health & Life Insurance. In partnership with Association Group Insurance Administrators (AGIA), this program has generated more than \$15 million in written premiums, representing 68,000 policies in force. For over 10 years, this partnership has offered a diverse set of supplemental health programs, including Long Term Care, Medicare Supplement and Accident Protection, and Emergency Assistance and Life Insurance products.

GMAC

General Motors Acceptance Corp.

MBNA

MBNA America
Bank N.A.

Association
Group
Insurance
Administrators

AGIA AMERICA[®]

Rapid Response
Roadservice Motor
Club, Inc.



***RVtoday*: A VISION SHARED**



In early 2001, RVers across America will begin a travel odyssey. They'll tune in to the premiere of *RVtoday*, a remarkable new television show that captures the fun and adventure of the RV lifestyle.

RVtoday will air on the popular TNN® cable network. One of the fastest growing networks in the world, TNN is currently in more than 83 million homes across North America. *RVtoday* is scheduled to air every Saturday during the transition between the network's hugely popular outdoor and automotive programming blocks. A two-year media commitment has been made, and episodes are already being produced.

RVtoday is the right show at the right time. The explosive growth of RVing has created a massive audience that's hungry for news, insight, information, and entertainment that reflects their

interests and their lifestyle.

This same boom has made RV manufacturers and makers of RV-related products eager for new channels of communication with their rapidly-expanding marketplace. That creates a huge pool of highly-motivated potential advertisers who are ready to spend now!

What's more, the opportunities for cross-marketing, promotional tie-ins, and advertising synergies with AGI properties like Camping World and AGI-owned magazines such as *Trailer Life* and *MotorHome* are practically endless.

RVtoday will also spread the word about RVing to millions of people who might not otherwise be interested. That means every episode functions as a "recruiting film" that will lead more and more people to participate in this fun-filled lifestyle.

NEW OPPORTUNITIES

A number of economic, technological, cultural, and demographic developments and trends are profoundly changing the RV market. These trends are rapidly remaking the RV experience, and will present us with unprecedented opportunities and rewarding new business ventures like our *RV SEARCH.com*, which offers an online marketplace for private parties and dealers for new and pre-owned RV inventory. Soon AGI will launch *RV today*, a magazine format television show that appeals to a broad base of current and future RV owners and advertisers.

Forecasters agree that the economic prosperity of the late 1990s will continue. This impressive economic upturn has created an America that looks to the future with optimism and confidence once again. A healthy economy and low inflation have the entire nation looking forward to a better way of life.

America's population is growing older. The

percentage of citizens over 50 is increasing. At the same time, people are jumping into the RV lifestyle at a younger age. And the number of years they have to enjoy that lifestyle is expanding. The convergence of communications technology has made distance and location irrelevant. And the merging of work and leisure is changing both the RV and the RV owner.

The RV is in the process of becoming more than a mobile vacation home. It is gaining in complexity, adding technological breakthroughs like computers, faxes, global positioning systems, satellite broadcast receivers, and other sophisticated electronics.

The ultimate result? A diverse, dynamic market that's bigger and better than ever before and a whole new landscape of opportunity for America's largest RV service company: Affinity Group, Inc.





RV living means more than good friends and good times;
it is the essence of freedom. Life on the open
road, under the open sky, offers millions the
chance to see the world in a wonderful new
light. Affinity Group is committed to the
preservation of the great outdoors and the
enjoyment of the RV lifestyle.

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