

2021 MANAGEMENT FEE BILLING **FREQUENTLY ASKED QUESTIONS**

2019 Points Remaining

I have 2019 points remaining which I have not been able to use. Is there anything I can do to use these?

- Yes. Providing you have 2000 points or more (this is the minimum amount) your 2019 points can be used by depositing the points with Destination Xchange (“DEX”). By way of replacement for your unused points, you will then receive a Tier credit which gives you the opportunity to book a reservation through DEX within the next 5 years. The deposit fee will be waived, but an exchange fee will apply. How DEX works and for more information, please log into your account on DiamondResorts.com and download the Member Guide.
- Any unused 2019 points will be automatically deposited into DEX as long as you have a minimum of 2000 points. This automatic deposit will be effective from 16th January 2021. You will see your Tier credit by logging onto your account on or after this date.

What happens if I have to cancel a reservation that has been booked in 2020 but where I used 2019 points?

- Your 2019 points will be returned to your 2020 account. You then have an opportunity to deposit these with DEX for a Tier credit to use within the next 5 years.

I have less than 2000 points left from my 2019 allocation so will not be eligible for a Tier credit with DEX. Is there anything I can do to use these in the future?

- Yes. You will be able to use Diamond Flexibility to rent any additional points you need to reach the minimum of 2000 points to be deposited into DEX. Alternatively, you can opt to borrow additional points from 2020 (including any points you may have saved into 2021) or points from your 2021 allocation.

In either case, in order to do this, you will need to speak to a member of our Member Services team who will facilitate this transaction on your behalf. This would need to be actioned prior to 5th January 2021.

What if I have more than 2000 points remaining unused from 2019?

- Below is the Tier credit chart for DEX.

Tier 1	2000 points
Tier 2	4000 points
Tier 3	6000 points
Tier 4	8000 points
Tier 5	10000 points
Tier 6	12000 points

Dependant on the number of points from 2019 remaining in your 2020 account, we will allocate the relevant Tier as per the Tier credit chart above.

For example, if you have 6000 points remaining from 2019, we will automatically allocate a Tier 3 credit into DEX.

If you have 24,000 points, we will deposit 2 x Tier 6 credits into DEX.

If you have 5000 points left remaining from 2019, you can use Diamond Flexibility to obtain an additional 1000 points OR you can borrow additional points from 2020 (including any points you may have saved into 2021) or points from your 2021 allocation. This would need to be arranged by you prior to 5th January 2021, whereupon a Tier 3 credit will be allocated. Alternatively, we will deposit a Tier 2 credit using 4000 points and the remaining 1000 points will expire on 31st December 2020.

If I have 6000 points from 2019, can I request 3 x Tier 1's or 2 x Tier 2's?

- Dependent on the number of points from 2019 remaining in your 2020 account, we will allocate the relevant Tier as per the DEX Tier chart. If you wish to make a different selection, then you will need to contact the Member Services team who will be able to facilitate this request on your behalf. This would need to be actioned prior to 5th January 2021.

What if I don't want my 2019 points depositing into Destination Xchange?

- Unfortunately, there is no other option. If you do not use your 2019 points for stays in 2020, your 2019 points will be automatically saved into DEX as a Tier credit. If you do not wish to redeem the Tier credit allocated to you, the Tier credit will expire in 5 years' time.

Is there an exchange fee for my 2019 points Tier credit?

- Yes, the standard exchange fee applies. However please look out for promotional offers on the standard exchange fee which we may offer from time to time.

Can I use my Tier credit at a Diamond Managed resort?

- Yes. An exception has been made to allow you to use these credits for stays at Diamond Managed resorts (subject to availability). Alternatively, you have the option to use any of the 4,800 resorts featured within DEX. The choice is yours.

How long is my Tier credit valid for?

- The Tier credit is valid for 5 years.

How do I action the deposit into DEX?

- No action is required on your part. This will automatically be done on your behalf on 16th January 2021 as long as your 2021 annual management fees are paid (and provided additional Diamond Flexibility points have been purchased or points have been used/ borrowed by you from your 2020/2021 allocation (if required) before 5th January 2021).

What if I haven't paid my management fees?

- Unfortunately, this offer will not be available to you. We would therefore urge you to bring any outstanding management fees up to date in order to be eligible for a DEX Tier credit.

2020 Points Remaining

In simple terms, how does the 2021 Credit Option work?

- You must elect to redeem a number of points equivalent to 30% of your 2020 points allocation. In return, you will receive a management fee credit on the number of points redeemed. The credit on those redeemed points is set at 75% of the 2020 per point fee (i.e. the credit calculation does not take into account the base fee). The per point fee in 2020 was £0.094. The credit will be applied against your 2021 fees.

If, after the 30% points' redemption has been applied, you still have a number of 2020 points remaining, these unused points will be automatically saved for you and will be spread evenly for use over the next 3 years. They cannot all be used in 2021.

I have used some of my 2020 points. Can I still apply for the management fee Credit Option?

- Yes. It doesn't matter how many (or how few) of your 2020 points you have used in 2020. If you haven't got enough unused points from your 2020 allocation to meet the 30% points redemption requirement, you can borrow points from 2021. However your points must be taken from your 2020 unused points allocation first (and this includes any 2020 points that you may have saved over to 2021). Any shortfall must then be topped up from your 2021 points allocation.

What if I have used all of my 2020 points? Am I still able to apply for the management fee Credit Option?

- Yes. If you have no unused 2020 points left, you can elect to redeem a number of points equivalent to 30% of your 2020 points allocation, but you can take all of the points from your 2021 points allocation. The credit applied to your 2021 fees will be the same as if you had redeemed your unused 2020 points.

What if I would like to use my 2021 points to take the 30% Credit Option? Is there any action that I need to take?

- You simply need to make the election when you receive the email enquiry from us and we will reduce your 2021 points accordingly.

Can I take the 30% Credit Option and use all of my unused 2020 points in 2021?

- Unfortunately not. If you elect to take the Credit Option, the election automatically requires the spread of your unused 2020 points across 3 years (2021, 2022 and 2023). This is due to the impact of 2020 banked points in 2021.

What if more resorts are closed towards the end of 2020 and early 2021?

- The position is unknown at this time. The Board will review future options and credits, and will include them in future years' billings as appropriate.

Can I make more than one Credit Option in respect of my 2020 and 2021 points?

- No, only one election can be made.

What if my management fees for 2020 or 2021 have not been paid?

- If you have any outstanding fees for 2020 or your 2021 fees have not been paid, this offer will not be available to you. We would urge you to bring any outstanding management fees up to date in order to be eligible for the Credit Option.

If I choose not to take the Credit Option, what other options will I have if I cannot use all my points?

- If you would prefer not to use the Credit Option, all of your unused 2020 points will be automatically saved over to 2021 for use in 2021. If you would like to have a longer period of time within which to use your 2020 saved points, Destination Xchange ("**DEX**") is an option that you may like to consider. Points deposits made with DEX will entitle you to receive a Tier Credit (or credits) which can be used to book a reservation through DEX any time within the next 5 years. Deposit and exchange fees will apply.

If I elect to use the 30% Credit Option, will my 2021 management fees be reduced?

- Yes, the credit should be deducted from the amount stated in your application for payment and you should then remit the balance.

How is my 2021 credit calculated?

- Every year, you are allocated an annual allotment of points to utilise during that calendar year. This is what you own and is the total of any and all points contracts you have. Out of that annual allotment, you will need to calculate what 30% equates to. This is the number of points you would need to redeem in order to be eligible for the Credit Option. The credit is set at 75% of the per point fee charged on your 2020 points. In 2020, the per point fee was £0.094 per point.

On 1st December, you will be sent an email in which you will have until 31st December 2020 to "opt in" for the Credit Option. If you select the "opt in" option, the credit will be calculated for you.

Worked examples explaining the Credit Option

Example 1

Your annual allocation of points in 2020 was 18,000 points.

You have 8,000 points left to use, but will not be in a position to use them in 2020.

The Fixed Points Redemption figure in this scenario equates to 5,400 points (30% of 18,000).

If you wish to use the Credit Option, 5,400 of your 2020 points will be redeemed, for which you will receive a credit set at 75% of the 2020 per point fee i.e. £380.70 (75% of £0.094 per point). This will be credited off your 2021 management fees.

The remaining 2020 points (2,600 points in total) will be saved for you to use in 3 equal instalments over three years:

866 points will be saved for use in 2021

867 points will be saved for use in 2022

867 points will be saved for use in 2023

Example 2

Your annual allocation of points in 2020 was 18,000 points.

You have 4,000 points left to use, but will not be in a position to use them in 2020.

The Fixed Points Redemption figure in this scenario equates to 5,400 points (30% of 18,000).

If you wish to use the Credit Option, 4,000 of your 2020 points will be redeemed together with 1,400 of your 2021 points, for which you will receive a credit set at 75% of the 2020 per point fee i.e. £380.70 (75% of £0.094 per point). This will be credited off your 2021 management fees.

Your 2021 points allocation will also be reduced by 1,400 points.

Example 3

Your annual allocation of points in 2020 was 18,000 points.

You have all of your 18,000 points left to use, but will not be in a position to use them in 2020.

The Fixed Points Redemption figure in this scenario equates to 5,400 points (30% of 18,000).

If you wish to use the Credit Option, 5,400 of your 2020 points will be redeemed, for which you will receive a credit set at 75% of the 2020 per point fee i.e. £380.70 (75% of £0.094 per point). This will be credited off your 2021 management fees.

The remaining 2020 points (12,600 points in total) will be saved for you to use in 3 equal instalments over three years:

4,200 points will be saved for use in 2021

4,200 points will be saved for use in 2022

4,200 points will be saved for use in 2023

Example 4

Your annual allocation of points in 2020 was 18,000 points and you have used all of your points.

Nevertheless, you would like to take advantage of the Credit Option.

The Fixed Points Redemption figure in this scenario equates to 5,400 points (30% of 18,000).

If you wish to use the Credit Option, 5,400 of your 2021 points will be redeemed for which you will receive a credit set at 75% of the 2020 per point fee i.e. £380.70 (75% of the 2020 per point rate of £0.094) which will be credited off your 2021 management fees.

Your 2021 points allocation will be reduced by 5,400 points.

As a guide you can see from the below table how much you can expect to receive:

Points Owned	30% of Points Owned	2020 Fee paid @ 0.094	75% of 2020 Fee paid = 2021 credit	2021 balance to pay.
2500	750	£ 70.50	£ 52.87	£ 744.63
5000	1500	£ 141.00	£ 105.75	£ 921.25
7500	2250	£ 211.50	£ 158.62	£1,097.88
10000	3000	£ 282.00	£ 211.50	£1,274.50
15000	4500	£ 423.00	£ 317.25	£1,627.75
20000	6000	£ 564.00	£ 423.00	£1,981.00
30,000	9,000	£ 846.00	£ 634.50	£2,687.50
50000	15000	£1,410.00	£1,057.50	£4,100.50