

January 2018

Dear Marriott's Phuket Beach Club Member,

Allow me to take this opportunity to send you and your families my best wishes for this new year 2018. I am also very excited and thankful to continue serving you and caring for your resort as the new General Manager of Marriott's Phuket Beach Club. For the past two years, I held the position of Director of Rooms Operations here at Phuket. Prior to this, I was in charge of Housekeeping at Marriott's Village d'Ile-de-France for two years and in charge of the Front Office at Marriott's Playa Andaluza in Spain for eight years.

In this letter, I will provide an update about your home resort that includes a review of 2017 and share highlights of major projects and upgrades planned for this year.

Last year was very productive with our Reserve projects taking place as planned. Among them, I would like to highlight the mod bitumen roof replacement, the villas' water pipes upgrade, and the annual villa maintenance; Shared projects with JW Marriott Phuket Resort & Spa included the resurfacing of the tennis court and we are in the final stage of the Internet upgrade for the entire resort.

Phuket Beach Club is one of the most amazing resorts in the Marriott Vacation Club portfolio and our main goal is to maintain the very high standards you expect from us as well as upkeeping the resort in the long term while controlling the expenses.

Associate Satisfaction

Our associates are the ones who makes our resort and destination so unique and are an asset. Many of you are sharing with us how wonderful you believe they are. Trainings, development plans, and career evolution is what Marriott Vacation Club is known for and attract our associates, but we also need to be attractive in terms of the salary in the continuously expanding Phuket market. Many of them have worked here for many years and have a special connection with our Members. Our priority as management is to make sure they are cared for and engaged.

Maintenance Fees

A 2.6% budget increase was agreed upon at the Advisory Committee Meeting in November 2017, which is aligned with the inflation assumption used in the 2017 budget. It is accepted that Phuket inflation is higher than the total Thailand inflation.

Hotel Relations

All public areas, including all ancillary businesses, are managed by JW Marriott Phuket Resort & Spa. The General Manager, Oriol Montal, and the team are committed to satisfy the very high expectations of all its guests. The relationship and cooperation to serve all guests from the two resorts is very positive.

Advisory Committee

The Phuket Beach Club Advisory Committee and the Management Team are in close communication throughout the year with the goal to provide the best experience for Members.

The resort is getting older and both the Committee and Management agreed to having a solid and realistic plan for the coming years to ensure there are sufficient funds for the replacement of each asset. Apart from the budget discussions, the Committee Members bring to our attention topics that needs improvement. Feel free to reach out to them as well for any questions you may have.

Owner and Guest Satisfaction

Our goal is to provide you the best possible service every time you visit your home resort. For the fifth consecutive year, the 2017 overall satisfaction score was higher than the previous year. Phuket Beach Club's score ranked fifth amongst the other resorts. Our aim is to keep this level of satisfaction in 2018.

A new initiative implemented in October 2017 is a weekly Owner Forum. During the forum, I share with Members a presentation on the resort projects. This is a good opportunity to learn about happenings that may not be visible. Feedback from Members has been positive so please plan to attend the forum during your next stay.

Reserve Projects

The major projects to take place this year, from late April to the end of October, are:

- A soft goods renovation of the Apartments will include reupholster of the dining chairs, armchairs, ottoman chair, a new sofa bed and lamp in the living room, new lamp shades in the bedrooms, new rugs, window covers, and artwork
- Televisions will be replaced with a digital model which will have more options, such as Netflix
- New stove tops and kitchen hoods will be installed
- Additional LED lights will be installed in the kitchen, dining, living and bedroom areas as well as improvement of the lighting in the bathrooms
- Small projects, such as replacement of wood floors, will be done as needed

This autumn, Phuket Beach Club Members will elect two (2) members to serve on the Advisory Committee. I want to take this opportunity to invite you to apply to become a candidate. A volunteer form will be sent by email in April. If interested, please complete and return as outlined on the form. The Advisory Committee meets twice annually; mid-year in person or by conference call meeting and at the resort in early November. Expenses incurred for Advisory Committee Member travel for Association business are reimbursed. Please watch for the Volunteer Form mailing to arrive in April.

Thank you for your time and I hope to meet you in person during your next stay. In the meantime, please feel free to contact me anytime.

Yours sincerely,

Olivier Le Quinquis General Manager Marriott's Phuket Beach Club olivier.lequinquis@vacationclub.com

Marriott's Phuket Beach Club Advisory Committee Chairman's Letter

January 2018 - Barry Parsons

Dear Fellow Phuket Beach Club Owners

I wish you all a very happy 2018.

I was very pleased to meet many of you during our time at the resort last year, be that at the Annual General Meeting, the Owner Parties, the Owner Forums or just during our daily activities.

I do hope you will all enjoy returning to your home resort this year and I look forward to meeting many more of you during our next stay.

People Changes

Following the latest annual ballot and election process, I am very pleased to welcome Tracey Gramlick to your Owner Advisory Committee to join David Johnson, Dirk von Wahl, Joanne Taylor and myself. We aim to do our very best to represent your interests in all matters relating to our very special home resort. I also welcome Joanne's selection as your new Vice Chairman.

Since my last letter, Olivier Le Quinquis was appointed in early November 2017 as General Manager of Marriott's Mai Khao Beach & Marriott's Phuket Beach Club. Olivier, who was previously Director of Rooms at Phuket Beach Club, has taken over from Ignacio Munoz who is now fully established in Singapore as Director of Resort Operations for Asia Pacific Region.

I am sure you will join me in wishing Olivier well in his new role and we will look forward to continuing our good working relationship with both Olivier and Ignacio in the year ahead.

I would just like to highlight one further point, which perhaps some of you may not know.

Marriott Vacation Club has a recognition program, called Way To Go, for associates whenever they are named on the Guest Satisfaction Survey and comment how they enhanced your stay at the resort. This recognises them at a corporate level and they also receive an incentive onsite to reward them for being mentioned (onsite the team count every name, even if there are no further comments).

We encourage all owners and guests to fill in the Guest Satisfaction Survey upon returning home.

Maintenance Fees

I know this is always a subject of great interest and importance to all of us as owners.

You will all be aware that the resort is now 17 years old and, as has been mentioned in previous reports, this is having an inevitable impact on the cost pressures which are becoming increasingly challenging. However, I am very encouraged that our Advisory Committee and the Management team have been able to work together very effectively to find ways of managing the budgetary costs to ensure that both

- the 2018 Maintenance Fee rise is contained at the level of the local Phuket inflation rate of 2.6%
- the Reserve funding for future years maintains acceptable levels to cover unexpected costs

Resort Changes

During our recent stay, we welcomed seeing the results of improvements to the lighting on the boardwalk, along with associated new planting as part of the ongoing programme to maintain our beautiful resort gardens. Other visible changes you may notice include the resurfaced tennis courts, a refreshed and reopened Turtle Shelter and extra routers / improved wifi, which will be followed by a switch to digital television with support for e.g. Netflix and similar services, mobile device mirroring...etc.

One very important change you are most unlikely to notice is the much needed replacement of the bitumen roofing.

By far the largest project in the coming years though will take place during 2018. This is the major soft goods refurbishment in all of the villas.

It will be scheduled over several months during the low season and will provide a comprehensive refresh with a modern "Thainess" design and colour scheme.

Olivier has been running weekly Owner Forums in a mock up unit to showcase this, which many owners have already attended and I would encourage you to do so too if you have stays booked in the coming months (currently, this is held on Thursday mornings, but timing and location to be confirmed each week). As a result of feedback from these forums, some important changes are being agreed and once these are finalised, full details with pictures will be made available to you all via the Owners blog.

Food and Beverage has a new leadership team, with Libor Secka as Director of Food & Beverage and Isaac Molina as Assistant Director of Food & Beverage. They have introduced new weekly special offers for Owners only, as well as arranging special dining events for all guests.

You will notice though that the Marriott Vacation Club VIP Owner discount and the Club Marriott (for those who subscribe) discount levels have been reduced. We are in dialogue with the JW Marriott Management team, offering suggestions and seeking the opportunity to address this for the benefit of all.

Mai Khao Area

Those of you who have visited the resort recently will certainly have noticed the building development work by Turtle Village. This is for the new Turtle Village 2, which should hopefully open in mid 2018. It will offer additional shops and restaurants. Also it will provide a much improved entrance from the road into Mai Khao Beach resort, with additional parking.

The Mai Khao Plaza commercial area just further along the road also has a Phase 2 development proposed, so we should soon be seeing a wider choice of amenities available to us within the local area.

MVC Asia Pacific News

Since my last letter, the new Marriott's Bali Nusa Dua Gardens is now open, which is very good news especially knowing the issues they faced pre opening with the volcanic eruption on the island. This resort now joins Marriott Vacation Club at Surfers Paradise in Australia as another option for our future travels. As always, the team in the Sales Gallery will be pleased to update you on these resorts and discuss future plans in the region.

The Asia Pacific (AP) and Destination Club (DC) Points programmes are starting to work more closely in unison and developments in 2018 will hopefully help improve the integration of how these programmes interwork.

Again, whether today you just own week(s), have AP overlay, own AP, have DC enrolment, own DC... or any combination of these, the Sales team will be able to talk through your options to get best benefit for your usage.

Advisory Committee

Please read the Owners blog, which will soon be updated with drafts of the AC and AGM meeting minutes. Further resort information will follow. www.mpbcowners.com

Please also read the Owners Association resort documentation, now once again regularly updated on the Owner website for which a sign in is required. www.owners.marriottvacationclub.com

Do let us know if you have any questions, comments or suggestions via the blog or direct to us at

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Wishing you all safe travels

Barry Parsons

Chairman Advisory Committee, MVC Phuket Beach Club