

Diamond Resorts Hawaii Collection Members Association
Assessment Fee Department
10600 West Charleston Boulevard
Las Vegas, NV 89135-1014

2014 Assessment Fee
Account#: 1941873

Description	Debit	Credit	Amount
Beginning Balance	.00	.00	.00
2012-Water Intrusion Balance	1011.83	.00	1011.83
2014-Hawaii Base Standard Assessment	250.00	.00	250.00
2014-GET On Hawaii Base Standard Assessment	10.42	.00	10.42
2014-Hawaii Point Standard Assessment	3085.25	.00	3085.25
2014-GET On Hawaii Point Standard Assessment	129.00	.00	129.00
2014-THE Club(R) Dues	204.00	.00	204.00
ARDA-ROC Voluntary Contribution	5.00	.00	5.00
2014-Water Intrusion Payment Option *	.00	-372.96	-372.96

Save your association credit card fees,
pay by check (US funds only)

Amount Due \$4322.54

For more information regarding this bill please call **1.877.374.2582**.

Please make check payable to: **Diamond Resorts Hawaii Collection Members Association**



Save money for your association and
PAY YOUR FEES ONLINE!

Log in to your account and select **Payments**
from within the **My Accounts** section.

If you have never logged in, please **register**:

1. Go to **DiamondResorts.com**
2. Click **Register**
3. Follow the online instructions
4. Once complete, a confirmation e-mail will
be sent asking you to validate your account.
5. You can now pay your fees online!

20994

Please detach and return coupon with payment

Diamond Resorts Hawaii Collection Members Association
Assessment Fee Department
10600 West Charleston Boulevard
Las Vegas, NV 89135-1014

2014 Assessment Fee

Account #: 1941873
Due Date: Jan 1, 2014
Statement Date: Nov 19, 2013
Amount Due: \$4322.54



DR_CLUB » 0 0 0 0 0
Joy Marie Byrd
PO Box 588
Homosassa FL 34487-0588

Make Check Payable to:

Diamond Resorts Hawaii
Collection Members Association
P.O. Box 863596
Orlando, FL 32886-3596

940000194187304322549

IMPORTANT MEMBER INFORMATION

FREQUENTLY ASKED ASSESSMENT FEE QUESTIONS

Q.1. What are assessment fees and who determines their amounts?

A.1. Assessment fees are made up of up to four components.

THE Club® Dues: This is the fee for being a member of THE Club® and covers all the services required to operate and provide the benefits of THE Club®, such as member benefit administration, II exchange and Platinum membership, member publications and collateral materials, as well as audit fees. THE Club® fee is the same for every member irrespective of how many points the member owns.

Base Standard Assessment: This fee, which covers the fixed costs to operate the Members Association, is paid equally by all members regardless of the number of points they own. It is determined by the Members Association's board of directors.

Point Standard Assessment (Fee Per Point): This fee encompasses the expenses to operate, maintain and refurbish each resort in the Collection, as well as variable costs such as call center and operational services incurred by the Members Association. The board of directors of the condominium association and vacation owners association of each resort in the Collection creates an annual budget that estimates the expenses to operate the condominium project and vacation ownership program. These expenses are apportioned across all owners and therefore the charge to the Collection is dependent on the amount of inventory that the Collection owns at that resort. This process is completed for all the resorts in the Collection and the total is divided by the number of points in the Collection.

General Excise Tax (GET): This is a gross income tax imposed by the state of Hawaii on virtually all gross receipts from business activities conducted in the state, including the retailing of goods and services, rentals, commissions, etc.

Water Intrusion Assessment (Fee Per Point): The assessment the Collection received from the Association of Apartment Owners of Poipu Point to secure funds needed to repair the water intrusion issues at The Point at Poipu (this fee may or may not be applicable to your account)

Q.2. When are assessment fees due?

A.2. Assessment fees are due January 1 of each year. If you don't receive a bill, it is up to you to request it. Please refer to the enclosed copy of your Association's Assessment Billing and Collection Policy for more information or log on to DiamondResorts.com for more information.

Q.3. How do I pay my assessment fees?

A.3. There are a number of options to pay your fees:

1. Mail your check and payment coupon in the enclosed envelope. **Please note:** When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

2. Log in to your member account on DiamondResorts.com, and click on Accounts to pay by electronic debit (EFT) or credit card.

3. Call 1.877.DRI.CLUB (1.877.374.2582) and pay by credit card by using our fully automated payment service available 24 hours a day.

Q.4. Can I pay my assessment fees at a resort?

A.4. Payments cannot be accepted at any resort.

Q.5. Can I pay my assessment fees in installments?

A.5. Yes, you can pay your fees in any number of installments between now and December, as long as the entire balance is paid by January 1. You may also prepay your 2015 fees in installments. Log on to DiamondResorts.com to schedule your payments through the EFT option or by credit card.

Q.6. If I don't use my points this year, do I have to pay the assessment fees and dues for THE Club®?

A.6. Yes, all members must pay their annual fees regardless of whether or not they use or save their points.

Q.7. What happens if I do not pay my assessment fees before they are due?

A.7. Non-payment of assessment fees could result in forfeiture of your membership. Collection and recovery charges may be added to your account for non-payment of fees. Please refer to the enclosed copy of your Association's Assessment Billing and Collection Policy for more information.

Q.8. What if I have a question about my loan?

A.8. If you financed through Diamond Resorts Financial Services, Inc., all questions concerning your loan (i.e. interest, monthly payments, coupon books, balance and pay-off amounts, or interest 1098s) should be directed to 1.877.DRI.CLUB (1.877.374.2582) (U.S. calls). Otherwise, please refer to your coupon book to determine your lender.

Q.9. If I have a question regarding my assessment fees, who should I contact?

A.9. Customer service can be reached at 1.877.374.2582 or e-mail BillingHelp@DiamondResorts.com.

Q.10. What is the "ARDA-ROC PAC" assessment for? Do I have to pay it and is it part of the assessment fee?

A.10. ARDA's political arm, ARDA-ROC PAC (American Resort Development Association Resort Owners Coalition Political Action Committee), enables owners to engage government officials at all levels in constructive, ongoing dialogue and to participate in policy decisions affecting their vacation ownership experience. Year after year, timeshare owners are targeted by federal, state and local lawmakers searching for various ways to raise revenue, and this committee is dedicated to protecting your economic interests. ARDA-ROC PAC contributions are political contributions not deductible for federal income tax purposes. You may refuse to contribute or contribute more or less without reprisal or otherwise affecting your membership. Only U.S. citizens or permanent resident aliens (green card holders) may contribute to ARDA-ROC PAC.

Mailing Address / Phone Updates

Print only the information that requires a change.

Please return to: Diamond Resorts Hawaii Collection Members Association

10600 West Charleston Boulevard

Las Vegas, Nevada 89135-1014

Address Line 1: _____

Address Line 2: _____

City: _____ State: _____ Zip: _____

E-mail: _____

Home Phone: _____

Work Phone: _____

Fall 2013

Dear Diamond Resorts Hawaii Collection Member,

We hope you have enjoyed spending your vacation time at one of our fabulous resorts this year or are planning to do so soon. We want to tell you about some of the exciting things that are planned at the various resorts within our Collection in 2014. Your 2014 Maintenance Fee statement and a copy of the Diamond Resorts Hawaii Collection Members Association's 2014 Budget are enclosed. Many of the resorts within our Hawaii Collection are experiencing maintenance fee increases in 2014 and this is driving an increase in our Association budget as well. Your Board has reviewed the budget details for the Association and believes the increases at the resorts are necessary to continue with resort improvements, and to maintain the high-quality standards you expect.

2014 Assessment Fees

Your Collection consists of ownership interests at four resorts: Ka'anapali Beach Club, The Point at Poipu, Villas at Polo Towers, and Sedona Summit. The Board of Directors of each resort's association meet annually to create a budget for the upcoming year. The boards review the actual year-to-date expenses to operate the resorts and then forecast the operating costs for the upcoming year by making assumptions about changes—increases and decreases—in those expenses. The boards also determine what amount should be contributed to the resorts' reserve funds for future refurbishments, repairs and replacements. These costs are then apportioned across all owners, and therefore the fees billed to the Hawaii Collection are dependent on the ownership interests that the Hawaii Collection holds at each resort.

Enclosed you will find your 2014 annual assessment statement, along with a copy of the Association's 2014 budget and Assessment Billing and Collection Policy. We have included a new expense line item in the 2014 budget to cover the cost of reservations and customer service. Previously this cost was included in THE Club® annual dues; however, it has been determined that this is actually an expense directly related to our Association and not THE Club®. We have approximately 14,000 members of our Association and it is appropriate that our Association bear the cost of facilitating reservations and other communication expenses for our members. By increasing our Association budget to include these costs, THE Club® is actually able to reduce its annual dues to our members.

Your Base Standard Assessment for 2014 will be \$250, and the fee per point for your Point Standard Assessment is 14.35 cents, but THE Club® dues have been reduced from \$299 to \$204. To give you an example of the total impact on your fees, the aggregate 2014 fee combining the Hawaii Collection fee and THE Club® dues equates to a 3.1% increase in the total assessment for a member who owns 5,000 points, 8.2% for a member who owns 10,000 points, 10.6% for a member who owns 15,000 points and 12% for a member who owns 20,000 points. In previous years, THE Club® dues included these services; however, since these services actually support the operation of the Hawaii Collection, separate from operating THE Club®, these fees have been attributed to the per point fee accordingly.

In our letters to you over the past couple of years, your Board explained our Association had a prior year surplus. We are using \$500,000 of this surplus to offset the maintenance fee increase in 2014; however, we do want to point out that this will leave us with less than \$100,000 in our surplus account, so we will likely not be able to do this in the future. We are also pleased to inform you that our delinquency remains very low compared to industry standards; we anticipate our delinquency to be approximately 5%.

2014 Resort Projects

Taking into consideration amenities, appointments and improvements that are necessary to maintain the high quality standards you have come to expect, during 2014 approximately \$11.8 million will be invested at the resorts within your Hawaii Collection. There are many exciting projects scheduled. We will be updating the Association website with pictures of the 2014 projects. We recommend you visit your Association's website at DiamondResortsHOA.com. Here you will find information on your Association, details of Board meetings, audited financials, etc.

The largest project in process remains the Water Intrusion Project at The Point at Poipu. Building 4 and Building 6 repairs have been completed and we started on Building 2 in September of this year. We are still estimating repairs on each building to take approximately six months to complete. As the Water Intrusion work is done on each building, the unit interiors will also receive upgrades. This work, which began with Building 4, includes replacing the remaining furniture (new headboards, side tables in the bedrooms, new coffee and side tables in the living rooms and new dining room tables and chairs), installing new carpet and painting the interior of the units. We are also enhancing the fire alarm system in each building. Other improvements planned are summer kitchens/BBQ grills, a sound system for the pool area, and flagstones for the pool bar. We are also continuing our floor plan reversal and upgrades of the Murphy beds at the Villas at Polo Towers and upgrades to Phase 5 at the Sedona Summit Resort. Ka'anapali Beach Club will finish the multi-year unit refurbishment in 2014 and will relocate and enhance the fitness center.

Important Payment Information

Your total assessment fees are due in full by January 1, 2014. If you prepaid your 2014 assessment fee based on the 2013 rate, the incremental amount is also due by January 1, 2014. Please see the enclosed Assessment Billing and Collection Policy for additional information on late fees and interest. We encourage you to send payment by check in the enclosed envelope or use the electronic debit (EFT) feature available at DiamondResorts.com because payments made by check or EFT save money for our Association. For more information on how to pay your bill, please refer to the Frequently Asked Questions on the back of your statement, call 1.877.DRI.CLUB (1.877.374.2582) or e-mail BillingHelp@diamondresorts.com.

Mark Your Calendars

Your Board of Directors and your management company look forward to great owner participation, whether in person or by proxy, at your annual meetings. The next Annual Meeting has been set for Friday, October 10, 2014 in Las Vegas and we hope to see you there.

Sincerely,

Board of Directors

Diamond Resorts Hawaii Collection Members Association

**DIAMOND RESORTS HAWAII COLLECTION MEMBERS ASSOCIATION
2014 ASSESSMENT BILLING AND COLLECTION POLICY**

The following was adopted by the Board of Directors on October 24, 2013.

- The annual assessment notice for the next year's assessment will be sent to Association members on or before
- **December 15** of the preceding year. Should you not receive an assessment notice, it does not relieve you of your
- responsibility for timely payment. If a bill is not received, it is up to the member to request, and/or notify the Association of any address change.

January 1 – PAYMENT DUE

Note: A \$20.00 charge will be added to the member's account for any payment that is not honored, regardless of reason.

If assessment is not paid in full by **January 31**, the account becomes delinquent.

1. The following charges will be added to all delinquent accounts on **February 1**:
 - a. A one-time late charge equal to 5% of the delinquent amount.
 - b. An interest charge at the rate of 12% per annum from the due date.
 - c. An exchange (deposit or confirmation) cancellation fee of \$25.00, if applicable.
 - d. General Excise Tax (GET) of 4.16666% on all of the above charges.
2. Delinquency results in the following:
 - a. A reservation cannot be made and member will suffer suspension of use rights.
 - b. Pending reservation requests of any type, including exchanges, will not be confirmed.
 - c. Previously confirmed exchanges or use periods are subject to cancellation. In addition, there is no guarantee that the member will be able to receive a confirmed reservation or exchange after the account is brought current.

February 15—FINAL NOTICE

Management will send a final notice if the account is not paid in full by **February 15**. On **March 15**, the account will/may be submitted for collection action resulting in additional collection fees.

March 15—BOARD ACTION

The Board of Directors may authorize any necessary actions to collect outstanding assessments. Actions may include but are not limited to the following:

1. lockout letter sent to delinquent members
2. submit delinquent accounts to an attorney
3. engagement of professional collection agency
4. recovery of points through enforcement of security interest and termination of membership
5. initiation of small claims suit or legal action

All related costs for the above, including General Excise Tax (GET) of 4.16666%, will be added to the delinquent member's account.

Diamond Resorts Hawaii Collection Members Association, Inc.

2014 Budget

Revenues	
Maintenance Fees	\$34,172,515
Other Income	141,500
Total Revenues	34,314,015
Expenses	
Maintenance Fee Obligation	26,648,933
Management Fees	4,443,672
Bad Debt Expense	1,356,114
Developer Delinquency Contribution	(610,251)
Assessment, Billing & Accounting Fees	2,619,762
General & Administrative	355,785
Total Expenses	34,814,015
Surplus/(Deficit)	(500,000)
Projected Fund Balance/(Deficit), prior year	577,906
Proj. Fund Balance/(Deficit), end of year	\$77,906

Base Standard Assessment	\$250.00
GET on Base Standard Assessment	\$10.42
Point Standard Assessment (Fee Per Point)	\$0.1435
GET on Point Standard Assessment (Fee Per Point)	\$0.0060
THE Club Dues	\$204.00

THE Club Dues are provided for informational purposes only. They are not part of the assessments, but are fees associated with THE Club®.



Dear Valued Member of THE Club® at Diamond Resorts International®,

This year, Diamond Resorts International (Diamond) has continued to expand THE Club portfolio with new resort affiliations, and has provided more choices with new benefits and extended Member Escorted Journeys and events across the world. We are continually looking at developing the offerings every year, giving you an expanded selection of destinations and experiences. Diamond continues to provide you with the best vacation ownership offerings possible without additional exchange fees when you book.

Your enclosed billing statement includes the 2014 THE Club fee, which covers the cost of providing these additional services and benefits to you, including both Exchange and Gold Membership with Interval International®; creation and distribution of THE Club related collateral such as the Annual Global Reservations Directory and Member Benefits Directory; membership cards, other printed and electronic communications; and other THE Club related products. Reservation services were previously provided directly to you by THE Club and the cost for those services was included in THE Club fee. Because the services are now provided through the Collection, those costs will be included in your Collection maintenance fees.

New Resort and Hotel Affiliates

This year, more than 50 new and exciting resort, hotel and cruise affiliations, as well as hotel affiliations in three new countries, have been introduced. This has been possible not only due to the acquisitions that Diamond and its subsidiaries have secured in the last year, but through growth with new partner affiliates. Altogether you now have access to more than 300 managed and affiliated resorts, hotels and cruises in 33 countries!

New options added since the last THE Club update letter include U.S. resort choices in central and southern Florida, Louisiana and South Carolina. For those seeking breathtaking oceanfront beauty, there are resorts to explore in Greece and the Bahamas, and all-inclusive resorts offered in popular locations on the coasts of Mexico, the Dominican Republic, and the Bahamas.

New U.S. Choices	State	Global Choices	Country
The Cove on Ormond Beach*	Florida	Sun Beach Holiday Club	Greece
Charter Club Resort of Naples Bay*	Florida	Village Heights Golf Resort	Greece
Parkway International Resort*	Florida	Village Holiday Club	Greece
Orbit One Vacation Villas*	Florida	Grand Sirenis Riviera Maya Resort	Mexico
Bryan's Spanish Cove*	Florida	El Cid Marina Beach	Mexico
Liki Tiki Village*	Florida	El Cid El Moro Beach	Mexico
Crescent Resort on South Beach	Florida	Sirenis Tropical Suites Casino	Dominican Republic
Frenchman Orleans	Louisiana	Paradise Harbour Club	Bahamas
Church Street Inn	South Carolina		

New in 2013, members of THE Club now have a selection of hotels to choose from across Asia. From contemporary accommodations in bustling city centers, to elegant and traditional accommodations featuring hot springs, you now have an eclectic choice of hotels located in China, Hong Kong, Japan, Singapore and Malaysia.

Dorsett Wuhan	China		Nojiriko Hotel El Bosco	Japan
Dorsett Shanghai	China		Hotel AGORA Osaka Moriguchi	Japan
Dorsett Grand Chengdu Hotel	China		Hotel AGORA Regency Sakai	Japan
Lan Kwai Fong Hotel	Hong Kong		Oncr Hotel and Hot Springs	Japan
Dorsett Mongkok Hong Kong	Hong Kong		Imaiso Hotel and Hot Springs	Japan
Dorsett Kwun Tong	Hong Kong		Nanzanso Hotel and Hot Springs	Japan
Silka Seaview	Hong Kong		Agora Place Asakusa	Japan
Silka West Kowloon	Hong Kong		Silka Johor Bahru	Japan
Silka Far East Hong Kong	Hong Kong		Dorsett Grand Labuan	Malaysia
The Mercer	Hong Kong		Dorsett Grand Subang	Malaysia
Cosmo Hotel Hong Kong	Hong Kong		Damas Suites & Residences	Malaysia
Cosmopolitan Hotel Hong Kong	Hong Kong		Dorsett Regency Kuala Lumpur	Malaysia
Dorsett Singapore	Singapore		Regalia Residence	Malaysia
AGORA Fukuoka Hilltop Hotel and Spa	Japan		Silka Maytower Hotels & Apts.	Malaysia

New Cruise Itineraries

Due to popular demand, all of the 2013 cruise itineraries are now fully booked, but we are pleased to now offer the new 2014 itineraries with NCL that include an Alaskan cruise which continues to be extremely popular; a Mediterranean cruise with a new itinerary offering a port of call in Cannes, France; an Eastern Caribbean cruise aboard a the brand new ship, NCL Getaway; as well as the Balkan Capitals cruise in Europe taking in 6 countries in 9 days including Russia.

New Benefits and Programs

We were also pleased to continue expanding the Member benefits offering for you throughout 2013 and 2014 to include additional products, discounts, and programs in areas that you told us you were interested.

Diamond Resorts aStore

Diamond has compiled a selection of travel books for your convenience within the new Diamond Resorts International aStore. You can purchase guides for the destination you are visiting to both plan and take along with you. The travel guides contain destination information such as walking trails, beaches and local attractions to make the most of your vacation time.

MD247.com

Members of THE Club and their traveling party can take advantage of MD247.com, a travel benefit that provides telephone medical service from a network of over 10,000 certified doctors for 24 hour advice, diagnosis, and non-narcotic prescriptions phoned into a nearby pharmacy. Consultations are unlimited and service is provided without deductibles, co-pays or restrictions for pre-existing conditions for the length of your stay at any U.S. destination.

The Diamond Kitchen

You have told us that cooking is one of your favorite hobbies, so we are providing a Facebook page to share your favorite recipes, but with a twist! We ask that you share the recipes that you most enjoy preparing in the kitchen of your Diamond accommodation. Cooking away from home requires creativity, and your fellow members will enjoy sharing tips and secrets.

ArrivalGuides.com

Through a new partnership this year with ArrivalGuides.com, we are pleased to provide more information on local events, dining options and attractions for all of our vacation destinations, which are available to print or download for easy reference. When you visit THE Club resort pages at DiamondResorts.com, just click on the "Destination Guide" for information featuring all the details you will want to maximize your vacation!

Announcing NEW 2014 Loyalty Benefits

In addition to the Platinum benefits you have enjoyed including your Interval Platinum membership upgrade offering discounted exchange fees, free guest certificates, access to airport lounges around the world, and 25% points discounts on II exchange reservations, beginning January 1, 2014, we are pleased to offer the following new benefits:

Diamond Flexibility/Value

Members may conveniently complete THE Club reservations by renting additional points, pricing based on your loyalty tier status at time of booking. Diamond Value offers Platinum members the ability to recognize deeply discounted rental rates on last minute getaways.

Diamond Luxury Selections

Discover a remarkable collection of private luxury villas, resorts, boutique hotels, yachts and more, all available for you to book with your points. Immerse yourself in the elegance of lavish living and escape to an eclectic selection of upscale residences from a trendy urban flat in New York City, to a relaxing beachside dream home in the Virgin Islands; from a yachting cruise across the turquoise green waters of the Caribbean coast, to a 17th century farmhouse nestled in the enchanted hillsides of Tuscany. Be adventurous on an exotic river cruise or a thrilling jungle safari.

Platinum Priority Service Goes a Step Further at Diamond Managed Resorts

We are pleased to offer Platinum service at every step of your Diamond reservation, from choosing your favorite unit, and to streamlining your check-in process, to priority check-in by 2 p.m., and even an e-grocery service!

You will notice a few new changes in 2014 for your current loyalty benefits. In reviewing the Loyalty upgrade benefit, you will continue to have the opportunity to utilize this benefit as many times during a calendar year as you choose, however a fee will apply for every upgrade.

For information and details regarding all your 2014 Loyalty Benefits, log in at Diamondresorts.com, and click on "Diamond Loyalty Benefits" under "My Benefits".

New Member Escorted Journeys for 2014

Introduced in 2012, Member Escorted Journeys have proven to be a wonderful way to explore new lands and experiences with fellow members of THE Club, using a combination of points and cash. These tours are escorted by our trusted British team, The Big Journey Company, who has been escorting our European member tours for a number of years. The Member Escorted Journeys being offered for 2014 are listed below; more information can be found at DiamondResorts.com in the "Travel" section under "My Benefits".

January 21 and September 19, 2014 - Kenya Grand Safari

March 16, 2014 - Japan

October 1, 2014 - Costa Rica

October 29, 2014 - China and Hong Kong

February 22, 2014 - Northern Lights Cruise from Norway

March 29, 2014 - Borneo Tour

October 11, 2014 - India and Nepal

Especially for Platinum Members:

February 1, 2014 - Iceland Eco-tour

May 18, 2014 - Italy tour with exclusive Puglis Food and Wine Tour

Dedicated Members-only Club Events

Club Events are based at a Diamond managed resort and allow members to meet and experience the local cultures, cuisine and countryside together. Exceedingly popular, we have increased the number of "Experience Ireland" events next year to accommodate the growing demand, and will again offer the Experience Portugal event in the Spring.

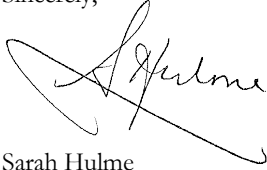
- April 26, 2014- Experience Portugal
- May 3, 2014 -Experience Ireland
- June 14, 2014 -Experience Ireland
- July 26, 2014 -Experience Ireland
- September 13, 2014 -Experience Ireland

Looking Toward the New Year

Following lots of feedback from our members, we redesigned the Member Area at DiamondResorts.com to allow you to view and access your benefits more easily, and we have improved the online booking process. We hope you have enjoyed those new updates, as well as the new "search by experience" function, allowing you to explore the resorts all over the world that offer your favorite activities and amenities.

We think you will agree that THE Club has continued to grow in recent years providing not just more destinations and benefits, but new experiences for you to share, and opportunities for you to meet and explore the world with fellow members using your Diamond points. We look forward to meeting you at one of our forthcoming events and remain dedicated to providing you with the hassle-free, relaxing vacations you deserve.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Hulme", with a large, sweeping flourish extending from the end of the signature.

Sarah Hulme
SVP Global Club Operations, Diamond Resorts International

