

DREAM VACATION CLUB

MINUTES OF THE ANNUAL GENERAL MEETING OF THE MEMBERS OF DREAM VACATION CLUB, HELD AT BREAKERS CONFERENCE CENTRE, DURBAN ON 25th MAY 2010

PRESENT : R W DICKSON
: D I GORDON
: MEMBERS AS PER ATTENDANCE REGISTER
: STAFF OF LEISURE OPTIONS (PTY) LTD AND
DREAM VACATION CLUB

NOTICE OF MEETING

The Chairman welcomed all attendees to the meeting. Proper notice had been given and a quorum being present, the Chairman declared the meeting duly constitutional.

Apologies had been received from F J Swanepoel (Trustee) and the Auditors representative. Members' apologies had been listed and were duly noted.

1. APPROVE THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

As previously, Minutes from the previous AGM were available on the website. As no objections had been received, they were approved as read.

2. RECEIVE A REPORT FROM THE CHAIRMAN OF THE BOARD OF TRUSTEES

As the AGM had not been held in Durban previously, the Chairman introduced himself and gave a brief outline of Dream Vacation Club. He then went on to outline the acquisitions made by the Club during the year.

KZN North Coast holdings at Breakers, Cabana Beach, Club 10 and Umhlanga Sands had been increased and future refurbishments were proposed at other resorts.

There was an ongoing problem with water at **Nibela Lake Lodge** both in the lake and at the resort. This situation is being monitored by Head Office and resort management.

Limited stock had been acquired at the **Drakensberg** resorts. However, the Club had increased its holdings at resorts near Hazyview in **Mpumalanga**.

In **North West Province** the Club had not been able to acquire much stock at Sun City - where the first phase is due to expire in 2012 - but was attempting to obtain stock in the new phase. Limited acquisitions had been made at Bakubung, Magaliespark and Kwa Maritane.

In the **Western Cape**, the final refurbishment phase at the **Peninsula** will end in 2011. The Club had increased its holdings at **Club Mykonos** where the refurbishment work is almost complete. Development of the lodge at **Piekenierskloof** is underway.

Refurbishment work at **Avalon Springs** is still ongoing but the **Avalon Springs Mountain Chalets** work is almost completed.

The fourth unit at **Langezandt** has been finished and the Club has purchased more stands for future development.

More recently, 12 units at a resort in **Knysna** as well as a number of weeks at Hartenbos in **Mossel Bay** have been acquired. This accommodation has been purchased to meet increased member requests.

The Club's holdings along the **South Coast** increased marginally during the year.

In Mozambique, the occupancy certificates for the units at **Bilene** were received and this resort is proving very popular with members. The fourth unit at **Paradise View** in Xai Xai is now under construction.

Regarding the 8-month delivery promise, he advised that, of the 36 requests made, 32 have already been satisfied.

Due to the 2010 Soccer World Cup, winter school holidays are longer this year. However, there is still approximately 320 weeks available at various resorts in Mpumalanga and the Western Cape. Although accommodation in Cape Town, Durban and Sun City specifically was taken up, there is still limited accommodation available in Johannesburg.

For the December holidays, 666 weeks are still available in the KZN North Coast resorts but Cape Town and Sun City were already booked out.

The Chairman went on to explain the functions of Leisure Options (Pty) Ltd who manage Dream Vacation Club. He further advised that there is currently a surplus available for use for future rentals and explained the levy/subscription increase was due to high labour demands. The management fee was substantially higher than 2008. However, the Club absorbed the increase from 2008 as they did not feel this expense could be passed on to the members.

Although the Club is no longer affiliated to RCI, they are still used for international requirements as, and when, the need arises. Other Exchange organisations are also being used for international bookings with current high demand areas being identified as India and the USA.

The Chairman advised that when purchasing stock for the Club, they are more inclined to look at the quality of a resort as opposed to the quantity available to ensure maintenance of standards. In Resorts, where we purchase whole units, sometimes we are left with 'dead' time but, on the whole, the Club tries to acquire good stock at peak times. Occupation is down on 2009 figures but this appears to be the state of affairs world-wide.

Thanks were tendered by the Chairman to his fellow Trustees and all staff for their efforts during the year.

3. CONSIDER THE AUDITED FINANCIAL STATEMENTS FOR THE PREVIOUS YEAR

The Auditors Report together with the Annual Financial Statements is available on the website with hard copies available on request.

The Financial Statements were reviewed and the Chairman explained the reasons for the various differences. Member, Mr C Hutton, had submitted some queries prior to the meeting and these had been attended to. The Chairman invited further questions. As

none were raised, the Annual Financial Statements were proposed, seconded and approved.

4. APPOINTMENT OF AUDITORS AND APPROVAL OF AUDITOR REMUNERATION

The Auditors had been set a budget of R234,000 for their fee and had come in under that figure. The re-appointment of Booysen & Dry together with the remuneration was approved.

5. ELECTION OF TRUSTEES

No nominations had been received for the appointment of alternative Trustees. Therefore, as Messrs Dickson, Gordon and Swanepoel had made themselves available for re-election, they were duly re-appointed.

6. ANY OTHER BUSINESS

Question was raised regarding the actual duties of the Trustees. The Chairman advised these included control of costs, management of Head Office staff, member related queries, researching accommodation requirements, sitting on various Boards and Body Corporates and attending the respective meetings.

A member asked the Chairman, who had made the decision that points should expire after 3 years? This decision had been taken at the Club's inception and forms part of the Constitution and Scheme Rules. The Chairman further indicated that any request for an extension to points expiry was judged on individual merit. Notice is given on a regular basis regarding expiry of points and this is also shown on members monthly statements.

The member then asked whether the rule could be amended and the expiry date extended to 5 years. The Chairman advised that any such extension would need to be ratified by the other members.

Another member advised the meeting that, during a recent holiday to India, the accommodation was not of a good standard. This had, subsequently, been addressed by Member Services.

The Chairman thanked everyone for attending the meeting.

There being no further business, the Chairman declared the meeting closed.

Read and approved this _____ day of _____ 20

CHAIRMAN