



February 26, 2021

Dear Fellow Owners

It is now a few months since I last wrote to you and whilst there have been many developments in the COVID-19 outbreak in the interim, the essentials of the situation remain unchanged insofar as we are not currently able to travel to Monte Carvoeiro.

2021 did not get off to the best of starts with the reintroduction of a national lockdown and a travel ban, but the recent announcement of a pathway out of lockdown by the UK Prime Minister and the rapid roll out of the COVID-19 vaccine programme means that we can now look forward to travel resuming before the peak summer season. According to the UK government pathway, it may be possible for travel to resume from May 17, 2021 and if not then, by the end of June 2021.

For owners whose weeks fall before the lifting of restrictions is likely to happen, I would like to remind you of the options available to you:

1. Check for cover with your travel insurers

It may be possible for you to claim your maintenance fees as accommodation costs under the terms of your travel insurance. Individual insurers will have their own policies with respect to whether timeshare maintenance fees are covered or not. Please contact admin@resort-solutions.co.uk if you need proof of your accommodation dates.

2. Bank your weeks with an exchange organisation

If you are unsure whether you will be able to travel or not, you have the option of banking your week(s) with either RCI (if you are a member of that organisation) or 7 Across (previously Dial an Exchange). Various costs will or may be payable depending upon which organisation you use and the length of time in advance that you bank your weeks. However, in both cases, it will be possible to take your exchange weeks within two to three years of you banking your weeks (subject to the terms of the respective organisation).

Contact details for the respective exchange organisations are as follows:

RCI

Website: www.rci.com

Telephone: 0345 60 86 380

7 Across

Website: www.7across.com

Telephone: 01756 749966



3 Request an internal exchange for later in the same maintenance fee year

Owners are able to request an internal exchange for occupancy later in the same maintenance fee year, subject to the request being made at least 8 weeks in advance of their occupancy date and to there being available inventory into which to exchange. The Monte Carvoeiro occupancy year runs June to May and therefore, in practical terms, this option will only be of use to those owners with weeks falling after the end of May 2021.

All internal exchanges are subject to a transaction fee of £70, which applies to each block of weeks you are moving. For example, if you own two weeks in June and you would like to take those weeks in December, the charge would be £70 for arranging the internal exchange. However, if you wanted to take one week in October and the other week in December, the charge would be £140, as that would represent two separate bookings.

If you would like to enquire about availability for an internal exchange, please contact Resort Solutions on admin@resort-solutions.co.uk

As you will appreciate, we are dealing with a period of rapid and perpetual change and we are therefore keeping matters under constant review. Whilst the announcement of the pathway out of lockdown gives more clarity than we have had until now, all the key steps in the pathway and the associated dates are subject to revision should matters not progress as hoped. Accordingly, whilst we know the dates associated with the anticipated relaxation of the rules will not be brought forward, there is the potential for some of the key dates to be pushed back. I therefore urge you all to keep your plans for travel under constant review, both in terms of checking the official government websites for advice and the Resort Solutions website for any updates specific to Monte Carvoeiro.

Despite the difficult circumstances we find ourselves in, the Committee are delighted that the overwhelming feedback we have received from owners has been very supportive and this has been backed up by the level of maintenance fee collections for the year to May 31, 2021 which are broadly in line with what we would expect in a “normal” year. To the end of January 2021, I am pleased to report that we have already collected nearly 98% of the maintenance fees invoiced, with funds still being collected. The Committee would like to extend their sincere thanks to the owners who have expressed their ongoing support for the Committee and the Resort.

Amid the mixed news relating to COVID-19, the team at Monte Carvoeiro have been doing a sterling job in keeping the Resort in excellent condition with a rolling programme of internal redecoration in those apartments which were most in need of it. You can be assured that the Resort will be in excellent condition when you next visit and the team are looking forward to welcoming as many of you as possible as soon as international travel resumes.



At the time of the Club's last AGM, I informed you that we did not expect to be in a position to finalise the partial maintenance fee credit due to owners who had been affected by the COVID-19 outbreak and who met the criteria set out in my previous communications (beginning with my Chairman's 2020 Newsletter dated April 20, 2020), until the earlier of the ending of travel restrictions imposed by COVID-19 or the next financial year end (May 31, 2021). Having reviewed the matter further, I am pleased to announce that the Committee intend to bring this process forward so that they can finalise the maintenance fee credits due to those owners who have been affected and meet the specified criteria up to March 31, 2021, prior to the issue of the maintenance fee invoices for the year June 1, 2021 to May 31, 2022.

The calculation will be carried out as follows:

- A list of affected owners who meet the criteria will be compiled for the period from the beginning of the COVID-19 outbreak (arrivals on or after the March 21, 2020) to the last week of March 2021 (week commencing March 27, 2021). This list has already been compiled to the end of January 2021 and will be updated on a monthly basis to the end of March 2021,
- The savings for the above period will be calculated by reference to the savings already provided for in the financial statements for the year ended May 31, 2020 (£41,518) plus the savings for the period from June 1, 2020 to March 31, 2021, calculated by reference to the management accounts for that period, when compared to the amounts budgeted for that period.
- Given the time taken to calculate the number of weeks which qualify and the time to produce the Resort's management accounts, this calculation is not expected to be finalised until the latter part of April 2021. At this point the amounts will be communicated to owners and will be credited to those owners affected up until the end of March 2021.

Owners may question why the credits will only initially be applied to those weeks affected by COVID-19 to the end of March 2021. The answer is simply one of timing. The Committee are keen to ensure that the credits are shown on the invoices for the maintenance fees for the year ending May 31, 2022. These invoices will be issued in early May 2021 and in order to enable this to happen, a cut-off point of March 31, 2021 has to be applied for this initial round of credits.

For those owners with weeks in April and May 2021, if they are unable to travel and meet the specified criteria, they will receive the same credit as those in the period to March 31, 2021. However, these credits will not be applied until after the financial year end (May 31, 2021) when the number of weeks affected in April and May 2021 are known with certainty. Effectively a second round of credits, will be applied to these owners during the course of June 2021.

Therefore, by the end of June 2021, the Committee would expect any owner who has been unable to travel to the Resort since the start of the COVID-19 outbreak (and who meets the criteria) up and until the end of May 2021, to have received the respective maintenance fee credits due on their account. Accordingly, the maintenance fees for the year ending May 31, 2022 will be reduced by the maintenance fee credits applied and owners paying by direct debit will see their payments reduced as well.



MONTE
CARVOEIRO

The introduction and successful roll out of the COVID-19 vaccinations means that we can now see a genuine end to the difficulties of the last 12 months. In hopefully just a few months' time, our owners will once again be enjoying our beautiful Resort and I hope to have more positive news to report at the time of sending out our Newsletter and maintenance fee invoices in early May 2021.

In the meantime, thank you for your support and I hope you are all able to stay safe (and sane) during these remaining weeks of lockdown.

Yours sincerely

Peter G. Kennedy
Chairman