



May 26, 2009

Greetings Peppertree Vacation & Travel Club Members;

We are aware that there are several members of the Equivest Vacation & Travel Club that have questions and concerns about the acquisition of the Club by Festiva Resorts, as well as the current state and the future outlook of the Club. We do want to engage members and we have a goal of providing better communication to Equivest members.

In April Equivest member Richard "Dick" Lidbom visited the Festiva Resorts corporate office in Asheville, N.C., and met with both the Vice President of Member Services and me. In that meeting Mr. Lidbom suggested that there should be some mechanism for open discussions and interactions between Festiva management and EVTC owners. We took that suggestion seriously, and asked Mr. Lidbom to write a mission statement, objectives, and identify two additional individuals to form an advisory committee.

This committee is not formed by, funded by, managed by, or in any other way affiliated with Festiva Resorts, but is a volunteer organization of concerned EVTC members working to protect the interests of all members as well as the value of the Equivest Vacation & Travel Club. It is an autonomous group and not a legal entity, and committee members are free to express any and all issues.

The committee as a group has agreed not to deal with individual nuances or events. Instead the focus will be on acquiring information and understanding for the group as a whole. The advisory committee solicits input from members of the EVTC community but requests that your input represents issues that seem to be common among multiple members, and are not individual grievances.

Mr. Jeff Sanderson and Mrs. Tina Lawrence have joined Mr. Lidbom as charter members of the Equivest Advisory Committee. The first meeting of the advisory committee took place on Thursday, May 6, 2009 at Festiva Resorts' headquarters in Asheville. At that meeting, open discussions of some global issues confronting the membership of EVTC took place, and we explored plausible solutions.

Festiva recognizes the need for stronger communication with the members of EVTC. After meeting with the Advisory Committee, several issues were brought to our attention that have resulted in more open discussions with the EVTC community. As a management team we see the need to provide better clarification of our policies and procedures regarding the interface between EVTC and Festiva. With that in mind, and with the full support of the Festiva management team, we have taken the following actions:

- As mentioned in our 2007 Annual Report, we agreed with the previous owner's efforts to retire the Equivest name. As the Peppertree name has been used in the past and is connected to several of the affiliated resorts, going forward, the name **Peppertree Vacation and Travel Club (PVTC)** will be used.
- We have instructed our Owner Services & Central Reservations Department to look to the Festiva inventory, wherever practical, to offer members better access to their affiliated properties.
- While it is not necessarily in the best interest of Festiva's business, we have discontinued our relationship with Outfield Marketing as it relates to contacting PVTC members regarding conversion to the Adventure Club.

- A section of the Festiva Resorts website is being developed specifically for PVTC to better communicate with and inform members and to keep you updated on news and activities. This will include a supported forum where interaction between members and management will be encouraged. The forum will take a bit more time to complete from the technical aspect, but we will inform you when it is live.
- Additional meetings with the Advisory Committee are planned to further improve the relationship with PVTC members.

These changes have come as a result of our desire to provide better service for the membership of the PVTC. This club is an active part of our business and we honor and respect each member as they are a part of the overall Festiva Resorts community. It is our intention to continue to improve communication and attempt to meet the realistic expectations of the members of that community.

In an effort to be more environmentally responsible and to save money for all of us, we communicate with members primarily via e-mail. As we only have 13% of PVTC members' e-mail addresses, we encourage you to provide us with your most current contact information by writing to us at myemail@festivaresorts.com. Be sure to include the full name as it appears on your account, your e-mail address and any other contact information that may need updating. By providing us with your e-mail address, we can keep you updated with news and information on the PVTC and Festiva Resorts.

If you should have any questions or concerns, please contact Owner Services at 866-933-7848.

Kind Regards;

Donald K. Clayton, CEO