MARRIOTT VACATIONS WORLDWIDE Corp
Form DEF 14A
March 29, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x

Filed by a party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material under §240.14a-12

MARRIOTT VACATIONS WORLDWIDE CORPORATION

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.
¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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¨ Fee paid previously with preliminary materials
¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Marriott Vacations Worldwide Corporation

6649 Westwood Boulevard

Orlando, Florida 32821

March 29, 2016

Dear Marriott Vacations Worldwide Shareholders:

We are pleased to invite you to attend the 2016 Annual Meeting of Shareholders of Marriott Vacations Worldwide Corporation to be held at 9:00 a.m., Eastern Time, on Friday, May 13, 2016 at the JW Marriott Orlando Grande Lakes, 4040 Central Florida Parkway, Orlando, Florida, 32837.

The following Notice of Annual Meeting of Shareholders and Proxy Statement includes information about the matters to be acted upon by shareholders at the Annual Meeting. We hope that you will exercise your right to vote, either by attending the Annual Meeting and voting in person or by voting through other acceptable means as promptly as possible. You may vote through the Internet, by telephone or by mailing your completed proxy card (or voting instruction form, if you hold your shares through a broker).

Important Notice Regarding the Availability of Proxy Materials

for the 2016 Annual Meeting of Shareholders:

We are mailing many of our shareholders a Notice Regarding the Availability of Proxy Materials rather than a full set of our proxy materials. The Notice contains instructions on how to access our proxy materials on the Internet, as well as instructions on how to obtain a paper copy of the full set of proxy materials if a shareholder so desires. This process is more environmentally friendly and reduces our costs to print and distribute these materials to shareholders. All shareholders who do not receive the Notice Regarding the Availability of Proxy Materials will receive a full set of our proxy materials.

We appreciate your continued support and interest in Marriott Vacations Worldwide.

Sincerely,

William J. Shaw

Chairman of the Board

Stephen P. Weisz

President and Chief Executive Officer

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Marriott Vacations Worldwide Corporation

6649 Westwood Boulevard

Orlando, Florida 32821

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD FRIDAY, MAY 13, 2016

March 29, 2016

The 2016 Annual Meeting of Shareholders of Marriott Vacations Worldwide Corporation will be held at 9:00 a.m., Eastern Time, on Friday, May 13, 2016 at the JW Marriott Orlando Grande Lakes, 4040 Central Florida Parkway, Orlando, Florida, 32837. At the meeting, shareholders will act on the following matters:

1. Election of the three director nominees named in the Proxy Statement;
2. Ratification of the appointment of Ernst & Young LLP as Marriott Vacations Worldwide s independent registered public accounting firm for its 2016 fiscal year;
3. An advisory resolution to approve executive compensation; and
4. Any other matters that may properly be presented at the meeting.

Only shareholders of Marriott Vacations Worldwide at the close of business on March 17, 2016, the record date, are entitled to notice of, and to vote at, the Annual Meeting. For instructions on voting, please refer to the notice you received in the mail or, if you requested a hard copy of the Proxy Statement, your enclosed proxy card.

INTERNET AVAILABILITY

We are taking advantage of the Securities and Exchange Commission rules that allow companies to furnish proxy materials to their shareholders through the Internet. We believe these rules allow us to provide you with the information you need while lowering the costs of delivery and reducing the environmental impact of the Annual Meeting. On or about March 29, 2016, we mailed to shareholders as of the record date a Notice Regarding the Availability of Proxy Materials. If you received a Notice by mail, you will not receive printed copies of the proxy materials, unless you specifically request them. Instead, the Notice instructs you on how to access and review all of the important information contained in the Proxy Statement and in our 2015 Annual Report, as well as how to submit your proxy over the Internet. If you received the Notice and would still like to receive a printed copy of our proxy materials, you may request a printed copy of the proxy materials by following the instructions in the Notice.

By order of the Board of Directors,

James H Hunter, IV

Executive Vice President and General

Counsel and Secretary

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PROXY SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider and you should read the entire Proxy Statement carefully before voting.

Annual Meeting of Shareholders

Date and Time	Friday, May 13, 2016, 9:00 a.m., Eastern Time
Place	JW Marriott Orlando, Grande Lakes
	4040 Central Florida Parkway
	Orlando, Florida, 32837
Record Date	March 17, 2016

Proposals to be Voted on and Recommendations

Proposal	Our Board s Vote Recommendation
Ø Election of Directors (page 6)	FOR each of the three nominees
Ø Ratification of Appointment of Independent Registered Public Accounting Firm (page 6)	FOR
Ø Advisory Resolution to Approve Executive Compensation (page 7)	FOR

Highlights of our Corporate Governance Practices

- Ø Seven of the eight members of our Board of Directors, the Chairman of our Board, and all members of our Audit Committee, Compensation Policy Committee and Nominating and Corporate Governance Committee are independent.
- Ø We have a Lead Independent Director who presides at executive sessions of our non-management directors and independent directors in the absence of the Chairman and has other responsibilities.
- Ø All shareholders may vote on the election of all directors who are nominated for election.

- Ø Only one member of our Board, Mr. Weisz, is a current employee of our Company.

- Ø We recently amended our Corporate Governance Principles to reduce the number of boards of publicly-traded companies on which our directors may serve from three to two, including our Board, for directors who are chief executive officers of publicly traded companies, and from six to five for other directors. All of our directors are in compliance and none of our directors serve on the boards of more than three such companies in addition to our company.

- Ø Our company does not have a rights plan, or poison pill.

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Company Performance in 2015

Our company s results were strong in the year ended January 1, 2016:

- Ø Adjusted EBITDA (as defined below) totaled $235.9 million, an increase of $36.2 million, or 18.1 percent, year-over-year.
- Ø Full year 2015 net income totaled $122.8 million, or $3.82 diluted earnings per share, compared to reported net income of $80.8 million in 2014, or $2.33 diluted earnings per share.
- Ø We repurchased nearly 2.9 million shares of our common stock at an average price of $70.48 per share for a total of $201.4 million. Including dividends paid during the year, we returned a total of $225.2 million to our shareholders in 2015.
- Ø We acquired an operating hotel in Surfers Paradise, Australia, 71 units in The Mayflower Hotel, Autograph Collection in Washington, D.C., and an operating hotel in San Diego, California, and plan to include vacation ownership units at these locations in our timeshare programs.
- Ø We entered into a capital efficient transaction for the development of a second phase at our resort in Marco Island, Florida, and expect to acquire the completed property from the developer over time.

Adjusted EBITDA is a financial measure that is not prescribed or authorized by United States generally accepted accounting principles (GAAP). Please refer to Appendix A for a reconciliation of Adjusted EBITDA to net income, which is the most directly comparable GAAP financial measure, as well as our reasons for presenting this measure.

Executive Compensation in 2015

Our executive compensation programs contain features that are intended to embody our compensation principles and promote strong executive compensation corporate governance. Performance-based compensation is a significant component of total pay opportunity for our executive officers. The chart below reflects the percentage of each named executive officer s total compensation for 2015 that was performance-based:

Under the annual bonus plan in which our executive officers participated in 2015, an aggregate of 60 percent of the payout was based on performance with respect to Adjusted EBITDA and net income, and resulted in a payout that was at 179.5 percent of the target amount (but below the maximum amount) for Adjusted EBITDA and at 200.0 percent of the target amount (and at the maximum amount) for net income.

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Marriott Vacations Worldwide Corporation

6649 Westwood Boulevard

Orlando, Florida 32821

PROXY STATEMENT

The Board of Directors (the Board) of Marriott Vacations Worldwide Corporation (we, us, Marriott Vacatio Worldwide or the Company) is soliciting shareholders proxies in connection with the 2016 Annual Meeting of Shareholders of the Company, and at any adjournment or postponement thereof (the Annual Meeting). The mailing to shareholders of the Notice Regarding the Availability of Proxy Materials took place on March 29, 2016.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 13, 2016

The Notice of Annual Meeting and Proxy Statement and our

2015 annual report to shareholders are available at www.proxyvote.com.

QUESTIONS AND ANSWERS ABOUT THE MEETING

Why am I receiving these materials?

Marriott Vacations Worldwide has made these materials available to you on the Internet or has delivered printed versions of these materials to you by mail in connection with the solicitation of proxies on behalf of the Board of Directors for use at our Annual Meeting. This Proxy Statement describes the matters on which you, as a shareholder, are entitled to vote. It also gives you information on these matters so that you can make an informed decision.

Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of printed proxy materials?

The Securities and Exchange Commission (the SEC) permits companies to furnish proxy materials to shareholders by providing access to these documents over the Internet instead of mailing a printed copy. Accordingly, we mailed a Notice Regarding the Availability of Proxy Materials to some shareholders. These shareholders have the ability to access, view and print the proxy materials on a website referred to in the Notice Regarding the Availability of Proxy Materials and request a printed set of proxy materials.

Can I get electronic access to the proxy materials if I received printed materials?

If you received a printed copy of our proxy materials, you may choose to receive future proxy materials by email. Choosing to receive your future proxy materials by email will lower our costs of delivery and will reduce the environmental impact of our Annual Meeting. If you choose to receive our future proxy materials by email, you will receive an email next year with instructions containing a link to view those proxy materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it or for so long as the email address provided by you is valid.

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What items will be voted on at the Annual Meeting?

Shareholders will vote on the following items at the Annual Meeting, if each is properly presented at the meeting:

1. Election of the three director nominees named in this Proxy Statement;

2. Ratification of the appointment of Ernst & Young LLP (Ernst & Young) as the Company s independent registered public accounting firm for its 2016 fiscal year;

3. An advisory resolution to approve executive compensation; and

4. Any other matters that may properly be presented at the meeting.

In addition, management will respond to questions from shareholders.

What are the Board s voting recommendations?

The Board s recommendation is set forth together with the description of each Item in this Proxy Statement. In summary, the Board recommends a vote **FOR** Items 1, 2 and 3.

Who is entitled to vote?

Only shareholders of record who owned the Company s common stock at the close of business on March 17, 2016 are entitled to vote. Each holder of common stock is entitled to one vote per share. There were 28,450,550 shares of common stock outstanding and entitled to vote on March 17, 2016.

What is the difference between being a record holder and a beneficial owner of shares held in street name?

A record holder holds shares directly in his or her own name with the Company s transfer agent. Shares held in street name refer to shares that are held in the name of a bank or broker on a person s behalf. Many shareholders hold their shares in street name. For such shares, the bank or broker is considered the shareholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization how to vote the shares held in your account.

How do I vote?

If you received a Notice Regarding the Availability of Proxy Materials in the mail, you can either vote by Internet (www.proxyvote.com) or in person at the Annual Meeting. You may also vote by mail if you request a paper copy of the materials. Voting instructions are provided on the Notice Regarding the Availability of Proxy Materials.

Record holders that received a copy of this Proxy Statement and accompanying proxy card in the mail can vote by filling out the proxy card and returning it in the postage paid return envelope. Record holders that receive these materials in the mail may also vote in person at the Annual Meeting, by telephone (800-690-6903) or by Internet (www.proxyvote.com). Voting instructions are provided on the proxy card.

If you hold shares in street name, you must vote by giving instructions to your bank or broker. You should follow the voting instructions on the form that you receive from your bank or broker.

How will my proxy be voted?

Your proxy card, when properly signed and returned to us, or processed by telephone or via the Internet, and not revoked, will be voted in accordance with your instructions. We are not aware of any other matter that

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may be properly presented other than those described above. If any other matter is properly presented, the persons named in the enclosed proxy card will have discretion to vote in their best judgment.

If you hold shares in street name, your bank or broker is permitted to use its own discretion and vote your shares on certain routine matters (such as Item 2) even if you have not provided voting instructions. Your bank or broker is not permitted to use its discretion and vote your shares on non-routine matters (such as Items 1 and 3) if it has not received instructions from you as to how to vote the shares. *Therefore, we urge you to give voting instructions to your broker on all three voting items.* Shares that are not permitted to be voted by your broker with respect to any non-routine matter are called broker non-votes. Broker non-votes are not considered votes for or against, or entitled to vote with respect to, any of the proposals to be voted on at the Annual Meeting and will have no direct impact on any such proposal.

What if I don t mark the boxes on my proxy?

Unless you give other instructions on your proxy card, or unless you give other instructions when you cast your vote by telephone or the Internet, the persons named as proxies will vote in accordance with the recommendations of the Board of Directors.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority in voting power of the outstanding shares of common stock entitled to vote at the Annual Meeting will constitute a quorum. Proxies received but marked as abstentions or broker non-votes will be included in the calculation of the number of shares considered to be present at the meeting.

How many votes are needed to approve an item?

Directors will be elected by a plurality of all the votes cast at the Annual Meeting, either in person or represented by a properly completed or authorized proxy. This means that the three nominees who receive the highest number of FOR votes cast will be elected as directors. Shareholders cannot cumulate votes in the election of directors.

The affirmative vote of shares representing a majority in voting power of the votes cast, present in person or represented by proxy and entitled to vote at the meeting is necessary for approval of Items 2 and 3. Proxy cards marked as abstentions on Items 2 and 3 and, for Item 3, broker non-votes will not be counted as votes cast but will count as present and entitled to vote and therefore will have the effect of a negative vote.

Who can attend the Annual Meeting?

Only shareholders as of the record date, their proxy holders and our invited guests may attend the Annual Meeting.

What do I need to bring to the Annual Meeting?

Beneficial owners whose ownership is registered under another party s name and who plan to attend the Annual Meeting in person should obtain an admission ticket in advance by sending written requests, along with proof of beneficial ownership, such as a bank or brokerage firm account statement, to: Jeffrey A. Hansen, Vice President Investor Relations, Marriott Vacations Worldwide Corporation, 6649 Westwood Boulevard, Orlando, Florida, 32821. Beneficial owners who do not present valid admission tickets at the registration counter at the Annual Meeting will be admitted at the Company s sole discretion and may be required to verify share ownership, which may be established by providing a bank or brokerage firm account statement and photo identification, at the registration counter at the Annual Meeting. Shareholders as of the record date or their proxy holders who plan to attend the Annual Meeting may also be asked to present photo identification at the registration counter at the Annual Meeting to gain admittance to the Annual Meeting.

Can I go to the Annual Meeting if I vote by proxy?

Yes. Attending the Annual Meeting does not revoke your proxy.

Can I change my vote or revoke my proxy after I return my proxy card, or after I vote by telephone or electronically?

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised at the meeting. Regardless of the way in which you submitted your original proxy, you may change it by:

- Returning a later-dated signed proxy card;
- Delivering a written notice of revocation to Marriott Vacations Worldwide Corporation, 6649 Westwood Boulevard, Orlando, Florida, 32821, Attention: Corporate Secretary;
- Voting by telephone or the Internet until 11:59 p.m., Eastern Time, on May 12, 2016;
- Voting in person at the meeting.

If your shares are held through a broker or other nominee, you will need to contact that institution if you wish to change your voting instructions.

PROPOSALS TO BE VOTED ON

Item 1 Election of Directors

The Board consists of eight members and is divided into three classes, each having three-year terms that expire in successive years. The term of the Class I directors expires at the 2016 Annual Meeting of Shareholders. The Board proposes that Raymond L. Gellein, Jr., Thomas J. Hutchison III and Dianna F. Morgan, each of whom is currently serving as a Class I director, be re-elected to Class I for a new term of three years expiring at the 2019 Annual Meeting of Shareholders and until their successors are duly elected and qualified. Proxies cannot be voted for more than the number of nominees proposed for re-election.

Each of the nominees has consented to be named as a nominee and to serve as a director if elected. If any of them should become unavailable to serve as a director (which is not now expected), the Board may designate a substitute nominee. In that case, the persons named as proxies will vote for the substitute nominee designated by the Board.

Information about the nominees, as well as the current Class II and Class III directors, along with their present positions, their principal occupations and directorships held with other publicly traded companies during the past five years, their ages and the year they were first elected as a director of the Company, are set forth below beginning on page 10.

Our Board of Directors recommends that you vote FOR each of the three director nominees.

Item 2 Ratification of Appointment of Independent Registered Public Accounting Firm

The Audit Committee is directly responsible for the appointment, compensation, retention, and oversight of the Company s independent registered public accounting firm. In addition, the Audit Committee considers the independence of our independent registered public accounting firm and participates in the selection of such firm s lead engagement partner. The Audit Committee of the Board has appointed Ernst & Young as the Company s independent registered public accounting firm for the Company s 2016 fiscal year. Ernst & Young, a firm of registered public accountants, has served as the Company s independent registered public accounting firm since our spin-off (the Spin-Off) from Marriott International, Inc. (Marriott International) in November 2011. Ernst & Young will examine and report to shareholders on the consolidated financial statements of the Company and its subsidiaries.

Representatives of Ernst & Young are expected to be present at the Annual Meeting, will have an opportunity to make a statement if they so desire, and are expected to be available to respond to appropriate questions. You can find information on pre-approval of independent auditor fees and Ernst & Young s 2015 and 2014 fees on page 18.

Although the Audit Committee has discretionary authority to appoint the independent auditors, the Board is seeking shareholder ratification of the appointment of the independent auditors as a matter of good corporate governance. The Board of Directors and the Audit Committee believe that the continued retention of Ernst &Young as the Company s independent auditor is in the best interests of the Company and its shareholders. If the appointment of Ernst & Young is not ratified by shareholders, the Audit Committee will take that into consideration when determining whether to continue the firm s engagement. Even if the appointment is ratified, the Audit Committee at its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company.

Our Board of Directors recommends that you vote FOR ratification of the appointment of Ernst & Young as the Company s independent registered public accounting firm for its 2016 fiscal year.

Item 3 Advisory Resolution to Approve Executive Compensation

We are asking shareholders to approve an advisory resolution on the Company s executive compensation as reported in this Proxy Statement. As described below in the Compensation Discussion and Analysis section of this Proxy Statement, the Compensation Policy Committee has structured our executive compensation program to achieve the following key objectives:

- Executive officers should be paid in a manner that is primarily focused on **driving shareholder** value.

- Compensation should be designed to **motivate executive officers** to perform their duties in ways that would help achieve current year as well as longer-term objectives.

- The compensation program must be competitive in order to attract key talent from within and outside of our industry and **retain key talent** at costs consistent with market practice.

Our executive compensation programs have a number of features designed to promote these objectives:

- Performance-based equity compensation is a significant component of total pay opportunity for our executive officers. For 2015, 45 percent of each named executive officer s total equity compensation consisted of performance-based stock units (Performance Units), based on grant date value, which was an increase from 30 percent in 2014, and the percentage that consisted of time-vested restricted stock units

(RSUs) was decreased from 40 percent in 2014 to 25 percent. The remaining 30 percent of each named executive officer s award consisted of stock appreciation rights (SARs).

Annual cash compensation awards are designed to reward the achievement of pre-established financial objectives, individual achievement objectives, customer/guest satisfaction objectives and associate engagement objectives.

We have a long-term incentive plan with share-based payouts at the end of three-year performance periods that rewards executives for meeting key financial objectives.

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We have a **clawback policy** applicable to incentive compensation paid to our executive officers and directors, which is in addition to the clawback provision that applies to equity awards issued under the Marriott Vacations Worldwide Corporation Stock and Cash Incentive Plan (the Stock and Cash Incentive Plan).

We **do not provide for a gross-up** of excise taxes on any parachute payments that could become payable in connection with a change in control.

Executive officers are provided only **limited perquisites** and are not provided with tax gross-ups with respect to such perquisites.

The Stock and Cash Incentive Plan **does not include an evergreen provision**.

We cannot, without shareholder approval, reprice stock options or SARs by reducing the exercise price of such stock option or SAR, exchanging such stock option or SAR for a new award with a lower exercise price, or exchanging such stock option or SAR for cash (other than in connection with specified corporate transactions).

We do not provide single trigger change in control benefits, except with respect to equity awards which are not retained or replaced with substitute awards following a change in control.

We have **stock ownership guidelines** that require our Chief Executive Officer to own shares of our common stock (as determined under the guidelines) with a market value equal to five times base salary and other executive officers to own shares of our common stock with a market value equal to two to three times annual base salary. Executive officers who served in such capacity at the time of the Spin-Off are expected to achieve compliance with these guidelines by the end of 2016; other executive officers are expected to achieve compliance by the end of their fifth full year of service.

Equity grants are made on a consistent schedule and are not made in anticipation of significant developments that may impact the price of our common shares. Annual grants are generally made during the first quarter, after the release of our earnings for the prior year and guidance for the current year, which is intended to ensure that we do not make equity grants when we have material, non-public information.

Our associates, officers and directors **may not at any time engage in any form of derivative transactions** (such as short sales or option puts or calls) in our securities.

Our associates, officers and directors are prohibited from including Marriott Vacations Worldwide stock or other securities in a margin account or pledging such securities as collateral for a loan.

We do not have employment agreements with any of our executive officers.

None of our executive officers are entitled to guaranteed bonuses.

We urge shareholders to read the Compensation Discussion and Analysis beginning on page 20 of this Proxy Statement, which describes in more detail how our executive compensation policies and procedures operate and are designed to achieve our compensation objectives, as well as the Summary Compensation Table and other related compensation tables and narrative, appearing on pages 38 through 48, which provide detailed information about the compensation of our named executive officers. The Compensation Policy Committee and the Board of Directors believe that the policies and procedures articulated in the Compensation Discussion and Analysis are effective in achieving our goals and that the compensation of our named executive officers reported in this Proxy Statement reflects and supports these compensation policies and procedures.

In accordance with Section 14A of the Exchange Act, and as a matter of good corporate governance, we are asking shareholders to approve the following advisory resolution at the Annual Meeting:

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RESOLVED, that the shareholders of Marriott Vacations Worldwide Corporation (the Company) approve, on an advisory basis, the compensation of the Company s named executive officers disclosed in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables, notes and narrative in the Proxy Statement for the Company s 2016 Annual Meeting of Shareholders.

This advisory resolution, commonly referred to as a say-on-pay resolution, is not binding on the Board of Directors. Although non-binding, the Board and the Compensation Policy Committee will review and consider the voting results when making future decisions regarding our executive compensation program. The Board s current policy is to hold an advisory vote on executive compensation on an annual basis, and accordingly, after the 2016 Annual Meeting, the next advisory vote on the compensation of our named executive officers is expected to occur at our 2017 Annual Meeting of Shareholders.

Our Board of Directors recommends that you vote FOR the approval of the advisory resolution to approve executive compensation.

CORPORATE GOVERNANCE

Summary of our Corporate Governance Practices

The following are some highlights of our corporate governance practices.

- Seven of the eight members of our Board are independent.
- All members of our Audit Committee, Compensation Policy Committee and Nominating and Corporate Governance Committee are independent.
- The Chairman of our Board of Directors is independent.
- We have a Lead Independent Director who presides at executive sessions of our non-management directors and independent directors in the absence of the Chairman and has other responsibilities.
- Our Board has adopted Corporate Governance Principles that meet or exceed the New York Stock Exchange (NYSE) Listing Standards.
- No incumbent director attended fewer than 75 percent of the meetings of the Board or any Committee on which such director served during the Company s 2015 fiscal year.
- Our Board is divided into three classes of directors that are of equal size to the extent possible, with the directors in each class elected every three years.

All shareholders may vote on the election of all directors who are nominated for election.

There are no family relationships between any of our directors or executive officers.

Only one member of our Board, Mr. Weisz, is a current employee of the Company.

We recently amended our Corporate Governance Principles to reduce the number of boards of publicly-traded companies on which our directors may serve from three to two, including our Board, for directors who are chief executive officers of publicly traded companies, and from six to five for other directors. All of our directors are in compliance and none of our directors serve on the boards of more than three such companies in addition to the Company.

Other than Mr. Weisz, who serves on our Board, none of our executive officers serve on the board of directors of any publicly traded company.

The Company does not have a rights plan, or poison pill.

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Our Board of Directors

The biography of each of our directors, as well as the qualifications and experiences each director brings to our Board, is set forth below. The age shown below for each director is as of May 13, 2016, which is the date of the Annual Meeting.

Nominees for Director Whose Terms Would Expire at the 2019 Annual Meeting of Shareholders

The Board has nominated three directors to be elected at the Annual Meeting to serve for a three-year term ending with the 2019 Annual Meeting of Shareholders, or until a director s successor is duly elected and qualified, or his or her earlier death, resignation or removal. Each nominee is currently a director of the Company and has agreed to serve if elected.

Raymond L. Gellein, Jr.

Mr. Gellein, 68, has served as a director of the Company since November 2011. From November 2012 until his retirement in December 2015, he served as Chairman of the Board, Chief Executive Officer and President of Strategic Hotels & Resorts, Inc., a publicly traded real estate investment trust (REIT) with a portfolio of luxury hotels. From August 2010 to November 2012, he served as Strategic Hotels & Resorts non-executive Chairman, and from August 2009 to December 2015, as a director. He served as President of the Global Development Group of Starwood Hotels & Resorts Worldwide, Inc. from July 2006 through March 2008, and as Chairman and Chief Executive Officer of Starwood Vacation Ownership, Inc., a subsidiary of Starwood Hotels & Resorts Worldwide, Inc., a publicly traded hotel and leisure company, from October 1999 to July 2006. Mr. Gellein is also Chair Emeritus of the American Resort Development Association and serves as Vice Chairman and Treasurer of the Mind and Life Institute.

Based on his past roles with Strategic Hotels & Resorts and Starwood, Mr. Gellein brings to the Board vast leadership experience in the hospitality and lodging industries with a particular expertise in the vacation ownership sector. As a result of these roles, Mr. Gellein also has experience as an executive officer and board member of publicly traded companies. As a past Chairman of the Board of Directors of the American Resort Development Association, he also has extensive knowledge of the legislative and regulatory issues related to the vacation ownership business.

Thomas J. Hutchison III

Mr. Hutchison, 74, has served as a director of the Company since November 2011. Since October 2008, Mr. Hutchison has served as Chairman of Legacy Hotel Advisors, LLC and Legacy Healthcare Advisors, LLC, industry consulting firms of which he is the principal founder. From January 2000 through 2007, he served in various executive positions at CNL Financial Group, Inc., including as Chief Executive Officer of CNL Hotels & Resorts, a publicly traded REIT, and CNL Retirement, a REIT with investments in medical real estate. Mr. Hutchison is also a member of the Board of Trustees of Hersha Hospitality Trust, a publicly traded REIT, and a director of Target Healthcare REIT Ltd., a company traded on the London Stock Exchange.

Mr. Hutchison brings to the Board his over 40 years of senior leadership experience in the lodging, hospitality, travel, and real estate development and finance industries. Mr. Hutchison also has extensive business development experience and experience as a board member of publicly traded companies.

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Dianna F. Morgan

Ms. Morgan, 64, has served as a director of the Company since April 2013. She retired in 2001 from a 30-year career with Walt Disney World Company, a subsidiary of The Walt Disney Company, a publicly traded entertainment company, where she served most recently as Senior Vice President of Public Affairs and Senior Vice President of Human Resources for Walt Disney World Company. During her tenure at Walt Disney World Company, she oversaw the Disney Institute, a recognized leader in experiential training, leadership development, benchmarking and cultural change for business professionals around the world. She served on the Board of Trustees for the University of Florida from 2001 to 2011, and as its Chair from 2007 to 2009. She currently serves on the Board of Directors of CNL Healthcare Properties, Inc. and Chesapeake Utilities Corporation and the Board of Trustees of Hersha Hospitality Trust, a publicly traded REIT. Ms. Morgan is also Immediate Past Chair of the Board of Directors of Orlando Health and previously served as Chairman of the national board for the Children s Miracle Network. Within the last five years, she served on the Board of CNL Bancshares, Inc.

As an accomplished senior manager at Walt Disney World Company in various areas, Ms. Morgan brings to the Board best practice expertise in human capital and the customer experience. Ms. Morgan s previous experience overseeing the Disney Institute, which provides leading professional development programs, and serving as Senior Vice President of Human Resources for Walt Disney World Company have provided her with extensive knowledge of leadership development programs and organizational culture. In addition, Ms. Morgan s experience as Senior Vice President of Public Affairs for Walt Disney World Company has provided her with a solid foundation in media relations and government relations. She also has extensive experience as a board member of publicly traded and private companies.

Directors Whose Terms Expire at the 2017 Annual Meeting of Shareholders

William J. Shaw, Chairman

Mr. Shaw, 70, has served as a director of the Company since July 2011 and as Chairman of our Board since November 2011. He served as Vice Chairman of Marriott International, a publicly traded international lodging and hospitality company, from May 2009 until his retirement in March 2011. He previously served as President and Chief Operating Officer of Marriott International from 1997 until May 2009. He joined Marriott International in 1974 and was named Corporate Controller in 1979 and a Corporate Vice President in 1982. In 1986, Mr. Shaw was named Senior Vice President-Finance and Treasurer of Marriott International. He became Chief Financial Officer and Executive Vice President of Marriott International in 1988. In 1992, he was named President of the Marriott Service Group. Mr. Shaw serves on the Board of Directors of Carlyle Group Management L.L.C., the general partner of The Carlyle Group, L.P. He also serves on the Board of Trustees of the University of Notre Dame and the

Board of Trustees of Suburban Hospital. In the past five years, Mr. Shaw served as a director of Marriott International and also served on the Board of Trustees of three funds in the American Family of Mutual Funds.

Mr. Shaw brings to the Board extensive management experience with Marriott International, his prominent status in the hospitality industry and a wealth of knowledge in dealing with financial and accounting matters as a result of his prior service in financial and accounting positions at Marriott International, including as its Chief Financial Officer. Mr. Shaw also has experience as a board member of publicly traded companies.

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C.E. Andrews

Mr. Andrews, 64, has served as a director of the Company since April 2013. Mr. Andrews has served as Chief Executive Officer of MorganFranklin Consulting, a business consulting and technology solutions company, since May 2013. From June 2009 until February 2012, Mr. Andrews was the president of RSM McGladrey Business Services, Inc., an audit and accounting services provider. Prior to that, Mr. Andrews served as the president of SLM Corporation (Sallie Mae), which originates, services and collects student loans. He joined Sallie Mae in 2003 as the Executive Vice President of Accounting and Risk Management, and held the title of Chief Financial Officer from 2006 to 2007. Prior to joining Sallie Mae, Mr. Andrews spent approximately 30 years at Arthur Andersen, LLP, an accounting firm. He served as managing partner for Arthur Andersen s mid-Atlantic region, and was promoted to global managing partner for audit and advisory services in 2002. Mr. Andrews serves on the boards of WashingtonFirst Bankshares, Inc., Washington Mutual Investors Fund, and NVR, Inc., the publicly traded parent company of home construction companies Ryan Homes, NVHomes, Heartland Homes and Fox Ridge Homes. In addition, he serves on the board of Vemo Education, Inc., a privately-held company that develops customized, value-oriented student financing programs. Mr. Andrews also serves on the boards of Junior Achievement and The Global Good Fund.

Mr. Andrews brings to the Board, and particularly to the Audit Committee, the extensive financial and accounting expertise that he obtained over his thirty year career in public accounting, as well as through his role as Chief Financial Officer of Sallie Mae. Mr. Andrews also has experience as a board member and an officer of publicly traded companies.

William W. McCarten

Mr. McCarten, 67, has served as a director of the Company since November 2011. He has served as non-executive Chairman of the Board of DiamondRock Hospitality Company, a publicly traded lodging REIT, since January 2010. He was Executive Chairman of DiamondRock from September 2008 to December 2009. Prior to that, he was Chairman and Chief Executive Officer of DiamondRock from its inception in 2004 until September 2008. From 1979 through 2003, Mr. McCarten worked at Marriott International and companies that operated businesses that were previously part of Marriott International or its predecessors, where he held a number of executive positions, including President of the Services Group and President and Chief Executive Officer of HMSHost Corporation, a publicly traded company, and he served as a consultant to Marriott International from January 2004 to June 2004. Mr. McCarten is also a director of Cracker Barrel Old Country Store, Inc., a publicly traded company.

Mr. McCarten provides the Board with the benefit of his extensive experience in the hospitality industry and capital markets, including his service as Chief Executive Officer of two publicly traded companies and as a board member of publicly traded companies. He is a former certified public accountant who has a strong familiarity with accounting and financial reporting matters.

Directors Whose Terms Expire at the 2018 Annual Meeting of Shareholders

Melquiades R. Martinez

Mr. Martinez, 69, has served as a director of the Company since November 2011. He has served as Chairman of the Southeast and Latin America of JPMorgan Chase & Co., an investment and financial services company, since July 2010. Prior to that, he was a partner in the law firm DLA Piper, LLC from September 2009. Mr. Martinez served as a U.S. Senator from Florida from January 2005 through September 2009. He also served as Chairman of the Republican Party from November 2006 through October 2007, as Secretary of the U.S. Department of Housing and Urban Development from 2001 to 2004, and as Mayor of Orange County, Florida from November 1998 to January 2001. Mr. Martinez is a director of NVR, Inc., the publicly traded parent company of home construction companies Ryan Homes, NVHomes, Heartland Homes and Fox Ridge Homes. Mr. Martinez formerly served as a director of Progress Energy, Inc.

Mr. Martinez provides our Board with the benefit of his vast experience in the public and private sector and his in-depth knowledge of and relationships within the Florida community, where our headquarters are located. The Board also benefits from his legal experience and knowledge of the legislative and regulatory processes.

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Stephen P. Weisz, President and Chief Executive Officer

Mr. Weisz, 65, has served as a director of the Company since November 2011, as our President since 1996 and as our Chief Executive Officer since 2011. Mr. Weisz joined Marriott International in 1972. Over his 39-year career with Marriott International, he held a number of leadership positions in the Lodging division, including Regional Vice President of the Mid-Atlantic Region, Senior Vice President of Rooms Operations, and Vice President of the Revenue Management Group. Mr. Weisz became Senior Vice President of Sales and Marketing for Marriott Hotels, Resorts & Suites in 1992 and Executive Vice President-Lodging Brands in 1994 before being named to lead the Company in 1996. He currently serves as Chairman of the Board of Directors of the American Resort Development Association. Mr. Weisz is also the Chairman of the Board of Trustees of Children s Miracle Network.

Mr. Weisz brings to the Board the extensive lodging and vacation ownership industry expertise he developed during his over 43 years in the industry, including 39 years with Marriott International, as well as corporate leadership experience from his service as our President since 1996 and his position as Chairman of the Board of Directors of the American Resort Development Association.

Board Leadership Structure

Mr. Shaw serves as the Chairman of the Board. Our Corporate Governance Principles provide that an independent director will serve as Lead Independent Director, as recommended by the Nominating and Corporate Governance Committee and selected by the Board. Mr. Martinez currently serves as Lead Independent Director. When the position of Chairman is held by an independent director, such as Mr. Shaw, the Lead Independent Director s responsibilities include: (1) setting the agenda for and presiding over the executive sessions of the non-management directors and independent directors in the Chairman s absence; (2) participating with the Chairman in setting agendas and schedules for Board meetings; (3) chairing Board meetings in the Chairman s absence; and (4) acting as a liaison between the independent directors and the Chairman. The Lead Independent Director also has the authority to call additional executive sessions as appropriate.

Seven of our eight directors are independent, and the Audit Committee, Compensation Policy Committee and Nominating and Corporate Governance Committee are comprised solely of independent directors. Consequently, the independent directors directly oversee such critical items as the Company s financial statements, executive compensation, the selection and evaluation of directors and the development and implementation of our corporate governance programs.

We believe that the separation of the roles of Chairman and Chief Executive Officer, and the oversight by the independent directors, is the optimal leadership structure for the Company and our shareholders at this time, because it allows our Chief Executive Officer to focus on his duties while benefitting from the Chairman s significant experience at Marriott International and in the hospitality industry.

Selection of Director Nominees

The Nominating and Corporate Governance Committee identifies and recruits candidates for election to the Board. The Nominating and Corporate Governance Committee selects and recommends to the Board director candidates based on character, judgment, personal and professional ethics, personal and professional integrity, values, background experience, technical skills, affiliations, familiarity with national and international issues affecting our business and demonstrated exceptional ability and judgment. Although we do not have a formal policy regarding diversity, our Board views diversity as a priority and seeks diverse representation among its members. Candidates are selected who not only bring a depth of experience but also provide skills and knowledge complementary to the Board and our business. Candidates must be committed to representing the long-term interests of our shareholders and fulfilling a director s duties and responsibilities, which include attending Board meetings and our annual shareholder meeting, and preparing for Board meetings by advance

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review of any meeting materials. The Nominating and Corporate Governance Committee recommends to the Board the Company s candidates for election or reelection to the Board at each annual meeting of shareholders, as well as candidates to be elected by the Board as necessary to fill vacancies and newly created directorships. The Board proposes a slate of nominees to the shareholders for election to the Board. The Board also determines the number of directors on the Board.

The Nominating and Corporate Governance Committee will consider candidates for Board membership recommended by shareholders. Shareholders may recommend nominees for consideration by the Nominating and Corporate Governance Committee by submitting the names and supporting information to: Marriott Vacations Worldwide Corporation, 6649 Westwood Boulevard, Orlando, Florida, 32821, Attention: Corporate Secretary. The supporting information should include the information required by our Bylaws in connection with the nominations of persons for election to the Board. The Nominating and Corporate Governance Committee will evaluate all candidates, regardless of source, in light of the Board-approved criteria.

Corporate Governance Principles

Our Board has adopted Corporate Governance Principles that meet or exceed the NYSE Listing Standards. The full text of the Corporate Governance Principles can be found in the Investor Relations section of our website (www.marriottvacationsworldwide.com) by clicking on Corporate Governance. A copy may also be obtained upon request from our Corporate Secretary. Our Corporate Governance Principles establish the limit on the number of boards of publicly-traded companies on which the Company s directors may serve at two, including our Board, for directors who are chief executive officers of publicly traded companies, and five for other directors. Our Corporate Governance Principles also establish the limit on the number of audit committees of publicly traded companies on which members of the Company s Audit Committee may serve, including our Audit Committee, at three.

Director Independence

Our Corporate Governance Principles provide that at least a majority of the Board will consist of independent directors. An independent director is a director who meets the NYSE definition of independence, as determined by the Board. To be considered independent, the Board must determine that a director has no direct or indirect material relationship with the Company. The Board makes an affirmative determination regarding the independence of each director annually, based upon the recommendation of the Nominating and Corporate Governance Committee. The Board undertook its most recent annual review of director independence in February 2016. As a result of this review, the Board affirmatively determined that seven of our eight directors are independent: Mr. Andrews, Mr. Gellein, Mr. Hutchison, Mr. Martinez, Mr. McCarten, Ms. Morgan and Mr. Shaw. Mr. Weisz is not independent as a result of his employment with the Company.

In assessing director independence, the Board considered relationships with the Company over the past three years, because the NYSE Listing Standards look back three years when evaluating a director s independence. Specifically, the Board considered that Mr. Martinez is an employee of JP Morgan Chase & Co. (JPMorgan), a company that provides various financial and banking services to us, including acting as the lead bank in the syndicate of banks in our Revolving Corporate Credit Facility. Mr. Martinez is not an executive officer of JPMorgan and does not work in the business units of JPMorgan that provide services to us. In addition, payments that we made to or received from JPMorgan were less than one percent of JPMorgan s consolidated gross annual revenues in each of the last three fiscal years. The Board further considered that Mr. McCarten is affiliated with a company that does business in the ordinary course with the Company and that the payments fell below the thresholds contained in the NYSE Listing Standards regarding director independence. The Board also considered that Mr. Gellein is a Chair Emeritus and, until April 2014 was a member of the Board of Directors, of a trade association that received payments from the Company that fell below the thresholds contained in the NYSE Listing Standards regarding director independence. The Board also considered that Mr. Andrews son was

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previously employed as an audit manager with Ernst & Young, the Company s independent registered public accounting firm. Mr. Andrews son did not work on the Company s audit. Both the Company s engagement of Ernst & Young and Ernst & Young s employment of Mr. Andrews son began before Mr. Andrews joined our Board. Mr. Andrews son ceased being employed by Ernst & Young in June 2015.

Board and Committee Meetings and Attendance

Our Board met seven times in 2015. No incumbent director attended fewer than 75 percent of the meetings of the Board or any Committee on which such director served. Directors are expected to attend annual meetings of shareholders, and each of our directors attended the 2015 Annual Meeting of Shareholders.

Committees of our Board

The Board has three standing committees: the Audit Committee, the Compensation Policy Committee and the Nominating and Corporate Governance Committee. The Board has adopted a written charter for each committee, and those charters are available in the Investor Relations section of our website (www.marriottvacationsworldwide.com) by clicking on Corporate Governance. Copies of the committee charters also may be obtained upon request from our Corporate Secretary. Other committees may also be established by our Board from time to time. The composition of our committees is set forth in the chart below.

Audit Committee	Compensation Policy Committee	Nominating and Corporate Governance Committee
William W. McCarten (Chair)	Thomas J. Hutchison III (Chair)	Melquiades R. Martinez (Chair)
C.E. Andrews	Raymond L. Gellein, Jr.	C.E. Andrews
Raymond L. Gellein, Jr.	William W. McCarten	Raymond L. Gellein, Jr.
Thomas J. Hutchison III	Dianna F. Morgan	Thomas J. Hutchison III
		William W. McCarten
		Dianna F. Morgan

Audit Committee

The Board has determined that each of the members of the Audit Committee is independent as defined under our Corporate Governance Principles, the NYSE Listing Standards and applicable SEC rules for audit committee members. The Audit Committee met eight times in 2015. There is unrestricted access between the Audit Committee and the independent auditor and internal auditors. The Board has determined that all members of the Audit Committee are financially literate, and that Mr. Andrews and Mr. McCarten each possesses accounting or related financial management expertise within the meaning of the NYSE Listing Standards and qualifies as an audit committee financial expert as defined under the applicable SEC rules.

The responsibilities of the Audit Committee include, among other things:

appointing, retaining, overseeing and determining the compensation of our independent auditor;

approving all terms and fees associated with any audit engagement of our independent auditor;

overseeing our accounting, reporting, and financial practices;

overseeing our internal control environment and compliance with legal and regulatory requirements;

overseeing our independent auditors qualifications and independence; and

overseeing the performance of our internal audit function and the independent auditor.

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The Audit Committee meets at least annually with representatives of our Disclosure Committee, a management committee that assists in ensuring the Company s public disclosures are accurate and timely. A shareholder may receive a copy of the Disclosure Committee s charter upon request from our Corporate Secretary.

Compensation Policy Committee

The Board has determined that each of the members of the Compensation Policy Committee is independent as defined under our Corporate Governance Principles and the NYSE Listing Standards for compensation committee members. The Compensation Policy Committee met four times in 2015.

The responsibilities of the Compensation Policy Committee include, among other things:

- assisting the Board in discharging its responsibilities relating to executive compensation;
- overseeing our overall compensation structure, policies and programs;
- reviewing and approving on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer;
- overseeing the evaluation and setting the compensation of our other executive officers;
- reviewing a plan for executive succession; and
- reviewing the compensation of non-employee directors and recommending any changes in compensation to the Board.

Nominating and Corporate Governance Committee

The Board has determined that each of the members of the Nominating and Corporate Governance Committee is independent as defined under our Corporate Governance Principles and the NYSE Listing Standards. The Nominating and Corporate Governance Committee met four times in 2015.

The responsibilities of the Nominating and Corporate Governance Committee include, among other things:

- identifying and evaluating director candidates;
- recommending to the Board director candidates for election;

- recommending to the Board implementation of corporate governance principles and annually reviewing and recommending changes to these principles as appropriate;

- reviewing our conflict of interest and related party transactions policies and approving certain related party transactions as provided for in such policies; and

- performing a leadership role in shaping our corporate governance.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Policy Committee is or has been an officer or employee of the Company or had any relationship that is required to be disclosed as a transaction with a related party.

Meetings of Independent Directors

Our Corporate Governance Principles require the Board to have at least two regularly scheduled executive sessions a year for the non-management directors without management present, and require the independent directors to meet in executive session at least annually. The Chairman, who is currently Mr. Shaw, presides at such executive sessions.

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Risk Oversight

Our Board is responsible for overseeing our processes for assessing and managing risk. The Board considers our risk profile when reviewing our annual business plan and incorporates risk assessment into its decisions. In performing its oversight responsibilities, our Board receives an annual risk assessment report from the Chief Financial Officer and discusses the most significant risks facing us. The Board believes that its risk oversight process would be effective under a variety of Board leadership structures, and therefore, it does not materially affect the Board s choice of leadership structure.

The Board has delegated certain risk oversight functions to the Audit Committee. In accordance with NYSE requirements and as set forth in its charter, the Audit Committee periodically reviews and discusses our business and financial risk management and risk assessment policies and procedures with senior management, our independent auditor and the Chief Audit Executive. The Audit Committee incorporates its risk assessment function into its reports to the Board.

In addition, the Compensation Policy Committee evaluates any incentives and risks arising from or related to our compensation programs and plans and assesses whether the incentives and risks are appropriate. As discussed in the Compensation Discussion and Analysis below, the Compensation Policy Committee believes that our compensation programs do not present risks that are reasonably likely to have a material adverse effect on the Company.

Communications with the Board

Anyone, including a shareholder, may communicate a concern about the Company s conduct, or about our accounting, internal accounting controls or auditing matters, directly to the Chairman of the Board, to the Chair of the Nominating and Corporate Governance Committee (who is currently also the Lead Independent Director), to the independent directors, to the non-management/independent directors as a group, or to the Audit Committee. Such communications may be confidential and/or anonymous and may be emailed to business.ethics@mvwc.com or submitted in writing to Marriott Vacations Worldwide Corporation, 6649 Westwood Boulevard, Orlando, Florida, 32821, Attention: Chief Audit Executive. All such concerns are forwarded to the appropriate directors for their review, and are reviewed and addressed by us in the same way that we address other concerns.

Code of Conduct

Our Board has adopted a code of conduct, our Business Conduct Guide, that applies to all of our directors, officers and associates, including our Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer. Our Business Conduct Guide is available in the Investor Relations section of our website (www.marriottvacationsworldwide.com) and is accessible by clicking on Corporate Governance. Any amendments to our Business Conduct Guide and any grant of a waiver from a provision of our Business Conduct Guide requiring disclosure under applicable SEC rules will be disclosed at the same location as the Business Conduct Guide in the Investor Relations section of our website located at www.marriottvacationsworldwide.com.

AUDIT COMMITTEE REPORT AND INDEPENDENT AUDITOR FEES

Report of the Audit Committee

The Audit Committee reviews the Company s financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements, the reporting process and maintaining an effective system of internal controls over financial reporting. The Company s independent auditors are engaged to audit and express opinions on the conformity of the Company s financial statements to accounting principles generally accepted in the United States and the effectiveness of the Company s internal control over financial reporting.

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In this context, the Audit Committee has reviewed and discussed the audited financial statements, together with the results of management s assessment of the internal controls over financial reporting, with management and the Company s independent auditor. The Audit Committee also discussed with the independent auditors those matters required to be discussed by the independent auditors with the Audit Committee under the rules adopted by the Public Company Accounting Oversight Board (PCAOB). The Audit Committee has received the written disclosures and the letter from the independent auditors required by applicable requirements of the PCAOB, regarding the independent auditors communications with the Audit Committee concerning independence, and has discussed with the independent auditors the independent auditors independence. The Audit Committee has also considered whether the independent auditor s provision of non-audit services to the Company is compatible with the auditors independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited financial statements be included in the Company s Annual Report on Form 10-K for the year ended January 1, 2016, for filing with the Securities and Exchange Commission.

Members of the Audit Committee:

William W. McCarten, Chair

C.E. Andrews

Raymond L. Gellein, Jr.

Thomas J. Hutchison III

Pre-Approval of Independent Auditor Fees and Services Policy

The Audit Committee s Pre-Approval of Independent Auditor Fees and Services Policy provides for pre-approval of all audit, audit-related, tax and other permissible non-audit services provided by our principal independent auditor on an annual basis and as needed. The Audit Committee has delegated authority to the Audit Committee Chair to pre-approve principal independent auditor services where we deem it necessary or advisable that such service commence prior to the next regularly scheduled meeting (provided that the Audit Committee Chair informs the Audit Committee of any such services and the estimated fees that were pre-approved at the next scheduled in-person meeting). During 2015, all such services were pre-approved by the Audit Committee.

Independent Registered Public Accounting Firm Fee Disclosure

The following table presents aggregate fees billed for professional services rendered by our independent registered public accounting firm, Ernst & Young, for the audit of our annual financial statements for fiscal 2015 and fiscal 2014 and aggregate fees billed in fiscal 2015 and fiscal 2014 for audit-related services, tax services and all other permissible non-audit services rendered by our independent registered public accounting firm. The Audit Committee approved all of the fees presented in the table below. The Audit Committee is also responsible for overseeing the fee negotiations associated with the retention of Ernst & Young for the audit of our financial statements and internal control over financial reporting.

	2015	2014
Audit Fees[1]	$ 3,076,300	$ 3,064,500

Audit-Related Fees[2]	166,500	146,500
Tax Fees[3]	51,700	47,700
All Other Fees[4]		
Total Fees	$ 3,294,500	$ 3,258,700

(1) Audit Fees principally consist of fees for audits of our financial statements, reviews of our quarterly financial statements and related reports, reviews of registration statements and certain periodic reports filed with the SEC and fees for statutory audits of our international subsidiaries.

(2) Audit-Related Fees principally consist of fees billed in connection with special projects and agreed upon procedures.

(3) Tax Fees principally consist of fees billed in connection with tax compliance services related to our international entities.

(4) All Other Fees principally consist of fees billed in connection with services related to potential development opportunities, federal employment tax credits and other matters.

EXECUTIVE AND DIRECTOR COMPENSATION

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Compensation Discussion and Analysis

Our executive officers for whom compensation information is presented in the Summary Compensation Table below, who we refer to as our named executive officers, are:

Name	Title
Stephen P. Weisz	President and Chief Executive Officer
John E. Geller, Jr.	Executive Vice President and Chief Financial Officer
R. Lee Cunningham	Executive Vice President and Chief Operating Officer
Lizabeth Kane-Hanan	Executive Vice President and Chief Growth and Inventory Officer
Brian E. Miller	Executive Vice President and Chief Sales and Marketing Officer

Executive Summary

Our seasoned management team is led by Stephen P. Weisz, our President and Chief Executive Officer, who has served as President of the Company since 1996 and has over 43 years of combined experience at Marriott Vacations Worldwide and Marriott International. Our nine executive officers have an average of over 26 years of total combined experience at Marriott Vacations Worldwide and Marriott International, with more than half of those years spent leading our business. We believe our management team s extensive public company and vacation ownership industry experience has enabled us to achieve solid performance and will enable us to continue to respond quickly and effectively to changing market conditions and consumer trends.

Our executive compensation program is designed to embody our compensation principles and includes the following key elements:

- base salary, which provides our named executive officers a fixed level of compensation;
- annual bonus, which encourages the achievement of current year objectives; and
- stock based awards, which align the long-term interests of our named executive officers with the interests of our shareholders and encourage the achievement of longer-term objectives.

Company Performance in 2015

We have been a pioneer in the vacation ownership industry since 1984, when Marriott International became the first company to introduce a lodging-branded vacation ownership product. Our company s results were strong in the year ended January 1, 2016:

Adjusted EBITDA totaled $235.9 million, an increase of $36.2 million, or 18.1 percent, year-over-year.

Full year 2015 net income totaled $122.8 million, or $3.82 diluted earnings per share, compared to reported net income of $80.8 million in 2014, or $2.33 diluted earnings per share.

We repurchased nearly 2.9 million shares of our common stock at an average price of $70.48 per share for a total of $201.4 million. Including dividends paid during the year, we returned a total of $225.2 million to our shareholders in 2015.

North America volume per guest totaled $3,386, in line with 2014; tours increased 2.5 percent year-over-year.

We acquired an operating hotel in Surfers Paradise, Australia; we intend to convert a portion of this hotel into vacation ownership interests for future use in our Asia Pacific segment, and to sell the remaining downsized hotel to a third party. We also acquired 71 rooms at The Mayflower Hotel,

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Autograph Collection, an operating hotel in Washington, D.C., and we intend to include these vacation ownership units, in their current form, in our North America points-based program, Marriott Vacation Club Destinations program. We also acquired an operating hotel in San Diego, California, and we intend to convert this hotel into vacation ownership interests for future use in our Marriott Vacation Club Destinations program.

We entered into a capital efficient transaction for the development of a second phase at our resort in Marco Island, Florida, and expect to acquire the completed property from the developer over time.

We sold the remaining portion of our undeveloped land in Kauai, Hawaii for gross cash proceeds of $20.0 million, completing the sale, a portion of which was completed in 2014, of undeveloped and partially developed land, an operating golf course and related assets in Kauai, Hawaii for $60.0 million in gross cash proceeds.

We were recognized by the Aon Best Employers program in the countries of Aruba, France, Ireland, Spain, Thailand, the United Arab Emirates, the United Kingdom and the United States.

Adjusted EBITDA is a financial measure that is not prescribed or authorized by GAAP. Please refer to Appendix A for a reconciliation of Adjusted EBITDA to net income, which is the most directly comparable GAAP financial measure, as well as our reasons for presenting this measure. We calculate volume per guest by dividing contract sales, excluding fractional and residential sales, telesales and other sales that are not attributed to a tour at a sales location, by the number of sales tours in a given period. We believe that this operating metric is valuable in evaluating the effectiveness of the sales process as it combines the impact of average contract price with the number of touring guests who make a purchase.

Compensation Actions in 2015

The Compensation Policy Committee made the following key compensation decisions for 2015:

Base Salary. The Compensation Policy Committee made salary adjustments for our named executive officers in February 2015, effective January 3, 2015.

Annual Bonus. For 2015, the Compensation Policy Committee established a management bonus plan (the Bonus Plan) for the named executive officers, intended to reward them for achievement of pre-established financial, operational and associate objectives. The financial objectives, with respect to which 60 percent of the amounts payable under the Bonus Plan may be earned, consisted of Adjusted EBITDA and Net Income (which are defined below). These objectives were selected because they are important indicators of the Company s profitability and sustainability. With respect to the financial objectives, the payout for each executive officer for 2015 was at 179.5 percent of the target amount (but below the maximum amount) for Adjusted EBITDA and at 200.0 percent of the target amount (and at the maximum amount) for Net Income.

Equity Compensation. In February 2015, the Compensation Policy Committee approved the annual equity awards for 2015 for our named executive officers. The awards were a mixture of RSUs, SARs and Performance Units, with 45 percent of each named executive officer s total equity compensation consisting of Performance Units and 30 percent consisting of SARs, based on grant date value.

Corporate Governance and Best Practices

Our executive compensation programs contain features that are intended to embody our compensation principles and promote strong executive compensation corporate governance.

Performance-based compensation is a significant component of total pay opportunity for our executive officers. The chart below reflects the percentage of each named executive officer s total compensation for 2015 as reflected in the Summary Compensation Table that was performance-based (amounts earned as annual bonus and sales incentive compensation by the named executive officer for 2015 and the grant date value of the portion of the equity compensation that consists of SARs and Performance Units):

Annual cash compensation awards are designed to reward the achievement of pre-established financial objectives, individual achievement objectives, customer/guest satisfaction objectives and associate engagement objectives.

We have a long-term incentive plan with share-based payouts at the end of three-year performance periods that rewards executives for meeting key financial objectives. In 2015, 45 percent of the awards consisted of Performance Units, based on grant date value, which was an increase from 30 percent in 2014, and the percentage represented by RSUs was reduced from 40 percent to 25 percent. The remaining 30 percent of each named executive officer s award consisted of SARs.

We have a clawback policy applicable to incentive compensation paid to our executive officers and directors, which is in addition to the clawback provision that applies to equity awards under the Stock and Cash Incentive Plan.

We do not provide for a gross-up of excise taxes on any parachute payments that could become payable in connection with a change in control.

Executive officers are provided only limited perquisites and are not provided with tax gross-ups with respect to such perquisites.

The Stock and Cash Incentive Plan does not include an evergreen provision.

We cannot, without shareholder approval, reprice stock options or SARs by reducing the exercise price of such stock option or SAR, exchanging such stock option or SAR for a new award with a lower exercise price, or exchanging such stock option or SAR for cash (other than in connection with specified corporate transactions).

We do not provide single trigger change in control benefits, except with respect to equity awards which are not retained or replaced with substitute awards following a change in control.

We have stock ownership guidelines that require our Chief Executive Officer to own shares of our common stock (as determined under the guidelines) with a market value equal to five times base salary and other executive officers to own shares of our common stock with a market value equal to two to three times annual base salary. Executive officers who served in such capacity at the time of the Spin-Off are expected to achieve compliance with these guidelines by the end of 2016; other executive officers are expected to achieve compliance by the end of their fifth full year of service.

Equity grants are made on a consistent schedule and are not made in anticipation of significant developments that may impact the price of our common shares. Annual grants are generally made during the first quarter, after the release of our earnings for the prior year and guidance for the current year, which is intended to ensure that we do not make equity grants when we have material, non-public information.

Our associates, officers and directors may not at any time engage in any form of derivative transactions (such as short sales or option puts or calls) in our securities.

Our associates, officers and directors are prohibited from including Marriott Vacations Worldwide stock or other securities in a margin account or pledging such securities as collateral for a loan.

We do not have employment agreements with any of our executive officers.

None of our executive officers are entitled to guaranteed bonuses.

Philosophy

The Compensation Policy Committee is responsible for approving and overseeing our executive compensation programs. The Compensation Policy Committee has approved, and periodically reviews, compensation principles that form the basis of our compensation philosophy and reflect our belief that strong and consistent leadership is the key to long-term success in our industry. Therefore, in designing and implementing the compensation program that applies to the named executive officers, we emphasized the following three principles:

Drive Shareholder Value: Executive officers should be paid in a manner that is primarily focused on driving shareholder value. Therefore, equity compensation has been a significant component of total pay opportunity for the named executive officers.

Motivate Short-term and Longer-term Performance: Compensation should be designed to motivate executive officers to perform their duties in ways that would help achieve current year as well as longer-term objectives. This has been achieved by offering a mix of short-term cash-based and long-term equity-based incentives.

Retain Talent: The compensation program must be competitive in order to attract key talent from within and outside of our industry and retain key talent at costs consistent with market practice. We work to achieve this, in part, through our review of the market data and internal pay equity considerations described below in making compensation decisions. The Compensation Policy Committee seeks to establish compensation generally consistent with the median in total direct compensation, while also considering performance and scope of job.

Role of Management, the Compensation Policy Committee and the Compensation Consultant

Our Compensation Policy Committee Chair, Thomas J. Hutchison III, with input from our Chairman, William J. Shaw, made recommendations to the Compensation Policy Committee with respect to Mr. Weisz s compensation. With input from our human resources department, Mr. Weisz made compensation recommendations for the other named executive officers. The Compensation Policy Committee approved the total compensation packages for each of the named executive officers, including base salary, annual bonus targets, actual bonuses earned, and equity awards. In designing and implementing compensation programs applicable to the named executive officers, our Compensation Policy Committee considered the advice and recommendations of its compensation consultant, Exequity LLP. Additional information regarding Exequity LLP is provided below.

2015 Compensation

The elements and levels of our named executive officers compensation were not determined through rigid, categorical guidelines or formulae. The Compensation Policy Committee considered market data (as described below), and also considered internal factors, such as job level, experience, time in position and internal pay

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equity, as well as subjective factors such as leadership ability, individual performance, retention needs and future potential, as part of the management development and succession planning process. From time to time, the Compensation Policy Committee reviews tally sheets prepared by management for each of the named executive officers. The tally sheet includes, among other things, total annual compensation, the value of unexercised or unvested equity compensation awards, and amounts payable upon termination of employment under various circumstances, including following a change in control. The Compensation Policy Committee did not recommend specific changes to the executive compensation program for 2015 in response to a review of tally sheets in 2015, although it used the tally sheet information as one data point when considering executive compensation matters.

Base Salary

In February 2015, the Compensation Policy Committee approved the following base salaries for the named executive officers, effective as of January 3, 2015:

Name	2015 Base Salary	2014 Base Salary	Percent Change
Mr. Weisz	$800,000	$775,000	3.2%
Mr. Geller	$465,750	$450,000	3.5%
Mr. Cunningham	$406,248	$392,500	3.5%
Ms. Kane-Hanan	$372,600	$360,000	3.5%
Mr. Miller	$628,763	$607,500	3.5%

In determining whether to make adjustments to base salaries, the Compensation Policy Committee considered market data, as well as internal factors, experience, time in position and internal pay equity, and subjective factors such as individual performance and future potential. No specific weightings were assigned to the factors considered. The Compensation Policy Committee expects to review base salaries for the named executive officers annually to determine whether base salary levels are commensurate with the officers responsibilities and the competitive market.

Bonuses and Incentives

Annual Bonuses

For 2015, the named executive officers participated in the Bonus Plan, which was intended to reward executives for achievement of pre-established financial, operational and associate objectives tied to 2015 performance. The potential awards under the Bonus Plan are reported in the Grants of Plan-Based Awards for Fiscal Year 2015 table, and the actual award amounts earned under the Bonus Plan are reported in the non-equity incentive plan compensation column in the Summary Compensation Table following this Compensation Discussion and Analysis.

In February 2015, the Compensation Policy Committee approved the following target awards as a percentage of base salary for the named executive officers:

Name	2015 Target	2014 Target	Percent Change
Mr. Weisz	120%	100%	20.0%
Mr. Geller	75%	75%	
Mr. Cunningham	70%	60%	16.7%
Ms. Kane-Hanan	60%	60%	

Mr. Miller	60%	60%

In determining the amount of the target award percentage for each named executive officer, as well as in determining the differences in the target award percentages among the named executive officers, the

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Compensation Policy Committee primarily considered market data and internal factors, including pay equity with other officers, differences in responsibilities, future potential and, with respect to Mr. Miller, the fact that he participates in the sales incentive plan described below. The maximum award for each named executive officer was 200 percent of such named executive officer s target award.

Awards under the Bonus Plan also were contingent upon a compensation funding formula based on earnings (net income as reported in our Annual Report on Form 10-K for the fiscal year ended January 1, 2016 (the 2015 Form 10-K)), before interest expense (excluding consumer financing interest expense, which is described below), provision for income taxes, depreciation and amortization (EBITDA). The purpose of the funding formula is to allow awards under the Bonus Plan to be designed in a manner intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code (Section 162(m)). The formula established an award pool, which set the maximum amount that could be paid to executive officers covered by the compensation formula as a group at six percent of EBITDA for the fiscal year ended January 1, 2016. The maximum award for Mr. Weisz, as the Chief Executive Officer, was 40 percent of this pool, the maximum award for Mr. Miller was 30 percent of this pool (which includes amounts payable under the sales incentive plan described below), and the maximum amount that could be paid to each of the other named executive officers (other than Mr. Geller) was 15 percent of the pool. In addition, individual annual award amounts are limited to $4 million as provided in the Stock and Cash Incentive Plan. These limits establish the maximum annual incentive awards that could be paid.

Subject to the overall maximums described above, the Bonus Plan rewarded executives for achievement of pre-established financial, operational and associate objectives. The financial objectives, Adjusted EBITDA and Net Income, were also financial objectives for the 2014 bonus plan. These performance measures were selected because they are important indicators of the Company s profitability and sustainability. The specific performance level percentages for the Adjusted EBITDA and Net Income objectives were set by the Compensation Policy Committee with input from Mr. Weisz and Mr. Geller. Development margin, which was a financial objective for 2014, was not included as an objective for 2015, reflecting the view that development margin had been significantly improved and did not present opportunities for further significant improvement.

For all named executive officers, Adjusted EBITDA was the most heavily weighted performance criteria, because it is reflective of the financial viability and success of the Company in the performance year. Adjusted EBITDA means EBITDA (as reported in the 2015 Form 10-K), excluding the impact of impairments, restructuring charges (as defined below), gains and losses on the disposal of assets and litigation settlements. Adjusted EBITDA includes the impact of interest expense associated with our debt from the securitization of vacation ownership notes receivable, including the utilization of our warehouse facility (which we refer to as consumer financing interest expense). Restructuring charges include expenses associated with our organizational and separation related efforts and costs to execute our strategic initiatives that were identified at the time of our spin-off from Marriott International. The Adjusted EBITDA target was set at $218 million, a level we believed to be achievable but not certain to be met. For 2015, the named executive officers were eligible to receive the portion of the bonus attributable to Adjusted EBITDA based on the following achievement levels:

Achievement Target	Payout as a Percent of Target
$196.2 million or less	0%
$218.0 million	100%
$239.8 million or more	200%

For purposes of the Bonus Plan, Net Income means net income (as reported in the 2015 Form 10-K) for the 2015 fiscal year, excluding activity not associated with our on-going core operations. While net income as reported in the 2015 Form 10-K includes costs not associated with the Company s on-going core operations, the Compensation Policy Committee determined that excluding these costs more closely aligned this metric with the results of our on-going core operations. The Net Income target was set at $108 million, a level we believed to be

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achievable but not certain to be met. For 2015, the named executive officers were eligible to receive the portion of the bonus attributable to Net Income based on the following achievement levels:

Achievement Target	Payout as a Percent of Target
$97.2 million or less	0%
$108.0 million	100%
$118.8 million or more	200%

For each of the financial measures, achievement falling between two of the stated performance achievement levels resulted in the payment for that portion of the bonus being interpolated between the corresponding bonus levels.

For the fiscal year ended January 1, 2016, we achieved, for purposes of the Bonus Plan, Adjusted EBITDA of $235.3 million and Net Income of $118.8 million. This achievement resulted in a payout that was at 179.5 percent of the target amount (but below the maximum amount) for Adjusted EBITDA and 200.0 percent of the target amount (and at the maximum amount) for Net Income (see the table on page 28 for the weightings for each metric and the actual amount earned in respect thereof for each named executive officer).

For purposes of the Bonus Plan, the Compensation Policy Committee approved adjustments to our reported results to more closely reflect the results of our on-going core operations. Adjusted EBITDA was adjusted as follows:

Adjusted EBITDA as Reported (in millions)	Adjustment	Amount (in millions)
$235.9	Transaction costs associated with acquisitions	$ (6.3)
	Development profit from the disposition of units in Macau as whole ownership residential units rather than through our Marriott Vacation Club, Asia Pacific points program	5.9
	Charge related to a refurbishment project	(1.8)
	Income from the operation of the portion of a hotel acquired in 2015 that we intend to sell	1.6
	Adjusted EBITDA for 2015 Bonus Plan	**$235.3**

Net Income was adjusted as follows:

Net Income as Reported (in millions)	Adjustment	Amount (in millions)
$122.8		$ (9.6)

Gain related to the sale of undeveloped and partially developed land and a golf course	
Reversal of litigation settlement expenses	(0.2)
Organizational and separation related expenses	1.2
Impairment charge	0.3
Transaction costs associated with potential acquisition opportunities	2.1
Tax impact	2.2
Net Income for 2015 Bonus Plan	**$118.8**

In addition to the financial performance measures, the Bonus Plan for the named executive officers also included performance measures based on individual performance as well as measures of operational

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performance. These performance measures were evaluated subjectively and objectively and, like Adjusted EBITDA and Net Income targets, are intended to establish high standards, consistent with our quality goals, which we believed were achievable but not certain to be met. We believe that the following individual and operational performance measures are important contributors to achieving success within our industry. Payouts under these performance measures can be zero, at target or maximum award levels or, in most cases, interpolated between zero, target and maximum.

Individual Achievement: The Compensation Policy Committee approved a specific set of management objectives for each of the named executive officers that was aligned to his or her responsibilities and role within the Company. At least 50 percent of the amount each named executive officer could receive for performance with respect to his or her individual achievement measures was tied to objective financial goals. The management objectives generally were expected to be challenging and are among the core duties of the positions.

Examples of the financial goals include:

- Achieve targeted resort management and other services margin;
- Achieve targeted exchange company margin; and
- Achieve targeted rental revenue and margin.

Examples of operational goals include:

- Enter into arrangements to acquire inventory through capital efficient transactions;
- Achieve targeted tour flow growth; and
- Prepare for opening of new sales distributions.

We do not disclose the specific goals and objectives within, or the relative weighting of, the above objectives because we believe they constitute confidential business information and their disclosure could impair our ability to compete effectively.

Customer Satisfaction: Customer satisfaction was based on the results of customer and guest satisfaction surveys we developed. Different surveys are used for different aspects of our business, such as Guest Satisfaction for Resort Operations, Sales and Marketing Satisfaction and Owner Services Satisfaction. These surveys address topics such as overall satisfaction, quality of service, and cleanliness of properties. Numerical ratings are assigned with the objective of assessing customers and guests overall satisfaction compared to the goal that is established at the beginning of each year. The achievement of each executive officer, other than the Executive Vice President and Chief Sales and Marketing Officer, was based on a composite score of the three satisfaction surveys. The composite was a weighted average of the three surveys, based on number of responses. The goal and achievement of the Executive Vice President and Chief Sales and Marketing Officer was based upon the weighted average of the Sales & Marketing Satisfaction survey and the Owner Services Satisfaction survey, based on the number of responses.

Associate Engagement: Assessment of our associate engagement for the named executive officers, other than the President and Chief Executive Officer, was based on our engagement assessment for their areas of responsibility compared to the Aon Hewitt benchmarks of Consumer Services and Best Employer, adjusted for geographic differentials. The President and Chief Executive Officer was evaluated based on the engagement assessment for the entire company.

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The respective weightings of the relevant performance measures and the aggregate target and actual payments under the Bonus Plan are displayed in the table below.

Name		Adjusted EBITDA	Net Income	Individual Performance Financial	Operational	Customer/ Guest Satisfaction	Associate Engagement	Total
Stephen P. Weisz	Weight of Total Award (%)	40.00	20.00	10.00	10.00	10.00	10.00	100.00
	Target Award as % of Salary	48.00	24.00	12.00	12.00	12.00	12.00	120.00
	Actual Payout as % of Salary	86.16	48.00	19.20	16.80	20.40	24.00	214.56
	Actual Payout as % of Target	179.51	200.00	160.00	140.00	170.00	200.00	178.80
John E. Geller, Jr.	Weight of Total Award (%)	40.00	20.00	10.00	10.00	10.00	10.00	100.00
	Target Award as % of Salary	30.00	15.00	7.50	7.50	7.50	7.50	75.00
	Actual Payout as % of Salary	53.85	30.00	15.00	15.00	12.75	15.00	141.60
	Actual Payout as % of Target	179.51	200.00	200.00	200.00	170.00	200.00	188.80
R. Lee Cunningham	Weight of Total Award (%)	40.00	20.00	10.00	10.00	10.00	10.00	100.00
	Target Award as % of Salary	28.00	14.00	7.00	7.00	7.00	7.00	70.00
	Actual Payout as % of Salary	50.26	28.00	12.60	12.04	11.90	14.00	128.80
	Actual Payout as % of Target	179.51	200.00	180.00	172.00	170.00	200.00	184.00
Lizabeth Kane-Hanan	Weight of Total Award (%)	40.00	20.00	10.00	10.00	10.00	10.00	100.00
	Target Award as % of Salary	24.00	12.00	6.00	6.00	6.00	6.00	60.00
	Actual Payout as % of Salary	43.08	24.00	11.52	10.80	10.20	12.00	111.60
	Actual Payout as % of Target	179.51	200.00	192.00	180.00	170.00	200.00	186.00
Brian E. Miller	Weight of Total Award (%)	40.00	20.00	10.00	10.00	10.00	10.00	100.00
	Target Award as % of Salary	24.00	12.00	6.00	6.00	6.00	6.00	60.00
	Actual Payout as % of Salary	43.08	24.00	7.44	11.52	10.20	12.00	108.24
	Actual Payout as % of Target	179.51	200.00	124.00	192.00	170.00	200.00	180.40

The total amount of payout for each named executive officer was as follows: Mr. Weisz, $1,716,502; Mr. Geller, $659,510; Mr. Cunningham, $523,254; Ms. Kane-Hanan, $415,827; and Mr. Miller, $680,582.

Sales Incentive Compensation

Reflecting the significance of customer relations and sales functions to our business and industry practice, Mr. Miller also has been compensated through a sales incentive plan (Sales Incentive Plan) based on our achievement of pre-established goals with respect to contract sales volume, cash marketing and selling costs, and marketing and sales corporate overhead costs. The Sales Incentive Plan was recommended by Mr. Weisz and approved by the

Compensation Policy Committee and was established based upon an assessment of competitive pay practices in the vacation ownership industry and marketing and sales functions.

Payouts under the Sales Incentive Plan could have been zero or maximum award levels or interpolated between zero and maximum, which was 50 percent of Mr. Miller s base salary. We report the potential payments under the Sales Incentive Plan for 2015 in the Grants of Plan-Based Awards for Fiscal Year 2015 table, and we include the actual amount paid to Mr. Miller under the Sales Incentive Plan for 2015 in the non-equity incentive plan compensation column in the Summary Compensation Table following this Compensation Discussion and Analysis. We do not disclose the specific goals and objectives within, or the relative weighting of, Mr. Miller s goals under the Sales Incentive Plan because we believe they constitute confidential business information and their disclosure could impair our ability to compete effectively. However, we believe the performance goals were challenging but reasonably attainable at the time the goals were established.

Mr. Miller s performance was at 0 percent of the maximum achievement level with respect to contract sales volume, 0 percent of the maximum achievement level with respect to marketing and selling costs, and

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100 percent of the maximum achievement level with respect to corporate overhead. The total amount of payout for Mr. Miller under the Sales Incentive Plan was $31,438.

Stock Awards

Stock Awards Granted in 2015

We expect that equity compensation awards will be granted to the named executive officers under the Stock and Cash Incentive Plan on an annual basis. With multi-year and, in some cases, performance-based vesting conditions and the opportunity for long-term capital appreciation, the annual stock awards help us achieve our objectives of attracting and retaining key executive talent, linking named executive officer pay to long-term Company performance and aligning the interests of named executive officers with those of shareholders.

In February 2015, the Compensation Policy Committee approved the following annual equity awards for 2015 for our named executive officers:

Name	2015 Award Value	2014 Award Value	Percent Change
Mr. Weisz	$ 2,700,000	$ 2,100,000	28.6%
Mr. Geller	900,000	900,000	
Mr. Cunningham	600,000	500,000	20.0%
Ms. Kane-Hanan	425,000	425,000	
Mr. Miller	400,000	400,000	

The amount of each named executive officer s award, as well as the differences in the target award percentages among the named executive officers, were determined primarily by considering market data (as described below) and internal factors, including pay equity with other officers, differences in responsibilities, job performance, and future potential. The awards are reflected in the Summary Compensation Table for 2015 and the Grants of Plan-Based Awards for Fiscal Year 2015. The value of the awards were allocated among RSUs, SARs and Performance Units as follows:

Type of Award	Percentage of 2015 Award	Percentage of 2014 Award	Percentage Point Change
RSUs	25%	40%	(15)
SARs	30%	30%	
Performance Units	45%	30%	15

The allocations were set so as to advance the executives alignment with shareholders by increasing their equity ownership, while tying a majority of the awards to future stock price performance and achievement of financial performance goals. In furtherance of these objectives, the percentage of the awards represented by Performance Units was increased from 30 percent in 2014, and the percentage represented by RSUs was reduced from 40 percent.

The Performance Units granted in 2015 represent the right to receive shares of our common stock at the end of the performance period beginning January 3, 2015 and ending December 29, 2017, in an amount determined based on the Company s cumulative achievement over the performance period with respect to two performance objectives: Adjusted EBITDA and return on invested capital, each weighted equally. Return on invested capital (ROIC) means net income (as reported in our annual reports on Form 10-K) over the performance period, excluding the impact of all interest expense, provision for income taxes, impairments, restructuring charges, gains and losses on the disposal of assets and litigation settlements as a percentage of Total Invested Capital. Total Invested Capital means the average of the beginning of the performance period and the end of the performance period total assets less current liabilities excluding debt; provided that any cash in excess of

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$75 million will be disregarded for purposes of determining total assets. The Adjusted EBITDA target was set at $730 million, a level we believed to be achievable but not certain to be met. The ROIC target was set at 13.5 percent, a level we believed to be achievable but not certain to be met.

We used Adjusted EBITDA as a performance objective for both the Bonus Plan and the Performance Units because the Compensation Policy Committee believes that utilizing the same metric for both the short- and long-term compensation programs ensures that short-term management decisions are not influenced by short-term gain at the expense of long-term performance. By using the same metric, the Compensation Policy Committee is promoting sustained performance of the company in this area over both the short- and longer-term.

The number of Performance Units actually earned will be determined following the end of the performance period and will be equal to 50 percent of the granted number of Performance Units multiplied by a percentage corresponding to the achievement level of the Adjusted EBITDA performance objective plus 50 percent of the granted number of Performance Units multiplied by a percentage corresponding to the achievement level of the ROIC performance objective. The number of shares that will be received can range from zero to two times the number of Performance Units granted and will be based on the following achievement levels:

Adjusted EBITDA Achievement Target	ROIC Achievement Target	Payout as a Percent of Target
$584 million or less	10.8% or less	0%
$620 million	11.5%	50%
$730 million	13.5%	100%
$839 million or more	15.6% or more	200%

If performance falls between levels, the vesting percentage will be determined by the Compensation Policy Committee based on straight-line interpolation; provided, however, that no payout will be made with respect to the Adjusted EBITDA performance objective for achievement of $584 million or less and no payout will be made with respect to the ROIC performance objective for achievement of 10.8% or less.

Performance Units will not vest if the named executive officer does not continue to be an active employee of the Company during the entire period from the grant date through the performance period (unless the named executive officer retires as an approved retiree or dies or is disabled during such period) or engages in competition or acts that are or potentially are injurious to our company s operations, financial condition or business reputation during that period; the named executive officers are also prohibited from soliciting any of our employees to leave our employment during the period from the grant date until the first anniversary of the termination of the officer s employment for any reason. If a named executive officer retires as an approved retiree during the performance period, a pro rata portion of the Performance Units will continue to vest on the same terms. If a named executive officer dies or is disabled during the performance period, a portion of the Performance Units will vest.

Performance Units Vested in 2015

Following the end of 2015, each of the named executive officers received shares upon the vesting of the Performance Units granted in 2013. These performance shares represented the right to receive shares of our common stock at the end of the performance period beginning December 29, 2012 and ending January 1, 2016, in an amount determined based on the Company s cumulative achievement over the performance period with respect to two performance objectives: Adjusted EBITDA and ROIC, each weighted equally. The targets were

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set at levels we believed to be achievable but not certain to be met. Performance exceeded the target achievement level but was below the maximum achievement level for both Adjusted EBITDA and ROIC as follows:

Criteria	Target	Achievement	Payout as a Percent of Target
Cumulative Adjusted EBITDA	$546 million	$612 million	180.77%
ROIC	9.5%	11.0%	200.00%
			190.39%

As a result of such performance, the named executive officers received the following numbers of shares: Mr. Weisz, 27,182 shares; Mr. Geller, 10,015 shares; Mr. Cunningham, 6,437 shares; Ms. Kane-Hanan, 5,723 shares; and Mr. Miller, 5,723 shares.

Other Compensation

Perquisites

In 2015, we offered minimal perquisites consisting of only a limited number of compensatory room nights, a minimal executive physical benefit and a status upgrade in the Marriott Rewards program. The value of these benefits was included in the executives wages for tax purposes, and we did not provide tax gross-ups to the executives with respect to these benefits.

Other Benefits

Named executive officers also can participate in the same plans and programs offered to all our eligible employees. Some of these benefits were paid for by the executives, such as elective deferrals under the Marriott Vacations Worldwide 401(k) Retirement Savings Plan (the 401(k) Plan) or the Marriott Vacations Worldwide Corporation Deferred Compensation Plan (the Deferred Compensation Plan), vision coverage, long- and short-term disability, group life and accidental death and dismemberment insurance, and health care and dependent care spending accounts. Other benefits were paid for or subsidized by us, such as any company match under the 401(k) Plan, any employer credits under the Deferred Compensation Plan, certain group medical and dental benefits, business travel accident insurance and tuition reimbursement.

Long-Term Disability Plan

Our named executive officers and approximately 220 other associates are eligible to participate in the Marriott Vacations Worldwide Corporation Executive Long-Term Disability Plan (the LTD Plan). The purpose of the LTD Plan is to improve the ability of the Company to attract and retain executive and senior level associates by providing such associates with enhanced long-term disability insurance. The LTD Plan is subject to certain provisions of the Employee Retirement Income Security Act of 1974, as amended.

The LTD Plan consists of two parts: (1) a group long-term disability policy (the Group Policy) that pays, after a 180-day elimination period, 60 percent of eligible compensation, which initially consists of base pay, bonus and incentive compensation (Eligible Compensation), capped at $10,000 per month, to a specific age, which initially is age 65 (the Limiting Age), the entire cost of which will be paid by the Company; and (2) an individual disability insurance policy (the Individual Policy) that pays 75 percent of Eligible Compensation up to $10,000 per month, to the Limiting Age. We pay 100% of the premium cost required for the Individual Policy for our executive officers, and pay for the first $1,000 of coverage under the Individual Policy for other participants. The right to receive any payment under the Group Policy will cease upon termination of employment. The Individual Policy will be portable; the participant will be able to continue coverage by paying the full premiums after termination of employment. The total maximum benefit amount for the combination of the two parts of the LTD Plan is $20,000 per month or $240,000 per year.

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Life Insurance

We pay for life insurance with a payout on death for Mr. Weisz in the amount of two times his base salary (up to a maximum of $1.5 million), and for each other named executive officer in the amount of such officer s base salary (up to a maximum of $750,000).

401(k) Plan

Our named executive officers are eligible to participate in our 401(k) Plan on substantially the same basis as our other associates. Participants in the 401(k) Plan may contribute a portion of their compensation to the plan each year. Our highly compensated employees, including the named executive officers, may be subject to limits on the amounts of their contributions to the plan that are not applicable to non-highly compensated employees to the extent required by applicable tax law. We determine on an annual basis whether to make matching employer contributions, which will not exceed six percent of the participant s eligible compensation, or such other limits that are imposed by applicable tax law. Any employer contributions that we made to the 401(k) Plan accounts of the named executive officers for 2015 are shown in the All Other Compensation column of the Summary Compensation Table below.

Deferred Compensation

Our named executive officers and approximately 640 other associates are eligible to participate in the Deferred Compensation Plan. We provide the Deferred Compensation Plan because the Compensation Policy Committee wishes to permit certain of our employees to defer the obligation to pay taxes on compensation and bonuses that they are entitled to receive. The Deferred Compensation Plan permits them to do this, while also receiving interest on deferred amounts. We believe that provision of this benefit is important as a retention and recruitment tool as many of the companies with which we compete for executive talent provide a similar plan for their senior employees.

Under the terms of the Deferred Compensation Plan, each participant may elect to defer receipt of up to 80 percent of his or her base salary, bonuses and/or commissions until such future date as he or she elects in accordance with the terms of the Deferred Compensation Plan. The Company may credit participants accounts with additional amounts, referred to as employer credits, in an amount equal to any matching contributions that the participant did not receive for a year under the 401(k) Plan, or any successor plan thereto, due to the participant s election to defer amounts under the Deferred Compensation Plan. In addition, the Company may, in its sole discretion, credit participants accounts with additional employer credits which will vest at a rate of 25 percent per year on the first four anniversaries of the date the discretionary employer credit was allocated to the participant s account, provided that the participant remains in continued service with the Company. On a participant s separation from service, unvested discretionary employer credits are generally forfeited. Upon a change in control of the Company, a participant s death, or a participant s retirement after reaching age 55 and completing ten continuous years of service, all employer credits will immediately vest in full.

A participant in the Deferred Compensation Plan may elect to receive his or her deferred amounts and vested employer credits in a lump sum or in installments over five, ten, fifteen or twenty years at either a separation from service or upon any of the first five anniversaries of a separation from service. Alternatively, a participant may elect to receive his or her deferred amounts and vested employer credits in a lump sum in January of a specified year, so long as employer credits are deferred for at least four years and all other amounts are deferred for at least three years. Participants accounts will be credited with an investment return based on a fixed rate of interest selected by the administrator or determined as if the account were invested in one or more investment funds made available by the administrator of the Deferred Compensation Plan.

The rate of return was set at 5.6 percent for 2015. This rate exceeds 120 percent of the applicable federal long-term rate, and as a result the excess is reported in the Change in Pension Value and Nonqualified Deferred

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Compensation Earnings column of the Summary Compensation Table. The obligations under the Deferred Compensation Plan are not funded by the Company, and therefore participants have an unsecured contractual commitment from us to pay the amounts due under the Deferred Compensation Plan. Because the plan is unsecured, the Compensation Policy Committee believes it is appropriate to provide an interest rate intended to compensate for this risk. When payments are due under the Deferred Compensation Plan, the cash will be distributed from our general assets.

Prior to the Spin-Off, our named executive officers and other senior management were able to participate in the Marriott International, Inc. Executive Deferred Compensation Plan (Marriott Deferred Compensation Plan), and our named executive officers have balances under that plan. Earnings on balances under the Marriott Deferred Compensation Plan that were credited at a rate of interest in excess of 120 percent of the applicable federal long-term rate are reported in the Summary Compensation Table.

Employee Stock Purchase Plan

In 2015, the Company adopted the Marriott Vacations Worldwide Corporation Employee Stock Purchase Plan (the ESPP). The ESPP is intended to provide the Company s eligible employees, including our named executive officers, with an opportunity to participate in the Company s success by permitting them to acquire an ownership interest in the Company through periodic payroll deductions that will be applied towards the purchase of shares of our common stock at a five percent discount from the market price.

Change in Control Arrangements

Our named executive officers are participants in the Marriott Vacations Worldwide Corporation Change in Control Severance Plan (the Change in Control Plan). Adoption of the Change in Control Plan was intended to maximize shareholder value by retaining key executives through the closing of a Change in Control (as defined below), and to motivate executives to drive business success independent of the possible occurrence of a Change in Control. All of our executive officers are eligible to participate in the Change in Control Plan. Under the Change in Control Plan, the receipt of benefits is subject to a double trigger, under which benefits, including the acceleration of vesting and/or settlement of equity and cash awards, is available only if the participant s employment is terminated in connection with the Change in Control unless the awards are not assumed in connection with the Change in Control, in which case a single trigger applies. A change in control occurs if there is a consummation of certain acquisition, merger, sale, liquidation or similar events or there is a change in a majority of Board members as described in the Change in Control Plan (a Change in Control).

Under the terms of the Change in Control Plan, and subject to the conditions thereof, an executive officer who participates in the Change in Control Plan will receive severance benefits if his or her employment is terminated involuntarily by the Company or any of its affiliates, other than due to Cause, Total Disability (as those terms are defined in the Change in Control Plan), or death, or is terminated by the executive officer for Good Reason (as defined in the Change in Control Plan), in each case, within two years following a Change in Control of the Company (a Termination). Provided that the executive officer executes a waiver and release of claims in favor of the Company, he or she will be entitled to the following severance benefits: (1) a cash severance payment, payable in a lump sum, equal to two times (or three times, in the case of the President and Chief Executive Officer of the Company) the sum of his or her Base Salary and Target Bonus (as those terms are defined in the Change in Control Plan); (2) twenty-four months (or thirty-six months, in the case of the President and Chief Executive Officer of the Company) of Company-subsidized medical, dental and life-insurance coverage for such executive officer and his or her spouse and dependents, at the same benefit level as provided to the executive immediately prior to the Change in Control, or the cash equivalent of the present value of such coverage; (3) any unpaid bonus as of the Termination date for any previously-completed fiscal year; and (4) a pro-rata bonus for the fiscal year in which the executive officer s employment is terminated.

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In addition to receipt of the severance benefits described above, upon Termination, an executive officer s stock options and other equity-related compensation will be treated as follows: (1) all restricted stock, RSUs or other share-based awards in a form substantially similar to restricted stock or RSUs will become fully vested as of the Termination date; (2) all unvested or unexercisable options, SARs or other share-based awards in a form substantially similar to options or SARs will become fully vested and exercisable until the earlier of the end of (a) their original term or (b) 12 months (or in the case of certain approved retirees, five years) following the Termination date; and (3) all of the executive officer s other cash performance-based awards or other share-based awards subject to performance-based vesting criteria will be deemed to be fully vested as of the Termination date, and will be paid immediately thereafter based on a presumed achievement of target levels of performance. However, in the event that no substitute awards, shares or other equity interests are available as of the Change in Control, the participant will become fully vested in his or her awards as of the Change in Control date, and all awards will be immediately distributed or paid, or, in the case of options and SARs, will become fully exercisable. In the discretion of the Compensation Policy Committee, distributions may be made in the form of a cash payment equal in amount to the shares distributed or, in the case of options or SARs, the intrinsic value of such awards.

Any payment otherwise due under the Change in Control Plan will be reduced if necessary so that the payment will not constitute a parachute payment under Section 280G of the Internal Revenue Code. The Change in Control Plan does not provide for a gross-up of excise taxes on such parachute payments.

Clawbacks

Under our clawback policy, which is in addition to the clawback provision that applies to equity awards issued under the Stock and Cash Incentive Plan, in the event of certain restatements of our consolidated financial statements, the Board may recoup compensation from a named executive officer who engaged in certain misconduct that contributed to the need for the restatement. Compensation that is based on our achievement of specified financial results, including performance-based equity awards, may be recouped to the extent such compensation would have been lower had it been determined or calculated based on the financial results as restated. In addition, the Board may recoup any compensation from a named executive officer who has engaged in conduct that violates our Business Conduct Guide or in willful misconduct or fraud that causes harm to the Company. Compensation received up to three years prior to the restatement or conduct and after the date of adoption of the policy is subject to potential recoupment under the policy.

Under the Stock and Cash Incentive Plan, we have the authority to limit or eliminate the ability of any executive to exercise options and SARs or to receive a distribution of our common stock under RSUs or other stock awards if the executive engaged in criminal or tortious conduct that was injurious to us or engaged in competition with us.

Stock Ownership Guidelines

Under the stock ownership guidelines adopted by the Compensation Policy Committee, named executive officers are to achieve the following levels of ownership of our common stock (as a multiple of base salary rate as of the last day of the fiscal year for which compliance is being evaluated):

Officer	Level of Ownership
Chief Executive Officer	Five times base salary
Chief Financial Officer	Three times base salary
Other named executive officers	Two times base salary

Named executive officers who served in such capacity at the time of the Spin-Off are expected to achieve compliance by the end of 2016; others are expected to achieve compliance by the end of their fifth full year of service.

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For purposes of determining compliance with the guidelines, the following are considered shares owned by the named executive officer: shares owned by the named executive officer and his or her spouse; shares held by a trust any beneficiaries of which are the named executive officer or his or her family members; shares held jointly with others; restricted stock awards; restricted stock unit awards; share equivalents deferred in accordance with our plans; and, to the extent earned, performance-based awards. Options, stock appreciation rights and, to the extent unearned, performance-based awards, are not considered owned by the named executive officer.

The Compensation Policy Committee receives an annual report of the ownership achieved by each named executive officer as of the end of the fiscal year, with the achievement level determined by reference to the average of the closing prices of our common stock for the 20 trading days ending on the last trading day of the fiscal year. The Compensation Policy Committee will determine the action to be taken for failure to comply, which action may include (but is not limited to), requiring all or a portion of a named executive officer s annual bonus to be paid in shares, or requiring retention of shares received upon exercise of stock options or SARs or of shares earned upon the vesting of performance-based equity awards. As of the end of 2015, each of our named executive officers had achieved the ownership level they will be required to achieve under the guidelines as of the end of 2016.

Pledging and Derivative Transactions

Our associates and officers are prohibited from including Marriott Vacations Worldwide stock or other securities in a margin account or pledging such securities as collateral for a loan. We also have a policy which prohibits all associates and officers from shorting the sale of our stock or securities, or from buying, selling, writing or otherwise entering into any other derivative transaction related to our stock or securities, including options, warrants, puts, calls, and similar rights.

Compensation Consultant

The Compensation Policy Committee has the sole discretion and adequate funding to retain the services of compensation consultants, independent legal counsel or other advisers. Exequity LLP serves as the independent compensation consultant to the Compensation Policy Committee and advises it on developing director and executive compensation programs. During 2015, Exequity did not perform any services for the Company other than in connection with providing advice and recommendations on executive and director compensation. The Compensation Policy Committee has reviewed an assessment of any potential conflicts of interest raised by Exequity s work for the Compensation Policy Committee by considering the following six factors: (i) the provision of other services to the Company by Exequity; (ii) the amount of fees received from the Company by Exequity, as a percentage of Exequity s total revenue; (iii) the policies and procedures of Exequity that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Exequity consultant with a member of the Compensation Policy Committee; (v) any Company stock owned by the Exequity consultants; and (vi) any business or personal relationship of the Exequity consultant or Exequity with any of the Company s executive officers, and concluded that there are no such conflicts of interest. Using the same six factors, the Compensation Policy Committee has concluded that Exequity is independent.

Market Data

The Compensation Policy Committee considered the external market pay practices of various companies for purposes of the decisions made with respect to the compensation of our executive officers for 2015. Considerations for developing the peer group included company size as measured by revenues (generally one-half to two times the Company s revenues) and market capitalization (companies with very low or very high market capitalizations relative to the Company were excluded), industry and business model similarities, and trading on a major exchange. The objective was to develop a peer group consisting of 15 to 20 companies with median revenues approximating the Company s revenues.

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For 2015, the Compensation Policy Committee retained all members of the 2014 peer group and added Diamond Resorts International, Inc., a timeshare company which had recently become publicly traded. The companies in the 2015 peer group consist of the following:

Peer Group Companies	
Ashford Hospitality Trust, Inc.	Pinnacle Entertainment, Inc.
Boyd Gaming Corporation	PulteGroup, Inc.
Brookdale Senior Living Inc.	Ryman Hospitality Properties, Inc.
Choice Hotels International, Inc.	Strategic Hotels & Resorts, Inc.
Diamond Resorts International, Inc.	Sunstone Hotel Investors, Inc.
Emeritus Corporation	Toll Brothers, Inc.
Hyatt Hotels Corporation	Vail Resorts, Inc.
Interval Leisure Group, Inc.	Wyndham Worldwide Corporation
Isle of Capri Casinos, Inc.	

In addition, in part due to the fact that there are very few public company direct competitors, the Compensation Policy Committee determined that it was appropriate to consider the compensation practices of a general industry peer group as an additional reference point for its 2015 executive pay decisions. Two objective criteria were established as the basis for selecting forty companies in the consumer products industry that participated in Equilar s Top 25 database. Forty consumer products companies, approximately half of which had revenues greater than the Company s revenues and the others less than the Company s, were selected. Company names were not a material factor in selecting the companies for participation.

The companies that met these objective criteria with revenues greater and less than the Company s consist of the following:

Equilar Companies	
Aéropostale, Inc.	Fossil Group, Inc.
Alliance One International, Inc.	GNC Holdings, Inc.
AMC Entertainment Holdings, Inc.	Helen of Troy Limited
ANN INC.	Hovnanian Enterprises, Inc.
Bluegreen Corporation	International Game Technology PLC

The Bon-Ton Stores, Inc.

Brinker International, Inc.

Callaway Golf Company

Carter s, Inc.

The Cheesecake Factory Incorporated

The Children s Place, Inc.

Choice Hotels International, Inc.

Church & Dwight Co., Inc.

Deckers Outdoor Corporation

Destination Maternity Corporation

DineEquity, Inc.

Domino s Pizza, Inc.

Dunkin Brands Group, Inc.

Express, Inc.

The Finish Line, Inc.

John B. Sanfilippo & Son, Inc.

Kate Spade & Company

Libbey Inc.

lululemon athletica inc.

Outerwall Inc.

Oxford Industries, Inc.

Papa John s International, Inc.

Red Robin Gourmet Burgers, Inc.

Select Comfort Corporation

Service Corporation International

Sonic Corp.

Stage Stores, Inc.

Tower International, Inc.

Weight Watchers International, Inc.

The Wendy s Company

For 2016, Emeritus Corporation and Strategic Hotels & Resorts, Inc. will not be members of our peer group due to those companies ceasing to be publicly traded. In addition, the Compensation Policy Committee

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determined that adding HCP, Inc., Host Hotels & Resorts, Inc., Penn National Gaming, Inc. and Gaming and Leisure Properties, Inc. to the peer group would result in the Company s revenues being more in line with the median of the peer group. The Compensation Policy Committee will again also consider the compensation practices of a general industry peer group, consisting of forty companies in the consumer products industry that participated in Equilar s Top 25 database (i.e., 20 consumer products companies with revenues greater and 20 consumer products companies with revenues less than the Company s revenues), as an additional reference point for its executive pay decisions.

Tax Considerations

Section 162(m) of the Internal Revenue Code limits a publicly traded company s federal income tax deduction for compensation in excess of $1 million paid to its Chief Executive Officer and the next three highest-paid executive officers (except for the Chief Financial Officer). However, compensation that satisfies conditions set forth under Section 162(m) to qualify as performance-based compensation is not subject to the limitation. SARs, Performance Units and some other forms of compensation granted under the Stock and Cash Incentive Plan can be designed to qualify as performance-based compensation. We intend to consider the application of the Section 162(m) limits when structuring and granting various elements of compensation. However, we may determine that the value of preserving the ability to structure compensation programs to meet a variety of corporate objectives, such as equity dilution management, workforce planning, customer satisfaction and other non-financial business requirements, justifies the cost of potentially being unable to deduct a portion of the executives compensation. In addition, because of ambiguities and uncertainties as to the application and interpretation of Section 162(m) and related regulations, and the fact that such regulations and interpretations may change from time to time (with potentially retroactive effect), no assurance can be given that compensation intended to satisfy the requirements for deductibility under Section 162(m) will in fact do so.

Risk Considerations

The Compensation Policy Committee reviewed a risk assessment to determine whether the amount and components of compensation for our employees and the design of compensation programs might create incentives for excessive risk-taking by our employees. The Compensation Policy Committee concluded that our compensation programs do not present risks that are reasonably likely to have a material adverse effect on the Company.

Consideration of Prior Shareholder Advisory Vote to Approve Executive Compensation

At our 2015 Annual Meeting of Shareholders, our shareholders voted with respect to an advisory resolution on our executive compensation, and overwhelmingly approved the compensation of our named executive officers as disclosed in the proxy statement for that Annual Meeting. The Compensation Policy Committee considered this support, as well as the other factors discussed in this Compensation Discussion and Analysis, in retaining the fundamental characteristics of our executive compensation program for 2016.

Employment Agreements

We do not have employment agreements with any of our executive officers.

Report of the Compensation Policy Committee

The Compensation Policy Committee, which is composed solely of independent members of the Board, assists the Board in fulfilling its responsibilities relating to executive compensation. The Compensation Policy Committee is responsible for overseeing compensation programs that enable the Company to attract, retain and motivate executives capable of establishing and implementing business plans in the best interests of the shareholders. The Compensation Policy Committee, on behalf of and in certain instances subject to the approval

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of the Board, reviews and approves compensation programs for certain senior officer positions. In this context, the Compensation Policy Committee reviewed and discussed with management the Company s Compensation Discussion and Analysis required by Item 402(b) of SEC Regulation S-K. Following the reviews and discussions referred to above, the Compensation Policy Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Members of the Compensation Policy Committee:

Thomas J. Hutchison III, Chair

Raymond L. Gellein, Jr.

William W. McCarten

Dianna F. Morgan

Executive Compensation Tables and Discussion

Summary Compensation Table

The following Summary Compensation Table shows the compensation we paid in fiscal years 2015, 2014 and 2013 to our Chief Executive Officer, our Chief Financial Officer and our other three most highly compensated executive officers.

Name and Principal Position	Fiscal Year	Salary(1)	Bonus	Stock Awards(2)	Option/ SAR Awards(2)	Non-Equity Incentive Plan Compensation(3)	Change in Pension Value And Nonqualified Deferred Compensation Earnings(4)	All Other Compensation(5)	Total
tephen P. Weisz	2015	$ 800,000	$	$ 1,890,030	$ 810,003	$ 1,716,502	$ 37,321	$ 39,862	$ 5,293,718
resident and Chief	2014	775,000		1,469,995	630,014	1,228,848	25,339	21,121	4,150,317
xecutive Officer	2013	764,423		1,330,021	570,011	1,350,000	29,714	8,207	4,052,376
ohn E. Geller, Jr.	2015	465,750		629,958	270,011	659,510	5,561	23,426	2,054,216
xecutive Vice President	2014	450,000		630,021	270,006	535,819	3,181	15,081	1,904,108
nd Chief Financial Officer	2013	428,077		490,000	209,992	565,551	3,541	8,110	1,705,271
. Lee Cunningham	2015	406,248		420,075	179,988	523,254	14,934	20,075	1,564,574
xecutive Vice President and	2014	392,500		350,011	150,013	375,766	9,464	14,172	1,291,926
hief Operating Officer	2013	387,308		314,968	135,001	395,408	10,868	8,064	1,251,617

Lizabeth Kane-Hanan	2015	372,600	297,444	127,509	415,827	5,272	19,096	1,237,748
Executive Vice President and	2014	360,000	297,509	127,491	346,380	3,637	8,155	1,143,172
	2013	356,731	280,034	119,999	368,472	4,362	8,040	1,137,638
Chief Growth and Inventory								
Officer								
Brian E. Miller	2015	628,763	280,025	120,012	712,020	15,924	29,625	1,786,369
Executive Vice President	2014	607,500	280,009	119,993	775,514	9,732	17,671	1,810,419
	2013	601,346	280,034	119,999	661,535	11,297	8,202	1,682,413
and Chief Sales and								
Marketing Officer								

(1) This column reports all amounts earned as salary during the fiscal year, whether paid or deferred under employee benefit plans. Our 2013 fiscal year included 53 rather than 52 weeks, resulting in an additional week of salary.

(2) The value reported for Stock Awards and Option/SAR awards is the aggregate grant date fair value of the awards granted in the fiscal year as determined in accordance with accounting guidance for share-based payments, although we recognize the expense of the awards for financial reporting purposes over the service period of the awards. The assumptions for making the valuation determinations are set forth in Footnote No. 14, Share-Based Compensation, of the Notes to our Consolidated Financial Statements included in the 2015 Form 10-K. For additional information on these awards, see the Grants of Plan-Based Awards for Fiscal Year 2015 table below. The value reported for the Performance Units is the grant date value assuming performance at the target level, which was the probable outcome of the

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performance conditions as of the grant date. The values of the Performance Units granted in 2015 at the grant date assuming that the maximum level of performance conditions is achieved are: Mr. Weisz, $2,430,028; Mr. Geller, $809,958; Mr. Cunningham, $540,075; Ms. Kane-Hanan, $382,450; and Mr. Miller, $359,998.

(3) This column reports all amounts earned under the bonus plan and sales incentive plan in effect for such fiscal year, whether paid or deferred under other employee benefit plans. Amounts earned under a bonus plan during a fiscal year were paid in the first quarter of the following fiscal year.

(4) The values reported equal the excess of the return on amounts credited to accounts in the Deferred Compensation Plan and the Marriott Deferred Compensation Plan at the annually designated rate of return over 120 percent of the applicable federal long-term rate, as discussed below under Nonqualified Deferred Compensation for Fiscal Year 2015.

(5) All Other Compensation for 2015 consists of company contributions to the 401(k) Plan ($7,950 for each named executive officer); contributions to the Deferred Compensation Plan ($30,418 for Mr. Weisz; $15,014 for Mr. Geller; $11,722 for Mr. Cunningham; $10,777 for Ms. Kane-Hanan; and $21,052 for Mr. Miller); and premiums for an insurance policy on the life of each named executive officer ($1,494 for Mr. Weisz; $462 for Mr. Geller; $403 for Mr. Cunningham; $369 for Ms. Kane-Hanan; and $623 for Mr. Miller).

Grants of Plan-Based Awards for Fiscal Year 2015

The following table shows the plan-based awards granted to the named executive officers in 2015.

				Estimated Possible Payouts Under Non-Equity Incentive Plan Awards [3]			Estimated Possible Payouts Under Equity Incentive Plan Awards				All Other Options/ SAR Awards: Number of Securities Under-lying Options/ SARs		
	Award Type[1]	Grant Date[2]	Approval Date[2]	Threshold $	Target $	Maximum $	Threshold #	Target #	Maximum #	All Other Stock Awards: Number of Shares of Stock or Units		Exercise or Base Price[4]	
	Bonus			$	$ 960,000	$ 1,920,000						$	$
	RSUs	3/02/2015	2/12/2015							8,719			
	SARs	3/02/2015	2/12/2015								27,227	77.42	
	Performance	3/02/2015	2/12/2015					15,694	31,388				
	Bonus				349,313	698,625							
	RSUs	3/02/2015	2/12/2015							2,906			
	SARs	3/02/2015	2/12/2015								9,076	77.42	
	Performance	3/02/2015	2/12/2015					5,231	10,462				
nam	Bonus				284,374	568,747							
	RSUs	3/02/2015	2/12/2015							1,938			
	SARs	3/02/2015	2/12/2015								6,050	77.42	
	Performance	3/02/2015	2/12/2015					3,488	6,976				
nan	Bonus				223,560	447,120							
	RSUs	3/02/2015	2/12/2015							1,372			
	SARs	3/02/2015	2/12/2015								4,286	77.42	

Performance	3/02/2015	2/12/2015			2,470	4,940			
Bonus			377,258	754,516					
Incentive				314,382					
RSUs	3/02/2015	2/12/2015					1,292		
SARs	3/02/2015	2/12/2015						4,034	77.42
Performance	3/02/2015	2/12/2015			2,325	4,650			

(1) Bonus refers to our Bonus Plan in which our named executive officers participated. RSUs, SARs and Performan refers to RSUs, SARs and Performance Units, respectively, granted under the Stock and Cash Incentive Plan. Incentive refers to the Sales Incentive Plan in which Mr. Miller participated.

(2) Grant Date applies to equity awards reported in the Estimated Possible Payouts Under Equity Incentive Plan Awards, All Other Stock Awards and All Other Option/SAR Awards columns. The Compensation Policy Committee approved grants of RSUs, SARs and Performance Units for the named executive officers on February 12, 2015, and the grant date of these awards was March 2, 2015.

(3) The amounts reported in these columns include potential payouts corresponding to the achievement of the target and maximum performance objectives under the Bonus Plan and Sales Incentive Plan.

(4) The awards were granted with an exercise or base price equal to the average of the high and low stock price on the NYSE on the date of grant.

(5) The value reported for Equity Incentive Plan Awards, Stock Awards and Option/SAR Awards is the aggregate grant date fair value of the awards granted in 2015 as determined in accordance with accounting standards for share-based payments, although the expense of the awards is recognized for financial reporting purposes over the service period of

the awards based on, with respect to the Performance Units, the probable outcome of the performance conditions. The assumptions for making the valuation determinations are set forth in Footnote No. 14, Share-Based Compensation, of the Notes to our annual Consolidated Financial Statements included in the 2015 Form 10-K.

The Grants of Plan-Based Awards table reports the potential dollar value of cash incentive awards under the Bonus Plan and/or Sales Incentive Plan at their threshold, target and maximum achievement levels, the number and grant date fair value of RSUs and SARs granted under the Stock and Cash Incentive Plan, and the number and grant date fair value of Performance Units granted under the Stock and Cash Incentive Plan at their threshold, target and maximum achievement levels granted to each named executive officer during the 2015 fiscal year. For cash incentives, this table reports the range of potential amounts that could have been earned by the executive under the Bonus Plan and/or Sales Incentive Plan for 2015, whereas the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table reports the actual value earned by the executive for 2015.

Annual RSU and SAR grants under the Stock and Cash Incentive Plan typically vest in four equal annual increments beginning a year after the grant date, contingent on continued employment. Even when vested, an executive could lose the right to exercise or receive a distribution of any outstanding stock awards if the executive terminated employment due to serious misconduct as defined in the Stock and Cash Incentive Plan, or if it is determined that the executive has engaged in competition or has engaged in criminal conduct or other behavior that was actually or potentially harmful. These awards do not accrue or pay cash dividends and do not bear voting rights until they vest (in the case of RSUs) or are exercised (in the case of SARs) and shares are issued to the grantee.

Performance Units represent the right to receive shares of our common stock at the end of a performance period, which with respect to the Performance Units granted in 2015 began January 3, 2015 and will end on December 29, 2017, contingent on continued employment through such date. The number of shares that will be received following the end of the performance period will be based on the Company s cumulative achievement over the period with respect to specified performance objectives and can range from zero to two times the number of Performance Units granted. Performance Units will be forfeited if the named executive officer engages in competition or acts that are or potentially are injurious to the Company s operations, financial condition or business reputation during the performance period; the named executive officers are also prohibited from soliciting any of our employees to leave our employment during the period from the grant date until the first anniversary of the termination of the officer s employment for any reason.

For information regarding treatment of the equity awards upon a termination of employment, see the Potential Payments Upon Termination or Change in Control beginning on page 46.

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Outstanding Equity Awards at 2015 Fiscal Year-End

The following table shows information about outstanding options, SARs, RSUs and Performance Units of our common stock and Marriott International common stock as of January 1, 2016, our fiscal year-end. The market values are based on the closing price of our common stock or Marriott International s common stock, as the case may be, on the NYSE on December 31, 2015, the last trading day of our fiscal year, which was $56.95 and $67.04, respectively.

			Option Awards				Stock Awards			
me	Grant Date(1)	Award Type(2)	Number of Securities Underlying Unexercised Options/SARs Exercisable/	Unexercisable(3)	Option/ SAR Exercise Price	Option/ SAR Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Weisz		VAC RSUs (4)			$		30,333	$ 1,727,464		$
	12/15/2011	VAC SARs	106,529		18.52	12/15/2021				
	02/25/2013	VAC SARs	13,146	13,146	39.93	02/25/2023				
	03/03/2014	VAC SARs	5,629	16,890	52.09	03/03/2024				
	03/02/2015	VAC SARs		27,227	77.42	03/02/2025				
	03/03/2014	Performance (5)							24,192(5)	1,377,734
	03/02/2015	Performance (7)							31,388(7)	1,787,547
Geller		VAC RSUs (9)					11,597	660,449		
	12/15/2011	VAC SARs	29,674		18.52	12/15/2021				
	02/25/2013	VAC SARs	4,843	4,843	39.93	02/25/2023				
	03/03/2014	VAC SARs	2,412	7,239	52.09	03/03/2024				
	03/02/2015	VAC SARs		9,076	77.42	03/02/2025				
	03/03/2014	Performance (5)							10,368(5)	590,458
	03/02/2015	Performance (7)							10,462(7)	595,811
nningham		VAC RSUs (10)					7,072	402,750		
	02/17/2011	MAR SARs	2,220		38.49	02/17/2021				
	02/19/2008	VAC SARs	1,558		20.41	02/19/2018				
	08/07/2008	VAC SARs	964		15.77	08/07/2018				
	02/16/2010	VAC SARs	1,090		15.50	02/16/2020				
	02/17/2011	VAC SARs	888		23.46	02/17/2021				

	12/15/2011	VAC SARs	18,900		18.52	12/15/2021				
	02/25/2013	VAC SARs	3,113	3,114	39.93	02/25/2023				
	03/03/2014	VAC SARs	1,340	4,022	52.09	03/03/2024				
	03/02/2015	VAC SARs		6,050	77.42	03/02/2025				
	03/03/2014	Performance (5)							5,760(5)	328,032
	03/02/2015	Performance (7)							6,976(7)	397,283
ne-Hanan		VAC RSUs (11)					5,824	331,677		
	02/19/2008	MAR SARs	7,800		33.50	02/19/2018				
	08/07/2008	MAR SARs	5,640		25.88	08/07/2018				
	02/19/2008	VAC SARs	780		20.41	02/19/2018				
	08/07/2008	VAC SARs	964		15.77	08/07/2018				
	12/15/2011	VAC SARs	16,323		18.52	12/15/2021				
	02/25/2013	VAC SARs	2,767	2,768	39.93	02/25/2023				
	03/03/2014	VAC SARs	1,139	3,418	52.09	03/03/2024				
	03/02/2015	VAC SARs		4,286	77.42	03/02/2025				
	03/03/2014	Performance (5)							4,896(5)	278,827
	03/02/2015	Performance (7)							4,940(7)	281,333
Miller		VAC RSUs (12)					5,600	318,920		
	08/07/2008	VAC SARs	1,084		15.77	08/07/2018				
	12/15/2011	VAC SARs	16,323		18.52	12/15/2021				
	02/25/2013	VAC SARs	2,767	2,768	39.93	02/25/2023				
	03/03/2014	VAC SARs	1,072	3,217	52.09	03/03/2024				
	03/02/2015	VAC SARs		4,034	77.42	03/02/2025				
	03/03/2014	Performance (5)							4,608(5)	262,426
	03/02/2015	Performance (7)							4,650(7)	264,818

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(1) VAC RSUs, VAC SARs, and Performance refer to RSUs, SARs and Performance Units, respectively, issued unde the Stock and Cash Incentive Plan. MAR SARs refer to SARs issued under the Marriott International Stock Plan. VAC RSUs and VAC SARs with a grant date prior to November 21, 2011 are Distribution Awards (as defined below) that were granted effective November 21, 2011 and relate to MAR RSUs and MAR SARs, respectively, with the grant dates indicated. The number of shares subject to SARs, options, and RSUs and the exercise prices of SARs and options reflect adjustments pursuant to the terms of the applicable plans and awards to reflect the Spin-Off. The awards retained the original terms and conditions after conversion.

(2) Effective as of the completion of the Spin-Off, all holders of Marriott International RSUs on the November 10, 2011 record date for the Spin-Off received RSUs under the Stock and Cash Incentive Plan in an amount consistent with the Distribution Ratio of one share of our common stock distributed in the Spin-Off for every ten shares of Marriott International common stock, with terms and conditions substantially similar to the terms and conditions applicable to the Marriott International RSUs. Also, effective as of the completion of the Spin-Off, the holders of Marriott International stock options and SARs on the record date received stock options and SARs under the Stock and Cash Incentive Plan, in an amount consistent with the Distribution Ratio, with terms and conditions substantially similar to the terms and conditions applicable to the Marriott International stock options and SARs. We refer to the awards made pursuant to the Stock and Cash Incentive Plan with respect to these Marriott International awards as the Distribution Awards. The adjusted exercise price of each converted award was determined in order to preserve the aggregate intrinsic value of the stock options and SARs held by such persons. The exercise prices of Marriott International awards were adjusted based on the proportion of the Marriott International ex-distribution closing stock price to the sum of the total of the Marriott International ex-distribution and Marriott Vacations Worldwide when issued closing stock prices on the distribution date. The per share exercise price of each such Stock and Cash Incentive Plan converted award is equal to the proportion of the Marriott Vacations Worldwide when issued closing stock price on the distribution date to the sum of the total of the Marriott International ex-distribution and Marriott Vacations Worldwide when issued closing stock prices on the distribution date. With respect to each of the awards described above, after November 21, 2011, service with Marriott International and/or Marriott Vacations Worldwide will be treated as continuous service with respect to the awards. Thus, the vesting, exercisability and forfeiture of the awards generally will be determined taking into account all such service, including eligibility to be considered an approved retiree.

(3) SARs vest and become exercisable in equal annual increments beginning a year after the grant date.

(4) 10,970 VAC RSUs vested on February 15, 2016; 10,971 VAC RSUs vest on February 15, 2017; 6,212 VAC RSUs vest on February 15, 2018; and 2,180 VAC RSUs vest on February 15, 2019.

(5) With respect to Performance Units granted on March 3, 2014, the number of shares that the named executive officer will receive will be determined after the end of the performance period on December 30, 2016 and will be based upon the achievement of specified levels of performance during that performance period. Represents the maximum number of shares of our common stock that can be issued after the end of the performance period on December 30, 2016, based on Marriott Vacations Worldwide s achievement of certain performance targets discussed above. The number of shares of our common stock that can be issued ranges from 0 shares to 24,192 shares for Mr. Weisz (12,096 shares for performance at target level), 10,368 shares for Mr. Geller (5,184 shares for performance at target level), 5,760 shares for Mr. Cunningham (2,880 shares for performance at target level), 4,896 shares for Ms. Kane-Hanan (2,448 shares for performance at target level), and 4,608 shares for Mr. Miller (2,304 shares for performance at target level).

(6) Calculated by multiplying $56.95, the closing market price of our common stock on December 31, 2015, by the number of Performance Units granted, assuming achievement at the maximum level of performance. The market value of the shares of our common stock that can be issued on the vesting date, based on Marriott Vacation Worldwide s achievement of certain performance targets discussed above, ranges from $0 (if the minimum number of shares, 0 shares, were to be received) to $1,377,734 for Mr. Weisz ($688,867 for performance at target level),

$590,458 for Mr. Geller ($295,229 for performance at target level), $328,032 for Mr. Cunningham ($164,016 for performance at target level), $278,827 for Ms. Kane-Hanan ($139,414 for performance at target level), and $262,426 for Mr. Miller ($131,213 for performance at target level).

(7) With respect to Performance Units granted on March 2, 2015, the number of shares that the named executive officer will receive will be determined after the end of the performance period on December 29, 2017 and will be based upon the achievement of specified levels of performance during that performance period. Represents the maximum number of shares of our common stock that can be issued after the end of the performance period on December 29, 2017, based on Marriott Vacations Worldwide s achievement of certain performance targets discussed above. The number of shares of our common stock that can be issued ranges from 0 shares to 31,388 shares for Mr. Weisz (15,694 shares for performance at target level), 10,462 shares for Mr. Geller (5,231 shares for performance at target level), 6,976 shares for Mr. Cunningham (3,488 shares for performance at target level), 4,940 shares for Ms. Kane-Hanan (2,470 shares for performance at target level), and 4,650 shares for Mr. Miller (2,325 shares for performance at target level).

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(8) Calculated by multiplying $56.95, the closing market price of our common stock on December 31, 2015, by the number of Performance Units granted, assuming achievement at the maximum level of performance. The market value of the shares of our common stock that can be issued on the vesting date, based on Marriott Vacation Worldwide s achievement of certain performance targets discussed above, ranges from $0 (if the minimum number of shares, 0 shares, were to be received) to $1,787,547 for Mr. Weisz ($893,773 for performance at target level), $595,811 for Mr. Geller ($297,905 for performance at target level), $397,283 for Mr. Cunningham ($198,642 for performance at target level), $281,333 for Ms. Kane-Hanan ($140,667 for performance at target level), and $264,818 for Mr. Miller ($132,409 for performance at target level).

(9) 4,207 VAC RSUs vested on February 15, 2016; 4,209 VAC RSUs vest on February 15, 2017; 2,454 VAC RSUs vest on February 15, 2018; and 727 VAC RSUs vest on February 15, 2019.

(10) 2,571 VAC RSUs vested on February 15, 2016; 2,572 VAC RSUs vest on February 15, 2017; 1,444 VAC RSUs vest on February 15, 2018; and 485 VAC RSUs vest on February 15, 2019.

(11) 2,161 VAC RSUs vested on February 15, 2016; 2,161 VAC RSUs vest on February 15, 2017; and 1,159 VAC RSUs vest on February 15, 2018; and 343 VAC RSUs vest on February 15, 2019.

(12) 2,093 VAC RSUs vested on February 15, 2016; 2,093 VAC RSUs vest on February 15, 2017; 1,091 VAC RSUs vest on February 15, 2018; and 323 VAC RSUs vest on February 15, 2019.

Option Exercises and Stock Vested During Fiscal Year 2015

The following table shows information about option and SAR exercises and vesting of RSUs during fiscal year 2015.

	Option/SAR Awards		**Stock Awards**	
	Number of Shares Acquired or Exercised	**Value Realized on Exercise[1]**	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting[2]**
S. Weisz[3]	7,348.0	$ 663,073	57,762.2	$ 3,620,325
J. Geller[4]			23,209.9	1,469,513
R. Cunningham[5]			12,437.8	778,755
L. Kane-Hanan[6]			11,992.5	768,563
B. Miller[7]			11,944.5	764,860

(1) The value realized upon exercise is based on the current trading price at the time of exercise.

(2) For RSUs, the value realized upon vesting is based on the average of the high and low stock price on the vesting date. For the Performance Units, the value realized upon vesting is based on the closing price of our common stock on the vesting date.

(3) Mr. Weisz acquired 7,348.0 shares of Marriott Vacations Worldwide common stock upon the exercise of 9,025 SARs. He acquired 25,988.2 shares of Marriott Vacations Worldwide common stock and 4,592 shares of Marriott International common stock upon vesting of RSUs. He acquired 27,182 shares upon the vesting of the Performance Units granted on February 25, 2013.

(4) Mr. Geller acquired 10,745.9 shares of Marriott Vacations Worldwide common stock and 2,449 shares of Marriott International common stock upon vesting of RSUs. He acquired 10,015 shares upon the vesting of the Performance Units granted on February 25, 2013.

(5)

Mr. Cunningham acquired 5,142.8 shares of Marriott Vacations Worldwide common stock and 858 shares of Marriott International common stock upon vesting of RSUs. He acquired 6,437 shares upon the vesting of the Performance Units granted on February 25, 2013.

(6) Ms. Kane-Hanan acquired 4,554.5 shares of Marriott Vacations Worldwide common stock and 1,715 shares of Marriott International common stock upon vesting of RSUs. She acquired 5,723 shares upon the vesting of the Performance Units granted on February 25, 2013.

(7) Mr. Miller acquired 4,506.5 shares of Marriott Vacations Worldwide common stock and 1,715 shares of Marriott International common stock upon vesting of RSUs. He acquired 5,723 shares upon the vesting of the Performance Units granted on February 25, 2013.

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Nonqualified Deferred Compensation for Fiscal Year 2015

The following table discloses contributions, earnings, distributions and balances under the Deferred Compensation Plan and the Marriott Deferred Compensation Plan for the 2015 fiscal year. Our executives ceased to be eligible to make further contributions under the Marriott Deferred Compensation Plan as of the Spin-Off. We have agreed to reimburse Marriott International for any payments made to our employees under the Marriott Deferred Compensation Plan. Unless otherwise indicated, amounts relate to contributions, earnings, distributions and balances under the Deferred Compensation Plan.

Name	Plan[(1)]	Executive Contributions in Last FY[(2)]	Company Contributions in Last FY[(3)]	Aggregate Earnings in Last FY	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last FYE[(4)]
S. Weisz	DCP	$ 92,798	$ 30,418	$ 6,805 [(5)]	$	$ 168,156 [(6)]
	MDCP			89,170 [(5)]		1,908,865 [(7)]
J. Geller	DCP	50,048	15,014	3,418 [(5)]		83,800 [(6)]
	MDCP			10,620 [(5)]		227,295 [(7)]
R. Cunningham	DCP	78,149	11,722	5,332 [(5)]		130,513 [(6)]
	MDCP			32,603 [(5)]		697,876 [(7)]
				(6,025) [(8)]		35,204 [(9)]
L. Kane-Hanan	DCP	18,606	10,777	507 [(5)]		19,113 [(6)]
	MDCP			13,081 [(5)]		279,966 [(7)]
B. Miller	DCP	108,949	21,052	6,513 [(5)]		156,503 [(6)]
	MDCP			33,891 [(5)]		725,436 [(7)]

(1) DCP and MDCP refer to the Deferred Compensation Plan and the Marriott Deferred Compensation Plan, respectively.

(2) The amounts in this column consist of elective deferrals by the named executive officers of salary for the 2015 fiscal year and non-equity incentive plan compensation for the 2014 fiscal year paid in 2015 under the Deferred Compensation Plan. All of these amounts that are attributable to 2015 salary are reported in the Summary Compensation Table, and all of the amounts that are attributable to 2014 non-equity incentive plan compensation were included in the 2014 Summary Compensation Table.

(3) The amounts in this column consist of company contributions that were accrued during 2015 and credited to the participants accounts in 2016 under the Deferred Compensation Plan. All of these amounts are included in the Summary Compensation Table in the All Other Compensation column for 2015.

(4) This column includes amounts in each named executive officer s total Deferred Compensation Plan account balance as of the last day of the 2015 fiscal year, and do not take into account the amounts in the Company Contributions in Last Fiscal Year column in the table above that were accrued during fiscal 2015 but credited to the participants accounts in 2016.

(5) These amounts consist of the aggregate notional earnings during 2015 of each named executive officer s account in the Deferred Compensation Plan or the Marriott Deferred Compensation Plan. Such earnings are reported in the Summary Compensation Table only to the extent that they were credited at a rate of interest in excess of 120 percent of the applicable federal long-term rate. The following table indicates the portion of each executive s

aggregate earnings during 2015 that is reported in the Summary Compensation Table.

	Amounts Included in the Summary Compensation Table for 2015	
Name	Deferred Compensation Plan	Marriott Deferred Compensation Plan
S. Weisz	$ 2,949	$ 34,372
J. Geller	1,467	4,094
R. Cunningham	2,367	12,567
L. Kane-Hanan	230	5,042
B. Miller	2,860	13,064

(6) Of these amounts, the following were previously reported in the Summary Compensation Table of previously filed proxy statements: Mr. Weisz, $67,573; Mr. Geller, $29,929; Mr. Cunningham, $46,324; Ms. Kane-Hanan, $0; and Mr. Miller, $40,492.

(7) Of these amounts, the following were previously reported in the Summary Compensation Table of previously filed proxy statements or in a Summary Compensation Table included in a Form 10 or Annual Report on Form 10-K: Mr. Weisz, $161,336; Mr. Geller, $73,805; Mr. Cunningham, $71,920; Ms. Kane-Hanan, $7,999; and Mr. Miller, $148,709.

(8) This amount consists of the total of the decrease in the value of 48.4 shares of Marriott Vacations Worldwide deferred bonus stock held by Mr. Cunningham during 2015 based on the difference between the Company s 2015 fiscal year-end closing stock price of $56.95 and its 2014 fiscal year-end closing stock price of $74.33, and the decrease in the value of 484 shares of Marriott International deferred bonus stock held by Mr. Cunningham during 2014 based on the difference between Marriott International s 2015 fiscal year-end closing price of $67.04 and its 2014 fiscal year-end closing stock price of $77.75. All of the shares of deferred bonus stock are fully vested and will be distributed to Mr. Cunningham in ten annual installments commencing on the January 2 following the date on which he ceases being employed by the Company.

(9) This amount consists of the value of 48.4 shares of Marriott Vacations Worldwide deferred bonus stock held by Mr. Cunningham based on the Company s 2015 fiscal year-end closing stock price of $56.95, and the value of 484 shares of Marriott International deferred bonus stock held by Mr. Cunningham based on Marriott International s fiscal year-end closing stock price of $67.04.

For 2015, we credited participant plan accounts with a rate of return of 5.6 percent. For 2015, Marriott International credited participant plan accounts with a rate of return of 4.9, determined largely based on Marriott International s estimated long-term cost of borrowing. To the extent that each of these rates exceeds 120 percent of the applicable federal long-term rate, the excess is reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column of the Summary Compensation Table.

The terms of the Deferred Compensation Plan are described above under Deferred Compensation Plan. Under the Marriott Deferred Compensation Plan, participants could defer the receipt of up to 80 percent of their salary, bonus and/or commissions, which amounts were immediately vested. In addition, the named executive officers were eligible to receive a discretionary match which, as with any other discretionary company contribution, for years commencing with 2009, was vested when made. A discretionary match, as well as any other discretionary company contribution, made for any year prior to 2009 vested 25 percent per year for each year that the executive remained employed by Marriott International following the date the company match was allocated to the executive s plan account, or if sooner, in full upon a change in control or approved retirement, death or disability. Marriott International also could make an annual discretionary matching contribution to the named executive officers Marriott Deferred Compensation Plan accounts, designed to make up for the approximate amount of matching contributions that would have been made under its 401(k) plan but for the application of certain nondiscrimination testing and annual compensation limitations under the Internal Revenue Code. Marriott International also could make an additional discretionary contribution to the named executive officers Marriott Deferred Compensation Plan accounts based on subjective factors such as individual performance, key contributions and retention needs. Because our executives ceased to be eligible to make further contributions under the Marriott Deferred Compensation Plan as of the Spin-Off, no match or discretionary company contribution was received by any of the named executive officers for 2015.

Participants can receive a distribution of the vested portion of their Marriott Deferred Compensation Plan accounts upon termination of employment (including retirement or disability) or, in the case of deferrals by the executive (and related earnings), upon a specified future date while still employed (an in-service distribution), as elected by the executive. Each plan year s deferrals have a separate distribution election. Distributions payable upon termination of employment are payable as: (i) a lump sum cash payment; (ii) a series of annual cash installments payable over a designated term not to exceed twenty years; or (iii) five annual cash payments beginning on the sixth January following termination of employment, in each case as elected by the executive. In-service distributions are payable as a single lump sum cash payment or annual cash payments over a term of one to five years, in either case beginning not earlier than the third calendar year following the calendar year of the deferral, as elected by the executive. However, in the case of amounts of $10,000 or less, or when no election regarding the form of distribution was made, the distribution is made in a lump sum. If the executive is a specified employee for purposes of Section 409A of the Internal Revenue Code, any distribution payable on account of termination of employment would not occur until after six months following termination of

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employment. As a result of the Spin-Off, none of our named executive officers are or will be specified employees of Marriott International. The Spin-Off did not by itself trigger a distribution upon termination of employment under the Marriott Deferred Compensation Plan, and continued employment with the Company is treated as employment for purposes of the Marriott Deferred Compensation Plan.

Potential Payments Upon Termination or Change in Control

The following information relates to benefits that would have been paid or payable had a change in control occurred and/or a named executive officer terminated employment with us as of December 31, 2015, the last business day of our fiscal year. The table below reflects the intrinsic value of unvested stock awards, unvested Deferred Compensation Plan accounts and incentive payments under the Bonus Plan and Sales Incentive Plan that each named executive officer would have received upon retirement, disability, death, resignation, involuntary termination of employment, or a change in control as of December 31, 2015 (based on our closing stock price of $56.95 and Marriott International s closing stock price of $67.04 as of that date).

Name	**Plan**	**Retirement(1)**	**Disability(2)**	**Death(2)**	**Resignation or Involuntary Termination(3)**	**Termination Following Change In Control(4)**
S. Weisz	Cash Severance	$	$	$	$	$ 5,280,000
	Annual Bonus	1,716,502	1,716,502	1,716,502		960,000
	Other Benefits(5)					50,908
	Marriott Vacations Worldwide Equity(6)	3,389,137	3,452,979	3,452,979		3,616,085
	Deferred Compensation Plan(7)	30,418		30,418		30,418
	Total	**$ 5,136,057**	**$ 5,169,481**	**$ 5,199,899**	**$**	**$ 9,937,411**
J. Geller	Cash Severance	$	$	$	$	$ 1,630,125
	Annual Bonus		659,510	659,510		349,313
	Other Benefits(5)					39,512
	Marriott Vacations Worldwide Equity(6)		1,336,263	1,336,263		1,371,253
	Deferred Compensation Plan(7)			15,014		15,014
	Total	**$**	**$1,995,773**	**$2,010,787**	**$**	**$ 3,405,217**
R. Cunningham	Cash Severance	$	$	$	$	$ 1,381,243
	Annual Bonus	523,254	523,254	523,254		284,374
	Other Benefits(5)					40,955
	Marriott Vacations Worldwide Equity(6)	790,773	804,963	804,963		837,991
	Deferred Compensation Plan(7)	11,722		11,722		11,722
	Total	**$ 1,325,749**	**$ 1,328,217**	**$ 1,339,939**	**$**	**$ 2,556,285**

L. Kane-Hanan	Cash Severance	$	$	$	$	$ 1,192,320
	Annual Bonus		415,827	415,827		223,560
	Other Benefits(5)					28,682
	Marriott Vacations Worldwide Equity(6)		658,992	658,992		675,511
	Deferred Compensation Plan(7)			10,777		10,777
	Total	**$**	**$ 1,074,819**	**$ 1,085,596**	**$**	**$ 2,130,850**
B. Miller	Cash Severance	$	$	$	$	$ 2,012,042
	Annual Bonus		712,020	712,020		377,258
	Other Benefits(5)					40,848
	Marriott Vacations Worldwide Equity(6)		629,764	629,764		645,317
	Deferred Compensation Plan(7)			21,052		21,052
	Total	**$**	**$ 1,341,784**	**$ 1,362,836**	**$**	**$ 3,096,517**

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(1) Each of Mr. Weisz and Mr. Cunningham is eligible for approved retiree status under each of the Deferred Compensation Plan, the Stock and Cash Incentive Plan and the Marriott International Stock Plan and as a result would receive the benefits shown in this table under such plans as well as a pro-rata bonus based on actual performance under the 2015 Bonus Plan if he ceased being employed by the Company for any reason on December 31, 2015 and satisfied the requirements of such plans for qualification as an approved retiree. The amount shown with respect to annual bonus is the actual payout amount for 2015.

(2) Upon death or disability, the named executive officer would be entitled to a pro-rata bonus based on actual performance under the 2015 Bonus Plan, and all unvested benefits under each of the Stock and Cash Incentive Plan and the Marriott International Stock Plan would fully vest. The amount shown with respect to annual bonus for each named executive officer is the actual payout amount for 2015.

(3) Upon resignation or termination with cause, no benefits would be payable. In addition, there are no contractual rights providing for payment upon a termination without cause other than in connection with a change in control. Any such payments would be based upon negotiation at the time of such termination.

(4) As described above under Change in Control Arrangements, a named executive officer who participates in the Change in Control Plan and who executes a waiver and release of claims in favor of the Company will receive the following severance benefits if his or her employment is terminated involuntarily by the Company or any of its affiliates, other than due to Cause, Total Disability, or death, or is terminated by the named executive officer for Good Reason, in each case, within two years following a Change in Control of the Company: (1) a cash severance payment, payable in a lump sum, equal to two times (or three times, in the case of the President and Chief Executive Officer of the Company) the sum of his or her Base Salary and Target Bonus; (2) twenty-four months (or thirty-six months, in the case of the President and Chief Executive Officer of the Company) of Company-subsidized medical, dental and life-insurance coverage for such named executive officer and his or her spouse and dependents, at the same benefit level as provided to the executive immediately prior to the Change in Control, or the cash equivalent of the present value of such coverage (Benefit Coverage); (3) any unpaid bonus as of the Termination date for any previously-completed fiscal year (Unpaid Bonus); (4) a pro-rata bonus for the fiscal year in which the named executive officer s employment is terminated; (5) vesting of all restricted stock, RSUs or other share-based awards in a form substantially similar to restricted stock or RSUs as of the Termination date; (6) vesting of all unvested or unexercisable options, SARs or other share-based awards in a form substantially similar to options or SARs, which will be exercisable until the earlier of the end of their original term or 12 months (or in the case of certain approved retirees, five years) following the Termination date; and (7) the vesting and immediate payment of all of other cash performance-based awards or other share-based awards subject to performance-based vesting criteria based on a presumed achievement of target levels of performance. No amounts are shown for Unpaid Bonus as there would be no such amounts unpaid on the last day of the fiscal year. Certain terms in this footnote are defined above under Change in Control Arrangements.

(5) Consists of the Benefit Coverage payable under the Change in Control Plan.

(6) The value of Performance Units is calculated by assuming achievement at the maximum level of performance. Upon retirement or permanent disability (as defined in the pertinent plan), a named executive officer may continue to vest in and receive distributions under outstanding stock awards for the remainder of their vesting period and may exercise options and SARs for up to five years in accordance with the awards original terms. Annual stock awards provide that if the executive retires within one year after the grant date, the executive forfeits a portion of the stock award proportional to the number of days remaining within that one-year period. For these purposes, retirement means a termination of employment with retirement approval of the Compensation Policy Committee by an executive who had attained age 55 with 10 years of service. In all cases, however, the Compensation Policy Committee or its designee has the authority to revoke approved retiree status if an executive terminated employment for serious misconduct or was subsequently found to have engaged in competition or engaged in criminal conduct or other behavior that was actually or potentially harmful to the Company. A named executive

officer who dies as an employee or approved retiree would immediately vest in his or her options, SARs and other stock awards. As of December 31, 2015, each of Mr. Weisz and Mr. Cunningham met the age and service conditions for retirement eligibility.

(7) Consists of the value of unvested employer credits under the Deferred Compensation Plan. The Company may credit participants accounts with employer credits that will vest at a rate of 25 percent per year on the first four anniversaries of the date the discretionary employer credit was allocated to the participant s account, provided that the participant remains in continued service with the Company. Upon a change in control of the Company or a participant s death or retirement after reaching age 55 and completing ten continuous years of service, all employer credits will immediately vest in full. Although the Marriott Deferred Compensation Plan also provided for employer credits, no named executive officer has unvested employer credits under the Marriott Deferred Compensation Plan.

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The benefits reported in the table and narrative above are in addition to benefits available prior to the occurrence of any termination of employment, including benefits available under then-exercisable SARs and options and vested Deferred Compensation Plan balances, and benefits available generally to salaried employees such as benefits under the 401(k) Plan, group medical and dental plans, life and accidental death insurance plans, disability programs, health and dependent care spending accounts, and accrued paid time off. Amounts actually received if any of the named executive officers cease to be employed will vary based on factors such as the timing during the year of any such event, the price of the Company s stock and Marriott International s stock, the named executive officer s age, and any changes to our benefit arrangements and policies. We may determine to provide additional or different benefits in connection with any executive s termination.

Compensation Arrangements for Non-Employee Directors

For 2015, our compensation arrangements for our non-employee directors for service on our Board of Directors consisted of:

- an annual cash retainer of $70,000 for each non-employee director other than the Chairman and $110,000 for the Chairman;
- an annual cash retainer of $20,000 for the chairs of each of the Audit Committee, the Compensation Policy Committee and Nominating and Corporate Governance Committee;
- an annual cash retainer of $7,500 for the members (other than the Chairs) of each of the Audit Committee, the Compensation Policy Committee and Nominating and Corporate Governance Committee;
- an annual cash retainer of $15,000 for the Lead Independent Director; and
- an annual equity grant (the Non-Employee Director Share Awards) with a grant date value of $115,000 for each non-employee director other than the Chairman and $175,000 for the Chairman.

The Non-Employee Director Share Awards vest immediately upon grant. Non-Employee Director Share Awards granted prior to 2016 represent the right to receive shares of the Company s common stock upon a director s completion of Board service. Beginning in 2016, a non-employee director who has achieved the ownership level required by our stock ownership guidelines at such time (without giving effect to any time permitted for achievement) may elect one of the following options with respect to each grant of Non-Employee Director Share Awards:

- to receive the Non-Employee Director Share Awards in the form of stock units with terms as specified in the Stock and Cash Incentive Plan, with distribution in the form of shares of the Company s common stock to occur as elected by the non-employee director as permitted pursuant to Stock and Cash Incentive Plan; or to receive the Non-Employee Director Share Awards in the form of shares of the Company s common stock, to be issued as soon as practicable following the grant date.

If no election is made, Non-Employee Director Share Awards will represent the right to receive shares of the Company s common stock upon a director s completion of Board service. Non-Employee Director Share Awards cannot be transferred or assigned, and the director has no voting rights in the shares of common stock underlying the awards until such time as such shares are distributed to the non-employee director.

In December 2015, the Board, acting upon recommendation of the Compensation Policy Committee, approved the following increases for 2016:

the annual cash retainer for each non-employee director other than the Chairman was increased to $75,000, and the annual cash retainer for the Chairman was increased to $120,000;

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an annual cash retainer for the chairs of each of the Audit Committee, the Compensation Policy Committee and Nominating and Corporate Governance Committee was increased to $25,000;

the annual cash retainer for the members (other than the Chairs) of each of the Audit Committee, the Compensation Policy Committee and Nominating and Corporate Governance Committee was increased to $10,000;

the annual cash retainer for the Lead Independent Director was increased to $25,000; and

the value of the Non-Employee Director Share Awards was increased to $125,000 for each non-employee director other than the Chairman and to $200,000 for the Chairman.

The following table summarizes the compensation paid to our non-employee directors during the fiscal year ended January 1, 2016.

Name	Fees Earned or Paid in Cash(1)(2)	Stock Awards(3)	Change in Pension Value and Non-qualified Deferred Compensation Earnings(4)	Total
William J. Shaw	$ 110,000	$ 174,994	$	$ 284,994
C.E. Andrews	85,000	114,979		199,979
Raymond L. Gellein, Jr.	92,500	114,979		207,479
Thomas J. Hutchison III	105,000	114,979	2,631	222,610
William M. McCarten	105,000	114,979	3,695	223,674
Melquiades R. Martinez	105,000	114,979	1,064	221,043
Dianna F. Morgan	85,000	114,979		199,979

(1) Includes the following amounts deferred under the Deferred Compensation Plan: Mr. McCarten, $105,000; and Mr. Martinez, $105,000.

(2) In lieu of his annual cash retainer for 2015, Mr. Hutchison elected to receive stock units, which were granted on each date on which he would have received a cash payment and which had a value on each grant date equal to the amount of such cash payment. Prior to the start of each calendar year, directors may elect to receive their cash retainer and committee fees in the form of equity awards.

(3) The following table indicates the number of outstanding equity awards held by each non-employee director as of January 1, 2016:

Name	Award Type	Number of Securities Underlying	Number of Shares or Units	Number of Shares or Units

		Unexercised Options/SARs		of Stock That	of Stock That
		Exercisable	Unexercisable	Have Not Vested	Have Vested
William J. Shaw	SARs	19,448.0			
	SARs	28,090.0			
	SARs	13,827.0			
	Non-Employee Director				20,802.0
C.E. Andrews	Non-Employee Director				5,548.0
Raymond L. Gellein, Jr.	Non-Employee Director				12,837.0
Thomas J. Hutchison III	SARs	4,905.0			
	Stock Units				1,444.0
	Non-Employee Director				12,837.0
William W. McCarten	Non-Employee Director				12,837.0
Melquiades R. Martinez	Non-Employee Director				12,837.0
Dianna F. Morgan	Non-Employee Director				5,548.0

(4) The values reported equal the excess of the return on amounts credited to accounts in the Deferred Compensation Plan at the annually designated rate of return over 120 percent of the applicable federal long-term rate.

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Deferred Compensation Plan

Our non-employee directors are eligible to participate in the Deferred Compensation Plan. A non-employee director may defer all or part of any non-employee director fees until such future date as he or she elects in accordance with the terms of the Deferred Compensation Plan. A non-employee director may elect to receive his or her deferred amounts in a lump sum or in installments over five, ten, fifteen or twenty years at either a separation from service or upon any of the first five anniversaries of a separation from service. Alternatively, he or she may elect to receive his or her deferred amounts in a lump sum in January of a specified year. Participants accounts will be credited with an investment return determined as if the account were invested in one or more investment funds made available by the administrator of the Deferred Compensation Plan (or which may be based on a fixed rate of interest selected by the administrator). To the extent that this rate exceeds 120 percent of the applicable federal long-term rate, the excess will be reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column. The rate of return was set at 5.6 percent for 2015, which exceeded the applicable federal long-term rate.

Clawbacks

Under our clawback policy, the Board may recoup any compensation from a director who has engaged in conduct that violates our Business Conduct Guide or in willful misconduct or fraud that causes harm to the Company. Compensation received up to three years prior to the willful misconduct or fraud and after the date of the adoption of the policy is subject to potential recoupment under the policy.

Stock Ownership Guidelines

Under our stock ownership guidelines, non-employee directors are to achieve ownership of our stock with a value equal to five times their Board cash retainer for the fiscal year for which compliance is being evaluated. Directors who served in such capacity at the time of the Spin-Off are expected to achieve compliance by the end of 2016; other directors are expected to achieve compliance by the end of their fifth full year of service. For purposes of determining compliance with the guidelines, the following are considered shares owned by the director: shares owned by the director and his or her spouse; shares held by a trust any beneficiaries of which are the director or his or her family members; shares held jointly with others; restricted stock awards; restricted stock unit awards; Non-Employee Director Share Awards; and share equivalents deferred in accordance with our plans. The Compensation Policy Committee receives an annual report of the ownership achieved by each director as of the end of the fiscal year, with the achievement level determined by reference to the average of the closing prices of our common stock for the 20 trading days ending on the last trading day of the fiscal year. As of the end of 2015, each of our directors other than Mr. Andrews and Ms. Morgan had already achieved the ownership level they will be required to achieve under the guidelines as of the end of 2016; Mr. Andrews and Ms. Morgan, each of whom joined the Board in 2013, had already achieved 76 percent of the applicable ownership level.

Pledging and Derivative Transactions

Directors are prohibited from including Marriott Vacations Worldwide stock or other securities in a margin account or pledging such securities as collateral for a loan. We also have a policy which prohibits all directors from shorting the sale of our stock or securities, or from buying, selling, writing or otherwise entering into any other derivative transaction related to our stock or securities, including options, warrants, puts, calls, and similar rights.

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Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information about the securities authorized for issuance under our equity compensation plans as of January 1, 2016.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by shareholders	1,516,082 (1)	$ 27.29	2,287,367 (2)
Equity compensation plans not approved by shareholders			
Total	1,516,082	$ 27.29	2,287,367

(1) Includes 733,547 shares of outstanding deferred stock bonus and RSUs, as well as Non-Employee Director Share Awards awarded to directors under the Stock and Cash Incentive Plan, that are not included in the calculation of the Weighted-Average Exercise Price column.

(2) Consists of 1,797,194 shares available for issuance under the Stock and Cash Incentive Plan and 490,173 shares available under the ESPP.

STOCK OWNERSHIP

Stock Ownership of our Directors, Executive Officers and Certain Beneficial Owners

The table below sets forth the beneficial ownership of the Company s common stock by our directors and named executive officers as of March 4, 2016 (unless otherwise noted), as well as additional information about beneficial owners of more than five percent of the Company s common stock. Ownership consists of sole voting and sole investment power, except as indicated in the notes below, and except for shares registered in the name of children sharing the same household or subject to any community property laws. The address of each director and executive officer is Marriott Vacations Worldwide Corporation, 6649 Westwood Boulevard, Orlando, Florida, 32821.

Note on Various Marriott Family Holdings

SEC rules require reporting of beneficial ownership of certain shares by multiple parties, resulting in multiple counting of some shares. As of March 4, 2016, the aggregate total beneficial ownership of the parties listed under the heading Marriott Family is approximately 18.8 percent of outstanding shares after removing the shares counted multiple times. These individuals and entities each disclaim beneficial ownership over shares owned by other members of the Marriott family and the entities named below except as specifically disclosed in the footnotes following the table below.

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Stock Ownership of Certain Beneficial Owners

Name	Amount and Nature of Beneficial Ownership		Percent of Class[(1)]
Directors and Nominees:			
C.E. Andrews	5,548.0	(2)	*
Raymond L. Gellein, Jr.	12,837.0	(2)	*
Thomas J. Hutchison III	16,996.0	(2)(3)	*
Melquiades R. Martinez	12,837.0	(2)	*
William W. McCarten	14,803.0	(2)(4)	*
Dianna F. Morgan	5,548.0	(2)	*
William J. Shaw	159,413.0	(2)(3)	*
Stephen P. Weisz	246,365.1	(3)(5)	*
Named Executive Officers:			
R. Lee Cunningham	53,184.3	(3)	*
John E. Geller, Jr.	86,358.9	(3)	*
Lizabeth Kane-Hanan	40,159.1	(3)	*
Brian E. Miller	37,231.9	(3)	*
All Directors and Executive Officers as a Group:			
(16 persons)	782,595.3	(6)	2.7%
Marriott Family:			
J.W. Marriott, Jr.	3,516,366.0	(7)(8)(9)	12.2%
Richard E. Marriott	2,756,464.0	(8)(10)	9.6%
John W. Marriott III	2,107,642.2	(7)(11)	7.4%
David S. Marriott	2,102,984.0	(7)(12)	7.3%
Deborah M. Harrison	2,084,901.0	(7)(13)	7.3%
Juliana B. Marriott	2,023,616.0	(7)(14)	7.1%
Stephen Blake Marriott	2,012,011.7	(7)(15)	7.0