

Dear Members

30<sup>th</sup> April 2020

Further to recent updates I am writing to provide an additional update on the situation with respect to the coronavirus pandemic and the actions that we are taking as a Committee.

At the time of writing this letter, the Resort is still closed, and we do not have a clear view of when it may re-open. The most optimistic assessment (based on Spanish media speculation) is that it may be possible to re-open in some form in June, but that would be for domestic tourists only, so we have to be prepared for that date to be pushed back to later in the year for international travel. Whether members will be able to travel will also depend on restrictions still in place by their own Governments. One of my considerations when writing to you, is the speed and frequency of developments as we move through these unusual times which make it very difficult to predict what might happen in the next few weeks and beyond. It is therefore hard to decide how often to write to you, particularly when the information I am giving you has fundamentally not changed from previous messages.

Now is perhaps a good time to remind ourselves that one of the key things that differentiates our Resort from many timeshare operations is that it is collectively owned by us all as members of Diamond Club Calypso. Our primary purpose is to be able to continue to provide our members with fantastic holidays, and we will always put the interests of the Club and our members as a whole at the forefront of any decisions we take as a Committee.

Your Committee are under no illusions as to the scale of the challenge which we now face but we are determined that the tragedy of the coronavirus outbreak should not undo all that we have achieved over the years. This means that whilst we are having to deliver some difficult messages to members and guests, we are fully sympathetic to all those members who have not been able to make use of their weeks so far and those in the coming weeks who may also be affected.

Obviously, we are taking action to minimise the on-site costs until the current situation is resolved but the Club has a number of fixed costs which will continue whether the Resort is occupied or not.

Whilst expenditure is being reduced during the closure, the Resort is being well maintained and will be ready to welcome owners back in prime condition when travel restrictions are lifted. We are also working hard to undertake works that would have been scheduled later this year before any of us return and therefore disruption will be minimal.

The Committee is sympathetic to those owners who have been (and will be) unable to occupy their weeks and will keep this matter under review. Indeed, some of your Committee members have / will also lose their own holidays this year. The Committee cannot come to any conclusions about what (if anything) can be done to support those owners affected until it is able to review the financial impact of the coronavirus outbreak on the Club's finances. This is not likely to be for several weeks after the point at which the Resort re-opens.

As a member-owned organisation, the Club's principal source of income is the maintenance fees received from members. Any form of recompense which may be considered for those members who have been affected can only be generated from either cost savings or by charging additional fees to all members of the Club. The Committee are clear that the latter option will not be considered as it would involve members of the Club who have not been affected by the outbreak effectively compensating those members who have been.

I am not able to soften the unavoidable message that maintenance fees on members' weeks will need to be paid in full whether members are able to occupy their weeks or not. We are all having to make difficult decisions to navigate these uncharted waters and ensure that the Club can continue to offer fantastic holidays when we come through this global emergency.

I understand this may be a difficult message for some owners and your Committee are fully aware of the challenges which members are facing, particularly those with holidays planned for the next few months and those who may be suffering a reduction in income as a result of the current situation.

Resort Solutions have therefore set out **some** of the ways in which we, as a Committee, are trying to help. This guidance has been posted on the Resort News section of the Resort Solutions website and I would encourage members to familiarise themselves with it. Any further updates will also be posted on the Resort Solutions website, so we would recommend that you visit the website regularly to check for updates from your Committee and RSL.

The Resort Solutions office is currently closed and unable to take telephone calls, albeit some staff members are working from home and dealing with email enquiries as quickly as possible. Enquiries should be addressed to [admin@resort-solutions.co.uk](mailto:admin@resort-solutions.co.uk). The level of enquiries is very high, and staff are focusing on dealing with queries from members with travel dates within the next 14 days. However, they are also able to take new bookings for occupancy later this year and into 2021.

This update is being sent to members by email and will also be placed in the news sections of the Resort Solutions websites. I would advise you, for clarity, that the system we currently use for email communication is primarily for marketing purposes and will therefore not send emails to members who have previously ticked a preference for no marketing emails. In addition, it will not send emails to those members who have previously not opened or interacted with emails sent to them. Accordingly, we know that a percentage of our members will not receive this communication. Could I therefore ask that the members who do receive this email, share it with their friends within the Club to ensure it reaches as wide an audience as possible.

In the meantime, I hope you stay safe, fit and healthy and on behalf of the Committee I thank-you for your ongoing support during these difficult times.

Yours faithfully

Freda Devonshire, Chairman, Diamond Club Calypso.