**Communicating Club’s Short-term Operating Plans**

*Dear Fellow Members:

As the issues around the coronavirus and its effects on our larger society continue to multiply, the Club's management, Board of Governors and Finance Committee have been grappling with the effects on our Club.

Last night, the Board approved the following short term operating plan for the Club. This plan is designed to recognize our valued employees, continue to maintain the Club's cash flow, and hopefully set us up for re-opening in a solid financial position.

The plan provides as follows:

1. All staff will be paid at regular rates through March 31.

2. Assuming we are not able to re-open April 1, all staff that is not able to work will be paid at 75% of their normal rate through April 30. The staff that is designated by management as working full time will be paid at 100%. All health benefits will be maintained during this period. Please also know that the Club will be taking advantage of applicable Government relief programs, which are in the process of being created, in order to reduce the financial impact of continuing to pay the salary and benefits of our staff.

3. The Board will reassess during April if the closure looks likely to last beyond April 30.

4. All dues and health center fees will remain in place and payable.

5. In order to have sufficient funding to maintain our employees' compensation as noted above, the food and beverage minimum will remain in place. However, once the Club opens, members will be provided the opportunity to elect to have their food and beverage minimum waived for the number of full months the Club's outlets were closed. For example, if the Club's outlets are closed for all of April, a member's food and beverage minimum will be payable, but the member will be provided the option, once the Club reopens, to have one month of food and beverage minimum waived.

6. Management is working to set up a process for members to provide funds, on a voluntary basis, to an account that will be used to pay staff during the time the Club is closed, to reduce the Club's usage of available cash.

With this plan, the Club will still need to use a part of our line of credit, but as a Board will believe it to be the appropriate balance between using our financial resources and treating our employees fairly in the short run.

As a Board, we want to encourage members to continue to support our Club. We will be announcing opportunities to purchase gift certificates for dining and spa usage, which will provide the Club with current cash flow and allow members to acquire these future services. Please be on the lookout for future communications on this and other ways to continue to engage with our Club.

As matters move forward, the Club's management, Finance Committee and Board of Governors are committed to remaining constantly focused on protecting the long term interests of the Club, its valued employees and our fellow members. I want to in particular thank our Finance Committee for their time and effort on behalf of the Club. And, I, of course, want to recognize our staff for all they have done to quickly and effectively put in place our closure plan - they have remained ahead of events and this has allowed us to be focused on what we can do during the closure to remain engaged with our members and staff.

Thank you for your continued support of our Club. Please keep yourselves safe during this time. We all look forward to being back together at our Club.*

*Sincerely,*