

Dear Iron Blossam Owners - Weeks 11 through 23,

June 4, 2020

The Iron Blossam Board of Directors hopes that all of you and your family have stayed well and in good health during the COVID-19 pandemic. This has been trying times for everyone. Although the Iron Blossam and Snowbird remain the same, much is changing also. You will find during your next stay an increased emphasis on social distancing, cleaning and associated safety measures for both you, our loyal owners, and for our talented and skilled staff. Additionally, some programs and services will not be offered.

In response to the COVID-19 pandemic, the Iron Blossam, and all of Snowbird, closed Monday, March 16th (week 11). This closure decision was necessary and prudent. The decision to close all operations was done to protect guests, owners and employees in a quickly changing environment caused by the COVID-19 pandemic. Additionally, the closure decision met legal requirements as it was a thoughtful and reasoned response to an unprecedented global pandemic. Snowbird managers tried to balance safety with the legal requirements under applicable Utah law, along with contractual obligations. The Iron Blossam is scheduled to reopen Saturday, June 13th (week 24). That translates to 12 weeks of lost ownership use and enjoyment. This suspension of operations affected both our 2019-2020 and our 2020-2021 fiscal years. Practicing prudent fiscal responsibilities, seasonal employees were laid off early. Most full-time employees continued to receive salaries for the first 4 weeks of the closure, with continued health benefits for 90 days. Salaried employees took a 15% pay reduction while hourly employees' hours were reduced by 15%. Although the Iron Blossam has many fixed costs, expenditures during the closure were significantly reduced. With the duration of the closure finally determined, the Iron Blossam management team will be able to calculate the operational savings. The exact amount of those savings will be specified in our 2020 Annual Report, released the end of June.

Two of the primary responsibilities of the Iron Blossam Board are: 1) Fiduciary duty to protect the Association's assets and owner's investment, and 2) Establish a policy-based governance system. The legal ramifications of an operational savings allocation to our owners has been reviewed with our legal team (a national law firm with an emphasis in timeshare Home Owner Association law). We have been advised that there is *'no mechanism in the Association Documentation to reallocate excess assessments to a subset of the ownership group. Therefore, excess owner assessments that may occur for the year should only be applied to the entire ownership group rather than to a narrower subset of owners.* This statement is consistent with Utah Condominium Ownership Act 57-8-8.1 'Equal treatment by rules required' and that *'...a rule shall treat similarly situated unit owner similarly'*. Meaning that legally all Operations expenses, or savings, must be shared equally by all owners.

Working within these legal guidelines, your Board has decided that the operational savings resulting from the closure of the Iron Blossam during the COVID-19 pandemic be applied as a credit to the 2020-2021 Furniture Reserve budget, thereby reducing the 2020-2021 Owner Assessment proportionately across all weeks and units. This is the only financial recourse legally allowed for those owners that were unable to use weeks during the COVID-19 closure. The actual mechanism would be accomplished as a credit carried forward in the Furniture Reserve, which is a fixed assessment by unit. The exact credit amount will be shown on your 2020-2021 Owner Assessment which you will receive in late June. Our general manager, Jim Maxwell, has been working diligently on the 2020-2021 budget, scrubbing every number and expense try to eliminate or minimize any overall budget increase. The net results, depending on your individual percentage of ownership, will be a reduced increase or in some cases a decrease in the 2020-2021 Owner Assessment.

We hope that this is a onetime exercise, but we cannot predict the future of how the COVID-19 pandemic will impact all of us in the coming weeks, months and year.

We regret that many of you were not able to enjoy the Iron Blossam during the COVID-19 closure this year, and we apologize for any inconvenience the sudden closure of Snowbird many have caused you. Finally, we greatly appreciate your patience and understanding as we work through these challenging times together.

We all look forward to the future and expectations that we will once again have memorable times together at Snowbird and the Iron Blossam.

Thank you.

Sincerely,

The Iron Blossam Board of Directors