



March 31, 2020

Dear Lindo Mar Members and Guests:

The coronavirus (COVID-19) pandemic has continued to evolve at a rapid pace. Your Board of Directors would like to assure you that management is closely monitoring the Centers for Disease Control (CDC), World Health Organization (WHO) and local health departments' recommendations regarding COVID-19.

Your Board and on-site management continue to watch the rapidly changing situation.

Lindomar continues to be open, with all the staff taking the recommended precautions to prevent any transmission of COVID-19.

The reported incidence of COVID-19 in Mexico is increasing as testing proceeds. To date, only one case has been confirmed in Tomatlan, a city 30 miles South of Puerto Vallarta. Nationwide, there have been 993 cases of coronavirus and 20 confirmed deaths. The Mexican Government has requested a mandatory stay at home to all individuals for a month starting on March 28<sup>th</sup>. Due to all these new Government measures, 1,000 small local businesses, 70% of the restaurants and bars, and 15 hotels have closed in Puerto Vallarta and Nuevo Vallarta.

Flights to and from the U.S. continue at this moment. The border closure announced by the U.S. State Department applies so far to land crossings, but that situation could change at any time. Also, the State Department issued travel restrictions to all U.S. citizens last week. Canadian charters have ceased operations for the season, and Cruise Ships no longer are traveling to Puerto Vallarta.

No refunds of Maintenance Fees are planned or should be expected. Lindo Mar Adventure Club needs to conserve all funds paid by Members to continue operations and maintain financial stability.

We intend to keep Lindo Mar open until Mexican authorities request us to close. We will continue to pay our staff their salaries. In the case of a shutdown, the Board is considering how to utilize our paid staff best to perform additional maintenance and deep clean of all the units. The Board is also planning to create a fund to help those employees subsidize the lost tip income.

The Board expects to proceed with phase #3 of the remodel program. After review and consideration of anticipated lost income due to the coronavirus pandemic, the Board approved to proceed with the remodel of units on the first and second floors, and to replace the Penthouse roofs entirely. The completion of the Penthouse remodel has been postponed to Summer 2021.

Trading Places international closed its offices temporarily in Orange County as mandated by the local authorities. TPI employees are working from home, so you should expect that some services may be limited.

Your Board of Directors and Trading Places International.