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To give you a better appreciation of how the Operating Fund is allocated, we have included the following explanation of the types of expenses incurred in the daily operation of all Club locations, including property taxes and local resort levies.

It is through the Operating Fund that Club Members pay for the day-to-day costs of the Club facilities and Reservation Services. Resort Dues form the basis of the Operating Fund.

Expense	Definition	Cost Per Resort Point (USD)	Percentage of Operating Fund
Club Reception	Cost of providing Check-in and Guest Services.	\$0.45	7%
Member Services	Cost of operators and telecommunications to provide service through www.clubintrawest.com and the toll-free telephone number.	\$0.26	4%
Housekeeping	Includes cost of laundry, linen, cleaning supplies and wages for housekeeping.	\$1.01	17%
Utilities	Includes the cost of providing heat, water, power, cable TV, internet and telephone.	\$0.48	8%
Maintenance & Repair	Cost of repairing appliances; preventative and emergency maintenance; upkeep of exterior/interior of buildings, pools, spas and landscaping.	\$0.62	10%
Cleaning & Security	Includes the cost of snow removal, window washing, cleaning exterior common areas and wages for cleaning and security.	\$0.17	3%
General Administrative	Includes the cost of Club Management, annual audit fee, postage, printing, legal fees, web site support and Resort Dues collection costs.	\$0.88	14%
Getaway Time & Miscellaneous Revenue	Getaway Time nightly revenue and miscellaneous revenue including interest income earned on investments and Day Use fees.	(\$0.23)	(4%)
Total Operating Expenses		\$3.64 USD	59%
Taxes, Insurance & Levies	Real property taxes, income taxes, property replacement, liability insurance and local resort association levies.	\$0.66	10%
Other Taxes	Goods and Services Tax, Harmonized Sales Tax.	\$0.29	5%
Reserve Fund	This fund covers the cost of refurbishment of common areas and resort accommodation owned by the Club.	\$0.95	16%
Management Fee	This is the fee paid to Intrawest Resort Club Group for management services for operating expenditures.	\$0.61	10%
Total Resort Dues		\$6.15 USD	100%



Dear Member,

Recognition of a job well-done is always rewarding. However, when that recognition comes from our Members and Guests who have stayed at one of the nine Club locations, it's even more meaningful. In 2015, the TripAdvisor Certificate of Excellence was awarded to six of the Club locations. Additionally, two Hall of Fame awards from TripAdvisor were presented to Club Intrawest — Whistler and Club Intrawest — Zihuatanejo for being recognized with the Certificate of Excellence for five years in a row.

The new Casita Vacation Homes started construction in February at Club Intrawest — Palm Desert. Today, Members are enjoying their first stays in the three 1-Bedroom Terraces upstairs and the 2- and 3-Bedrooms downstairs. These Vacation Homes feature an upgraded look and feel, featuring gourmet kitchens with stainless steel appliances, a wine fridge and the popular outdoor showers.

As you know, a portion of your annual Resort Dues is allocated to the Club's Reserve Fund in order to maintain the quality and style expected by Club Members. From this Reserve Fund extensive refurbishments took place at all of the Club locations (except Ucluelet which opened last year). Some of the highlights include:

- **Whistler:** completely stained the exterior; replaced Mountain Retreat pool deck and plaster; upgraded the hallways with new wall and floor treatments; and replaced the carpet and mattresses in all the Vacation Homes.
- **Panorama:** completed an extensive update of all the Vacation Home interiors including furniture, carpet, mattresses, art and décor accents.
- **Blue Mountain:** replaced all the washers and dryers in the 1- and 2-Bedroom Vacation Homes; upgraded pathways to stamped concrete; replaced all the pool deck furniture; and completed the mattress replacement project.
- **Tremblant:** replaced the Vacation Home kitchen countertops; updated the Member Lounge; and purchased equipment for the fitness room.
- **Sandestin:** re-upholstered the sofas; replaced appliances and Vacation Home Bedroom carpets; and replaced equipment in the fitness room.
- **Zihuatanejo:** replaced the refrigerators and sliding wood doors in the Vacation Homes; updated Vacation Home fabric and furniture; and installed a new beach fence.

Resort Dues Assessment

On September 22, 2015 the Board of Directors of Club Intrawest approved the 2016 Resort Dues Budget, which set the assessment rate at \$8.09 CDN per Resort Point which is a 5.6% increase over 2015. For US Members this converts to \$6.15 US per Resort Point which is a decrease of \$0.82 per Resort Point over 2015 due to the appreciation of the US dollar over the past year. The Board and Management continue to work hard to maintain the Resort Dues at a reasonable level while ensuring that the high standards of the Club are maintained.

The due date for Resort Dues is November 30, 2015. We encourage Members to pay their Resort Dues online by logging onto the Member Web site. Members with Resort Dues unpaid by November 30, 2015 must pay the amount owing in full before resuming use of their Resort Points or accommodations. A 2.0% interest charge per month will be assessed on overdue amounts. If you have any further questions regarding the Operating Budget or Resort Dues please address them to members@clubintrawest.com or by mailing the address above.

Thank you for another successful year and your continued support.

Sincerely,

Trevor Bruno
Club Management
President
Intrawest Resort Club Group