

RULES AND REGULATIONS

TAHOE SEASONS RESORT

TIME INTERVAL OWNERS' ASSOCIATION

Approved June 16, 2009

The following are the Rules and Regulations for the use of your Vacation Plan at Tahoe Seasons Resort. These Rules and Regulations have been established for the benefit of all owners and are subordinate to the Declaration of Covenants, Conditions and Restrictions (the "Declaration") and, in the event there is a conflict between the Declaration and these Rules and Regulations, the Declaration shall control.

The Tahoe Seasons Resort Time Interval Owners' Association (the "Association") has the authority to amend the Rules and Regulations as circumstances may require. All Vacation Plan Owners are bound to abide by the Rules and Regulations and agree to cooperate with the Association in securing the compliance with the Rules and Regulations by their family and guests.

Your failure to abide by these Rules and Regulations may result in suspension of your rights and privileges as a member of the Association, including, but not limited to, non-acceptance of future reservations and the denial of access to accommodations.

DEFINITIONS

The terms used in these Rules and Regulations, which are defined terms in the Declaration, shall have the same meanings as set forth in the Declaration. To assist you in reading these Rules and Regulations, some of the definitions contained in the Declaration are repeated or paraphrased below. Several definitions not contained in the Declaration are also included.

1. "Association" means the Tahoe Seasons Resort Time Interval Owners' Association.
2. "Bonus Time Use" means the use and occupancy of a Tahoe Seasons Unit by a Tahoe Seasons Owner, during periods other than the Owner's Regular Use Week(s).
3. "Bonus Time User" means an Owner who requests a reservation for Bonus Use.
4. "Holiday Interval" means a one-week period commencing on a Sunday and ending on the Sunday thereafter which includes one of the following nationally recognized holidays: Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, Christmas, and New Year's Day. If one of the Holidays falls on a Sunday or Monday, the Holiday Interval shall commence on the Friday preceding the Holiday and end on the Friday thereafter.
5. "Owner" means and includes (a) the grantee named in each Original Deed and (b) the successor to each person described in clause (a).
6. "Owner Seasons" means the season designated in the original Deed naming an Owner, or his predecessor-in-interest, as the named grantee.
7. "Permitted User" means any person whom you permit to occupy your Vacation Unit during your Use Period.
8. "Regular Use" means the use and occupancy of a Unit by an Owner for a Use Week during his Owner's Season.

9. "Reservation Date" means the day on which an Owner's request for a reservation is received by the Association.
10. "Season" means either of the following two seasons, which are defined with reference to the Unit Week Numbers(s) as set forth in Exhibit C of the Declaration.
 - (a) "Prime Season" means Unit Week numbers 1 through 16, 21 through 37, and 51 and 52 (and 53 when applicable); and
 - (b) "High Season" means Unit Week number 17 through 20, and 38 through 50.
11. "Use Period" means, for Regular Use, the Use Week in an Owner's Seasons during which an Owner has reserved the use and occupancy of a Vacation Unit in accordance with the provisions of the Declaration and these Rules and Regulations pertaining to Regular Use. In addition, Use Period means the reserved use and occupancy of a Vacation Unit in accordance with the provisions of the Declaration and these Rules and Regulations pertaining to Bonus Time and/or Vacation Tyme[®] Use.
12. "Use Week" means one of the 7 day periods beginning at Check-In Time on a Sunday and ending at Check-Out Time on the following Sunday designated in the Use Week Calendar.
13. "Use Year" means each approximate one-year period commencing at Check-In Time on the first Sunday in January of each calendar year.
14. "Vacation Tyme[®]" means an Owner's discounted rental and occupancy of a unit at a resort managed by Vacation Resorts International, other than Tahoe Seasons Resort.
15. "Vacation Unit" means an Interval Owner's Unit of the type designated in your Original Deed which Unit you may occupy during your Use Period.

REGULAR USE

Subject to all the terms and conditions contained in the Declaration and in these Rules and Regulations, you have the right FOR EACH INTERVAL OWNED BY YOU, during each Vacation Plan Year, to use and occupy a Vacation Plan Unit which is of the same Unit Type as your Unit Type for seven (7) nights during your Season provided you have reserved such use and occupancy in accordance with the following:

1. NON-HOLIDAY OWNERS
 - (a) Although reservations may be made in person, by telephone, facsimile, telegraph, or by way of the Internet (res@tahoeseasons.net), the preferred method is by mail, using the Reservation Request Card provided by the Resort management.
 - (b) A reservation for a Use Period (including a Holiday Interval) in the current Use Year may be made not more than 104 weeks and not less than two (2) weeks 14 days prior to the first day of the Use Period sought to be reserved. If your reservation request is for an available non-Holiday Use Period no more than thirty (30) days from the date of your request, you may reserve in any Season regardless of the Season you own. If you own more than one Interval and choose to use two or more Intervals consecutively, you may reserve such consecutive Intervals as early as 104 weeks in advance of the first day of the first Interval.
 - (c) Reservations shall be for a minimum period of two (2) consecutive nights and for not more than one weekend (i.e. a consecutive Friday and Saturday night) per Use Year. If you split your week, a housekeeping charge will be assessed for each increment after the first increment.
 - (d) In accordance with Section 2.8 of the Declaration, the right is reserved to rent to the general public those units not timely reserved in the manner provided above. An untimely request for occupancy

by an Interval Owner during his Season will be honored unless all Units of the Owner's Unit Type have been reserved for occupancy by others before the Managing Agent's receipt of the Interval Owner's request for occupancy.

- (e) You may not make a reservation in any Use Year if there is another reservation outstanding under one account interval number for that Use Year and the aggregate number of days reserved exceeds seven (7) days. However, the number of days, which may be reserved, shall be increased by seven (7) days for each additional week you own.
- (f) Reservations for Regular Use periods will be confirmed on a first-come, first-served basis (with respect solely to other reservation requests for Regular Use) provided that the period sought to be reserved commences no more than 104 weeks from the Reservation Date.
- (g) If any of your seven (7) nights is not used in any Vacation Plan Year, there shall be no accrual or carry-over of unused time.
- (h) No reservation request will be confirmed by the Association if, at the time such request is submitted, you are delinquent in the payment of Assessments or any portion thereof. Please refer to the most current Assessment, Billing, and Collection (ABC) Policy.
- (i) At the time of Check-In, or before submitting or using your week for exchange purposes, the entire year's assessments must be paid in full.
- (j) The Association must confirm your reservation request before it is valid. Confirmation of reservations will be made by the Association in hard copy by U.S. Mail or email provided, however, that reservation requests confirmed less than (10) days prior to the commencement date of the Use Period sought to be reserved may be confirmed by telephone or email.
- (k) You may cancel your reservation for a Use Period, without penalty, by giving notice at least seven (7) days prior to Check-In Time on the first day of the Use Period so reserved; however, there can be no assurance that you will be able to secure another reservation during the Use Year if you cancel your reservation. In the event a reservation is canceled less than seven (7) days prior to Check-In Time on the first day of the Use Period so reserved, or you fail to use and occupy your unit for the full period reserved by you without cancellation of your reservation, you shall be considered to have used the entire reserved Use Period.
- (l) No reservations for a Vacation Unit will be accepted for the service period for each Vacation Unit.

2. HOLIDAY OWNERS

- (a) Except as noted below, Sections 1a through 1h of these Rules and Regulations shall apply to reservations made for Holiday Interval by Holiday Interval Owners and by this reference are incorporated in this Section 2.
- (b) As a Holiday Interval Owner, you shall have the right to reserve a Use Period during the Holiday Interval designated in your Original Deed. If you chose to exercise your right to reserve a Use Period during your Holiday Interval, the Use Period reserved must be of no more than seven (7) days and no fewer than two (2) days in duration. To exercise your preferential right to reserve a Holiday Interval, you must reserve within the time specified in Section 1b of these Rules and Regulations. Only reservations made by Holiday Interval Owners during these periods shall be accepted for the Holiday Intervals. Approval of any reservation made later than provided for hereinabove shall be subject to availability and subject to the provisions of Article II of the Declaration.

- (c) Any Holiday Interval not reserved by a Holiday Interval Owner at least two (2) weeks (14 days) prior to the first day of such Holiday Interval may be reserved by an Interval Owner or occupied by others on a first-come, first-serve basis as set forth in Section 1 above.
- (d) You may elect not to exercise your preferential right to reserve the Holiday Interval either by not reserving such Holiday Interval as provided herein or by giving notice of cancellation pursuant to paragraph 1k under Regular Use Rules.
- (e) If you elect not to exercise your preferential right to reserve the Holiday Interval specified in your Original Deed, or have canceled your reservation in accordance with the provisions set forth above, you shall be entitled to use and occupy a Unit which is of the same Unit Type as designated in your Original Deed for seven (7) nights during the Prime Season, provided such reservation is made in accordance with the Rules and Regulations for reservations by Non-Holiday Owners.

3. REGENCY AND ROYALE OWNERS

Regency and Royale Units at Tahoe Seasons (each of which is designated as an “eight (8) sleeper” in the Rules and Regulations), in effect, consist of two (2) four (4) sleeper units with a common wall and a lockable door.

Regency and Royale Owners are required to make a reservation for their Unit in the eight (8) sleeper configuration. Once the initial reservation has been made, you, as a Regency or Royale Owner, may elect to split the unit into two (2) four (4) sleeper units. In other words, you may enjoy the use of your Regency or Royale in one of two (2) ways:

- (a) You may occupy, rent, or exchange your unit as an eight (8) sleeper, or
- (b) You may occupy one four (4) sleeper portion and offer the other (4) sleeper for rental or exchange.

BONUS TIME USE

Subject to availability and all the terms and conditions contained in these Rules and Regulations, you have the right to use and occupy a Vacation Plan Unit of any Unit Type during any Season, for time periods other than your basic entitlement of seven (7) nights per Vacation Plan owned by you, provided you have reserved such use and occupancy (“Bonus Time Use”) in accordance with the following procedures:

- (a) If you reserve a Unit for Bonus Time Use, you shall pay a reasonable use fee therein, the Association shall fix from time to time. All rental revenues generated by Bonus Time Use of Vacation Units shall be deposited in the General Account of the Association.
- (b) You may not make a reservation for Bonus Time Use more than thirty (30) days prior to Check-In Time on the date, which is the first date for which such reservation is sought. NOTE: Tahoe Seasons Resort has sold specific holidays: Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans’ Day, Thanksgiving, Christmas, and New Year’s Day. Owners of these holidays have the preferential right to reserve holiday weeks for their Use Week. Bonus Time reservations for periods incorporating these specific holidays will be taken no more than two (2) weeks 14 days in advance.
- (c) Reservations made for Bonus Time Use shall be honored on a first-come, first-served basis and may be made in person, by telephone, facsimile, telegraph, mail, or by way of the Internet (res@tahoeseasons.net).
- (d) You will not be permitted to make a reservation for Bonus Time Use in any Vacation Plan Year if there is another reservation pending for Bonus Time Use in your name; i.e. you may have only one Bonus Time Reservation pending at a time for each week you own.
- (e) You may cancel a Bonus Time Use reservation up to 24 hours in advance of Check-In

Time on the first day of the Use Period so reserved without penalty. In the event your Bonus Time use reservation is canceled 24 hours or less prior to Check-In Time on the first day of the Use Period so reserved, or you fail to use and occupy your unit for the full period reserved, you shall be charged for Bonus Time Use for the date(s) canceled or abandoned.

- (f) Bonus Time Use is limited to use by Owners and their Permitted Users (Owner's spouse, Owner's children 21 yrs or older and Owner's parents ONLY). The Manager will not permit Bonus Time Use occupancy of your Unit by any person in your absence without written notification; i.e. Bonus Time Use may not be sold, rented, given away, or otherwise conveyed to an individual or group other than the Owner in whose name the reservation was made.
- (g) The Association must confirm your reservation request before it is valid. Confirmation of reservations will be made by the Association in writing by hard copy via U.S. Mail or by telegram or email; provided, however, that reservation requests which cannot be confirmed more than seven (7) days prior to the commencement date of the Use Period sought to be reserved may be confirmed by telephone.
- (h) Your reservation request will not be confirmed if you are delinquent in the payment of any assessment levied by the Association.
- (i) If, at Check-In, you are not current in the payment of any Assessments, you will not be permitted to occupy your Vacation Unit until your Assessments are brought current.

RULES AND REGULATIONS FOR VACATION TYME® USE

Subject to availability and all the terms and conditions imposed by the participating resorts, you have the right to use and occupy a Vacation Tyme® unit of any type and size during any seasons, at any of the participating resorts, for time periods other than your basic entitlement, provided you have reserved such use and occupancy (Vacation Tyme®) in accordance with the following procedures:

- (a) If you reserve a unit for Vacation Tyme®, you shall pay a reasonable use fee therein, which shall be fixed from time to time by the Board of Directors at the participating resort and published in the VRI Vacation Tyme® Guide.
- (b) You may not make a reservation for Vacation Tyme® use more than 15 days prior to Check-In on the date, which is the first day of the period for which a reservation is sought. Refer to the VRI Vacation Tyme® Guide for resort specifics.
- (c) Reservations made for Vacation Tyme® use shall be honored on a first-come, first-served basis and may be made in person, by telephone, telegram, mail or email.
- (d) For each week owned by you, you will be permitted to have one reservation pending for Vacation Tyme® use at a time, i.e. you must use any Vacation Tyme® reservation pending, in your name, at any participating resort, before making another Vacation Tyme® reservation.
- (e) You may cancel a Vacation Tyme® reservation up to 24 hours in advance of the Check-In Time on the first day of the period so reserved without penalty. In the event your Vacation Tyme® reservation is canceled less than 24 hours prior to Check-In time on the first day of the period so reserved, or you fail to use and occupy your unit for the full time period reserved, you shall be charged for the dates canceled or abandoned.
- (f) Vacation Tyme® is limited to use by owners of Intervals at resorts managed by Vacation Resorts International and their permitted users. The manager will not permit Vacation Tyme® occupancy

of a unit by anyone in the absence of the Interval Owners in whose name the reservation was made.

- (g) Reservation requests for Vacation Tyme® Use will not be considered if you are delinquent in the payment of any assessments levied by the Homeowner's Association at your home Resort, or if you have failed to pay any charges resulting from a Vacation Tyme®, Bonus Time, or Regular Use stay at any participating resort.

BLUE MONDAY

If you have not occupied your reserved Unit or made arrangements for late check-in within 48 hours of your check-in day, your reservation may be given over to Bonus Time or Vacation Tyme® use. Twenty-Five percent (25%) of such "no-show" space will be held in reserve for late arrivals. If you wish your reservation to be exempt from this "Blue Monday" rule, you must notify the Resort in writing.

CHECK-IN AND CHECK-OUT TIMES

**Check-In time commences at 4:00 p.m. (local time) on the first day of your reserved Use Period. Checkout time is 11:00 a.m. on the last day of your stay. The period from Checkout time to Check-In time is reserved exclusively as a service period for the cleaning, repair and maintenance of the Vacation Units. You will not be allowed to remain in the unit after the established Checkout time, unless you have reserved consecutive Use Weeks. If you have reserved consecutive Use Weeks, you need not vacate your assigned unit.

On a space available basis, you may arrange for late Checkout by making such arrangements in advance. If you stay later than your scheduled Checkout time you may be charged up to current rack rate.

FAILURE TO VACATE

If you or your Permitted User fails to vacate a Vacation Plan Unit at the end of your Use Period, such failure to vacate may result in the severe consequences set forth in the Declaration.

CARE OF INTERIOR FURNISHINGS AND EQUIPMENT

When you or your Permitted User uses an assigned Vacation Unit, you, the Interval Owner, are responsible for any damage done to the Vacation Unit and its furnishings during your Use Period, other than normal wear and tear.

Any unreimbursed charges for damage or loss will be added to your bill at Checkout time or will be billed directly to you. Nonpayment of such a charge will be cause for suspension of use privileges until such charge has been paid. You should report any damage or deterioration to your assigned Vacation Plan Unit or its Common Furnishings to the Manager as soon as possible after Check-In.

BUILDING MODIFICATIONS

No structural changes, reorganization or removal of furniture, wall hangings, or floor coverings or redecorating of any type within the assigned Vacation Units or other areas of the property are permitted to be made by any Vacation Owner.

HOUSEKEEPING SERVICE

Housekeeping service is provided without additional charge to assure that your Vacation Unit will be clean and neat at the commencement of your reserved Use Period. Additional maid service is also available to you for an additional charge. You may arrange for such additional maid service by contacting the Front Desk. In the event you, or your Permitted Users, occupancy of a Vacation Unit causes additional maid service to be required over and above

that which would normally be needed to prepare such Unit for the next occupant, a charge shall also be made for such additional maid service. Charges for additional maid service shall be payable upon departure. Check with the Front Desk for a schedule of fees.

INVENTORY OF INTERIOR FURNISHINGS AND EQUIPMENT

During the Service Period between each Use Period, a complete inventory of the furnishings and equipment allocated to each Vacation Plan Unit will be conducted. Any items, which are missing or damaged following your departure, or the departure of your Permitted User, will be charged to you. During your use and occupancy of your assigned Vacation Plan Unit, please report any damage to or loss of any items of the Common Furnishings to the Manager as soon as possible.

PASS KEY

The Manager is provided with a pass key (card key) to all rooms. In case of emergency, the Manager or his employee may enter your Vacation Unit, and in such case, shall notify you, as soon as reasonably possible, of the reason for such entry.

SAFETY AND HEALTH RULES

No dangerous or unlawful substance may be kept or used on the premises.

Obnoxious, unlawful, or offensive activities are prohibited.

Neither you nor your Permitted Users are allowed to prepare or cook food in the Units.

The Association reserves the right to establish specific rules governing such potentially loud or disturbing activities as the use of musical instruments, sound equipment, radios, TV, or late evening entertainment if it determines that there is a need to do so in the best interest of all Members. Good judgment and thoughtfulness for others should always be used when engaging in such activities.

STORAGE

The Managing Agent maintains a safe where your money, jewelry, documents, or other small articles of value may be deposited for safekeeping during your Use Period. Neither the Managing Agent nor the Association is responsible to you for any loss of, or damage to, your personal belongings not deposited in the safe. In no case shall the liability of the Manager, Tahoe Seasons Resort Hotel or the Association exceed the sum of \$250.00 for such property deposited in the safe. A fifty-dollar (\$50.00) fee will be charged for the replacement of any lost key.

All Vacation Plan Owners and their Permitted Users shall be responsible for removing all their personal property from their assigned Vacation Plan Units at Checkout time. The Managing Agent shall not be responsible for any belongings left by you or your Permitted User at the expiration of your Use Period.

Except in areas, which may be designated for such purpose by the Managing Agent (storage areas, for example), neither you nor your Permitted User may keep personal property on the premise other than within your assigned Unit during your properly reserved Use Period.

The **Association** shall provide a storage area for all snow skis and other snow equipment. No snow skis shall be stored within any Unit, the Common area other than in the above designated storage area, or the Commercial Area. Neither the Association or the Managing Agent shall be responsible for any loss or damage to snow equipment stored within the storage area.

NO PETS

Absolutely no Owner, renter, or Permitted User may bring animals or pets of any kind onto the premises unless it is an official "service animal". Guests are subject to a monetary penalty, suspension of use rights, and eviction for violation of this rule. Check with the Manager for kennel information.

CONTROL OF CHILDREN

You shall be responsible for the conduct of your children and the permitted users children of your guests, ensuring that their behavior is neither offensive to any occupant of the resort nor damaging to any portion of the resort facilities. Children will not be permitted to play in the lobby, corridors, stairways, parking areas or any other common areas designated by the Association.

USE OF THE POOL / SPA FACILITIES

Use hours and rules are posted at the pool / spa. Use of the facilities is solely at your own risk and you must be a registered guest. No lifeguard will be on duty. Children shall not be permitted in the pool / spa area unless accompanied by an adult. Hours and rules are subject to change at the discretion of the Manager. Any person violating any of these rules will be denied use of the facilities.

PARKING

Parking at Tahoe Seasons Resort is by valet service only. No vehicles over six feet, three inches (6' 3") in height may be parked in the garage. Members and their Permitted Users bringing more than one vehicle must make off-site arrangements for the other vehicle. Please keep in mind that parking in an unauthorized area on or off site may result in your vehicle being towed away at your own expense.

The management assumes no responsibility for auto accessories or articles left in your car. No liability is assumed by management for loss or damage by fire, theft, or any other harm to, or by the vehicle while in the custody of the management.

NON-SMOKING POLICY

Tahoe Seasons Resort is a non-smoking resort. Designated smoking areas are the rooftop, 6th floor patio, smoking area by the pool and by the bears across from the front entrance. Anyone caught smoking in the rooms will be subject to a room recovery fee.

MAXIMUM OCCUPANCY

The maximum allowable occupancy for any Unit Type is set forth below:

<u>UNIT NAME</u>	<u>OCCUPANCY</u>
Chalet	4 people
Chateau	4 people
Chamonix	4 people
Cambridge	4 people
Fountainbleu	6 people
Fairmont	6 people
Regency	8 people
Royale	8 people
	GUESTS

You may permit another person to occupy your Vacation Unit during the Use Period reserved by you for Regular Use without charge from the Association. You may not permit another person to occupy your Unit during a Use Period reserved for Bonus Time Use unless you are present during such Use Period.

You may invite guests to share occupancy of your Vacation Unit during your Use Period(s), provided that maximum allowable occupancy limits are not exceeded. The Manager will not give access to your Unit without your written

permission. If you intend for a guest to use your Unit during your Use Period, you must provide the Association, with a letter of Authorization (fax or mail), prior to the first day of your Use Period. Please indicate the name(s) and address (es) of the guest(s). Upon Check-In, guests will be required to show proof of identification and sign a registration card. Letter of authorization can be printed at www.tahoeseasons.com

Persons under 21 years of age, who are not Owners, shall not be permitted to use and occupy the Property unless accompanied by you or a Permitted User over 21 years old.

PERSONAL CHARGES

You shall be responsible for the prompt payment of charges, which may be incurred, by you, your family and guests from time to time during your stay. These personal charges are independent of, and in addition to, your Annual Maintenance Fee and ordinarily must be paid at Checkout time. Non-payment of such charges will result in suspension of use privileges.

DESK HOURS

The front desk will be open twenty-four (24) hours per day, seven days per week.

COMMERCIAL USE

The use of the property for the solicitation of business or any other commercial purpose is expressly prohibited except as specifically provided by the governing documents of the Association or as approved by the Association's Board of Directors.

EMPLOYEE RELATIONS

The Association has employed personnel who are responsible for the maintenance of the property and units and all duties necessary to make you stay at the resort pleasant and comfortable. All employees at the resort are under the sole direction of the Manager and, during working hours, shall not be diverted to the employment of any Members. Complaints regarding employees and requests by Members for assistance by employees should be made through the manager or his/her designated assistant.

RESPECT AND COMMON SENSE

The foregoing Rules and Regulations are a compilation of common sense ideas that reflect sensitivity to, and respect for, your fellow homeowners and exchange users. If they are strictly observed, your stay will be greatly enhanced and the Management will be able to serve you more efficiently.