

THE OCHO CASCADAS ASSOCIATION
Rules and Regulations
January 15, 2014

1. PURPOSE. These Rules and Regulations are promulgated pursuant to the authority given the Club by the Declaration and are independent and exclusive of, and do not modify or supersede, the Declaration. The Rules and Regulations are designed to safeguard the use and enjoyment by each Member, occupant and guest of the Club. Terms used herein shall have the meaning ascribed to them in the Declaration.

2. COMPLIANCE. Full compliance with these Rules and Regulations by all parties concerned is anticipated and every Member is urged to require strict observance hereof by every occupant of their Villa. A copy of these Rules and Regulations shall be posted in each Villa.

3. CHANGES. These Rules and Regulations are subject to change from time to time by the Club. Any suggested changes should be delivered in writing to the Managing Agent or to the Board of Directors of the Club.

4. VIOLATIONS. Violations of these Rules and Regulations should be reported promptly to the Managing Agent who will initiate corrective action as and when he deems appropriate.

5. CHILDREN. For the safety and comfort of all, Children under 12 are not recommended if traveling with the Member, and not permitted if traveling with Guests staying without the member. Parents are responsible for their children and must not allow loud noise or activity which may annoy another guest or Member. Children must be supervised by their parents at all times.

6. CHECK-IN TIME. Check-in time shall be 4:00 p.m. on the first day of each Use Period. No Member or Permitted User shall be admitted into his Unit before the proper check-in time; provided, however, that those persons whose Memberships correspond to two or more consecutive Use Periods may remain in their Units during any interim Service Periods subject to the approval of the Managing Agent.

7. CHECK-OUT TIME. Check-out time shall be 12:00 p.m. on the last day of the Use Period. No Member or Permitted User shall remain in his Unit after check-out time; provided; however, that those persons who's Memberships correspond to two or more consecutive Use Periods need not vacate their Units during any interim Service Periods subject to the approval of the Managing Agent. In the event that any Member or Permitted User fails to vacate the Unit at the end of the Use Period or otherwise uses or occupies the Unit during a period other than the appropriate Use Period, or by intentional or negligent acts or omissions renders the Unit unusable or prevents another Member from using or occupying the Unit during such other Member's Use Period, such Member (the "Detaining Member") or Permitted User (the "Detaining User") shall be subject to the penalties set forth in the Declaration including:

(a) The immediate removal, eviction or ejection from the Unit wrongfully occupied by law with respect to any legal proceedings regarding removal, eviction or ejection;

(b) Being deemed to have waived any notices required by law with respect to any legal proceedings regarding removal, eviction or ejection.

(c) Paying to the Club a fee equal to 200% of the fair rental value of the Unit for each day the Detaining Member or Detaining User remains in the Unit, attorney's fees, court costs and costs of removal, eviction or ejection;

(d) The imposition of a lien against the Membership of the Detaining Member or the Member whose guests are the Permitted Users to enforce collection of the amounts described above.

8. SERVICE PERIODS. In addition to the four weeks that have been reserved by the Club as the Maintenance Period, the four (4) hours between 12:00 p.m. and 4:00p.m. on the first and last day of each Use Period shall be reserved to provide for full main service and for the maintenance and repair of all Units.

9. THE PROPERTY. All Members, guests and other occupants shall keep the Unit in good repair and condition during their Use Periods and shall report to the Managing Agent any damage or deterioration of the same. All Members, guests and other occupants using a Unit shall be responsible for leaving the Unit in a clean and orderly condition.

10. CLEANING. All Units shall receive daily maid service which shall consist of general dusting, cleaning bathrooms and kitchens, changing towels daily, making beds and complete changing of linen twice weekly. The penthouse Unit shall also receive the daily services of a cook and houseman. Members shall be responsible for all other housekeeping during the respective Use Periods.

11. STORAGE. No Member shall leave or store personal belongings in the Unit at times other than their respective Use Periods. Neither the Club nor the Managing Agent shall be responsible for any belongings left by a Member or an occupant at the expiration of the Use Period.

12. DAMAGES. Damages to the Property, Common Area, Units, or the Common Furnishings shall be surveyed and the cost of repairs or replacement will be assessed as soon as practically possible by the Managing Agent against the person or persons responsible. When possible, a statement regarding such damage and the estimated cost of repairs or replacement shall be presented to the responsible person or persons at or prior to the check-out time for such person or persons.

13. NUISANCE. No noxious, offensive, or annoying activity, noise or nuisance which may interfere with the rights, comfort, or convenience of others shall be created or permitted within the Units or the Common Area.

14. PASS KEY. The Managing Agent is provided with a pass key to every Unit. In case of emergency, he or his agent may enter any Unit deemed necessary and in such case, the Member or occupant of the Unit will be promptly notified of the reason and result of such entry.

15. USE OF POOLS. Each Member has the exclusive right to use the swimming pool located in his Unit during his Use Period. However, each Member shall assume all risk of personal injury or property damage that may result from the use of said pool by the Member or the Member's family, guests or invitees.

16. MINIMUM AGE OF PERMITTED USERS. There must be at least one Member or Guest 18 years or older present.

17. NON-PAYMENT OF ANNUAL MAINTENANCE ASSESSMENT. All Basic Assessments are due and payable by the first day of October of each calendar year. All Assessments that are not paid when due will automatically be assessed a twenty-five percent (25%) penalty and commence to accrue interest at the highest rate permitted by law. All Assessments, penalties and interest due must be paid prior to December 15 or the membership will be cancelled in accordance with the governing documents. At no time will the Member or Member's guest be allowed to use the Villa until the Assessments and any penalties and interest are brought current.

18. MAXIMUM OCCUPANCY. During a Use Period, not more than six (6) persons shall occupy any two-bedroom Unit (including the penthouse Unit) and not more than eight (8) persons shall occupy the three bedrooms Unit. For any occupant in excess of the maximum number of occupants stated above, the Member or Guest will be charged \$50 per person per night and will be required to find alternate accommodations for the extra persons.

19. ALTERNATIVE LODGING. In the event of a holdover by a Detaining Member or Detaining User, the Managing Agent shall use its best efforts to provide alternative equivalent lodging to the Member or a Member's Permitted Users adversely affected by such holdover at no cost to such person or persons so adversely affected.

20. OFFICE HOURS. The office at the resort will be open the following times: Monday through Saturday from 8:00 a.m. to 8:00 p.m.; Sunday from 10:00 am to 8:00 pm.

21. POOL USAGE. For the comfort of all guests, pools are to be used between the hours of 9:00 AM and 11:00PM. Temperature is to be maintained at a reasonable level for the comfort of all members and guests.

22. Please respect the quiet nature of Ocho Cascadas and refrain from disturbing other Members and guests. Loud radio or other music playing is prohibited.

23. Do not attempt to jump from one level to another. This behavior is extremely dangerous and is strictly prohibited. Jumping from one level to another will result in a fine of \$250 for the first offense, and \$500 for the second offense. The third offense shall result in immediate removal from the premises without compensation for costs to relocate or for any unused portion of the week.

24. In order to maintain the Resort's first class appearance, please do not drape any articles over balcony rails (towels, swim suits, etc.).

25. Pets are not allowed on the premises at any time.

26. Neither the Ocho Cascadas Managing Agent nor the Association shall be responsible for money, jewelry, or any other valuables lost or missing from your villa. We suggest that you bring traveler's checks instead of cash, and encourage you to leave other items of value at home.

27. No Member or guest shall appear nude in view of other occupants of other villas or staff. Anyone choosing to be nude must remain out of view and must maintain the chain on their entrance door to prevent surprise entrance by others, such as staff. Before admitting other Members, guests or staff to their villa, Members and Guests should cover themselves.

28. HEATERS & AIR CONDITIONERS. Each villa has its own electricity meter and a baseline usage has been established by the Board of Directors. Any Member or Guest that goes over the baseline due to excessive usage will be notified by on site management and will be charged for the excess usage.