

VILLA MYKONOS
CONCEPT IN TIME INTERVAL OWNERS ASSOCIATION

RULES and REGULATIONS

TABLE OF CONTENTS

<u>SUBJECT</u>	<u>PAGE</u>
DEFINITIONS	2
RESERVATIONS	2
BONUS USE RESERVATIONS	5
OTHER GENERAL RULES	7
Check-In and Check-Out Times	7
Occupancy Restrictions	8
Damages and Losses	8
Resort Personnel	9
Personal Items / Storage	9
Amendment of Rules and Regulations	10
Guests	10
Housekeeping	10
Restricted Activities	10
Pets	10
Smoking	11
Appearance of Resort	11
Use of Laundry Facilities	11
Use of Spa & Pool	12
Soliciting	12
Telephone Calls	12
Personal Charges	12
Enforcement of Rules and Regulations	12
EMERGENCIES	13

VILLA MYKONOS

CONCEPT IN TIME INTERVAL OWNERS ASSOCIATION

RULES AND REGULATIONS

Welcome to **VILLA MYKONOS**, vacation living at its very best. Our goal is to make use of your Interval a satisfying experience. The following Rules and Regulations have been established for the benefit of all Interval Owners. These Rules and Regulations supplement the Declaration of Covenants, Conditions and Restrictions for Interval Ownership (the "Declaration") but do not change your obligations as an Owner under either the Declaration or the other Governing Instruments. The Rules and Regulations may be amended from time to time, by the Board of Directors of the Association ("Board" or "Association"). You and your guests' compliance with the Rules and Regulations will permit the resort to run smoothly and efficiently. The failure by you or your guests to comply with the Rules and Regulations may result in the suspension of your rights and privileges as an Owner.

DEFINITIONS

To assist you in reading the Rules and Regulations, the legal terms used in the Declaration have been dispensed with in favor of plainer language. The context should make the meaning clear. If there is any conflict between any provision of these Rules and Regulations and any provision of the Declaration, the Declaration controls.

The following terms are understood to mean:

<u>Term</u>	<u>Meaning</u>
Type of Ownership	Fixed Holiday Owner, Floating Holiday Owner, Prime Owner, and Summer Owner
Resort	Villa Mykonos
Association	Concept In Time Interval Owners Association ("I.O.A.")

RESERVATIONS

1. How many nights of use am I entitled to for each Interval I own, (other than Bonus Use)?
 - a. If you are a Fixed Holiday Owner, you are entitled to occupy an Interval Unit during all or any portion of your Holiday Week each year by making a

reservation. The week begins on Friday of the week that contains the Holiday.

- b. If you are a Floating Holiday Owner, you are entitled to reserve seven nights at one time or a three and a four night stay during a Holiday Week each year. If you are splitting your week, please see #7 below.
- c. If you are a Regular or a Floating Holiday Owner, you are entitled to reserve seven nights, at one time or a three and a four night stay in your season each year during your Owners' Use Time. (See #7 below) Prime Use and Summer Use owners may make a reservation out of their Use Time. However, the reservation would be under the same rules as a reservation for Bonus Use. You may not make a 7-day reservation for your week if the first day of that reservation begins on either a Saturday or Sunday, unless the day you scheduled that week is within 14 days of the first day of your stay.

2. How do I make a reservation for use of an Interval Unit?

You may make your reservation request to the General Manager in person, or by telephone, mail, e-mail, or facsimile. Written requests should be addressed to Villa Mykonos; 67-590 Jones Road; Cathedral City, California 92234-6401. Telephone requests may be made by phoning (760) 321-2898. Faxes are accepted at (760) 321-0164 or e-mailing to manager@villamykonos.com. In-person requests may be made during regular business hours at the Office at the Villa Mykonos Resort.

3. How much notice do I have to give to make my reservation?

A Regular Use (Prime or Summer Week) or a Holiday Use (Floating or Fixed Holiday Week) reservation request should be received by the General Manager at least four weeks in advance and not more than nine months in advance, of the desired occupancy period. Reservation requests will also be accepted less than four weeks in advance of the desired occupancy period, however, such a reservation request will be in competition with Bonus Use reservation requests and Association Rental Reservations on a first-come, first-served basis. (See also Item 6 below.)

4. How will I know if my reservation request has been confirmed?

Reservation requests will be confirmed by mail or telephone, if there is insufficient time for regular mail delivery. No reservation request will be honored unless it has been confirmed by the General Manager. If an Owner requests electronic mail ("e-mail") confirmation and provides a valid e-mail address, confirmations can be delivered via e-mail.

5. How much advance notice must I give for my reservation request?

A Regular Use reservation request may be made at any time up to 24 hours in advance. However, since reservation requests are confirmed on a first-come, first served basis, the more advance notice you give, the more likely it is you will receive the reservation dates requested. A reservation request received more than 9 months in advance of the first night of the requested reservation will not be considered.

6. What might prevent me from securing a confirmed reservation?

If you seek a reservation for a period that starts at least 4 weeks after your request is received, you will have priority over requests for Bonus Use and Use Outside of your season (Prime, Summer or Holiday). Otherwise requests for reservations for Bonus use, Association Rentals use, and use Outside of your season, will be treated on a first-come, first served basis.

Your reservation request will not be confirmed nor will occupancy of an assigned Unit be permitted if you are delinquent in the payment of any amounts owed to the Association or your use rights have been suspended by the board.

Additionally, a reservation banked through RCI, or other CIT-approved exchange program provider will not be confirmed nor will occupancy be permitted if you are delinquent in the payment of any amounts owed to the Association or if your use rights have been suspended by the Board. Certain other restrictions and conditions outlined in Item 10 below apply to exchange intervals.

7. Do I have to reserve a whole week at a time?

As a Floating Holiday or Regular Owner (Prime or Summer Owner) you may make a Regular Use reservation request for as much as an entire Use Week shown on the Use Week Calendar, or for as little as three days. If you reserve less than a full week, your Regular or Floating Holiday Use reservation may only include one weekend Use Period including any extended Bonus use made at the time of your reservation. However, you may request a second weekend Use Period for your unused time if you make your reservation request not more than 14 days in advance of the, first day of the Use Period sought to be reserved. You may reserve one or two day stays, however, you will be deemed to have used three days of your Use Period.

As a Fixed Holiday Owner, you may make a Fixed Holiday Use reservation request only for an entire Use Week during the Holiday Season. If you reserve less than an entire Holiday Use Week, you will be deemed to have used the entire Holiday Use Week.

8. May I share my assigned Unit with guests?

Yes, you may share your assigned Unit with guests, or you may have guests use some or all of the time which you have reserved even if you are not present, provided at least one guest is 21 years of age or older. However, if guests will occupy your assigned Unit in your absence, the General Manager must be notified in writing prior to the first day of occupancy of your assigned Unit. The General Manager will also want to know the names and addresses of your guests. In your absence, guests will be required to show proof of identification and to sign a registration card.

9. Is there a penalty for cancellation of a reservation?

You may cancel your reserved Use Period, without penalty, by giving notice to the General Manager at least seven days prior to Check-In Time on the first day of your reserved Use Period. The Association will make every effort, but cannot guarantee that you will be able to reserve another Use Period in the current Use Year.

Any Owner who fails to cancel a reservation at least seven days prior to Check-In Time shall be considered to have used the entire Use Period for which the reservation was made unless another Owner used the reserved Unit during one or more days of the reserved Use Period, in which case you shall be credited with the number of days that Unit is actually used. Remember, you may not accrue or carry-over unused time from one Use Year to any other.

10. Can I exchange my interval week to use at a different resort or at a later time?

Yes, you can bank your interval week through a CIT-approved exchange program. Currently, RCI (www.RCI.com) is the only CIT-approved exchange program provider. Separate fees from RCI apply to become an RCI member and to bank or book interval reservations through RCI. An RCI reservation will not be confirmed, nor will occupancy be permitted, if you are delinquent in any amounts owed to the Association or if your use rights have been suspended by the Board. Any banked, but unused interval on deposit with the exchange program provider is subject to recall and suspension or cancellation if the depositing owner becomes delinquent in any amounts owed to the Association or whose use rights have been suspended by the Board.

BONUS USE RESERVATIONS

Bonus Use may be available if time has not been reserved by Owners entitled to reserve Regular Use or Fixed Holiday Use, by the Association for rental use, or in connection with any sales program.

1. How do I reserve Bonus Use?

You may either telephone or E-mail the General Manager with your reservation request or you may make a reservation request in person at the Office. No written reservation requests for Bonus Use will be accepted. Your reservation request must specify the following:

- a. The first and last dates of your requested visit
- b. The Interval # associated with your Bonus Use; and
- c. The number of people in your party

A deposit equal to the amount of the first night of Bonus use is required. This deposit will be kept only if you fail to cancel your reservation within 72 hours of check-in time on your arrival date.

2. How much advance notice must I give?

There is no minimum notice period. A reservation request for Bonus Use will not be considered, if it is received more than four weeks in advance of the first night of the requested visit.

However, if you are already extending your Regular Use time by using one or two nights of Bonus Use, you may make your Bonus Use reservation at the same time as your Regular Use reservation; that is, up to nine months in advance of the first night's stay (Please see #4 & #5 below).

If you are extending your reservation to include a second weekend through the use of Bonus Time, the 14-day reservation restriction applies (Please see #9 above under RESERVATIONS).

3. How will I know if my reservation request has been granted?

Bonus Use reservation requests are confirmed on a first-come, first-served basis by the General Manager by telephone, or regular mail or e-mail. No Bonus Use reservation request will be honored unless the request is confirmed by the General Manager.

4. Is there a limit on the number on nights of a Bonus Use visit?

No. However, Bonus Use cannot be guaranteed for more than two consecutive nights, subject to availability. An Owner may request a confirmed Bonus Use reservation be extended for additional and successive one-night periods provided such request is made not more than 24 hours in advance of Check-In Time on the date sought for the extension.

5. Is there a minimum stay when using Bonus Time?

Yes. Bonus Time must be used for a minimum of two nights, unless you are adding only one day of Bonus Time to your previously reserved reservation.

6. Does Bonus Use affect any other entitlement I may have to occupy a Unit?

No.

7. Can my guests occupy my Unit during Bonus Use time?

Not by themselves. However, if you accompany them personally, they may occupy a Unit with you. Also, if you own only one Interval Week, you may not occupy two units at the same time, i.e. one Unit using Regular Time and one using Bonus Time).

8. How often may I occupy a Unit as Bonus Use?

Subject to the availability, you may use Bonus Time as often as you like.

9. Is there a charge for Bonus Use?

You will be charged a daily rental rate in accordance with the current rate schedule adopted by the Board.

10. What will the Association do with revenue generated from Bonus Use?

The Association will deposit all revenues generated from Bonus Use into its general account to help defray some of the costs of the resort.

11. Other than availability, what might prevent me from securing a confirmed Bonus Use reservation?

Your Bonus Use reservation request will not be confirmed if you are delinquent in the payment of any amounts owed the Association, or if your Owner's rights have been suspended by the Board.

12. Is there a penalty for cancellation of a Bonus Use reservation?

If you cancel your Bonus Use reservation at least 72 hours prior to Check-In Time, there is no penalty. If you cancel your Bonus Use reservation less than 72 hours prior to Check-In Time, you will be charged your deposit equal to one night of Bonus Time use.

OTHER GENERAL RULES

Check-In and Check-Out Times

1. At what time may I check into my unit?

Check-In Time is **3:00 pm**

You may call the manager the day prior to your arrival; he may allow you to check in earlier if your unit is available and clean.

PLEASE NOTE THAT KEY CARDS ARE NOT ACTIVATED FOR USE PRIOR TO 3:00 pm ON YOUR SCHEDULED ARRIVAL DAY.

2. At what time must I check out of my assigned Unit?

Check-Out Time is before **12:00 pm**.

You may request an late check out from the manager.

3. Are there any other Check-In or Check-Out procedures I must follow?

No. However, to help keep costs down and to assist the housekeeping staff, please make sure your assigned Unit is ready to vacate by starting the dishwasher, if needed, turning off all lights, TVs, radios and other appliances, setting the thermostat to the OFF position, locking all doors and windows to your assigned Unit and leaving your room keys and remote controls in the Unit or at the Office prior to Check-Out Time.

Occupancy Restrictions

1. Could I be prevented from occupying my assigned Unit?

Yes. You may be denied occupancy of your assigned Unit if, at Check-In Time, you are not current in the payment of any amounts owed to the Association, or if your Owner's rights have been suspended by the Board.

2. How many persons may occupy my assigned Unit?

The maximum allowable occupancy is four people unless you rent a roll-a-way bed (see manager). If you do, the maximum occupancy is five people.

Damages and Losses

1. What if any damage or loss to my assigned Unit or any of its contents is discovered at check-in?

Any such damage or loss should be reported to the General Manager as soon as possible after check-in. Any damage or loss to your assigned Unit or its contents which is not reported promptly after check-in may result in charges to you.

2. How will I know if there is anything missing from my Unit?

At check-in you will be given an inventory list for your review and approval. It should be completed and returned to the General Manager as soon as possible. When you or your guests check out, any damage or loss not indicated on your inventory list will be billed directly to you.

3. May I redecorate my assigned Unit?

No. No structural changes or removal of furniture, wall hangings or floor coverings, or redecorating of any type within your assigned Unit or any other areas within the Resort are permitted to be made by you or any of your guests.

4. What happens if I lock myself out of my assigned Unit?

The General Manager has a passkey to all Units. During hours when the General Manager is not at the Office, please call the 24-hour emergency number listed in your Owner's materials or on the office window sign. In case of emergency, the General Manager or his employees may enter your assigned Unit and, if you are unaware of the entry, shall notify you as soon as reasonably possible of the reason for the entry.

Resort Personnel

Employees for Concept in Time I. O. A., including office, housekeeping and maintenance personnel, are under the sole direction of the General Manager. Requests by you and your guests for assistance from such employees must be made through the General Manager.

Personal Items / Storage

What happens if I leave personal items in a Unit when I check-out?

You are totally responsible for personal items brought into the Resort. Personal belongings may not be stored on the premises other than in your assigned Unit during your visit. Neither the General Manager nor the Association is responsible for any personal items left by you or your guests at check-out.

Any personal items discovered in your assigned unit after you leave will be placed with the lost and found items after 24 hours, if the manager is unable to contact you by phone.

Amendment of Rules and Regulations

Are the Rules and Regulations subject to change?

Yes, the Board may amend the Rules and Regulations with a simple majority vote of the Board from time to time. You will be notified of any changes.

Guests

You may permit another person to occupy your assigned Unit during your Use Period without charge by the Association. You may not permit another person to occupy your assigned Unit during a Use Period reserved for Bonus Use unless you are present during such Use Period. The General Manager will not give access to any Unit to such user without permission from the Owner in whose name there is a confirmed reservation. If you intend for a person other than yourself to use your Use Period or to accompany your unit during your Use Period, you must inform the General Manager prior to the first day of your Use Period. Please indicate the name and address of such person(s). You may invite others to share occupancy of your assigned Unit during your Use Period, provided that the maximum allowable occupancy limit for the Unit (4) is not exceeded.

When checking in, your guests will be asked to show proof of identification and sign a registration card.

You may permit persons under 18 years of age to occupy your assigned Unit under the circumstances that they are accompanied by you or a guest 21 years of age or older.

Housekeeping

The four-hour period between Check-Out Time and Check-In Time is reserved exclusively for the cleaning, inventory, repair and maintenance of Units by the housekeeping and maintenance personnel.

Upon arrival you will find your assigned Unit fresh and clean. Thereafter, housekeeping will provide the following services:

1. Cleaning supplies and equipment as required (Please make requests to the General Manager)
2. Supply fresh towels and linen, if desired, one time mid-week for a one-week stay
3. Empty trash when requested

Additional housekeeping services may be available by contacting the Office. A charge for additional housekeeping services may be made and, if so, it must be paid prior to your departure.

Restricted Activities

Dangerous or unlawful substances may not be stored, introduced, or used within the Resort. All obnoxious or offensive activities are prohibited in any Unit or other areas of the Resort. You are requested to control noise and your activities so that you do not disturb other occupants of the Resort. In addition, you are requested to monitor your children's activity so they do not disturb other guests or the staff.

The resort cannot be used for commercial or benefit purposes unless the Board of Directors has specifically approved such use for this day or days.

Pets

No animals (other than dogs, cats or other domestic pets approved by the Association) are allowed in any Unit or upon any portion of the Resort. Pets are not allowed in the pool area. Pets must be leashed at all times when on resort property. Owners and guests are required to pick up after their pet.

Smoking

Villa Mykonos does not allow smoking in any Unit (1-10), offices, lounge, outdoor restrooms, or laundry. Smoking is permitted on all patios and outdoor decks and common areas.

Appearance of Resort

No sunshades, awnings or other similar devices may be used on any balcony or terrace. Draping of any article, including towels swimsuits, etc., in the patio areas or otherwise is not permitted.

Use of Laundry Facilities

Laundry facilities are available for your use. Please check posted hours for times available for owners' use.

Use of Spa & Pool

The spa is intended to be an adult amenity. Due to its potential hazard to health, the use of the spa is regulated by state law; accordingly, only persons 12 years of age or older, and four feet or taller may use the spa. An adult must accompany any person between 12 and 18 years of age when using the spa.

Children whose age is under 12 are only allowed in the pool area during the following hours: 11:00 am - 2:00 pm and 5:00 - 8:00 pm. At other times, the manager may make an exception after speaking with the occupants of all other units on any particular day.

Soliciting

No commercial soliciting is permitted, whether within a Unit or the common area, at any time by any Owner or guest.

Telephone Calls

Each Unit is furnished with telephones that have direct line access. To make a local call, dial 8, then the local 7-digit number. Owners and guests must charge toll calls to their home or business number using a credit card or calling collect.

Personal Charges

The Association will charge a minimum fee of \$5.00 for any personal charges required to be billed to an Owner after Check-Out. All personal charges for guests are considered the responsibility of the Owner who requested access for such guest.

Enforcement of the Rules and Regulations

The Board expects all Owners and their guests to adhere to the requirements set forth in the Rules and Regulations and the Declaration to assist the Board of Directors in the enforcement of the provisions of these two documents, the Board has delegated enforcement authority to the General Manager. Any Owner or guest who has been advised by the General Manager that they are in violation of the Rules and Regulations or the Declaration will immediately cease that activity.

If any Owner or guest, after being notified by the General Manager that they are in violation of the Rules and Regulations or Declaration, fails to comply with the General Manager's direction, the matter will be referred to the Board for consideration of the assessment of penalties by reason of such person's non-compliance. The Owner against who such action is proposed to be taken has the right to appear before the Board to contest such action, all as provided in the Bylaws and the Declaration.

The General Manager may take whatever actions are necessary, up to and including ejection of Owner(s) and/or guest(s) from the resort, if the Owner(s) or guest(s) cause or pose a threat of imminent harm to persons or property, without requiring prior Board notice or action.

EMERGENCIES

In case of an emergency, contact the Office. If the Office is closed, contact the appropriate authority at the numbers listed below:

ALL EMERGENCIES: • 911 •

Office:	(760) 321-2898
General Manager (Cell)	(760) 218-4613
Police (non-emergency)	(760) 770-0300
Fire (non-emergency)	(760) 770-8200

****Adopted by a Vote of the Board of Directors on 9/18/2012****