



USAGE GUIDELINES

Welcome to the Villas at Club Intrawest. The operation of a quality resort establishment follows fair and efficient Guidelines. The following Guidelines are designed to ensure that planning and enjoying your vacations, and those of others, is as carefree as possible.

Fractional Use Plan

Fractional Interest Ownership

Owners at the Villas at Club Intrawest ("Owners") have purchased a 1/9th Fractional Interest. Owners are guaranteed 5 weeks of Planned Time each Use Year.

Villa Usage

The purchase contract for a Fractional Interest designates ownership of a specific Villa. To provide flexibility for Owner usage, occupancy of Planned Time utilizes all Villas. Owners of Two Bedroom Fractional Interests take occupancy during their Planned Time in any of the 5 Two Bedroom Villas. Owners of Three Bedroom Fractional Interests take occupancy during their Planned Time in any of the 7 Three Bedroom Villas.

Unused Planned Time

All 5 weeks of Planned Time are to be booked within the Use Year; therefore any unused Planned Time is forfeited.

Amenity Use

Use of amenities is for those Owners and guests who are in residence at the time.

Designated Users

Villa owners will name one person as the Owner of Record who will be the main contact with Owner Services and whose mailing address will receive all correspondence. Owners may also name three Designated Users in addition to the Owner of Record. Designated Users must be over the age of majority and will have all the same privileges as the Owner of Record.

Planned Time

Owners are guaranteed 5 weeks of Planned Time each Use Year.

Selection Cycles

Each year Planned Time requests are submitted in 2 Selection Cycles for travel dates during the upcoming Use Year.

Reservation Period

A Planned Time week is a 7-night stay in a single Villa. The check-in day for Planned Time is Saturday.

Request Requirements

For each Planned Time request, Owners must submit 3 ranked choices of travel dates. If the 3 choices for Planned Time week submitted by an Owner are not available, Owner Services will contact the Owner for another choice(s) during the confirmation period of each Selection Cycle.

First Selection Cycle Parameters

During the first Selection Cycle Owners may request 3 weeks individually, consecutively or multiple Villas for the same week, providing that no more than 2 of these include Weeks 51, 52, 53 (in years when applicable) and Weeks 3-15; OR

During the first Selection Cycle, Owners may request 4 or 5 weeks individually, consecutively or multiple Villas for the same week, providing that all of these occur entirely during Weeks 18 to 25 and Weeks 35 to 44; AND

During the first Selection Cycle, Owners may be confirmed into only one Villa or one week of Planned Time for each Use Year that includes the following holidays: President's Day, Easter, Christmas and New Year's Eve.

Second Selection Cycle Parameters

During the second Selection Cycle Owners submit their selection for the remaining Planned Time for a total of 5 weeks of Planned Time each Use Year. Owners may request any Planned Time that is available, with no restrictions with respect to multiple Villas or consecutive weeks of Planned Time.

Priority Reservation Schedule

Each Owner will be assigned a priority rotation schedule at the time of purchase based on a random selection. The Priority Reservation Schedule determines the order in which Owners' requests for Planned Time are assigned. For each Use Year, an Owner will have two priority numbers; one for each of the first and second Selection Cycles respectively. The priority number applies for all weeks requested during a Selection Cycle. An Owner's Priority Reservation Schedule is fixed.

Reservation Window

Owners will submit their requests for the first Selection Cycle from July 1-30 each year. Fulfillment of requests will be made from August 1-15 using the Priority Reservation Schedule. Owners will be provided with an availability schedule by August 16 to submit requests for the second Selection Cycle by September 15. Fulfillment of requests will be made from September 15-30 using the Priority Reservation Schedule. The Reservation Window for Planned Time may be adjusted by the Manager.

Owners Not Submitting Requests

If an Owner does not submit requests for Planned Time for the first and/or second Selection Cycle(s), Owner Services will assign Planned Time based on general preferences during the two Selection Cycles.

Confirmation

Owners will be sent confirmation of Planned Time for the first Selection Cycle by August 15 of each year and for the second Selection Cycle by September 30 of each year.

Assignment of Villas

Owners will be assigned Villas for reservations according to the best usage of the Villas units. Owners who are confirmed for consecutive weeks may be required to change Villas from one week to another.

Cancellation

Planned Time reservations may be cancelled up to 60 days in advance without penalty. No-show or late cancellations will result in the deduction of those weeks from the Owner's annual Planned Time allocation and the Owner will be responsible for Minimum Cleaning Housekeeping Fees. Subsequent reservations for alternative Planned Time in lieu of properly

cancelled Planned Time will be subject to availability. Check with Owner Services for the current cancellation charge.

Space Available

Each year Owners are guaranteed 5 weeks of Planned Time. Having only 9 owners per Villa provides for additional time called Space Available.

Notice of Availability

On October 1, following the fulfillment of Planned Time requests, Owners will receive notification of unreserved time that is available for Space Available reservations for the upcoming Use Year. The notification date of Space Available may be adjusted by the Manager.

Reservation Requests

An Owner must have reserved all 5 weeks of Planned Time for the upcoming Use Year in order to make a request for Space Available. If an Owner purchased two or more Fractional Interests, Space Available requests may be made only for the Fractional Interests for which all 5 weeks of Planned Time for the upcoming Use Year have been reserved.

Reservation Booking Order

Owner Services will respond to requests for Space Available reservations by the next business day after the request was made. If more than one Owner requests Space Available at the same time for the same travel dates, the Priority Reservation Schedule will determine which Owner's request takes priority.

Number of Reservations

Owners may have only one Space Available reservation on the books at any one time for each Fractional Interest owned. After arriving to use an existing Space Available reservation, a subsequent reservation can be requested.

Villa Usage

An Owner of a Two Bedroom Fractional Interest may reserve Space Available in a Two Bedroom Villa. An Owner of a Three Bedroom Fractional Interest may reserve Space Available in a Three Bedroom Villa.

Length of Stay

The maximum length of stay is 7 consecutive nights. There is no minimum length of stay requirement.

Cancellation

Space Available reservations may be cancelled up to 60 days in advance of arrival without penalty. No-show or late cancellations will be subject to Minimum Cleaning Housekeeping Fees. Check with Owner Services for the current cancellation charge.

Use of Space Available

The Owner of Record or a Designated User must be in residence for Space Available reservations. Such reservations may not be assigned, leased or licensed to any other individual.

Villa Use

Guests of Members

Owners may offer the use of their Planned Time to others, subject to these Guidelines. Owners must inform Owner Services 21 days in advance of check-in for a reservation, indicating the names and addresses of the Guests. Upon arrival, Guests will be required to show identification and follow regular check-in procedures. An Owner may not charge their Guests for the use of the Villa. Designated Users are not considered Guests.

Guest Pass

A pre-arrival information package explaining the Villa operations and rules is available for Owners to purchase for their Guests. This Guest Pass is recommended for Guests who are unfamiliar with Club Intrawest – Zihuatanejo. Check with Owner Services for the current fee for a Guest Pass.

Check-in / Check-out

The check-in time is after 4:00pm on Saturday and the check-out time is 1:00pm on the following Saturday.

Parking

There are a limited number of covered parking stalls at Club Intrawest – Zihuatanejo. The valet service must be used for parking vehicles. Owner Services must be informed in advance if you will be bringing a car. Upon check-in, an Owner or Guest will receive a reserved parking permit. Parking spaces are reserved for vehicles with permits and any vehicles in violation will be subject to towing at the Owner's expense.

Inventory of Items within Villas

An inventory list of the furnishings and equipment is provided in each Villa. Any missing items, damage or deterioration of a Villa or the common furnishings therein must be reported to the Manager as soon as possible after check-in. Immediately following check-out, the Manager will conduct a complete review of the furnishings and equipment allocated to each Villa.

Occupancy

The number of persons, excluding children under the age of two (2) who may occupy a Villa is:

	Comfortable	Maximum
Two Bedroom	4	6
Three Bedroom	6	8

In the interests of all Owners and their personal property, the maximum occupancy will be strictly enforced by the Manager. Violation will result in a fine to the Owner and additional accommodation must be arranged by the Owner.

Minors

No one under the age of majority may occupy a Villa unless accompanied by a person over the age of majority.

Children

Owners are responsible for the conduct of their children. Children will not be permitted to play in the corridors, stairways, parking areas or lobby.

Family and Adult Environments

Family and Adult Environments are designated at Club Intrawest – Zihuatanejo. Adult Environments are for the use by persons fourteen (14) years of age and older.

Animals

No animals, except certified medical assistance, signal and service animals may be brought to Club Intrawest – Zihuatanejo.

Housekeeping Service

Each Villa will be cleaned prior to Check-in. Owners may choose from a Minimum or Daily Cleaning Service during their stay. Housekeeping Costs are paid at the time of stay for both Planned Time and Space Available Stays.

Villa Responsibility

When an Owner or Guest of an Owner occupies a Villa the Owner is responsible for any damages to or loss of furnishings during such occupancy, other than normal wear and tear.

Personal Charges

Any unpaid charges for services, damages or loss will be added to the Owner's bill at check-out or will be billed to the Owner directly afterward. Non-payment of any such personal charges will be cause for suspension of occupancy privileges until such charges are paid in full.

Storage

The Manager is not responsible for any personal property left by Owners or Guests. Owners will be responsible for removing all non-Villa personal property from the Villa prior to check-out. There are no areas at Club Intrawest – Zihuatanejo designated for personal storage for Owners.

Equipment Storage

The Manager provides separate storage facilities for equipment (e.g. golf clubs/surf boards/bicycles) for use during the Reservation Period. Therefore, such equipment is not permitted inside, about or around the Villas

Conduct

These Guidelines are intended for the protection of Villa Owners and Club Intrawest Property, as well as to ensure that all who use the Villas observe conduct in keeping with the atmosphere of Club Intrawest. Specific rules may be established governing potentially loud or disturbing activities.

No Smoking

The Villas are smoke-free. No smoking is permitted within any of the rooms or common areas, including Zi – the Restaurant at Club Intrawest, Zi Bar and the Surf Club. Smoking is permitted on the private terraces of the Villas.

Alterations of Structure

No structural changes, reorganization or removal of furniture, wall hangings or floor coverings, or redecorating of any type are permitted within the Villas or other areas of the Club property.

Exterior Lighting

No exterior lighting shall be installed or maintained on any Villa or common area, other than that provided by Club Intrawest, without written permission by Club Intrawest.

Barbecuing

Barbecuing is prohibited on the Villa terraces.

Clothes Drying

Clothes, towels, bathing suits and other items may not be left on terraces or railings so as to be visible from other Villas or the common areas.

Emergency Entry

The Manager has a passkey to all Villas. In case of emergency, the Manager or the Manager's employee may enter an Owner's Villa, and will notify the Owner as soon as possible of the reason for entry.

Failure to Vacate

If an Owner or the Owner's Guest(s) fail to vacate a Villa by check-out time on the last day of the Owner's reserved period of occupancy, they will be subject to the repayment of all costs incurred as a result by Club Intrawest and other Owners.

Maintenance Period for Villas

The Manager may set aside up to seven (7) days each year for cleaning, maintenance, painting, decorating and refurbishing of a Villa and the equipment as required. The Manager shall determine from time to time which week will constitute the maintenance period for each Villa and will not accept a reservation during its maintenance period.

Home Owner Association Assessments

Payment of Home Owner Association Assessments

Home Owner Association Assessments are quarterly and payable in advance to Lodging Ovations Corp., Sucursal Mexico on behalf of the **Home Owner's Association**. Payable dates will be January 1, April 1, July 1 and October 1. Assessment amounts are subject to change pending the establishment of the yearly budget.

Delinquency

If an Owner is in default of any assessments, at the option of the Owners' Association, the Owner's rights may be suspended, including occupancy during a Planned Time week. In such circumstances, the Owners' Association may make the Owner's Planned Time week available for rental, with the revenue being applied to outstanding payments.

Participation in Rental and Exchange Programs

All payments and assessments must be current in order to participate in the Rental or Exchange Programs.

Guidelines

Violation of Villa Guidelines

Failure to abide by these Guidelines or the Bylaws and Regulations of the Association or any requirements of legal documents under which the Villas is created may result in fines or loss of occupancy privileges.



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Guideline Amendments

The Manager, on behalf of the Villas, may periodically amend these Guidelines where it is deemed necessary and in the best interest of the Villas and its Owners. These Guidelines are effective as of June 1, 2005, and will remain in effect until amended. The terms used in the Guidelines have the meanings set forth in the legal documents under which the Villas is created ("Project Instruments"), unless the context requires otherwise. The Manager will mail any significant changes and/or amendments to these Guidelines annually. The Manager will not accept responsibility for misdirected or undelivered mail.