

Rules and Regulations Governing Designated Access Areas

(Adopted July 12, 2023)

These Rules and Regulations ("Rules") have been adopted pursuant to the Reciprocal Access Agreement ("RAA") between Crystal Shores East Association ("CSEA"), Crystal Shores West Association ("CSWA"), and Lakeshore Terrace Association ("LTA"). CSEA, CSWA and LTA may be jointly referred to as "Parties" and/or "Associations," or individually as an "Association." Capitalized words have the same meanings as described in the RAA unless they are defined otherwise in these Rules.

Article I

Purpose and Organization of Rules Committee

1. **Purpose.** These Rules govern the use of the Designated Access Areas (depicted on Exhibits A through C attached hereto) by Authorized Users and the methods for accessing gated entrances within the Designated Access Areas. Owners should read the RAA and these Rules to gain an understanding of how these Rules apply to their use of the Designated Access Areas.
2. **Rules Committee.** A Rules Committee consisting of three (3) members shall be formed by the appointment of one representative of each of the Associations. Each appointed representative shall be a member of the Board of Directors from each of the Associations. Each Association may appoint a proxy to serve on the Rules Committee if its representative is unavailable to attend a hearing or has a conflict of interest. No member of the Rules Committee shall participate in a hearing in which that member or a member of his or her household has been accused of violating these Rules and Regulations. The Rules Committee shall have authority to enforce the Rules in Article II in accordance with the procedures in Article IV below.
3. **Duties.** Each member of the Rules Committee shall endeavor to interpret and enforce these Rules and Regulations consistently and in an impartial manner, without favoritism to or bias against any Association or Authorized User.

Article II

General Rules Governing Use of Designated Access Areas

1. **Authorized Users.** Only Authorized Users may use the Designated Access Areas. The term "Authorized User" is defined in the RAA to mean each Owner of a condominium unit in the communities managed by the Parties and the Owner's respective guests, tenants, and subtenants. The term "Authorized User" excludes short term rental tenants (less than 28 consecutive days).
2. **Designated Access Areas.** Except as otherwise provided in the RAA: (a) access to any portion of a Party's property is strictly limited to the Designated Access Area; and (b) no access to any other portion of any Party's property is allowed.

3. **License.** The Associations have granted Authorized Users a limited and revocable license to use the Designated Access Areas ("License") as set forth more fully in paragraphs 2(a – c) of the RAA.
4. **Responsibility.** All Owners are responsible for ensuring that their guests, tenants, and subtenants comply with these Rules while using the Designated Access Areas.
5. **General Rules.** General rules applicable to use of the Designated Access Areas are as follows:
 - a. Pedestrians always have right-of-way.
 - b. Motorized vehicles are prohibited (except as expressly provided in the RAA).
 - c. Bicycles , skateboards, or other non-motorized vehicles when operated shall not exceed speeds of five (5) miles per hour while on the Designated Access Areas and must yield to pedestrians.
 - d. Dogs must be leashed and walked under their Owner or Authorized User's direct control at all times, must not stray from the Designated Access Areas, and the Owner or Authorized User must immediately clean and remove all waste.
 - e. There shall be no music, sounds devices, or disturbing noises which are loud enough to be heard at any time by any resident or occupant when inside any condominium unit within any of the Parties' respective properties. Quiet hours must be observed between 10 pm and 9 am.

Article III

Rules Governing Use of Gated Entries to Designated Access Areas

1. Each Association who has installed or installs in the future a Pedestrian Gate will manage Keys, as defined in the RAA, and the procedures for allowing Authorized Users through any Pedestrian Gate. At least two weeks before activating its Pedestrian Gate, the Association shall provide the other Associations with notice of its procedure for obtaining Keys, including the cost for Keys. No Owner of a condominium unit of the Parties may obtain more than four (4) active Keys.
2. Each Association shall provide to the other Associations a list of its Owners who are eligible to obtain Keys, identified by name and address, including condominium unit number. If a list is not provided by any Association, then any Owner within that Association shall not be entitled to receive a Key.
3. On or before June 1 and January 1 of each year, each Association shall provide to the other Associations a list of condominium units which have changed ownership. The Associations may, but are not obligated to, rely on the Washoe County Assessor's website to verify ownership of condominium units of the Parties and determine eligibility of Owners who may receive a Key. Each Association may rely on the list of condominium units provided by the other Parties and has no obligation to provide a Key to any person who is not included on the list of Owners who are eligible to obtain Keys.

4. Upon receiving notice of a change in ownership of a particular condominium unit, the Association responsible for a particular Pedestrian Gate shall deactivate the Keys issued to the prior Owner.
5. Eligible Owners shall be required to agree to indemnify, defend and hold harmless the Parties for any claims, injuries, or damages sustained by the Owner, any Authorized User using the Owner's Keys, or any third party arising from or relating to the Owner or Authorized User's use of the Designated Access Areas.

Article IV Enforcement of Rules

1. **General.** The Rules Committee shall not impose any fines or other sanctions on any Owner without providing notice and an opportunity to be heard. Any fine imposed by the Rules Committee after hearing or waiver by the Owner of the right to hearing, shall be paid within thirty (30) days of the date the Rules Committee issues a written decision.
2. **Complaint Process.** Any Owner may lodge a complaint with the Rules Committee by reporting the alleged violation in writing, or on a form prepared by the Rules Committee, to its Community Manager and the Community Manager of the community where the alleged violation occurred, if different. The complaint must (a) state the date(s) and times(s) the alleged violation(s) occurred; (b) identify the alleged offender(s) by name, or if unknown, by photograph or description; and (c) include a brief description of the alleged violation and any additional evidence to support the complaint.
 - a. The Community Manager of the Association where the alleged violation occurred may investigate and gather additional evidence of the alleged violation or similar violations which may occur after receiving the complaint.
 - b. If the Community Manager of the Association where the alleged violation occurred, in his or her discretion, believes just and sufficient cause exists for the Rules Committee to hold a hearing on the alleged violations, that Community Manager shall prepare a proposed written complaint to include required information for the Rules Committee to prepare a Notice of Alleged Violation in conformance with the requirements of 3(b) and submit all supporting evidence to the Rules Committee,
 - c. The complaint and the Community Manager's investigation shall be confidential until such time as it is submitted to the Rules Committee. All evidence submitted to the Rules Committee in support of a Notice of Alleged Violation shall not be confidential and must be disclosed to the accused persons or any Owner upon written request to the Rules Committee.
3. **Notice of Alleged Violation.**
 - a. The Rules Committee, or any person designated by the Rules Committee, must serve the Notice of Alleged Violation on the Owner who has allegedly violated any provision of these Rules or is responsible for the Authorized Users who have allegedly violated these Rules, including the Owner's family, tenants, subtenants, or guests.

- b. The Notice of Alleged Violation shall contain (i) a detailed description of the alleged violation, including the date, nature of the alleged violation and a specific reference to the provision(s) of these Rules, (ii) the range of possible fines or sanctions which might be imposed on the Owner for the violation, and (iii) the date, time and location for a hearing to provide the Owner a reasonable opportunity to be heard.
 - c. Service of a Notice of Alleged Violation shall be deemed effective if delivered personally to the Owner named in the Notice or sent to the Owner by prepaid, first-class United States mail to the address provided by the Association where the Owner is a member. A Notice of Alleged Violation served by mail will be considered effective on the earlier of the date the notice is actually received or no later than five (5) business days after the notice is deposited in the United States mail. If a condominium unit is owned by more than one Owner, service of the Notice of Alleged Violation on one of the Owners shall be deemed as service to all joint Owners.
4. **Hearings.** Unless (a) the Owner has requested and the Rules Committee has agreed to reschedule the hearing (which shall not be more than thirty (30) days after the originally scheduled hearing date); or (b) the Owner pays the maximum possible fine identified in the Notice of Alleged Violation before the hearing; or (c) the Owner executes a written waiver of the right to the hearing, the Rules Committee shall hold the hearing and make a determination as follows:
- a. The Rules Committee shall hold the hearing on the date and time set forth in the Notice of Alleged Violation and make a decision regardless of whether the Owner attends the hearing.
 - b. A hearing may be held telephonically or via videoconference (e.g., Zoom) if the Owner requests and the Rules Committee agrees.
 - c. A letter will be sent by the Rules Committee (or other person designated by the Rules Committee) to the Owner via regular and certified mail, or by electronic mail if requested by the Owner, within ten (10) business days after the hearing concludes, and will state (i) the decision made by the Rules Committee, (ii) the fine imposed (if any), (iii) other sanctions imposed (if any), and (iv) any additional sanctions that may be imposed if the Owner fails to pay the fine or comply with the decision of the rules committee.
5. **Fines and Sanctions.** The Rules Committee shall have discretion to impose fines and sanctions for violations of these Rules subject to the following:
- a. First Infraction: For a first infraction, the Rules Committee may impose a fine up to \$50.00.
 - b. Second Infraction: For a second infraction, the Rules Committee may impose a fine up to \$100.00 and/or possible suspension of the License (access to the Designated Access Areas) for up to thirty (30) days.
 - c. Three or More Infractions Within a 12-month Period: For a third and any additional infractions occurring within a 12-month period, the Rules Committee may impose a fine

of up to \$100.00 for each such infraction and/or possible suspension of the License for up to one year.

- d. Infraction Following Expiration of Suspension. If an infraction occurs within twelve (12) months following the expiration of any suspension imposed pursuant to these Rules, the Rules Committee may permanently revoke the License for the Owner(s) and related Authorized Users.
- e. Unpaid Fines. If any fine remains unpaid in full for thirty (30) days, then there shall be an automatic suspension of the License for the Owner(s) and related Authorized User(s). In addition, the Owner's Association shall have the right, but not the obligation, to pursue the collection of the fines against the Owner. By accepting a Key, the Owner agrees that any fine assessed by the Rules Committee shall be as if the Owner's Association assessed the fine and any remedy for the collection of fines may be exercised by the Association.
- f. Notwithstanding the foregoing, for any infraction that poses an imminent threat to the health or safety of any person, the Rules Committee may: (i) automatically revoke or suspend the License for the Owner(s) and related Authorized User(s); and (ii) impose fines commensurate with the severity of the infraction in addition to the possible fines that may be assessed under paragraphs (a), (b), and (c) above.
- g. In the event of any suspension or revocation of the License pursuant to these Rules, all active Keys issued to the Owner(s) shall be deactivated.
- h. An Owner whose License has been revoked may petition the Rules Committee for reinstatement after the expiration of twelve (12) months from the effective date of revocation, which may be granted only upon unanimous approval of the Rules Committee.


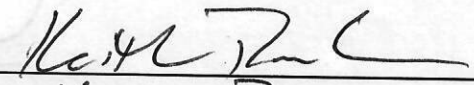
Article V

Miscellaneous

- 1. **Amendment**. These Rules may be amended from time to time by unanimous agreement of the Parties.
- 2. **Conflicts**. In the event of any conflict between these Rules and the RAA, the RAA shall control.

Certificate of Adoption

This is to certify that the foregoing Rules and Regulations Governing Access were duly adopted by the Board of Directors of Crystal Shores East Association on _____, 2023.



Name: KEITH PARKER
Title: Secretary

Certificate of Adoption

This is to certify that the foregoing Rules and Regulations Governing Access were duly adopted by the Board of Directors of Crystal Shores West Association on _____, 2023.

Name: Peter Bunell

Title: Secretary

Certificate of Adoption

This is to certify that the foregoing Rules and Regulations Governing Access were duly adopted by the Board of Directors of Lakeshore Terrace Association on June 30, 2023.

Cheryl A. Delehanty
Name: Cheryl A. Delehanty
Title: Secretary

EXHIBIT A
CSEA ACCESS AREA

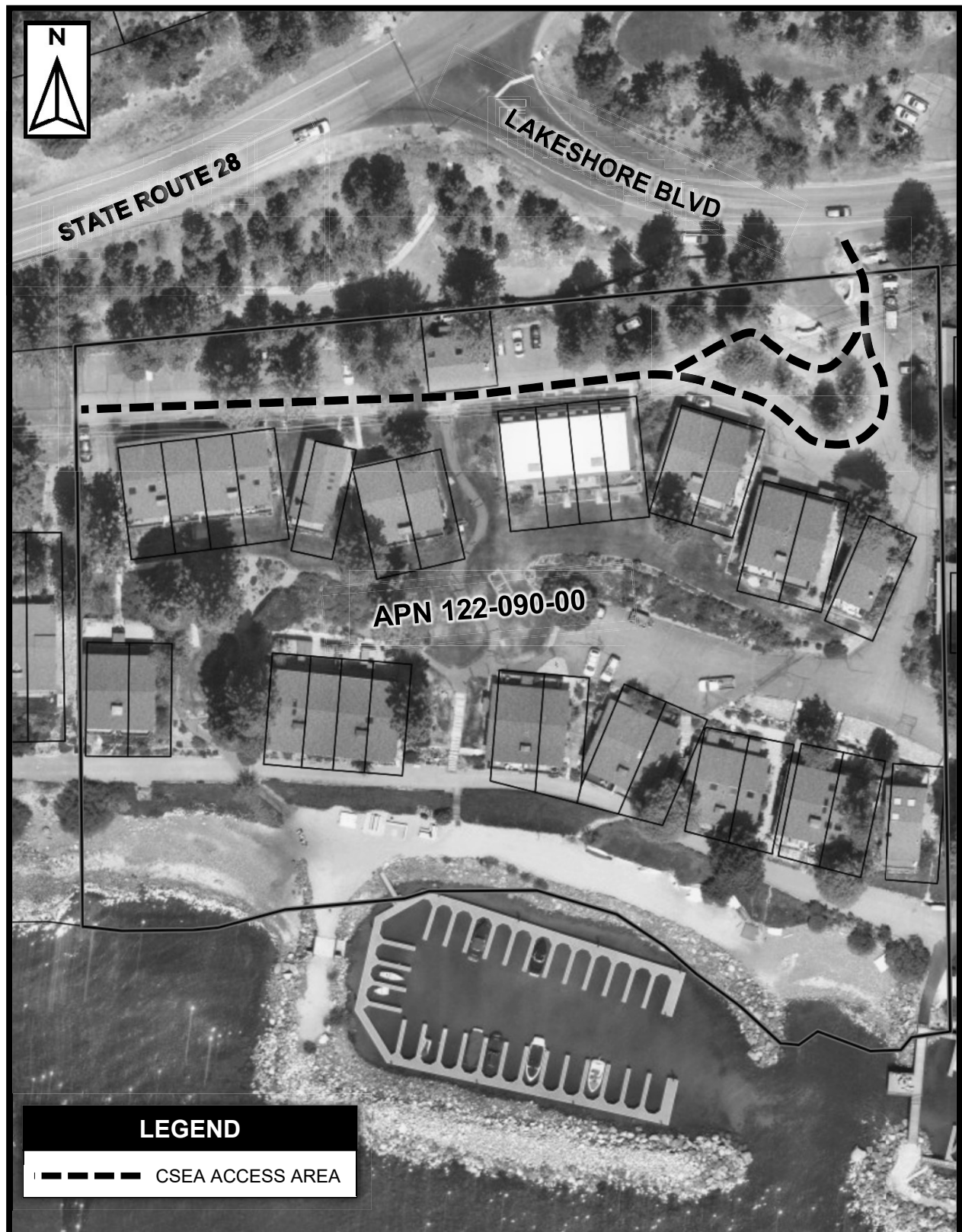


EXHIBIT B
CSWA ACCESS AREA



EXHIBIT C
LTA ACCESS AREA

