

WATSON'S HARVERENE RESORT, INC
7750 S. Lakeshore Rd., #2
Chelan, WA 98816 (509) 687-3720
Amended September, 2018

The following **RULES** and regulations are established in order to maintain a neat, clean, attractive and safe environment for which guests and tenants of Watson's Resort may enjoy. In order to avoid conflict with management and with your fellow residents, your adherence to these rules and regulations is expected and required. Violators of these rules and guidelines as set forth will not be tolerated. The management reserves the right to supplement and amend the following rules and regulations at any time. While you do not have to agree with the rules and guidelines, by signing the signature page, you do agree to follow and abide by the rules and guidelines as set forth herein.

Suggestions: Management understands the frustration that TENANTS may have while dealing with such a long and detailed set of rules and detailed leases. Unfortunately, because of the number of TENANTS and guests that we have, rules, guidelines and expectation must be clarified and printed for TENANTS review. Should a TENANT have any questions and/or suggestions concerning the rules and regulations, please contact management. We are willing to listen and go over your concerns or suggestions.

1. Office Hours: While the office of Watson's Resort is located in the home of Robert and Socco Watson and while there are not any set hours at the office, we ask that you try to conduct business with the office Monday to Friday between the hours of 9:00AM and 4:00PM, except in the event of an emergency.

2. Maintenance Hours: Our normal maintenance hours are Monday to Friday between the hours of 7:00AM and 1:30PM.

3. Mail: If a TENANT wishes to receive mail at the resort, please contact the office manager and reserve a mail box at the resort or you may wish to get a mail delivery box at the Chelan Post Office. We ask that packages and mail not be delivered to the resort address without first speaking to resort management. WATSON'S is not responsible for mail or packages that are delivered to the resort address

4. Resort Contact information: The resort telephone number is (509)687-3720 or our toll free number is 1(800)697-3720. We ask that you not call or text resort employees on their personal cell phone unless you have permission to do so or in the event of an emergency.

The resorts physical address is **7750 S. Lakeshore Rd., Chelan, WA. 98816**

The resort mailing address is **7750 S. Lakeshore Rd. #2, Chelan, WA. 98816**

The resort web page address is **www.watsonsresort.com**

The resort email address is **watsons@watsonsresort.com or watsonsresort@gmail.com**

Watson's Resort is located in **Chelan Country, Washington**

5. Family Environment: Watson's Resort has always promoted a family environment. Management requests that all activities be done in keeping with the family environment that is promoted.

6. Conduct: Use reasonable quietness and respect toward your neighbors and other TENANTS and guests of Watson's Resort so as not to disturb or offend your neighbor or other guests. Loud noise will not be tolerated.

7. Quiet Time: Watson's has a quiet time between **10pm and 8am**. It is to be reasonably quiet between these times. Quiet time does not mean persons must be in bed. Quiet means no loud noises inside or outside your unit. WATSON'S is known as a family resort, not a party resort. Children are not to be on their own during quiet time. Children are to be in their units between the hours of 10pm and 8am. Docks and beaches are not to be used during quiet time unless special permission is obtained from WATSON'S. If boating during quiet time, remember that sounds travels on the lake.

8. Alcohol Use: While alcoholic beverages are allowed at Watson's Resort, we ask that all alcohol be used in a manor as not to offend other guests and tenants. WATSON'S is known as a "Family Resort". Alcohol use at a Tenants unit, on resort grounds and at the beaches is to be done responsibly and with respect to others. Alcohol use at special functions is to be used in the same manor. While WATSON'S allows private adult activities, WATSON'S encourages family activities that are for the young and old alike. Small private TENANT functions and gatherings are to be done with respect to all neighbors and TENANTS. Please show children responsible behavior while partaking of alcohol and be safe. Any and all use of Alcoholic beverages is to be done in accordance to the law. Drinking under the age of 21 is against the law and is violation of Watson's Resort Rules. Private events with more than 15 invited guests are to have a Private Event Agreement form filled out and approved by WATSON'S prior to an event.

If a TENANT has an issue that needs to be addressed with Management, TENANT shall address the issue prior to the use of alcohol and not during a resort event or during a private function. There is a time and place to address business matters. During or after drinking or at an activity is NOT the proper time or place.

9. Problems or concerns: Please address complaints with Management rather than with resort employees or other tenants and guests for addressing problems with others will only create bigger problems and it will not accomplish anything productive.

Please contact Robert Watson Jr. when problems or concerns arise. It is impossible to find a solution to a problem if Management is not notified about the problem(s). We will do all we can to find a solution to the problems or concerns. Suggestions will always be considered and input is appreciated. The rules are written for the benefit of "all" TENANTS. WATSON'S is proud of the families that make WATSON'S their summer home and we thank each of you for helping to make it a quiet, pleasant and safe atmosphere for the enjoyment of all who visit or call Watson's Resort their summer home. If a

TENANT has a problem with another TENANT or guest, it is best to work things out between the two of you in a respectful manor. If this is not possible, we ask that you not take matters into your own hands and make things worse. Contact Management in writing and state what the problem is and we will do our best to resolve the problem in a timely and confidential manor if at all possible.

10. Unit Usage: WATSON'S will not tolerate overloading units (mobile homes or cottages). The cottages and mobile home spaces are being rented to the TENANT only. The cottages and mobile home spaces are not intended to be used by all the TENANT'S friends and family members. Immediate family members (this includes adult children) must obtain permission from Management before using TENANTS unit. Problems arising with septic tanks caused by overloading the unit will be repaired at the expense of the TENANT. TENANT should not have more guests than the number of beds the unit will sleep and tenants are not allowed to overload their units with beds. Overloading the unit also causes overloading of garbage, septic tanks and drain fields, dumpsters, beaches, swimming pool, parking lots and other facilities. Overloading a unit could also take away from the atmosphere that we encourage and promote at Watson's Resort. Use of motor homes, RV's and tents are not allowed. Sleeping outside the unit on lawns, porches, boats, tents, automobiles, RV's, etc. is not allowed.

11. Children: Children of TENANTS, non-tenant resident, family members, guests, etc. must be supervised at all times by their parents, an adult, a guardian or a person approved by the management of WATSON'S. Children will not be allowed to become an annoyance, concern, or problem to other TENANTS and guests. Children are not to ride bikes, roller skate, roller board, any type of motorized item, or participate in any other type of play on or near roads within WATSON'S. Children must be under the direct care and accompanied by adults at all times during the resorts quiet time. Children are to be in their units between the hours of 10:00PM and 8:00AM. Children must be accompanied by an adult or a person approved by the management of WATSON'S at all times while within the fenced area of the swimming pool or while on the docks. It is the responsibility of those in charge of children to supervise children while around the lake, in the swimming pool, on roads, and on the docks. A child (or children) is defined by Watson's Harverene Resort Inc. as anyone seventeen (17) years old and under. An adult (or guardian) is defined by Watson's Resort as anyone over the age of eighteen (18). Any exception to this definition in terms of rules must have the permission of Watson's Resort management. Management may make exceptions in the case of babysitters or child care persons (Nannies).

12. Pets: TENANT shall not have pets (cats, dogs or any other) on the premises unless approved by WATSON'S. TENANT must have a signed Pet Agreement on file in the office of WATSON'S **Prior** to bringing the pet onto the PREMISE and all rules therein must be followed at all times. This includes pets belonging to other family members or guests. See Pet Agreement on Resort web page, copy, sign the signature page and give to WATSON'S office.

13. Swimming Pool and Spa: There is no lifeguard on duty at any time. Pool and spa are open from approximately 9:00 AM to dusk daily during July and August, or as posted. Exceptions can be made at the discretion of Watson's Management. "Adults Only" swimming is daily from 2:00PM to 4:00PM. Children under 14 years of age must be accompanied by an adult at all times when within the swimming pool fenced area or accompanied by someone approved by the management of

Watson's Resort. Persons 17 years of age and under are not allowed to use the hot tub. Pool and spa rules are posted within the pool and spa fence. Those persons found abusing these rules will be notified to refrain from using the pool and spa. TANANT'S are responsible for making their guests aware of all resort rules which include swimming pool and spa rules weather they are posted or not.

Tenants and guests are not to go into the equipment/pump house of the swimming pool. Do not touch the thermostat or any other items or equipment. This area is for employees only and off limits to all tenants and guests unless authorized by WATSON'S. If there is a problem with equipment, water temperatures, etc., please contact management.

The pool area does not have lights for after dusk use. Whether the gate is locked or not, tenants and guests are not to use the pool or be within the pools fenced area anytime after dusk or prior to opening in the morning.

14. Fireworks: NO FIREWORKS ALLOWED ON RESORT GROUNDS AT ANY TIME

15. Resort Docks: Children shall be under the direct supervision of an adult at all times while on the resort docks. There is to be no running or horse play while on the resort docks. Diving off of pilings is prohibited. Tenants and their guests are to wear protective foot ware at all times while on the resort docks. Tenants and their guests should not be on the resort docks between the hours of 10:00PM and 8:00AM unless permission is obtained from Management. During the off season or when the lake is more than four feet below the high water mark, Tenants and their guests are not to be on any resort docks unless permission is obtained from Management. Tenants and guests are not to store personal items such as tubes, matrices, row boats, paddle boards, ropes, or any other item on any of the resort docks. Personal items are to be kept in TENANTS boat or at TENANTS unit. **Resort furniture is not to be taken out upon any of the docks.**

16. Boating and Personal Water Crafts: Boats and PWC are not to be used between 10:00 PM and 8:00 AM without the consent of WATSON'S. TENANT shall not use boats as sleeping facilities. TENANT agrees to leave and arrive the docking area in a quiet and orderly manner. Water skiing, tubing and use of PWC shall be done at least 100 yards from shore. Chelan County laws regulating the age required to operate a motored boat or PWC must be adhered to. Boats and PWC'S are not to be used within resort swimming areas or on the resort beaches. This includes all resort beaches. TENANT is responsible for their boat and liable for any damages caused by TENANTS boat to any person or any person or persons personal property or to any resort property. Please review moorage agreements for all other rules pertaining to boating and PWC rules.

17. Resort waterfront: Watercraft (boats, jet ski's, row boats, kayaks, etc.) are not allowed on any of the resort beaches. There are two beaches in which all TENANTS and guests are allowed to use. Those being the #1 beach which is located in front of the rental cottages and what we call the main beach which is located by the main dock (gas dock). The waterfront property located down lake (East) of what is referred to as the main beach, are not for general resort use. These areas include the beach located east of the main beach fire pit (in front of Harverene Lodge), the beach East of Harverene Lodge located in the bay (Viebrock beach) and the beach on what we call "The point". While tenants

may respectfully use these areas to walk across, these are not what we call open to all tenant and guest areas. The dock located in front of Harverene Lodge is also a semi private dock, only to be used by those who have moorage on that dock. Guests and Tenants are allowed to use the basketball hoop in front of Harverene Lodge so long as use is done in a low keyed respectful manor and only between the hours of 8am and dusk.

18. Guests: All Guests of TENANT MUST SIGN IN AND REGISTER at the resort office upon arrival, regardless of the duration of their stay and each time they visit. In the event of an emergency, WATSON'S must know who is at the resort and who they are guests of. There is a sign up sheet on the entry of the office on the right side (bulletin board). Those not registering may be asked to leave the Premises immediately. TENANT shall be solely responsible for the conduct and actions of TENANTS guests. TENANT shall not allow guests to use the Premises unless the TENANT is present or special arrangements have been made with WATSON'S. EXCEPTION – With prior permission from WATSON'S, TENANT may allow unaccompanied guests (must include a responsible adult), for up to four (4) visits only, and each visit is not to exceed four (4) days. Tenant must first get permission from WATSON'S in order to have a guest use their unit while tenant is not at the resort. Tenant and guest shall also fill out and provide to WATSON'S, a "Guest Use Agreement" which can be found of the resort web page. Such guests must register at the office of WATSON'S immediately upon arrival. Unaccompanied guests arriving without prior notice from TENANT to WATSON'S, or who fail to provide to WATSON'S, a guest use form or who fail to register shall not be allowed to remain on the Premises and shall leave immediately upon the request of WATSON'S. Only those listed on a lease may use TENANTS unit without prior notice, but even then, the list on the lease must be limited and guest must still sign in upon arrival.

TENANT shall be responsible for the actions of their family, guests and non-tenant residence by making them aware of the rules and regulations of Watson's Resort. Tenant is required to keep a copy of the resort rules as well as a copy of their lease in their units. TENANT shall instruct all guests to read, understand and follow all rules and regulations of Watson's Resort.

19. Guest Parking: Guests of TENANT must park in designated areas or visitor parking area. Guests parked in visitors parking area longer than 3 hours must be identified by placing a note on the dash of the vehicle identifying whom the visitor is visiting and the visitors name and contact information. Unauthorized cars may be impounded. The TENANT will be responsible and billed for all costs associated there with. Guests pulling trailers who wish to park must contact Management as to where to park.

20. Guest moorage: Guest of TENANTS who arrive via boat may park outside the large floating dock for day use only. Any guest needing to moor their boat over night must check with management or with the Marina attendants and if a space is available, they may moor in a resort slip and shall pay the appropriate fees for moorage. TENANT shall be billed for any Unregistered guests. TENANT shall be billed for moorage and other charges created by their guests.

21. TENANT Parking: TENANT may park one (1) vehicle at the unit unless special permission is given by WATSON'S. Additional vehicles must be parked in designated parking areas. Please check with Management about where to park. Parking boats or vehicles at TENANTS unit during the off season is not allowed. Parking vehicles at the resort that are not being used is not allowed.

22. Extra Vehicles: No other vehicle (trailer, motor home, boat, camper or any other type) are allowed to remain in the resort unless authorized by WATSON'S. WATSON'S has storage area for such vehicles. Boats or trailers can only be parked at TENANTS unit if permission is obtained from WATSON'S. Boats on trailers are not to remain at the TENANTS unit for more than one week and only with prior permission to do so.

23. Trailer storage: All trailers are to be checked in at the office of WATSON 'S upon arrival, regardless of how long they will be parked. Management asks that all TENANTS notify WATSON'S by placing a note in the drop box at the resort office whether or not they speak with management. This note should list the date, item being stored including the description, color and Lic. Number of the item being stored. All trailers needing to be parked for the summer season need to be parked in the storage area on the highway across from the resort entrance or in a location that is approved by Watson's.

Tenant must fill out a storage agreement in order to park there trailer during the summer. Trailers are not to be parked within the resort unless TENANT has permission from WATSON'S or TENANT has marked their lease for trailer storage within the resort.

Any trailer that needs to be moved will be billed a \$200 moving fee and shall be billed \$10.00 per day storage fee. TENANT may park their boats at their unit for no more than one week only if permission has been obtained from management.

Any trailer parked in the storage area within the resort must be marked with the TENANTS name clearly visible, regardless of the amount of time it will be stored.

24. Golf Carts and other non automobile items: Tenant must fill out and return to the office of Watson's Resort, a Golf Cart Use agreement **whether using ones personal golf cart or one belonging to another tenant.** All rules pertaining to the use of golf carts must be followed by TENANT, guests, or anyone using a TENANTS Golf Cart or any other item listed on the agreement form.

25. Sleeping locations: "There is to be no sleeping outside any units such as on beaches, in boats, automobiles, RV's, etc.. Tents are not allowed on resort grounds. Sleeping is not allowed in RV's unless permission is obtained from management and appropriate fees are paid. Tenant must have the correct number of beds in their units to cover the number of people who sleep in the unit. Overcrowding a unit with beds is not allowed.

26. Bonfires: Bonfires are allowed in designated fire pits only if allowed by County or State laws. Outdoor fires must be of reasonably small size. When leaving fire, the fire is to be doused with water. **Do not use sand to douse the fire.** (Sand fills the fire pit and mixed with ashes creates a problem of cleaning and disposing of the ashes). **Fire must be extinguished by 10:00PM (or when a strong breeze or wind picks up)** unless special permission is granted to the guest/Tenant by management. Private fire pits at a Tenants unit are not allowed unless permission is obtained from Management. Permission must be obtained every year. Such fire pits must be in compliance with State and/or county regulations and a special form from the resort may be required. If you have a fire pit, please check with the office. Private fire pits, smokers and Bar-B-Q's must not create a nuisance to other TENANTS and Guests.

27. Barbecues: Personal Barbecues and Smokers are allowed at Tenants unit so long as Barbecues and Smokers are used in a safe manor and the use of Barbecues and Smokers do not create problems with your neighbors. While we do not want to ban smoker type cooking units, here again they may be used as long as they are used in a manor that does not create a problem with neighbors. Any Barbecue or Smoker placed on a units deck made of wood or any other flammable or burnable material shall be required to have a non-flammable surface or pad under the Barbecue or Smoker such as metal, brick, tile or other such material as to prevent a deck fire. Care shall be taken by all tenants in the placement of their Barbecues. Things to be aware of would include but are not limited to, trees and limbs above a Barbecue or Smoker. Roofs made of wood. Never use a Barbecue or Smoker right next to a structure. Barbecues and Smokers are never to be used indoors or in an enclosed building. Tenant shall have a grease type fire extinguisher on hand while using a Barbecue or Smoker. In the event of fire restriction, the only Barbecues or Smokers allowed in most situations would be gas Barbecues or Smokers. Tenants shall be responsible and liable for the use of their Barbecues and must keep up with burn ban restrictions.

28. Beach Chairs: Please do not leave personal beach chairs stored in flower beds on the resort grounds. At the end of the Season, all personal beach chairs are to be taken back to the tenants units. If personal chairs left through the winter months, they will be removed and disposed of by WATSON'S. If TENANT is going to be gone for a longer period of time during the summer, please take any personal chairs back to your unit for safe keeping. WATSON'S can not be responsible for personal property left on resort grounds. If TENANT chooses to leave their chairs on the beach, placing your name on the chair is fine but please do not mark "do not use" or "private" on your chair. If you choose to leave your chair at the beach, expect others to use it. We realize this is a problem but we can not store chairs for every tenant at our beaches. If you leave your chair on the beach, for aesthetic reasons we ask that only solid white, tan or dark green chairs be left. If a TENANT'S personal chair breaks, the chair is to be removed and disposed of by tenant, not left on the resort beaches. Broken chairs are not to be left in or around garbage dumpsters. They must be taken away from the resort by TENANT.

29 Private Hot Tubs: If a TENANT has a private Hot Tub, the Hot Tub must be equipped with a hard cover and locking device to prevent unwanted use or use by minors of the Hot Tub.

30. Private Outdoor Refrigerators: If a TENANT has a private refrigerator or freezer that is not directly within their unit (such as on a deck), TENANT is required to keep the refrigerator and/or freezer locked at all times in order to prevent anyone from accidentally becoming entrapped inside.

31. Private Events: TENANT shall contact management, fill out a "Private Event Agreement Form" and receive approval from management, in order to hold a private event. A "Private Event" as defined by WATSON'S as an event in which TENANT personally invites a limited or selected number of guests totaling 15 or more, to attend. TENANT print out a form from the resort web page, fill out and return to the resort office, no less than **two weeks** prior to the event, a "Private Event Agreement Form". Watson's Resort shall not be responsible for liability, damage or injury at a "private resort even. TENANT shall be responsible for any WSLCB laws pertaining to a private event. Private events shall not be done in conflict with other events within the resort or Alpenhorn Cafe or Shadow Bay Belgians.

32. Resort Events: Tenant shall contact management and let management know of any open to tenant resort activities in order not to cause conflict with any other resort event. If Tenant desires to have an event that is open to all resort guests and tenants, WATSON'S shall not be liable or responsible for said event.

29. Spring Clean Up: All major clean up, pruning, etc. must be done prior to Memorial Weekend of the lease year. This includes all major yard clean up, major clippings and pruning. Any major fall clean up performed by tenant who wants to place materials into one of the trucks must first obtain permission to do so from WATSON'S.

The red and/or blue dump trucks in the spare parking lot are to be used for dumping lawn clippings, branches and limbs, leaves and other types of natural debris (no tar paper, plastics, carpet, tires, metal, paints, boards with nails, lumber or other man made materials allowed.

Pruning of natural trees and vegetation (pine, fir, maple, etc.) is only to be done with the permission of management and prior to Memorial Weekend. Any larger amounts of debris after Memorial Weekend (including Fall cleanup) shall be hauled away and disposed of by Tenant at Tenants expense.

TENANTS are responsible for cleaning up ones year area in the spring as the condition of your unit not only affects the resort's looks, but also your neighbors. TENANT'S are also responsible for keeping any bank areas around their unit in a neat and fire safe manor.

30. Mobile Home and Cottage Maintenance: All mobile homes, additions, decks and porches must be skirted within 30 days of arrival (front, back and sides). This skirting must be in harmony with the color and material of the mobile home. Lumber and other items that could create a fire hazard should not be stored under the mobile, cottage or porches and decks. Roofs should

be cleared of all debris (leaves, pine needles etc.) in the spring and fall in order to prevent a fire hazard or water damage. It is the responsibility of the TENANT to remove snow from their mobile home and/or outbuildings. Painting (change of color or repainting the original color) of units must be approved by WATSON'S. Yard areas must be watered and kept in a clean and safe appearance. If any trees or shrubs die from the lack of irrigation, and the tree has to be removed, the TENANT will be billed for such removals and cleanup. All units are to be kept painted, neat and clean looking. Beach toys, boats, towels, etc. are not to be placed on or under decks as to create anything unsightly. TENANT is responsible for the care of the lawn directly surrounding their unit.

31. Pests, insects and wildlife Watson's Resort is located in a rural area and thus may have more problems with Insects, wildlife and other pests. WATSON'S is not responsible for such items. TENANT shall be responsible for maintaining their unit (lease cottage, mobile unit, etc.) against such wild life and insects. This includes but is not limited to – ants, bees, mice, gophers, deer, raccoon or any other type of insect or wildlife creature.

It shall be the TENANTS responsibility to care and protect their unit as well as their plants outside. If items shall be used to cover and protect outdoor plants during the winter, materials must be used that are neutral in color and visually not unsightly. WATSON'S has potential customers coming to look at things all year round. While you may not be around during the closed season, management is and still lives here, has guests and has company.

31. Garbage: Dumpsters are available for TENANTS between April 15 and Oct. 15 (mobiles) and May 1 to Oct. 1 (cottages). Any TENANT at the resort between Oct. 15 and April 15 must have turned into Watson's, a Limited Off Season Use Agreement. During the off season, Tenants are asked to take all garbage home with them unless permission is given from WATSON'S to leave garbage in the resort dumpster. Garbage (food scraps & the containers they come in) are to be adequately wrapped and sealed in order to reduce odors. No garbage containers are to be maintained outside individual cottages or mobile home spaces. WATSON'S does not have any means of disposing throw-away's such as **furniture, large metal items, cardboard boxes, bed frames, carpet and other flooring, hot water tanks, household appliances, paint, yard chemicals or insecticides, beach items, etc..** **These items are not to be placed in the resort dumpsters.** TENANT must remove these types of items from the premises and disposed of them on their own at an appropriate disposal sight and/or at their own expense. Trees or other large items that take up space are to be hauled to the public refuse disposal station and TENANT is responsible for those charges unless arranged by WATSON'S. **No other items are to be left adjacent to the dumpster for pickup.**

If WATSON'S provide segregated identified containers, items must be segregated. Disposable diapers and pet waste must be put into airtight bags and sealed in order to prevent odor. Only general household everyday type garbage is to be placed in the dumpsters. All Other items must be taken home with the TENANT and disposed of at their own expense.

Household items that a TENANT wished to give away are NOT to be placed on the highway entrance to the resort or at any other location within the resort. You may post a notice on the

resort bulletin board if you have an item to give away. Please do not place items at the dumpster.

TENANTS found violating the garbage and refuge rules may be billed a minimum \$200 non compliance violation fee.

NOTE: When TENANTS do their Spring cleaning, we have had a problem with our dumpsters being overloaded with items that are not to be placed into dumpsters. We have also had a problem with people outside the resort dumping in resort dumpsters. If you see these types of things happening, please let Management know. We will not mention your name. Watson's has the right to add additional dumpsters should the need arise and bill each TENANT an extra fee for the additional container.

32.RESORT Yard waist DUMP TRUCK: The red truck located in the overflow parking area are to be used for dumping lawn clippings and other minor debris. Tar paper, plastics, tires, metal, paints, boards with nails or other man made, non-organic materials are not allowed in the dump truck. Only items that are legally burnable are allowed in the dump truck. Major pruning of trees and bushes are only to be done in the spring and with the permission of management and only directly around the TENANTS unit. TENANTS are not allowed to do any pruning around any other TENANTS units without the permission of the other TENANT and WATSON'S. After the weekend prior to Memorial Weekend of each season, only maintenance items such as grass clippings, small amounts of leaves and pine needles; and flower cuttings are to be placed into the truck. If the truck is full of debris, please notify WATSON'S. If the truck is full or is not at its normal parking place, all debris is to be placed in yard bags or cardboard boxes so it can be easily loaded into the truck once it is emptied or returned. Yard debris is **never** allowed to be placed into garbage dumpsters.

TENANTS are not to create a mess along side the resort trucks or dumpsters. If a mess is created, TENANT shall clean up all messes. TENANTS found violating these rules may be billed a minimum \$200 non-compliance violation fee.

33.Resort Equipment, supplies and Tools: Under no circumstance is a TENANT allowed to use any resort equipment, supplies or tools without the authorization of management. This includes but is not limited to: resort trucks, tractors, boats, lawn mowers, ladders, or any other type items including tools. This includes supplies such as lumber, pipe fittings, etc.. If resort equipment or tools are left on the premises, TENANT may notify management but shall leave the item at its location. If a TENANT is allowed to use a resort item, they still must receive permission for future use.

34.Water: For those of you who have water turnoffs for your units, these are only to be used for turning off water in the Fall, turning water on in the Spring and in the event of an emergency. These are meant to be opened all the way or closed all the way. These valves are not to be used to regulate water flow or operating pressure. Heat tape and insulation must be applied, by TENANT, to all water lines and faucets above ground and must be properly maintained to prevent freezing. The repair of frozen taps and waterlines above the ground is the responsibility of the TENANT. TENANT shall be liable for any damage that is caused to resort water lines due to improper use or methods of winterizing the TENANTS water system. If these items are not repaired immediately WATSON'S may have them

repaired and the TENANT will be charged for the repairs along with a \$200 non-compliance fee. Damage to the main waterline by improper care of TENANT'S waterline or damage caused by TENANT or their guests will be charged to the TENANT.

NOTE: Most of these valves have "stops" on them. Forcing will break or bend these stops. Forcing a valve may also cause the supply line to fracture. TENANT may be responsible for the repair and/or replacement of these valves if they are not used correctly and have to be replaced.

35. Irrigation: Whenever possible, micro sprinklers are to be used rather than sprinklers that put out a large volume of water over a short period of time. Automatic sprinkler systems are not required but are encouraged. Automatic sprinklers are to be adjusted as weather conditions change throughout the season. Automatic sprinkler systems are to be adjusted to operate in the evening, night or early morning rather than during the day when water consumption is highly used and in demand. Draining of these systems is the responsibility of the tenant whether tenant has a cottage or mobile/trailer.

36. Sewer/septic tanks and drain fields: TENANT is responsible for the care and maintenance of their units septic system. Watson's Resort is on septic tank systems, dry well, cesspool and/or drain fields. Usage of too much toilet paper and/or other items that are put into the septic system will result in the TENANT having to pay for repair and/or the pumping of the septic system. WATSON'S is not responsible for damage or overuse of the septic system caused by TENANTS overuse or misuse. There will be a \$200 minimum fee for any work performed by WATSON'S if the system is found to be misused and/or overused or if a line is blocked from overuse or placing things into the septic system that are not permitted. Please read lease concerning the septic system and make sure all guests know the proper use of our septic systems. Biodegradable and liquid soaps are advised. Low volume toilets may need to be flushed twice at times in order to create a flow within the sewer line. If Tenants have any questions about the septic system, please contact WATSON'S.

37. Resort Bulletin Board (signs and posters): Items are not to be placed on the resort bulletin board without the permission of WATSON'S.

The bulletin board is meant to be used by WATSON'S and by resort tenant for notices of importance such as resort gatherings and functions, small items that one may have for sale, information items such as fire bands, rules, resort notices, etc..

No posting of units for sale allowed on resort bulletin board or elsewhere within the resort unless permission is granted to TENANT by WATSON'S.

TENANT must receive permission from WATSON'S in order to place signs and posters around the resort (bulletin board, trees, fences, etc.) Such signs and posters may be limited as not to create a cluttered look. It is the Tenants responsibility to read items posted on the bulletin board from time to time to see if there have been any rule changes in the resort, fire bands, etc. Watson's Resort also has a facebook page online at the resorts web page which also serves as a bulletin board. The web site address is www.watsonresort.com and Tenant shall check this forum from time to time for

updates and notices. One need not be signed up for facebook to follow this page. As a tenant, it is your responsibility to follow these posted items.

38. Resort Notices: While there are many methods used today for notices, Watson's Resort used facebook as our web bulletin board. Here we will post notices such as fire burn bands, changes in policies, notices for events and much much more. We realize that not everyone chooses to use facebook which is fine for you can view and follow our facebook on our web page. Go to www.watsonresort.com and look to the right of the main page and you will see our facebook. It is the responsibility of the tenant to keep track notices as we can not contact every single person in for notices.

39. Utilities: Electrical service is obtained by the TENANT from Chelan County PUD. Telephone service is provided by Frontier Telephone Company. Television cable service is available by contacting the local cable company (WAVE). It is the responsibility of the TENANT to contact these businesses for service and TENANT is responsible for all payment for these services. Water, sewage and refuse collection services are provided by WATSON'S in limited form and these charges are incorporated into the TENANT'S rent.

40. Mail – If TENANT desires to have a mail box at WATSON'S, please contact resort office.

41. Sale of TENANTS unit: WATSON'S must be notified according to the signed lease when a tenant plans to sell their unit. This should be done prior to posting or telling anyone about the sale. Any sign listing the sale of a trailer or mobile home within Watson's Resort must be placed in an area approved by WATSON'S. Unless permission is granted by WATSON'S, signs are limited to one per unit and the sign must be placed in a window within the unit. Real-estate signs are not allowed on the units, in yards, on roadways or at the entry of Watson's unless permission to do so is granted to TENANT by WATSON'S. For Sale signs are not allowed at the entrance or driveways of Watson's Resort unless permission is granted to the TENANT by WATSON'S.

42. Security Cameras: WATSON'S may install and use security cameras (live feed, video or still) in different locations in and around the premises. Cameras may or may not be visible by the TENANTS and guests. This will not be done with the intent of affecting any TENANT or guests privacy but they may be used in order to monitor TENANTS, their guests or children concerning violation of rules or for any other security reason.

AND A LITTLE FOOD FOR THOUGHT.

WATSON'S realizes that from time to time, issues come up that are not addressed in the rules. If this ever happens, feel free to contact management and we will try to let you know what to do concerning the matter. Another thing to keep in mind. Watson's has about 70 units (mobiles, trailers and cottages) and over 40 moorage slips within the resort. If you ever wonder if you should or should not do something, ask yourself this. "If every other tenant in the resort was to do what I am about to do, what would the affects be?" A tenant can apply this question to just about anything.

FOR EXAMPLE: If you wanted to cut down a limb for a better view, one limb may not be that big of a problem, but if every tenant cut down just one limb, that would be a total of about 70 limbs. Not only is that a lot of limbs taken out of our trees but it also overloads our waist truck and dumping area.

ANOTHER EXAMPLE: If a tenant has a chair or lamp or television that broke the year before and they figured that they could just sneak it into the dumpster rather than hauling it home. If half the tenants did this, we would have over thirty chairs and lamps and televisions taking up space in our dumpsters. This is very common in the Spring. Tenants get new furniture and figure they will just put their old items in the dumpster, along side the dumpster or in the resort dump truck. This should not happen but it does.

ANOTHER EXAMPLE: This same thought can apply to guests. If every tenant invited two people to stay with them on weekends, that would be 140 extra guests. 140 – 280 extra showers and 140 extra people flushing toilets. There would also be 140 extra people using the resort beaches and pools and garbage for 140 extra people. So next time you think about doing something, keep these thoughts in mind. It may make you look at things in a different way and make our job a bit easier.

**Resort Rules Signature Page.
Watson's Harverene Resort Inc.**

Please sign and return this Rules signature page “only”. The rules you may keep and place in your unit at Watson’s Resort.

By signing below, the undersigned TENANT acknowledges that they have received the Rules of Watson’s Harverene Resort Inc. and agree to abide by those rules. TENANT also agrees to keep the resort rules in their unit, be it cottage or mobile home/RV vehicle located at Watson’s and will make sure all guests and family members know the rules. By signing, TENANT agrees to be responsible for all guests and family members who may visit and/or use TENANTS unit.

Print Tenants Name _____

Print Tenants Unit (cabin or mobile/trailer number – circle one) # _____

Print Spouses name _____

Print Partners Name if any _____

Print Non-Tenant Residence Name if any _____

Tenant Signature _____

Spouses Signature _____

Non-Tenant Residence Signature _____

Date _____

(please sign and return page 13 of 14 only. You may keep the copy of the rules for your review)

Rules & Regulations

Watson's Harverene Resort Inc.

Dear TENANTS of Watson's Resort.

Enclosed are the rules and regulations for Watson's Resort. It is the TENANTS responsibility to read, know and follow the rules which have been established. It is the TENANTS responsibility to make sure their family members and guests also know and follow the rules. While we understand that reading these rules every year is not exciting, it is the TENANTS responsibility to understand that which is signed and it is the responsibility of management to enforce the rules and regulations as set forth. Non-Compliance fees may be applied for those who do not follow the lease and rules. Not knowing the rules is not an excuse.

Time and time again, we see TENANTS not following the rules. We have tried to post reminders and send reminders in the mail, yet many of the same rules continue to ignored and not followed. Boat trailer storage, garbage and refuge waist are examples of the problems we continuously have year after year. Pet owners and golf cart owners not following their agreements, etc.

The majority of our tenants do an outstanding job of following the rules.

Unfortunately, the small number of tenants are the ones who create these problems which often times ends up causing us to have more rules, larger leases as well as devoting countless hours that could be used for other more constructive and productive things. If a rule or regulation is broken, which has been clearly covered in the rules and regulations, we have decided to issue a stiffer penalty amounting to \$200.00 to 250.00. Much like our late fees, it is not our desire to get extra money from our TENANTS but rather to have the TENANTS follow the rules and regulations as established for the betterment, safety and enjoyment of all. Unfortunately, sometimes dollars are the only language that some will understand.

Should you have any questions, please feel free to contact the office any time.

Sincerely

Robert H. Watson Jr.

Watson's Harverene Resort Inc.