

## **Exhibit 1**

### **Rules and Regulations**

#### **Resort Property Nuevo Vallarta LLC**

##### **Paseo de los Cocoteros 41, Nuevo Vallarta, Nayarit, Mexico**

1. Vehicles owned by the Landlord (directly or indirectly) shall be for exclusive use of the members/tenants. Any damage to vehicles will be paid by the tenant/guest immediately upon evaluation of direct and indirect costs prior to departure from the Property, if less than US\$500. Related costs will include the direct cost of repair (not covered by insurance deductible) and will include sundry costs, including the cost to rent a replacement vehicle (if required), and other costs related to the repair. All drivers must sign a hold harmless agreement prior to driving the vehicles. The gas tank should be full upon departure.
2. Tenants may store personal property in the lockers located in the garage for the term of their lease. Each tenant (or related family) will be assigned one lockers. The tenant must only store non-flammable liquids and other personal paraphernalia. No illegal items may be stored in the lockers or on the premises. The Landlord is not responsible for the safety or contents of personal items stored in the lockers.
3. Rentals to tenants or others, including sponsored guests, will be governed by the terms and conditions of the Rental Agreement and this document.
4. Sponsored guests may use the premises with written permission of the tenants. Any damage to vehicles, furniture, fixtures, equipment or the premises caused by the guests will be the responsibility of the tenants and will be promptly repaid to the Landlord, at the time of the damage or upon return if the amount of the damage is material (in excess of US\$500.)
5. Evictions will occur if the tenant is delinquent on any payment of amounts due greater than 60 days for any annual maintenance assessments, special assessment fees, delinquency fees, property damage fees, or other amounts due that have not been paid in full prior to arrival. Evictions may occur if occupants are disorderly or are misusing the premises by not adhering to Mexican law or despicable conduct, including the use of illegal drugs.
6. Maximum occupancy of the property is 17 (adults and children). Any additional guests must be approved by the property manager and additional costs will be assessed.
7. Liquor use may be used on the premises only by adults and care must be taken not to drive the vehicles if one is intoxicated. Care must also be taken when using the pool and swimming in the ocean. The Landlord is not responsible for injury or death of occupant(s).
8. Gratuities may be provided to caretaker staff or others providing services (chef, masseuses, etc.) Tipping is common in Mexico and should be based on the quality of service provided.

9. Holdovers is a person or guest who physically stays too long or leaves the Property in such poor condition that the next tenant can not immediately use it. Check out time is 11 am, each Friday. The caretaker will provide transportation to the airport following check out, thus allowing for the next guest to occupy the property upon arrival (generally no sooner than 4 pm). The arriving guest has priority of airport pick-up and use of the vehicles after 2 pm. Holdovers may be charged an additional fee, including hotel and car rental fees in the event incoming guests are unable to use the Property.

10. Special assessments may be made to tenants/Owners as required for emergency cash needs (hurricane repairs, etc.) or in the event reserve levels have not reached the amount required to cover costs for needed repairs or replacement of major items, including vehicles.

11. Special rights of tenants or guests to use beach equipment (surfboards, buggy boards, kayaks, vehicles, bicycles, etc. will only be allowed if safe and sound conditions exist and proper and care of the equipment is used. At no time will equipment be used during dangerous surf, or if high wind conditions exist.

12. Pets or animals are not allowed on the premises at any time.

13. Disputes between tenants must be brought to the attention of the Property Manager as soon as possible to assure proper and timely resolution.

14. Cleaning and housekeeping services are provided daily, except on Sundays and Mexican holidays. These holidays are:

January 1, Feb. 5, March 21, May 1, Sept. 16, Nov. 20 and December 25th.

Caretaker(s) work 8 hours Monday through Friday, and 4 hours on Saturday.

In the event a Mexican Holiday occurs on a Friday, then special coordination will be required with the caretakers and the Property Manager for airport pick-up and other required housekeeping. Guests will be charged an extra fee if caretakers are required to work on Mexican Holidays. If guests require caretakers to work extra working hours (preparation of meals, grocery shopping, or other special services rendered by caretakers), then the guest should provide appropriate gratuities, or they will be charged for the extra hours worked by the caretakers.

15. Schedules for use of the property will be prepared annually and published on the Landlord's web site for tenants to review. Any trades of weeks between tenants or other sponsored guests must be advised to the webmaster (allowing proper posting) and approved by the Property Manager.

16. Airport pick-up may be arranged by calling the Vonage number: **925-415-9181**, or sending an email to: **rafaelnuevovallarta@gmail.com**, and providing flight number and arrival time.

The Landlord may modify these Rules and Regulations at any time, and will post changes on the Landlord's web page.