

Hidden Lake Rules

Definitions:

- a) Hidden Lake: the water surface of Mayham Reservoir as defined in that certain Cross License Agreement, dated January 9, 2004, among North Hidden Lake Owners Association, Mayham Reservoir Corporation, GK Lake, LLC, Yacht Club Community Association, Inc., Yacht Club II Homeowners Association, Inc., Lakeside Yacht Club Homeowners Association, LLC, George Kast and Hidden Lake Ski Club.
- b) Eligible Resident: resident of a house, condominium, town home, or other type of residence within the eligible boundaries surrounding Hidden Lake as defined in Section I of the Lake Recreation Opt-In Agreement, who has completed and executed a Lake Recreation Opt-In Agreement, and whose privileges thereunder have not been otherwise suspended or revoked.
- c) Non-Motorized Boat: a watercraft that does not have any type of internal combustion engine, or an electric motor in excess of 65 pounds of thrust.
- d) Motorized Boat: a watercraft with an internal combustion engine, or an electric motor with more than 65 pounds of thrust, which shall include, but not be limited to, a ski boat or gas powered pontoon boat.
- e) Open Water Zone: the entire water surface of Hidden Lake, except the No-Wake Zone and the Sail/Ski Zone.
- f) Ski Course Zone: slalom course or other buoy course established by the Ski Club and including 100 feet from such marked course on all sides. The location may change from time to time at the discretion of the Ski Club, but generally will be located in the northeastern quadrant of Hidden Lake.
- g) GK Lake: GK Lake, LLC, and Mayham Reservoir Corporation may be referred to collectively herein as GK Lake.
- h) Ski Club: Hidden Lake Ski Club, and its successors, assigns or lessees and/or another ski club operated by GK Lake, LLC, or Mayham Reservoir Corporation, shall be referred to herein as Ski Club. Membership in a Ski Club is limited to Eligible Residents who meet all other conditions of membership.
- i) Sail/Ski Zone: area approved by the Hidden Lake Recreation Committee and marked on the west end of Hidden Lake for use by sail craft.

Rules:

1) No-Wake Zone:

- a) There shall be an area around the perimeter of Hidden Lake that will be limited to no-wake speeds ("No Wake Zone"). The No Wake Zone shall be defined as the area within 100 feet of the shoreline around the perimeter of Hidden Lake, except as modified below:
 - i. within 50 feet of the shoreline on the north side of the Ski Course;
 - ii. within 200 feet of the shoreline over land owned by NHLOA;
 - iii. within 500 feet of the most westerly shoreline; and
 - iv. 0 feet from the eastern shoreline (dam area).The No-Wake Zone is depicted on the attached map.

- b) Motorized Boats may not exceed a speed of 5 mph at any time while in the No-Wake Zone.
- c) Non-Motorized Boats shall have the right-of-way while in the No-Wake Zone.
- d) Both Motorized Boats and Non-Motorized Boats shall exercise reasonable care so as not to compromise safety.

2) Eligible Resident Lake Use: Eligible Residents may utilize Hidden Lake in any type of Non-Motorized Boat listed in Rule 4 below and for catch and release fishing at no charge, under the following terms and conditions and subject to these Hidden Lake Rules:

- a) Use of the No-Wake Zone at any time.
- b) Use of the entire Hidden Lake any time there are no Motorized Boats in operation.
- c) Use of that part of Hidden Lake west of Tennyson Street any time there are no Motorized Boats operating west of Tennyson Street. If skiers are only utilizing a portion of Hidden Lake west of Tennyson Street as a "drop area" to drop and start skiers for the Ski Course, Non-Motorized Boats must stay 100 feet from that "drop area" but may utilize the remainder of the water surface west of Tennyson Street.
- d) If Motorized Boats are operating, those Motorized Boats shall have the right-of-way in the Open Water Zone and in the Sail/Ski Zone when there are not sufficient wind conditions for controlled operations of sail craft. Non-Motorized Boats must move to the No-Wake Zone or their point of origin when Motorized Boats begin operating on the area of the lake on which the Non-Motorized Boat is operating. Motorized Boats shall use reasonable care at all times so as not to come within 100 feet of any Non-

Motorized Boats and will give Non-Motorized Boats a reasonable amount of time to move to the No-Wake Zone or their point of origin when a Motorized Boat begins operating in the same area of the lake.

- e) The Sail/Ski Zone can be used by sail craft (sail boats and sail boards) any time there is sufficient wind for their controlled operation. During such times, sail craft will have the right-of-way in this area. This area is not an extension of the No-Wake Zone and other Non-Motorized Boats will remain subject to (a)-(d) above. This is intended to provide the sailing community an area sufficient to tack upwind. Sail craft not actively engaged in sailing, are restricted to the No-Wake Zone.
 - f) Recreation will be allowed only when there is a sufficient water level for the specific activity to be performed safely.
- 3) Docks:
- a) Any proposed docks to be built over land or easements owned by George Kast, GK Lake, LLC, Mayham Reservoir Corporation, or their assigns, require prior written approval by the respective owner of the property and/or easement before construction begins. The only docks that may be permitted in such areas are of the floating dock design. Such approval will not be unreasonably withheld, provided the proposed dock meets certain design parameters established by GK Lake to provide a uniform appearance around the lake.
 - b) Existing docks on and over land owned by an individual resident or homeowner association may be improved or repaired as needed. Docks determined to be unsafe or unsightly by the Hidden Lake Recreation Committee will be repaired or removed at the owner's expense within a reasonable time after written notice has been provided to the owner.
 - c) No docks, platforms, or boatlifts, floating or stationary, will be allowed beyond 40 feet from the shoreline with the exception of the 2 current North Hidden Lake dock areas as these will be utilized by multiple residents and they shall not extend more than 75 feet from the shoreline.
 - d) Only Ski Club members will be allowed to have boat lifts and/or canopies and those lifts and canopies must be approved by the Ski Club. Such lifts and canopies can only be installed on the Ski Club member's property or on other property with the property owner's permission.
- 4) Permitted Non-Motorized Boats at No Charge: The following types of Non-Motorized Boats may be used by Eligible Residents, subject to the use limitations set forth in Rule 2 above and these Hidden Lake Rules:

- a) Canoes, paddle boats, inflatables, row boats and kayaks.
 - b) Sail craft, such as, sailboats, catamarans or sailboards, provided they do not have internal combustion engines or electric motors that exceed 65 pounds of thrust, and provided they are 14 feet, or less, in length.
 - c) Other watercraft with electric motors, provided they do not exceed 65 pounds of thrust, and provided they are 14 feet, or less, in length.
- 5) Boats Eligible for Reduced Rate Hidden Lake Ski Club Membership: The following types of boats are eligible for a reduced rate Hidden Lake Ski Club Membership (\$300.00 annually*), subject to the use limitations set forth in Rule 2 above and these Hidden Lake Rules:
- a) Boats (other than pontoon boats), greater than 14 feet in length but less than 18 feet in length, with or without an electric motor that does not exceed 65 pounds of thrust. However, there will only be reduced rate Hidden Lake Ski Club memberships available to 10 such qualifying boats at any one time.
 - b) Pontoon boats that are 20 feet, or less, in length and that exclusively utilize electric motors, which motors do not exceed 65 pounds of thrust. However, there will only be reduced rate Hidden Lake Ski Club memberships available to 10 such qualifying pontoon boats at any one time.
 - c) The opportunity for Eligible Residents to purchase the reduced rate memberships as set forth in this Rule 5 will not be rescinded.

* = This amount may be increased by an amount not to exceed the CPI-U adjustment factor published by the U.S. Bureau of Labor Statistics with 2004 being the base year.

6) General Usage Restrictions:

- a) Lake use is limited to Eligible Residents and their accompanied guests.
- b) Eligible Residents may have guests, but they must accompany their guests at all times. Otherwise, the guests will be required to leave.
- c) Eligible Residents are responsible for their guests and the Eligible Resident will be held responsible for any rules violations and/or penalties resulting from their guest's activities.
- d) Any instructional classes held will be limited to Eligible Residents only.

- e) There are to be no activities that involve going onto ice. These prohibited activities include, but are not limited to, ice fishing, ice hockey, ice skating.
- f) Eligible Residents may store only one (1) boat on the water at any given time and only at an existing or approved dock, platform or boatlift.
- g) If the number of non-Ski Club concurrent users becomes excessive, as determined by the Hidden Lake Recreation Committee, that committee has the right to institute a flag system to regulate the number of concurrent users.
- h) No homemade rafts or homemade watercraft of any kind are permitted.
- i) No houseboats, float houses or boat houses of any kind are permitted.
- j) No motorized personal watercraft, including but not limited to, WaveRunners, jetskis or motorized sailboards, are permitted.
- k) No internal combustion remote controlled watercraft of any kind are permitted.
- l) No motorized flying/floating craft are permitted.

7) Additional Ski Club Information:

- a) There are a limited number of Ski Club memberships available in various categories. These memberships are exclusively available through GK Lake, LLC, or its designees, or Mayham Reservoir Corporation, as GK Lake, LLC, and Mayham Reservoir Corporation have the exclusive right to motorized boating on Hidden Lake, other than as is expressly set forth in these Hidden Lake Rules. The Ski Club memberships do not create any equity interest in real property or water rights and do not constitute a perpetual right; rather, if an Eligible Resident who is a Ski Club member ceases to reside within the eligible boundaries as defined in the Lake Recreation Opt-In Agreement, his/her Ski Club membership shall terminate and he/she is no longer eligible for Ski Club membership.
- b) Membership dues are determined solely by GK Lake and are paid on an annualized basis for a seasonal right to use approved Motorized Boats. Membership is limited to Eligible Residents who meet all other conditions of membership.
- c) Gas motorized boats will be limited exclusively to inboard tournament style boats and 4-cycle outboard engines or other boats approved by the Ski Club. Any future approved boats will not exceed the noise level of the

approved boats in use during the 2002/2003 season. No inboard/outboard boats, 2-cycle engines or wake enhancement systems are permitted.

- d) Non-Ski Club member Eligible Residents will have the opportunity to volunteer and serve on Ski Club committees that are involved in such activities as lake improvements, wildlife stocking and habitats.
- e) North Hidden Lake Owners Association, Yacht Club Community Association and Yacht Club II Homeowners Association will each have a single (1) voting membership in the Ski Club. Lakeside Yacht Club Homeowners Association, LLC, and all other Eligible Residents who are not represented by the listed homeowners associations will collectively have one (1) voting membership. These voting memberships are for Ski Club representation purposes only and do not convey any water skiing or other privileges.
- f) The Ski Club may have additional rules and regulations for its members, and expressly reserves the right to amend or modify its rules and regulations at any time and without any further notice.

8) Rules Enforcement:

- a) Violations of the Hidden Lake Rules will be cause for an Eligible Resident to have his/her recreation privileges suspended or revoked in accordance with these Rules.
- b) Actions compromising safety will be cause for an Eligible Resident to have his/her recreation privileges suspended or revoked in accordance with these Rules.
- c) These Rules shall be administered and enforced by the Hidden Lake Recreation Committee, subject to the enforcement obligations and powers defined in the Cross License Agreement dated January 9, 2004.

9) Hidden Lake Recreation Committee ("Committee"):

- a) This Committee will be comprised of one (1) member from each of the following homeowners associations: North Hidden Lake Owners Association, Yacht Club Community Association, Inc., Yacht Club II Homeowners Association, Inc., Lakeside Yacht Club Homeowners Association, LLC; one (1) person who represents all of the Eligible Residents who are not members of any of the homeowners associations listed above; one (1) person appointed by Ski Club; and one (1) person appointed by GK Lake.

- b) Committee members serve at the convenience of their sponsoring group and can be replaced by their sponsoring group at any time.
- c) This Committee shall be responsible for rules interpretations in the event of disputes.
- d) The Committee can recommend rule modifications, but any rule modification must be approved by 100% of all Voting Parties as defined in the Cross License Agreement dated January 9, 2004.
- e) The Committee shall be responsible for undertaking disciplinary actions in accordance with the Cross License Agreement dated January 9, 2004, and the Lake Recreation Opt-In Agreement.
- f) The Committee shall assess and collect fines levied and shall assess and enforce suspensions levied in accordance with the Penalty Section below.
- g) A single Committee member can act alone in the issuance of an official warning.
- h) A vote of 6 out of 7 Committee members is required to authorize a suspension or to impose fines.
- i) A Committee vote can take place in person, via email, via postal mail, via telephone, or by proxy.
- j) Fines will be used to offset Committee costs and for improvements to Hidden Lake.

10) Penalty Section:

- 1st violation – Warning
- 2nd violation - \$25 fine
- 3rd violation - \$25 fine and a 30 day suspension of privileges
- 4th violation - \$50 fine and a 90 day suspension of privileges
- 5th violation - \$100 fine and privileges revoked for 1 year.

Notwithstanding the foregoing, a person who takes any action or fails to take any action that compromises the safety of any person on Hidden Lake may be subject to immediate penalties, including suspension, without a warning. Any use of Hidden Lake while under suspension will triple any outstanding fine(s) and suspension(s) and may be grounds for permanent suspension. These fines and suspension periods are subject to change upon a vote of a minimum of 6 out of 7 members of the Hidden Lake Recreation Committee.