

Return to:  
**Meadow Lake Development Corporation**  
100 St. Andrews Dr.  
Columbia Falls, MT 59912

**AMENDED**  
**DECLARATION OF PROTECTIVE COVENANTS**  
**AND**  
**ROTATIONAL OWNERSHIP AGREEMENT**

**NeNastako VILLAGE**

**AT**

**MEADOW LAKE RESORT**

**AMENDED DECLARATION OF PROTECTIVE COVENANTS**  
**AND**  
**ROTATIONAL OWNERSHIP AGREEMENT**  
**FOR NENASTAKO VILLAGE AT MEADOW LAKE RESORT**

MEADOW LAKE DEVELOPMENT CORPORATION, a Montana Corporation, with principal place of business at 100 St. Andrews Dr., Columbia Falls, Montana 59912, is the beneficial owner of certain Townhome Lots, on a portion of Meadow Lake Country Club Estates in Columbia Falls, Flathead County, Montana.

WHEREAS, a Declaration of Protective Covenants and Rotational Ownership Agreement for NeNastako Village at Meadow Lake Resort was recorded September 8, 2005 as instrument #200525111010, in the records of the County Clerk and Recorder of Flathead County, Montana, referencing Lot 55T of the Amended Plat of Meadow Lake Country Club Estates Phase VII and of the Amended Plat of Lot 41T of Meadow Lake Country Club Estates Phase VII. It is the intent of all undersigned parties that the property described in that document be referred to as Lot 52T of Townhouse 14 and that by mutual mistake, all properties are subject to this recording; and

WHEREAS, Meadow Lake Development Corporation, as managing agent for NeNastako Village at Meadow Lake Resort, proposed that the 2005 Declaration of Protective Covenants and Rotational Ownership Agreement be amended and updated; and

WHEREAS, on or about September 9, 2021, this Amended Declaration of Protective Covenants and Rotational Ownership Agreement was submitted for approval to all NeNastako Unit Owners in Good Standing and entitled to vote; and

WHEREAS, voting closed on November 12, 2021; and

WHEREAS, those NeNastako Unit Owners in Good Standing and entitled to vote approved this Amended Declaration of Protective Covenants and Rotational Ownership Agreement by a vote of 258 to approve, and 6, opposed. The number of approval votes represented a majority of a quorum of those eligible voters.

Grantor may in the future construct upon the real property a building consisting of single-family residence with one common wall and each on its own lot, shall be hereinafter referred to as a Townhome Unit.

Grantor may in the future sell undivided Rotational Estates in each Townhome Unit (“Rotational Estate”) to purchasers who, by accepting a deed thereto in the form hereinafter described, agree to acquire such undivided interests subject to the provisions of this Declaration of Protective Covenants and Ownership Agreement (the “Rotational Ownership Agreement”).

Grantor hereby Makes and declares the following limitations, restrictions and uses upon the Rotational Estate, as restrictive and protective covenants running with such Townhome Units as are made subject to this Agreement from time to time, and binding upon each Original Owner,

his heirs, personal representatives, administrators, successors and assigns so long as this Agreement shall remain in effect. This Agreement shall not, however, have any application to any Townhome Lot, which is not expressly made subject to this Agreement by the inclusion in the deed of the statement set forth in paragraph 3 hereof.

1. **DEFINITIONS:** As used in this Agreement, the following words and terms shall have the following meanings:

Rotational Ownership Agreement	Declaration or Protective Covenants and Rotational Ownership Agreement for NeNastako Village at Meadow Lake Resort and any amendments thereto.
Estate for Years	Exclusive right to possess, occupy or rent said Unit during a defined Use Period for a period of ninety-nine (99) years from the date of recording this Rotational Ownership Agreement.
Rotational Estate	An estate for years during a specified use period in a parcel of real estate for a recurring period of time designated by the deed or by this Rotational Ownership Agreement referred to in the deed together with a 1/51 <sup>st</sup> vested remainder in fee simple, together with an undivided fee simple interest, in the same percentage as the Owner's interest in the common elements, in the remainder.
Guest	Any person using the Townhome Unit with written permission of the Owner, including, but not limited to family members, employees, invitees, guests, tenants, boarders and persons occupying and possessing a Townhome Unit as a result of a reservation of a Townhome Unit completed by means of agreement with the Owner or an independent exchange company.
Land Use Declaration	Declaration of Covenants, Conditions and Restrictions of Meadow Lake Country Club Estates.
Majority	A vote of Rotational Estate Owners in a Townhome Unit representing at least fifty-one (51) percent ownership of Voting Unit Owners.
Voting Unit Owner	All Unit Owners in Good Standing entitled to vote hereunder.

Unit Owner in Good Standing	(a) A Townhome Unit Owner who is not more than seven (7) days delinquent in any Assessment levied against by either the Association of Townhome Unit Owners of NeNastako Village [“Association”] or Meadow Lake Country Club Estates Homeowners Association, Inc. [“MLCC”], or its successors and assigns; (b) Does not have a lien filed or eligible for filing by either Association or MLCC against the Townhome Unit Owner’s interval estate; (c) Has discharged any and all obligations to both Association and MLCC.
Managing Agent	Meadow Lake Development Corporation or such other management company as is appointed under the terms of paragraph 10.
Meadow Lake Association	Meadow Lake Homeowners’ Association.
Original Deed	A deed from Grantor to an owner complying with the requirements of paragraph 3 hereof.
Unit Owner or “Owner”	The grantee named in the Original Deed or their successors or assigns in interest holding title to an Rotational Estate in a Townhome Unit.
Project	Meadow Lake is a 330-acre recreational community containing up to 600 dwelling units built around an eighteen-hole golf course located at 100 St. Andrews Dr., Columbia Falls, Montana, 59912. Included as part of the dwelling units are Townhome Lots, which may be subject to this Ownership Agreement.
Townhome Unit or “Unit”	A Rotational Estate located on a Townhome Lot and all improvements constructed thereon.
Townhome Lot	A lot and building(s) located thereon, including all improvements, which is comprised of Townhome Units.
Maintenance Period	Each maintenance week described as the Maintenance Period in Exhibit A during which the Managing Agent shall service, clean, repair, maintain and refurbish the Townhome Unit. The Townhome Unit shall not be available to Owners for use or occupancy during such period of time.
Use Period	The period defined as the estate for years in the Rotational Estate during which a specified Owner is entitled to the exclusive right to possess and occupy the Townhome Unit as further described in Exhibit A.

NeNastako Association

All collective intervals in NeNastako will be referred to as the NeNastako Association.

2. **GENERAL PURPOSES:** The benefits of the Protective Covenants and Ownership Agreement set forth herein are intended to run with the land and to each Owner, his heirs, personal representatives, administrators, successors and assigns. This Agreement is made for the purposes of creating and keeping the Townhome Unit a desirable, attractive, beneficial and suitable place of abode, of guarding against losses by fire and other hazards, of providing for Vacation times during which each of the various Owners will possess the Townhome Unit, and of providing rules and regulations for the mutual benefit and protection of each of the Owners.

3. **MANNER OF SUBJECTING TOWN HOME UNITS TO THIS AGREEMENT:** In order to subject the Townhome Unit to the provisions of this Agreement, Grantor must: (a) record in the real property records of Flathead County, Montana, a written instrument signed by Grantor substantially in the form set forth hereto, and (b) execute and deliver to an Original Owner a deed conveying an Rotational Estate in a Townhome Unit which contains substantially the statement set forth below and which is recorded in the real property records of Flathead County, Montana:

“The Grantee of the undivided Rotational Estate in the Townhome Unit conveyed by this deed, by acceptance of this deed, hereby (a) agrees to take such Rotational Estate subject to the Declaration of Protective Covenants and Ownership Agreement for NeNastako Village at Meadow Lake Resort dated \_\_\_\_\_, 2005, as amended from time to time, and recorded under Reception No, \_\_\_\_\_ of real property records of Flathead County, Montana; (b) agrees to perform and to abide by all of the terms and conditions of such Ownership; and (c) agrees that the Rotational Estate conveyed by this deed is Rotational Estate Number \_\_\_\_\_ in Lot 52T of Townhouse 14, according to the Townhouse Declaration for Lot 52T of Townhouse 14, recorded \_\_\_\_\_, 20\_\_\_\_, as instrument No. \_\_\_\_\_.

4. **MULTIPLE INTERVAL ESTATES:** An Owner may own one or more Rotational Estates in a Townhome Unit. Such ownership shall entitle the owner(s) to possession of the Unit only during the corresponding Use Periods determined as set forth in Exhibit A. They may convey their Rotational Estates in any manner except a Rotational Estate may not be further subdivided except as allowed in this Paragraph 4. Any intended conveyance of less than the entire Rotational Interest owned shall be subject to prior approval by the Managing Agent, which approval may be approved or denied at Managing Agent’s sole discretion. Notwithstanding the foregoing, if any owner owns successive Use Periods, they shall be entitled to the exclusive use of such Unit during the six-hour period between such periods and the Managing Agent shall not (unless requested by such Owner or his Guest) provide maid or cleaning service during such six-hour period.

5. **TERMINATION:** After the recording of an Original Deed with respect to the Rotational Estate, if one person or entity becomes the Owner of all Rotational Estates with respect to the Townhome Unit, such Owner may release the Townhome Unit from the provisions of this agreement by recording in the real property records of Flathead County, Montana, an

affidavit reciting his ownership of all Rotational Estates in the Townhome Unit and his desire to release such Townhome Unit from the provisions hereof. Upon recording such affidavit, the Townhome Unit shall automatically be released from the provision of this Agreement, and any such reserves accrued on behalf of the Rotational Estate shall be returned to such Owner.

6. **MANNER OF CONVEYING:** An Interest may be conveyed by an Owner (other than Grantor) only by a deed, which contains the statement set forth in paragraph 3 hereof. Any deed purporting to convey less than an entire Rotational Estate shall be null and void and of no force and effect. Each Owner conveying a Rotational Estate shall give prompt written notice of such conveyance to the Managing Agent. Any conveyance to a family member or MLDC for minimal or no consideration must be accompanied by a written acknowledgment and acceptance of the conveyance by the Grantee. Any conveyance made to a family member or MLDC without acknowledgment and acceptance shall be deemed null and void and of no effect. To the extent the intended conveyance is to a non-family member third party, MLDC shall have a right of first refusal to purchase the Owner's interest for the same price and under the same terms.

7. **PERMITTED USES:**

(A) The Townhome Unit shall be used only for the purposes allowed by applicable zoning, the Meadow Lake Land Use Declaration, this Ownership Agreement and any protective covenants heretofore recorded in the real property records of Flathead County, Montana. Each Owner shall comply with all zoning ordinances, the provisions of the agreements listed above, and all other applicable restrictive covenants, and any amendments thereto.

(B) During his Use Period(s) each Owner shall keep the Townhome Unit in as good order and condition as when he acquired his Rotational Estate herein, loss by fire, act of God, or ordinary wear and tear excepted. No Owner shall make or authorize any alterations, additions or improvements to the Townhome Unit or its furniture or furnishings, except pursuant to paragraph 21-23.

(C) Any Owner may lease, rent or loan the Townhome Unit for the purposes permitted by this Agreement during his Use Period(s) only through a platform approved by the Managing Agent, and may not otherwise list the unit for rent or lease; but each owner shall be responsible for any loss, damage or destruction, which occurs during his Use Period.

(D) Any Owner may participate in the exchange program approved by the managing agent. An exchange program allows the Owner to exchange his Use Period(s) for Use Period(s) in other similar projects as more fully set forth in the exchange program Documents, which is not a part of this Rotational Ownership Agreement.

8. **LIMITATION:** No Owner shall occupy the Townhome Unit or exercise any other right of Ownership with respect to the Townhome Unit or the personal property therein other than as set forth in this Agreement. No Owner shall use the general or limited common elements including parking of the Project except during their Use Period(s).

9. **ASSOCIATION MEMBERSHIP:**

(A) Meadow Lake Master Homeowners Association has been formed to perform certain functions and to hold and manage certain property for the common benefit of some or all of the owners or lessees within the project. Buyer acknowledges and understands that upon purchase of a Rotational Estate he will automatically become a member of the Association as defined in the Articles of Incorporation thereof and will be entitled to the benefits and subject to the obligations as a member. Such obligations include, but are not limited to, the obligation to pay taxes and special assessments and other charges as set forth in the respective Declarations and the Articles of Incorporation, By-Laws and Rules and Regulations of the Association as from time to time are in force and effect. This Agreement does not alter, limit or otherwise affect the obligations of any Owner under any of those instruments, but shall establish additional rights and obligations among Owners of the Townhome Unit.

(B) Without limiting the generality of the foregoing, each Unit Owner in Good Standing shall be entitled to vote at any meeting of members of each Association as set forth in the respective Declarations and By-Laws thereto.

10. **MANAGING AGENT:**

(A) Appointment. The Owner of each Rotational Estate shall engage a real estate managing firm with offices in Flathead County, Montana, to act as Managing Agent for the Townhome Unit. Meadow Lake Development Corporation is hereby appointed as the initial Managing Agent for the Townhome Unit. By signing this Agreement, Meadow Lake Development Corporation consents to serve as Managing Agent for the Townhome Unit until terminated as set forth above or until it resigns as hereinafter set forth, on the following terms of this paragraph 10.

(B) Services. The Managing Agent shall render services and perform duties as follows:

- i. Coordinate the plans of Owners and Guests for moving their personal effects into and out of the Townhome Unit with a view toward scheduling such movement so that there shall be minimum of inconvenience to other Owners.
- ii. Maintain businesslike relations with Owners whose service requests shall be received, considered and recorded in systematic fashion in order to show the action taken with respect to each request.
- iii. Cause the Townhome Unit to be maintained in a first-class manner and condition.
- iv. Bill each owner for the period assessments as determined by this paragraph 10;

- v. Give proper notice to the Meadow Lake Association, utility companies, tax authorities and suppliers to send all bills for the Townhome Unit to the Managing Agent for payment;
- vi. Make contracts with respect to electricity, telephone and other necessary services, which are not provided by the Association.
- vii. Maintain a comprehensive system of office records, books and accounts in accordance with standard accounting procedures, which records shall be subject to examination by each Owner or his authorized agent upon reasonable notice at all reasonable business hours at the office of the Managing Agent. The Managing Agent shall render to each Owner not less frequently than annually a statement of receipts and disbursements for their Townhome Unit.
- viii. Take such action (including legal action) as may, in its reasonable judgment, be necessary or advisable to remove from the Townhome Unit any person wrongfully occupying the Townhome Unit. Any such legal action may be taken in its own name or in the name of the Owner then entitled to use and occupy the Townhome Unit. The Managing Agent shall not be authorized to take any action to enforce the remedy provided by subparagraph 27(D); such remedy may be enforced only by the owner entitled to the benefit thereof.
- ix. Take such action (in its own name or in the name of other Owners of Rotational Estates), including but not limited to legal action or suit in equity, to enforce any provision contained herein.
- x. So long as MLDC is the Managing Agent, to exercise MLDC's non-delegable power granted pursuant to Section 15, hereof, to take back any Rotational Interest held by an Owner NOT in Good Standing following the requirements and procedures set forth in Section 15.
- xi. Provide for routine cleaning and maid services and maintenance and repairs (a) upon the departure of each occupant of the Townhome Unit so that such Townhome Unit is in good order and repair and ready for occupancy by the next occupant, and (b) during the Maintenance Periods. The Managing agent may charge for such services at a rate which does not exceed that available for similar services in the Flathead County, Montana area.
- xii. Provide for extraordinary cleaning and maid services at the request of any Owner. The Managing Agent may charge for such services at a rate which does not exceed that available for similar services in the Flathead County, Montana area. Such charges shall be billed to the Owner requesting such services.



- xiii. Coordinate with the exchange company the exchange of Rotational Estate use periods with other Rotational Estate use periods. The Managing Agent may charge for such services.

(C) **Budget.** By December 1<sup>st</sup> of each year, the Managing Agent shall prepare a budget setting out the amount of funds based on last year's actual expenses that are reasonably required to pay all expenses of the Townhome Unit for the coming year and to maintain an adequate reserve. The budget shall promptly be delivered to the Owners for their review and comment. The Managing Agent shall establish quarterly (or other periodic) assessments determined in accordance with the budget. Each owner may give the Managing Agent written comments on such budget and the Managing Agent may revise the budget as may, in its judgment, be reasonably required.

(D) **Account.** The Managing Agent shall either deposit all funds collected from Owners pursuant to this Agreement in an account (the Account) in a bank or savings and loan association in Flathead County, Montana, or invest such funds in government securities, money market accounts or certificates of deposit with suitable designation indicating their source. The funds in the Account may be commingled with funds from other owners of Rotational Estates in Townhome Units at the Project, but with no other funds. The Managing Agent shall keep accurate books and records reflecting the amount of funds attributable to each Rotational Estate at all times. Funds deposited pursuant to this paragraph 10(D) may be used by the Managing Agent only to pay expenses attributable to the Association, Townhome including, but not limited to:

- i. the expenses listed in paragraph 11;
- ii. the expenses of emergency repairs; and
- iii. repairs and replacements under paragraph 22.

The Managing Agent shall have the authority to draw checks or drafts on the Account, and shall maintain at all times accurate books and records reflecting the amount in the Account pertaining to the Townhome Unit and to each Owner thereof.

(E) **Disbursements.** From the funds received and deposited in the Account, the Managing Agent shall cause to be disbursed regularly and punctually sums due and payable for all operating expenses for the Townhome Unit.

(F) **Transfers.** Upon conveying his Rotational Estate, the conveying Owner's share of the amount then in the Account pertaining to his share of the Townhome Unit shall automatically be held for the benefit of such Owner's grantee, to be applied as set forth in this paragraph 10.

(G) **Statements.** Upon request of any Owner, mortgagee, prospective mortgagee, purchaser or other prospective transferee of an Interest in a Townhome Unit, the Managing Agent shall issue a written statement setting forth the amount in the Account pertaining to such Rotational Estate. Such statement, for which a reasonable fee may be charged, shall be binding upon the Managing Agent in favor of any person who may rely thereon in good faith. Unless a request for such statement shall be complied with within thirty days after receipt thereof, all

unpaid amounts, which became due prior to the date of making such request shall be subordinated to the lien or other interest of the person requesting such statement.

(H) **Access.** The Managing Agent shall have the right for the six hours immediately following the end of each Owner's Use Period(s), and during the days specified on Exhibit A as Maintenance Periods, and at any other reasonable time to enter the Townhome Unit for the purpose of cleaning, maid service, painting, maintenance and repair. The Managing Agent may keep a master key to the Townhome Unit to facilitate such entry.

(I) **Fees.** Full payment of the services to be provided by the Managing Agent under this Agreement, other than the charges set out below and in paragraphs 10 (B) (x) (xi) (xii) and 23(A), the Managing Agent shall be entitled to a fee as set out in paragraph 11. Following the first year of service, the management fee may be changed by the Managing Agent on not less than three months' prior written notice to the Owners and shall require the approval of a majority of the owners.

If non-executive or clerical personnel of the Managing Agent provide services to the Townhome Unit (such as cleaning, repair or the like), the Managing Agent shall be entitled to charge for such services at its standard rates for the personnel who provided services to the Townhome Unit, provided that such rates shall not exceed the rate then available for similar services for independent parties in the Flathead County, Montana area.

(J) **Resignation.** The Managing Agent may resign at any time on not less than sixty days' prior written notice to all of the Owners if:

- (i) It has secured the agreement of a real estate management firm with offices in Flathead County, Montana to provide the services required under this Agreement and a Majority of the Owners have not objected by written notice to the appointment of such successor Managing Agent, and
- (ii) It has made provisions to turn over the funds attributable to the Townhome Unit and all books and records to such successor Managing Agent, and such successor Managing Agent has acknowledged the receipt and adequacy thereof.

(K) **Termination.**

- (i) Managing Agent's services may be terminated if a Majority of Owners vote in favor of such termination. Any such vote shall appoint a successor Managing Agent which shall be a real estate managing firm which is willing to serve as Managing Agent for the Townhome Unit pursuant to the provisions hereinafter set forth, and accepting the obligations of the Managing Agent under this Agreement;
- (ii) The services of the Managing Agent shall terminate automatically if (a) a petition in bankruptcy is filed against the Managing Agent and is undismissed after 30 days, or (b) the Managing Agent files a petition in bankruptcy or commits an act of bankruptcy or is adjudicated bankrupt. In

the event of termination under this paragraph 10(K), the Owners shall promptly select by majority vote, one Owner who shall select and engage a new Managing Agent. Until selection of a new managing Agent, the designated Owner shall act as Managing Agent and shall have control of all funds and shall be entitled to use funds to pay general operating costs and taxes of the Townhome Unit. In the event of (a) or (b) above, Managing Agent shall immediately turn over to the designated owner all assets belonging to the owners, including, but not limited to, all funds of every kind whatsoever held by the Managing Agent under this Agreement.

**11. ASSESSMENTS:**

(A) General Operating Costs. Each owner shall be assessed for and pay on no less than a quarterly basis his proportionate share of the prorated annual assessments determined by the Managing Agent of the Owner's proportionate share of all general operating costs of the Association. These general operating costs include, but are not limited to:

- (1) Common expenses charged with respect to the Association Units by the Meadow Lake Association;
- (2) Common expenses charged with respect to the Association Units by the NeNastako Association.
- (3) Insurance carried pursuant to this Agreement;
- (4) Electric, gas, cable television, telephone, water and sewer;
- (5) Housekeeping service;
- (6) Semi-annual cleaning;
- (7) Repairs and maintenance;
- (8) Landscaping;
- (9) Recreational facilities and services usage fee;
- (10) Montana Vacation Club Fee;
- (11) Administration charges including accounting, scheduling and front desk;
- (12) Security services;
- (13) Real Estate property taxes;
- (14) Housewares and linens;
- (15) Reserves for furniture, appliances and other related equipment;

- (16) Reserves for roof replacement and other capital expenditures.
- (17) Managing Agent Fees in the amount often percent (10%) of the total the above items one through fifteen inclusive;

Until one hundred percent (100%) of the Rotational Estates are sold, Meadow Lake Development Corporation shall be responsible for its pro-rata share of all of items one through fifteen (1-15) above with the exception of item five, fourteen and fifteen. If Meadow Lake Development Corporation uses the Townhome Unit as a rental it will pay its pro-rata share of item four based on the number of weeks rented.

(B) Individual Expenses: Each Owner shall be charged for and shall pay the actual expense of the following items attributable to their Use Period(s):

- (1) Long distance telephone charges;
- (2) Repairs and charges for damages to the Townhome Unit, equipment or furnishings caused by such Owner or his guests;
- (3) Extraordinary cleaning and maid service during Owner's Use Period(s), normal cleaning during Owner's Use Period(s), and extraordinary cleaning requested by Owner or made necessary by their occupancy of the Townhome Unit.
- (4) Managing Agent fees in the amount of ten percent (10%) of the total of the above items one through three inclusive.

Each owner shall pay all general operating cost assessments, as designated by the budget, on a periodic basis (quarterly) due and payable at the beginning of each period (January 1, April 1, July 1, October 1). Each owner shall pay all individual expenses at the end of their vacation time or twenty (20) days after the receipt of a Statement. Each Owner shall pay any special assessments or other charges twenty (20) days after receipt of a Statement.

12. **RECREATIONAL FACILITIES USAGE FEE:** A Recreational Facilities Usage Fee (the "Usage Fee") will be automatically charged on an annual basis. The annual Usage Fee will initially be Nineteen Hundred and Seven Dollars (\$1907.00) per year, per Townhome Unit and may be raised as a result of increased costs of operation or inflation determined by the Consumer Price Index using 2005 as the base year. Usage of Recreational Facilities shall be subject to availability and established use and reservation policies.

(1) Golf. The Usage Fee allows the Owner and other registered guests residing in the Owner's Townhome Unit during the Owner's vacation time to golf at a twenty-five percent discount from prices charged the general public. If the Owner (excluding guests) and his immediate family (children under the age of 21) wish to golf during a period other than the Owner's Use Period, they may do so at a twenty-five percent discount from prices charged the general public. There are Irrevocable License Agreements recorded against the property that provide owners

with certain golf course privileges. In addition, the golf course offers weekly golf memberships; rules and regulations are available at the golf course.

(2) Other Recreational Facilities. The Usage Fee also allows the Owner and other registered guests residing in the Owner's Unit during the Owner's Period use of Meadow Lake's Other Recreational Facilities (existing or future recreational facilities other than golf which are developed, owned or operated by Meadow Lake Development Corporation and its subsidiaries or Meadow Lake Homeowners Association).

13, **MONTANA VACATION CLUB MEMBERSHIP AND FEE:** A Montana Vacation Club Membership shall be provided to each Owner of an Rotational Estate. Montana Vacation Club Membership fees provide offsite amenities, services and discounts. The annual membership fee will initially be One Thousand Six Hundred and Thirty-Two Dollars (\$1,632.00) per Townhome Unit and may be raised as a result of increased costs of operation or inflation determined by the Consumer Price Index using 2005 as the base year.

(14) **TAXES:** Individual Townhome Unit tax notices shall be sent to the Managing Agent, which shall, in his capacity as attorney-in-fact, pay all taxes in a timely manner, unless taxes are being paid by a Lender holding a first lien on the property.

(15) **PENALTIES:**

(A) Each Owner shall pay when due all amounts required to be paid by him under this Agreement. The Managing Agent (currently Meadow Lake Development Corporation) ("MLDC") or MLDC in the event the Managing Agent is replaced in accordance of this Agreement may bring legal action or take other reasonable actions to collect any amounts from the Owner liable for payment thereof, with or without foreclosing or waiving the lien described in paragraph (C) below.

(i) In the event of abandonment by an Owner, MLDC shall be designated as the abandoning Owner's attorney-in-fact to vote on behalf of the abandoning owner, and in MLDC's discretion, to execute on behalf of the abandoning Owner, the abandoning Owner's interest, and vesting title in MLDC, or a holding entity to be designated by MLDC, to be held for the Association. Abandonment shall be presumed under the following circumstances:

(a) The Owner's failure to respond to three (3) demands for payment of the amounts due and owing under this Agreement; under the Declaration of Covenants, Conditions and Restriction of Meadow Lake County Club Estates; or under the Bylaws of Meadow Lake Country Club Estates; or

(b) The Owner's response to a demand for payment fails to provide a justifiable reason for the Owner's failure to pay the amounts due and owing.

- (ii) Notices under this Section shall be sent by Certified Mail, Return Receipt Requested to the Owner's last known residence address.

(B) Following thirty (30) days' notice to any Rotational Estate Owner in default on payment of assessments or in any other obligation imposed on the Rotational Estate Owner, to cure the default and the Rotational Estate Owner's failure or refusal to cure the noticed default, the defaulting Owner's voting right shall be deemed suspended and MLDC shall be entitled to vote in the stead of that defaulting owner pursuant to Section 9(B), above. The Managing Agent shall further suspend all occupancy and use privileges conferred to a Rotational Estate Owner or guest by this Agreement or any other document recorded in the public records with the Flathead County Clerk and Recorder that confers benefits and privileges to any Rotational Estate Owner.

(C) All amounts due under this Agreement which are unpaid shall constitute a lien on the Rotational Estate of the Owner failing to pay such amount and shall run in favor of all of the other Owners of the Townhome Unit and be prior to all other liens and encumbrances except:

- (i) Liens for taxes and special assessments;
- (ii) The lien of any first mortgage or first deed of trust of record encumbering the Owner's Rotational Estate in the Townhome Unit.
- (iii) The lien shall attach from the date when the unpaid amount shall become due and may be foreclosed by the Managing Agent in like manner as a mortgage on real property upon the recording of a notice or claim thereof executed by the Managing Agent setting forth the amount of the unpaid indebtedness, and the name of the defaulting Owner. In any such foreclosure, the defaulting Owner shall be required to pay the costs and the expenses of such proceedings including reasonable attorney's fees and court costs. During the period of foreclosure, the Owner who is in default shall not be entitled to use or rent the Townhome Unit. The managing agent shall be entitled to use or rent the Townhome Unit. The Managing Agent shall be entitled to rent the Townhome Unit during the defaulting Owner's Use Period(s) and to set up any amounts received against the amount due from the defaulting Owner. In the event the Managing Agent proceeds against any Owner in default to collect amounts due and owing from an Owner through foreclosure, MLDC, so long as it is the Managing Agent, or the Managing Agent, acting on behalf or of MLDC, and any Owner shall be entitled to purchase the Rotational Estate in the Townhome Unit at the foreclosure sale, and to acquire, hold, lease, mortgage and convey the same in accordance with the conditions set forth in this Agreement.

(D) No Owner shall exempt himself from the liability for payment of amounts payable under this Agreement either by waiver of the use or enjoyment of the Townhome Unit, by abandonment of the Townhome Unit, or otherwise.

(E) The Managing Agent may collect interest at the highest rate permitted by law, on any amount due from an Owner which is not paid when due under this Agreement. In addition, such Owner shall reimburse the Managing Agent for all costs and expenses reasonably incurred by the managing Agent in collection any delinquent amounts, including but not limited to court costs and reasonable attorney's fees.

(F) In the event MLDC acquires title or has the right to acquire title from any defaulting Owner by any means, including acquisition by Deed in Lieu of Foreclosure or by acquisition at Sheriff's sale, MLDC shall have the option to hold title in its name or to allow the acquired Rotational Estate to become titled in a third-party holding entity. In the event MLDC or a third-party holding entity designated by MLDC acquires title to any defaulting Rotational Estate under the terms of this Agreement, MLDC or the third-party holding entity shall be entitled to receive a net holding fee equal to thirty percent (30%) of any funds derived from the sale or lease of the Rotational Estate in excess of any commission due to the selling or leasing broker or agent. All remaining proceeds shall be applied to accrued but unpaid maintenance fees or paid back to MLDC for maintenance fees that were pre-paid by MLDC for the acquired Rotational Estate. In no event shall MLDC be required to apply proceeds derived from the sale or lease of an acquired Rotational Estate to amounts in excess of accrued but unpaid maintenance fees or to maintenance fees that were pre-paid by MLDC. All Rotational Estates acquired from a defaulting Owner pursuant to the terms of this Agreement shall be marketed for sale with sales proceeds applied or distributed as described above.

(G) The powers granted to MLDC under this Section 15 may not be delegated, assigned or extinguished without the vote of seventy-five percent (75%) of Association Owners in Good Standing.

**16. INSURANCE:**

(A) The Managing Agent shall on behalf of the Owners of the Townhome Unit:

- i) provide and keep in force for the protection of the Owners, and all first lienors, casualty insurance covering the building and all improvements on the property in an amount equal to the maximum insurable replacement value, excluding excavation and foundation costs, and all personal property included in the common elements shall be insured for its replacement value. Such coverage shall afford protection against: a) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and b) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location, and use as the buildings on the property, including but not limited to vandalism and malicious mischief.
- ii) provide and keep in force for the protection of the Owners, and all first lienors, general public liability and property damage insurance against claims for bodily injury or death or property damage occurring in or on such Townhome Unit, in limits of not less than \$250,000.00 in respect of bodily injury or death to any one person, and no less than \$1,000,000.00

for bodily injury or death to any number of persons arising out of one accident or disaster, and in limits of not less than \$10,000.00 for damage to property, and if higher limits shall at any time be customary in the Flathead County, Montana area, to protect against possible tort liability, such higher limits shall be carried; and

- (iii) insure all furniture, furnishings, and other personal property originally supplied or installed in the Townhome Unit and replacements thereof against loss or damage by fire, with extended coverage (including insurance against loss or damage by vandalism or malicious mischief), in approximately the amount of the maximum replacement value thereof determined in accordance with paragraph 16(C), less reasonable deductibles.

(B) All insurance required to be carried under this paragraph shall be carried in favor of the Managing Agent, the Owners from time to time of the Townhome Unit, and all first Lienor's of the Townhome Unit, as their respective interests may appear. Each policy of insurance shall contain a standard mortgagee clause in favor of each first lienor of the Townhome Unit which shall provide that the loss, if any, thereunder shall be payable to such first lienor, as its interest may appear, subject, however, to the loss payment provisions in favor of the Managing Agent hereinafter set forth. All policies of insurance against damage to any personal property shall provide those losses shall be payable to and adjusted with the Managing Agent as attorney-in-fact for the Owners. The Managing Agent shall hold and apply the proceeds of such insurance as set forth in this Agreement. Each insurance policy shall provide that in case of violation of any provision thereof by one or more (but less than all) of the Owners the coverage of such policy shall be suspended or invalidated only as to the Rotational Estate of the Owner or Owners committing the violation and not as to the Rotational Estate of the other Owners. All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on coinsurance.

(C) The maximum replacement value of the personal property in the Townhome Unit and without deduction for depreciation shall be determined by the Managing Agent prior to obtaining any policy of fire insurance or any renewal thereof.

17. **RULES AND REGULATIONS:** The Managing Agent may, from time to time, prepare reasonable rules and regulations with respect to this Agreement including but not limited to rules regarding check-in and check-out procedures, the maximum number of occupants for any Townhome Unit, the activities which may be permitted in the Townhome Unit, and any other rules and regulations as the Managing Agent may deem appropriate with respect to the use of the Townhome Unit by owner, guests and invitees. Each owner shall abide by the rules and regulations promulgated by the Managing Agent and shall be responsible for the actions of any Guest or other persons using the Townhome Unit through Owners. Copies of the rules and regulations currently in effect shall be available for Owners and Guests at the Managing Agent's office.

18. **OWNER'S GUESTS:** If, in lieu of his own use during his Use Period(s), an Owner desires to allow a Guest to use their Townhome Unit, the Owner shall provide the



Managing Agent in advance and in writing: (i) the name and address of the Guest, and (ii) the specific Use Period(s) during which the Guest will be using the Townhome Unit. Guests of which the Managing Agent has been notified in the manner provided in this section shall have the same right to use and enjoy the notifying Owner's Townhome Unit and the common areas as the Owner would otherwise have had during the Use Period(s) specified in the notice. All Guests shall be subject to the provisions and restrictions of this Agreement, and any rules promulgated pursuant hereto. The act or negligence of a Guest shall be deemed to be the act or negligence of the Owner permitting the Guest to occupy the Townhome Unit, and the Owner shall be responsible for any loss or damage to any Townhome Unit, the Common Areas, the Association or any Owner resulting from the act or negligence of the Guest.

19. **PETS:** No owner or guest shall keep, during their Use Period time(s), any household pet or other animal in the Townhome Unit, unless the owners have voted to allow pets and the measure has been approved unanimously.

20. **PERSONAL PROPERTY:** Upon receiving a deed to the Townhome Unit, each Owner shall automatically acquire an identical Rotational Estate in all furniture and furnishings then located in the Townhome Unit and used for the operation thereof, and in the amount, in the same amount as such Owner's Rotational Estate in the Townhome Unit. A transfer of a Rotational Estate shall transfer to the grantee an equivalent ownership of the transferor's beneficial ownership in such personal property without any reference thereto. Each Owner may use such property only in accordance with the purpose for which it is intended and with respect to the furniture and furnishings, only during his Use Period(s), without hindering or encroaching upon the lawful rights of the other Owners. The transfer of title to a Rotational Estate under foreclosure shall entitle the purchaser to the beneficial ownership in such personal property equal to the foreclosed Rotational Estate.

21. **REMOVAL OF PERSONAL EFFECTS:** At the end of his Use Period or successive Use Periods each Owner and his Guest shall remove from the Townhome Unit all clothing, food, liquor, luggage and personal effects brought into the Townhome Unit. Neither the Managing Agent nor any Owner or Guest subsequently occupying a Townhome Unit shall be liable in any manner whatsoever for any personal effects left in a Townhome Unit by an Owner or his Guests. All clothing, luggage and personal effects remaining in any Townhome Unit at the end of a Use Period or successive Use Period shall be considered to have been abandoned.

22. **FURNITURE AND FURNISHINGS:** The Townhome Unit shall be provided with basic furniture and furnishings. A listing of the specific items provided in the Townhome Unit shall be provided to each original Owner upon request at the closing upon which the Original Owner acquires a Rotational Estate in the Townhome Unit. (Such listings shall be considered to be incorporated into this Agreement.) The Managing Agent shall be responsible for keeping each Townhome Unit equipped in a first-class manner substantially in accordance with the listing associated with each Townhome Unit and shall be authorized to replace or require replacement in the reasonable judgment of the Managing Agent. Except in cases where any such furniture or furnishings must be replaced due to the negligence or intentional act of any Owner or his Guest (which shall be determined by the Managing Agent in its reasonable judgment), the expenses of replacing any such furniture or furnishings shall be a general operating cost of the Townhome Unit and each Owner shall pay his proportionate share of such

expenses. At the end of each Use Period or each successive Use Period, the Managing Agent shall inspect the Townhome Unit and shall determine whether there are any items of furniture or furnishings which need to be replaced or repaired and if so whether such replacement or repair is the responsibility of the Owner during whose Vacation time such replacement or repair became necessary. The Managing Agent shall notify any Owner promptly if he is to be charged for any items of furniture or furnishings, which need to be replaced or repaired. The Managing Agent may use funds attributed to the Townhome Unit to pay for the replacements or repair any furniture or furnishing under this paragraph 22.

**23. REMODELING AND REPAIRS:**

(A) Except as otherwise provided herein, the Townhome Unit furniture or furnishings shall not be altered, remodeled or renovated unless such alteration, remodeling or renovation shall be approved in writing by a Majority of the Owners of each Townhome Unit. Any such approval shall identify the alteration, remodeling or renovation to be done in reasonable detail and shall establish a budget therefor. All such alteration, remodeling or renovation shall be conducted by the Managing Agent which shall be entitled to a special fee of ten percent (10%) of the cost thereof. Such cost shall be an operating expense of the Townhome Unit and each Owner shall pay his proportionate share thereof.

(B) All repairs to the Townhome Unit required in order to maintain the Townhome Unit in the manner required by the Agreement shall be made by the Managing Agent. No Owner shall make such repairs.

(C) No Owner shall cause any material to be furnished to the Townhome Unit or any labor to be performed therein or thereon except in the manner set forth in paragraphs 23(A) and 23(B), above. Each Owner shall indemnify and hold the other owners of the Townhome Unit harmless against any loss, damage, improvement and repairing and restoring the Townhome Unit to substantially its condition prior to such alteration, remodeling, renovation or repair.

**24. DAMAGE OR DESTRUCTION:** In case of damage or destruction to any of the personal property in the Townhome Unit, the Managing Agent shall collect the insurance proceeds payable on account of such damage or destruction (as agent-in-fact for the Owners) and, unless the Project is not to be rebuilt or repaired under the Declaration, shall apply the proceeds of insurance to replace or repair the damaged or destroyed personal property. If any excess funds are required in order to replace or repair such personal property, such excess shall be a common expense of the Owners and shall be billed to the Owners of the Association Townhome. If the insurance proceeds exceed the cost of repair or replacement, such excess shall be placed in the Account for the benefit of the Owners of the Association Townhome.

**25. QUALITY OF WORK:** Any repairs, alterations, remodeling, or renovation of the Townhome Unit by the Managing Agent shall be done in such manner as to make the Townhome Unit in at least as good condition after such work as it was immediately before the occurrence requiring the work to be done.

26. **NUISANCE:** No noxious or offensive activity shall be carried on within the Town Home Unit, nor shall anything be done or permitted which shall constitute a public nuisance therein.

27. **FAILURE TO VACATE:** If any Owner fails to vacate the Townhome Unit prior to the end of his Use Period(s), or otherwise uses or occupies the Townhome Unit during a Use Period(s) assigned to another Owner, or prevents another Owner from using or occupying the Townhome Unit during such other Owner's Use Period(s), the using, occupying or preventing Owner (the Defaulting Owner) shall:

(A) Be subject to immediate removal, eviction or ejection from the Townhome Unit wrongfully occupied;

(B) Be deemed to have waived any notices required by law with respect to any legal proceedings regarding the removal, eviction or ejection of such Owner (to the extent that such notices may be waived under Montana law);

(C) Reimburse the Owner entitled to use the Townhome Unit during such wrongful occupancy, and the Managing Agent, for all costs and expenses, including, but not limited to, costs of alternative accommodations, court costs and reasonable attorney's fees, incurred in connection with removing, evicting or ejecting the Defaulting Owner from the Townhome Unit; and

(D) In the event such failure to vacate is unreasonable, in addition to any other remedies provided for in this paragraph 26, shall pay to the Owner entitled to use the Townhome Unit during such wrongful occupancy, as liquidated damages for the wrongful use of the Townhome Unit, a sum equal to two hundred percent (200%) of the fair rental value per day of the Townhome Unit wrongfully occupied, for each day or portion thereof, including the day of surrender, during which the Defaulting Owner wrongfully occupies the Townhome Unit.

If an Owner by his negligence renders a Townhome Unit uninhabitable by the next Owner, the provisions of subparagraph (D) above shall apply and the negligent Owner shall be liable to the next Owner as if the negligent Owner had refused to vacate. For purposes of this paragraph 26, the act of a Guest shall be deemed to be the act of the Owner permitting the Guest to occupy the Townhome Unit.

28. **APPOINTMENT OF ATTORNEY-IN-FACT:** Each Owner by his acceptance of the deed or other conveyance vesting in him a Rotational Estate in the Townhome Unit does hereby irrevocably constitute and appoint the Managing Agent acting from time to time, with full power of substitution, as his true and lawful attorney-in-fact in their name, place and stead:

(A) To deal with the interest of such Owner upon damage to or destruction of any personal property in the Townhome Unit;

(B) To enter into all agreements which the Managing Agent is authorized to enter into pursuant to the terms of this Agreement; and

(C) To sell and convey the remainder estate upon the termination of the Estate for Years as set forth in paragraph 36.

Nothing in this Section 28 shall be construed to alter, amend or otherwise impact the powers conferred on the Managing Agent or MLDC pursuant to Section 15 of this Agreement.

Each Owner stipulates and agrees that the power of attorney executed by this paragraph 28 is coupled with an interest. The action of the Managing Agent in settling any claim for damage to any personal property shall be binding upon each Owner in the absence of fraud or clear mistake.

29. **ENFORCEMENT COSTS:** In the event either a buyer or seller of a Rotational Estate defaults under the terms of the NeNastako Village at Meadow Lake Resort Rotational Ownership Purchase Agreement, the non-defaulting party shall be entitled to reasonable costs and attorney fees incurred because of such default. In addition, the Grantor of a Rotational Estate governed by the Declaration of Protective Covenants and Rotational Ownership Agreement for NeNastako Village at Meadow Lake Resort or the Managing Agent appointed under this Agreement shall be entitled to reasonable costs and attorney fees enforcing said declaration and agreement.

30. **REGISTRATION OF MAILING ADDRESS:** Each Owner shall (and any first lienor may) register his mailing address from time to time with the Managing Agent and, except for periodic statements and other routine notices, all other notices or demands intended to be served upon an Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands or other notices intended to be served upon the Managing Agent shall be sent certified mail, postage prepaid to:

NeNastako Village at Meadow Lake  
Resort 100 St. Andrews Dr.  
Columbia Falls, Montana 59912

31. **WAIVER OF RIGHT TO PARTITION:** Each Owner and any party claiming by, through or under him agrees to waive and hereby waives for the duration of the Rotational Estate herein created by this Agreement any and all rights which he may now have or which hereafter may be given to the Owner by the Laws of the State of Montana to cause a partition of the Townhome Unit (or any personal property therein) among the various Owners thereof.

32. **SEPARATE MORTGAGES:** Each Owner shall have the right to mortgage or otherwise encumber his Rotational Estate in the Townhome Unit. No Owner shall have the right to mortgage or otherwise encumber in any manner, whatsoever the Rotational Estate of any other Owner in the Townhome Unit. Any mortgage, deed of trust or other encumbrances of any Rotational Interest in the Townhome Unit shall be subordinate to all of the provisions of this Agreement, and in the event of foreclosure the provisions of this Agreement shall be binding upon any Owner whose title is derived through foreclosures by private power of sale, judicial foreclosure or otherwise.

33. **INDEMNIFICATION:** Any Owner who suffers or allows a tax lien, judgment lien, mechanic's lien or other lien to be placed against his Rotational Estate or the Townhome

Unit shall indemnify, defend and hold each of the other Owners harmless from and against all liability or loss arising from the claim of such indemnity. The Managing Agent shall enforce such indemnity by collecting from the Owner who suffers or allows such a lien the amount necessary to discharge the lien and all costs incidental thereto, including reasonable attorney's fees. If such amount is not promptly paid, the Managing Agent may collect the same in the manner provided for the collection of assessments.

34. **SUCCESSORS:** Each Owner (including Granter) shall be fully discharged and relieved of liability on the covenants of this Agreement insofar as the same relate to his Rotational Estate in a Townhome Unit upon ceasing to own any Rotational Interest therein and paying all sums and performing all obligations in respect of such Rotational Estate to the time his ownership interest is terminated.

35. **NOMINEES:** If title to a Rotational Estate is held by more than one person or by a firm, corporation, partnership, cooperative association, association, or other legal entity, Owner shall nominate one person to receive all notices, bills, statements, demands and communications and to be responsible for performance of the Owner's duties and obligations under the Agreement. Such nomination shall be effective and remain in force unless voluntarily revoked, amended, or terminated by operation of law; however, within, thirty days after such revocation, amendment or termination, Owner shall reappoint one person to act as Nominee pursuant to this paragraph.

35. **AMENDMENT OR REVOCATION:** This Agreement may be amended or revoked:

- (A) By Grantor at any time prior to recording of an Original Deed, and
- (B) Upon the written approval, in recordable form, of a majority of the Owners and a majority of the first mortgagagers.

Notwithstanding the foregoing, no amendment affecting the rights or obligations of the Managing Agent shall be made without the prior written consent of the Managing Agent, which shall not be unreasonably withheld.

36. **DURATION AND WINDING UP:** If the Townhome Unit ceases to be subject to either the Declaration of Ownership or this Ownership Agreement, except if voluntarily removed as set forth in paragraph five (5) of this Ownership Agreement, the Managing Agent shall be entitled to receive, as attorney-in-fact for the Owners of the Remainder all sums payable to such Owners under the Declaration of Ownership, the Ownership Agreement, or otherwise. Such sums shall be collected by the Managing Agent and divided among such Owners and paid into separate accounts on a pro-rata basis for each Rotational Estate. The funds in each account (without contribution from one account to another) shall be applied by the Managing Agent for the following purposes in the order indicated:

- (i) for payment of the balance of any lien of any mortgage or deed of trust on the Rotational Estate of the Owner;

- (ii) for payment of taxes and special assessment liens in favor of any assessing entity with respect to the Rotational Estate of the Owner;
- (iii) for payment of unpaid general operating costs attributable to the Rotational Estate of the Owner;
- (iv) for payment of junior liens and encumbrances in the order and to the extent of their priority with respect to the Rotational Estate of the Owner; and
- (v) the balance remaining, if any, shall be paid to the Owner.

The provisions of this paragraph shall not be construed as limiting in any way the right of a first lienor (in case the proceeds allocated under (i) shall be insufficient to pay the indebtedness secured by this lien) to assert and enforce the personal liability for such deficiency of the person or persons responsible for payment of such indebtedness.

**37. GENERAL:**

(A) Each Owner by accepting conveyance of a deed to the Townhome Unit subject to the provision of this Agreement agrees that the covenants and other provisions hereof are reasonable in scope and effect and are essential to the form of ownership in which such Townhome Unit is held.

(B) If any of the provisions of the Agreement or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Agreement, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(C) The provisions of this Agreement shall be governed by the laws of the State of Montana.

(D) Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

**-Signatures and Acknowledgement on Following Page-**



## EXHIBIT A

(Attached to and made a part of Amended Declaration of Protective Covenants and Rotational Ownership Agreement for NeNastako Village at Meadow Lake Resort)

- a. In accordance with paragraph 3, each Owner must be designated as having purchased Rotational Estate No. 1, Rotational Estate No. 2, Rotational Estate No. 3, Rotational Estate No. 4, Rotational Estate No. 5, Rotational Estate No. 6, Rotational Estate No. 7, Rotational Estate No. 8, Rotational Estate No. 9, Rotational Estate No. 10, Rotational Estate No. 11, Rotational Estate No. 12, Rotational Estate No. 13, Rotational Estate No. 14, Rotational Estate No. 15, Rotational Estate No. 16, Rotational Estate No. 17, Rotational Estate No. 18, Rotational Estate No. 19, Rotational Estate No. 20, Rotational Estate No. 21, Rotational Estate No. 22, Rotational Estate No. 23, Rotational Estate No. 24, Rotational Estate No. 25, Rotational Estate No. 26, Rotational Estate No. 27, Rotational Estate No. 28, Rotational Estate No. 29, Rotational Estate No. 30, Rotational Estate No. 31, Rotational Estate No. 32, Rotational Estate No. 33, Rotational Estate No. 34, Rotational Estate No. 35, Rotational Estate No. 36, Rotational Estate No. 37, Rotational Estate No. 38, Rotational Estate No. 39, Rotational Estate No. 40, Rotational Estate No. 41, Rotational Estate No. 42, Rotational Estate No. 43, Rotational Estate No. 44, Rotational Estate No. 46, Rotational Estate No. 47, Rotational Estate No. 48, Rotational Estate No. 49, Rotational Estate No. 50, Rotational Estate No. 51 or, Rotational Estate No. 52. Each subsequent purchase of an Rotational Estate shall succeed to and retain the Rotational Estate designation of his granter (i.e., a purchaser from the Owner of Rotational Estate No. 1, becomes the Owner of interval Estate No. 1).
- b. Each Rotational Estate receives the usage rights to the week number matching their interval estate number. Rotational Estate No. 1 receives usage rights to week No. 1, Rotational Estate No. 2 receives usage rights to week No. 2 and so on. Week No. 1 is defined as the seven-day period commencing on the first Saturday of each calendar year. Additional weeks are computed consecutively in a like manner.
- c. The time of commencing and ending each Period of Use is local time then in effect in Columbia Falls, Montana and no offset shall be allowed for transition time periods.
- d. Maintenance Periods: The maintenance weeks for the Townhome Unit for each calendar year shall be the week commencing at 10:01 a.m. on the 45<sup>th</sup> Saturday of each year and ending at 3:59 p.m. on the 46<sup>th</sup> Saturday of each year.