

DECLARATION OF PROTECTIVE COVENANTS
AND
INTERVAL OWNERSHIP AGREEMENT FOR
SPYGLASS VILLAGE

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 condominium units, Spyglass Village, on a portion of Meadow Lake Country Club Estates in Columbia Falls, Flathead County, Montana.

Grantor may in the future sell undivided Interval Estates in the Spyglass Village Units (“Interval 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 Interval Ownership Agreement (the “Interval Ownership Agreement”).

Grantor hereby makes and declares the following limitations, restrictions and uses upon the Interval Estate, as restrictive and protective covenants running with such Spyglass Village 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 condominium unit in Spyglass Village which is not expressly made subject to this Agreement by the inclusion in the deed of the statement set forth in paragraph 3 hereof.

During the Marketing Period the Grantor, its successors or assigns, reserves the right to submit a condominium unit to the plan contained in the Interval Ownership Agreement. Further, the plan contained in the Interval Ownership Agreement shall not be available to purchasers or present owners of condominium units in the project, their successors or assigns except with the express prior written consent of Grantor. Thereafter, any owner may submit a condominium unit to the plan contained in the Interval Ownership Agreement in accordance with such terms as may be contained herein and in accordance with the then current rules and regulations of the association governing submission of units to the plan contained in the Interval Ownership Agreement.

This Amendment to the Declaration of Protective Covenants and Rotational Ownership Agreement for Spyglass Village replaces and supersedes any prior Rotational or Fractional Ownership Agreement, including the Declaration of Protective Covenants and Interval Ownership Agreement for Spyglass Village recorded on December 21, 1999 as Document No. 199935516270 with the Flathead County Clerk and Recorder.

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

Rotational Ownership Agreement	Declaration of Protective Covenants and Vacation Ownership Agreement for Spyglass Village recorded on July 18, 1997 as instrument no. 199719914300 and any amendments thereto.
Declaration of Unit Ownership	The Declaration of Unit Ownership Spyglass Village recorded July 18, 1997 as instrument no. 199719912150, records of Flathead County, Montana, 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.
Interval 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 Interval Ownership Agreement referred to in the deed together with a 1/51st vested remainder in fee simple. The terms "Interval Estate" and "Rotational Estate" are used interchangeably throughout this Agreement.
Guest	Any person using the 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 unit as a result of an exchange of units completed by means of agreement with the Owner, the Association or an independent exchange company.
Land Use Declaration	Declaration of Covenants, Conditions and Restrictions of Meadow Lake Country Club Estates.
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 Unit. The Unit shall not be available to Owners for use or occupancy during such period of time.
Majority	A vote of Rotational Estate Owners in a Unit representing at least 51 (fifty-one) 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 Unit Owner who is not more than seven (7) days delinquent in any Assessment levied against by either the Association of Unit owners of Glacier 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 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.
Marketing Period	Period of time from the recording of this Agreement until: (1) 120 days after the date on which title to 85% of the Spyglass Village Rotational Estates in all condominium units in the Project have been conveyed to individual purchasers of Rotational Estates; or (2) ten years from the date of execution, whichever occurs first. Conveyance in bulk of condominium units or Rotational Estates shall not be deemed a conveyance to an individual purchaser.
Meadow Lake Association	Meadow Lake Homeowners’ Association.
Original Deed	A deed from Grantor to an Owner complying with the requirements of paragraph 3 hereof.
Owner	The grantee named in the Original Deed or their successors or assigns in interest holding title to a Rotational Estate.
Project	Meadow Lake is a 330-acre recreational community containing approximately 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 is Spyglass Village, a residential condominium development that may include up to 40 units. Each unit may be subject to this Rotational Ownership Agreement.
Remainder	The fee simple estate in and to the Unit at the expiration of the Estate for Years.
Spyglass Association	Association of Unit Owners of Spyglass Village.

Unit A Spyglass Village condominium unit as set forth and described in the Declaration of Unit Ownership recorded July 18, 1997 as Instrument No.: 199719912150, First Amendment to Declaration of Unit Ownership of Spyglass Village recorded August 7, 1998 as Instrument No. 199821911450, and any other amendments thereto, and as used herein subjected to this Declaration of Protective Covenants and Rotational Ownership Agreement for Spyglass Village and any amendments thereto.

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 Unit as further described in Exhibit A and B.

2. GENERAL PURPOSES: The benefits of the Protective Covenants and Interval 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 Unit a desirable, attractive, beneficial and suitable place of abode, of guarding against losses by fire and other hazards, of providing for Use Periods during which each of the various Owners will possess the Unit, and of providing rules and regulations for the mutual benefit and protection of each of the Owners,

3. MANNER OF SUBJECTING CONDOMINIUM UNITS TO THIS AGREEMENT:

In order to subject the Unit to the provisions of this Agreement, Granter 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 Interval Estate in a Spyglass Village 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 Interval Estate in the condominium unit conveyed by this deed, by his acceptance of this deed, hereby (a) agrees to take such Interval Estate subject to the Declaration of Protective Covenants and Interval Ownership Agreement dated _____ 19__ and recorded under Reception No. _____ of the real property records of Flathead County, Montana; (b) agrees to perform and to abide by all of the terms and conditions of such Declaration of Protective Covenants and Interval Estate Ownership Agreement; and (c) agrees that the Interval Estate conveyed by this deed is Interval Estate No. _____ in Unit Nos. _____ of Phase _____, Spyglass Village

which entitles grantee to possess the Unit during Use Period(s) as described in Exhibit A of the Ownership Agreement for Spyglass Village and any amendments thereto; and to a 1/51st undivided interest as tenant in common with the other owners of Interval Estates in and to the remainder.”

4. **MULTIPLE INTERVAL ESTATES:** An Owner may own one or more Interval Estates in a Unit. Such ownership shall entitle such-owner to possession of the Unit only during the corresponding Use Periods determined as set forth in Exhibit A and B. He may convey his Interval Estates in any manner in conformity with Paragraph 6, below. Any intended conveyance of less than the entire Interval interest owned shall be subject to prior approval by the Managing Agent, which approval may be approved or denied at the 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 Interval Estate, if one person or entity becomes the Owner of all Interval Estates with respect to the Unit, such Owner may release the 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 Interval Estates in the Unit and his desire to release such Unit from the provisions hereof. Upon recording such affidavit, the Unit shall automatically be released from the provision of this Agreement, the estate for years shall merge with the remainder, and any such reserves accrued on behalf of the Interval 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, specifying the Interval Estate conveyed. Each owner intending to convey the Owner’s interest in an Interval estate shall give prompt written notice of such intended 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 grantee. Any conveyance made to a family member or MLDC without acknowledgement and acceptance shall be deemed null and void and of no effect. To the extent the intended conveyance is to a non-family member or 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 as the intended third-party sale. All intended third-party sales or offers to sell must be accompanied by a notice to the intended purchaser that the sale or intended sale is subject to MLDC’s right of first refusal. With respect to any such intended third-party sale, MLDC shall have five (5) days from the date it receives notice of the intended sale within which to exercise its right of first refusal granted herein.

7. **PERMITTED USES:**

(A) The Unit shall be used only for the purposes allowed by applicable zoning, the Meadow Lake Land Use Declaration, the Declaration of Unit Ownership, this Interval 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 Unit in as good order and condition as when he acquired his Interval 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 Unit or its furniture or furnishings, except pursuant to paragraph 22 or 23.

(C) Any Owner may lease or rent the Unit for the purposes permitted by this Agreement during the Owner's 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 renting or leasing 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 Meadow Lake Development Corporation. An exchange program allows the Owner to exchange his Use Period for the Use Period in other similar projects or for different use periods at Meadow Lake Resort, as more fully set forth in the exchange program, which is not a part of this Interval Ownership Agreement.

8. LIMITATION: No Owner shall occupy the Unit or exercise any other right of Ownership with respect to the 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.

9. ASSOCIATION MEMBERSHIP:

(A) Meadow Lake Association and Spyglass Association have 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 an interest he will automatically become a member of both Associations as defined in their respective 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 each 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 Unit.

(B) Without limiting the generality of the foregoing, each 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.

(C) Number of Votes. In both Associations the number of votes appurtenant to each respective Unit shall be 100. Each Owner shall be entitled to vote a percentage of 100 based on the Owner's Interval Estate Ownership Percentage in the Unit. This number of votes shall have a permanent character and shall not be altered without the unanimous

written consent of all owners expressed in a duly recorded amendment to this Agreement. The votes of each Owner NOT in Good Standing shall be voted by Meadow Lake Development Corporation pursuant to the non-delegable power granted to it pursuant to Section 15(A)(i), hereof.

(D) Voting. Subject to the limitations set forth herein and in the Association By-Laws, each Owner in Good Standing shall be entitled to vote on all matters put to a vote of the Owners in person or by proxy. To exercise the vote that each owner is entitled to exercise in either Association, the Board of Trustees shall, as soon as is reasonably practicable and prior to the annual and any special meeting of either Association, obtain the agenda for such meeting and such other information as may be available on the matters to be voted upon at such meeting and shall disseminate such agenda and information by mail to each Owner together with a form of ballot and a proxy prepared by each Association for return by each Owner in Good Standing to the respective Association.

10. MANAGING AGENT:

(A) Appointment. The Owners of the Interval Estate shall engage a real estate managing firm with offices in Flathead County, Montana, to act as Managing Agent for the Unit. Meadow Lake Development Corporation is hereby appointed as the initial Managing Agent for the Unit. By signing this Agreement, Meadow Lake Development Corporation consents to serve as Managing Agent for the 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 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 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, Spyglass Association, utility companies, tax authorities and suppliers to send all bills for the 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 Unit.

(viii) Take such action (including legal action) as may in its reasonable judgment be necessary or advisable to remove from the Unit any person wrongfully occupying the 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 Unit. The Managing Agent shall not be authorized to take any action to enforce the remedy provided by subparagraph 27(D); only the owner entitled to the benefit thereof may enforce such remedy.

(ix) Take such action (in its own name or in the name of other Owners of Interval 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 Interval 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 Unit so that such 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 that does not exceed that available for similar services in the Columbia Falls, 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 that does not exceed that available for similar services in the Columbia Falls, Montana area. Such charges shall be billed to the Owner requesting such services.

(xiii) Coordinate with the exchange company the exchange or Interval Estate use periods with other Interval Estate use periods. The Managing Agent may charge for such services.

(C) Budget. 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 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 his 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 Interval Estates in 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 Interval 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, 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 23.

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 Unit and to each Owner thereof. In making Assessments under the provisions of this Agreement, the Managing Agent shall issue Assessments in a manner that equalizes collected assessments among all Association Units subject to this Agreement.

(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 Unit.

(F) Transfers. Upon conveying his Interval Estate, the conveying Owner's share of the amount then in the Account pertaining to his share of the 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 Unit, the Managing Agent shall issue a written statement setting forth the amount in the Account pertaining to such Interval 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 that 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 Unit for the purpose of cleaning, maid service, painting, maintenance and repair. The Managing Agent may keep a master key to the Unit to facilitate such entry.

(I) Fees. In 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 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 Unit, provided that such rates shall not exceed the rate then available for similar services for independent parties in the Columbia Falls, 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 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 Agents 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 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 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 general operating costs of the Association. These general operating costs include, but are not limited to:

- (1) Common expenses charged with respect to the Units by the Meadow Lake Association
- (2) Common expenses charged with respect to the Units by the Spyglass Association;
- (3) Administrative charges including accounting, scheduling and front desk;
- (4) Insurance carried pursuant to this Agreement;
- (5) Property taxes, unless separately assessed and paid;
- (6) Water and sewer charges, if not included in common area charges;
- (7) Local telephone service charges;
- (8) Cable Television charges, if not included in common expense;
- (9) Electrical utility charges, if not included in common expense;
- (10) Repairs, replacements and normal maintenance;
- (11) Semi- annual cleanings and fix-up during the maintenance weeks;
- (12) Firewood, if not included in common expense;
- (13) Trash disposal charges, if not included in the common expenses;
- (14) Recreational Facilities Usage Fee;
- (15) All other reasonable charges related to maintenance;
- (16) Normal cleaning and maid service;
- (17) Reserves for furniture, appliances and other related equipment;
- (18) Managing Agent Fees in the amount of ten percent (10%) of the total of the above items one through seventeen inclusive.

Until one hundred percent (100%) of the Interval Estates are sold, Meadow Lake Development Corporation shall be responsible for its pro-rata share of all of items one through eighteen above with the exception of items sixteen and seventeen. If Meadow Lake Development Corporation uses the Unit as a rental it will pay its pro-rata share of item sixteen 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) Extraordinary repairs and charges for damages to the 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 Unit.
- (4) Managing Agent fees in the amount often percent (10%) of the total of the above items one through three inclusive,

Each owner shall pay all charges properly billed to him within twenty days after receipt of a statement therefor.

(12) RECREATIONAL FACILITIES USAGE FEE: A Recreational Facilities Usage Fee (the "Usage Fee") will be automatically charged on an annual basis as provided in paragraph 11 subparagraph (A) (14). The annual Usage Fee will initially be Fifteen Hundred Dollars (\$1500.00) per year, per Unit and may be raised as a result of increased costs of operation or inflation determined by the Consumer Price Index using 1997 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 Owners of an Interval Estate and other registered guests residing in the owner's unit, during the owner's use periods, to golf at a 25% discount from prices charged to the general public. In addition, owners of Interval Estates with a Global Points Network point valuation exceeding 64,000 points are eligible to purchase an interval golf membership. Interval golf memberships are per person, exclusive to owners, and valid for up to 7 consecutive days. The golf membership is good for up to three 18-hole rounds prior to 2 p.m. and unlimited after 2 p.m. Interval golf members' children under age 21 are eligible for the unlimited afternoon golf at no additional charge. The current fee for a temporary golf membership is \$79 (\$69 if purchased prior to January 1" for the following year). The golf course may increase this fee due to inflation or increased costs of operation but may not raise the fee more than 10% in any given year.

(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 Use 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 Interval Estate and will be automatically charged on an annual basis as provided in Paragraph 11 subparagraph (A) (14). The annual membership fee will initially be twenty-five Dollars (\$25.00) per year per Interval Estate and may be raised as a result of increased costs of operation or inflation determined by the Consumer Price Index using 1997 as the base year.

(14) TAXES: Tax notices shall be sent to the Owner in care of the Managing Agent, which agent 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 with the terms 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 the 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 a deed in lieu of foreclosure or other like documents transferring the abandoning Owner's interest to and vesting title in MLDC, or a holding entity to be designated by MLDC, to be held for the benefit of the Association

(ii) Abandonment shall be presumed under the following circumstances

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 Country Club Estates; or under the Bylaws of Meadow Lake County Club Estates.

The Owner's response to a demand for payment that fails to prove a justifiable reason for the Owner's failure to pay the amounts due and owing.

(iii) 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 Interval Estate Owner in default on payment of assessments or in any other obligation imposed on the Interval Estate Owner, to cure the default and Interval 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(C), above. The Managing Agent shall further suspend all occupancy and use privileges conferred to an Interval 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 Interval Estate Owner.

(C) All amounts due under this Agreement which are unpaid shall constitute a lien on the Interval Estate of the Owner failing to pay such amount and shall run in favor of all of the other Owners of the 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 that Owner's Interval Estate in the 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 Unit. The Managing Agent shall be entitled to use or rent the Unit. The Managing Agent shall be entitled to rent the 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 for and on behalf of MLDC, and any Owner shall be entitled to purchase the Interval Estate in the Unit at the foreclosure sale and to Any Owner shall be entitled to purchase the Interval Estate in the 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 Unit, by abandonment of the Unit, or otherwise.

(E) The Managing Agent may collect interest at the rate of one and three-fourths percent per month, if then permitted by law, otherwise at the highest rate then 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 collecting 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 by Sheriff's sale, MLDC shall have the option to hold title in its name or to allow the acquired Interval 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 Interval Estate under the terms of this Agreement, MLDC or the third-party holding entity shall be entitled to receive the net holding fee equal to thirty percent (30%) of any funds derived from the sale or lease of the Interval 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 Interval Estate. In no event shall MLDC be required to apply proceeds derived from the sale or lease of an acquired Interval Estate to amounts in excess of accrued but unpaid maintenance fees or the maintenance fees that were pre-paid by MLDC. All Interval 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 75% of Association Owners in Good Standing.

16. INSURANCE:

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

(i) Provide and keep in force for the protection of 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 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

(ii) insure all furniture, furnishings, and other personal property originally supplied or installed in the 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 Unit, and all first lienors of the 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 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 Interval Estate of the Owner or Owners committing the violation and not as to the Interval 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 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 Unit, the activities which may be permitted in the Unit and any other rules and regulation as the Managing Agent may deem appropriate with respect to the use of the 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 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, an Owner desires to allow a Guest to use their 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 during which the Guest will be using the 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 Unit and the common areas as the Owner would otherwise have had during the Use Period 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 Unit, and the Owner shall be responsible for any loss or damage to any 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 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 Unit, each Owner shall automatically acquire an identical Interval Estate in all furniture and furnishing then located in the Unit and used for the operation thereof, and in the amount, in the same amount as such Owner's Interval Estate in the Unit. A transfer of an Interval 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 an Interval Estate under foreclosure shall entitle the purchaser to the beneficial ownership in such personal property equal to the foreclosed Interval 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 Unit all clothing, food, liquor, luggage and personal effects brought into the Unit. Neither the Managing Agent nor any Owner or Guest subsequently occupying a Unit shall be liable in any manner whatsoever for any personal effects left in a Unit by an Owner or his Guests. All clothing, luggage and personal effects remaining in any Unit at the end of a Use Period or successive Use Periods shall be considered to have been abandoned.

22. **FURNITURE AND FURNISHINGS:** The Unit shall be provided with basic furniture and furnishings. A listing of the specific items provided in the Unit shall be given to each original Owner and the Managing Agent at the closing upon which the

Original Owner acquires an Interval Estate in the Unit. Such listings shall be considered to be incorporated into this Agreement. The Managing Agent shall be responsible for keeping each Unit equipped in a first-class manner substantially in accordance with the listing conveyed to each Original Owner of the Unit and shall be authorized to replace or repair any furniture or furnishings which are missing, which become unusable or which become so worn as to 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 Unit and each Owner shall pay his proportionate share of such expenses. At the end of each Use Period or successive Use Periods, the Managing Agent shall inspect the 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 Use Period 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 that need to be replaced or repaired. The Managing Agent may use funds attributable to the Unit to pay for the replacements or repair of any furniture or furnishings under this paragraph 22.

23. REMODELING AND REPAIRS:

(A) Except as otherwise provided herein, the 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 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 10 percent of the cost thereof. Such cost shall be an operating expense of the Unit and each Owner shall pay his proportionate share thereof.

(B) All repairs to the Unit required in order to maintain the 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 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 his Unit harmless against any loss, damage, improvement and repairing and restoring the 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 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. 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.

25. **QUALITY OF WORK:** Any repairs, alterations, remodeling, or renovation of the Unit by the Managing Agent shall be done in such maimer as to make the 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 Unit, or shall anything be done or permitted which shall constitute a public nuisance therein.

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

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

(D) In the event such failure to vacate is unreasonable, in addition to any other remedies provided for in this paragraph 27, shall pay to the Owner entitled to use the Unit during such wrongful occupancy, as liquidated damages for the wrongful use of the Unit, a sum equal to two hundred percent (200%) of the fair rental value per day of the Unit wrongfully occupied, for each day or portion thereof, including the day of surrender, during which the Defaulting Owner wrongfully occupies the Unit.

If an Owner by his negligence renders a 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 27, the act of a Guest shall be deemed to be the act of the Owner permitting the Guest to occupy the Unit.

28. **APPOINTMENT OF ATTORNEY-IN-FACT:** Each Owner by their acceptance of the deed or other conveyance vesting in them an Interval Estate in the Unit does hereby irrevocably constitute and appoint the Managing Agent acting from time to time, with full power of substitution, as their true and lawful attorney 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 Unit; and

(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 37.

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 Section 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 an Interval Estate defaults under the terms of the Spyglass Village Interval 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 an Interval Estate governed by the Declaration of Protective Covenants and Interval Ownership Agreement for Spyglass Village 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:

Spyglass Village
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 estate for years 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 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 Interval Estate in the Unit. No Owner shall have the right to mortgage or otherwise encumber in any manner, whatsoever the Interval Estate of any other Owner in the Unit. Any mortgage, deed of trust or other encumbrances of any Interval Interest in the 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, mechanics lien or other lien to be placed against his Interval Estate or the 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 Grantor) shall be fully discharged and relieved of liability on the covenants of this Agreement insofar as the same relate to his Interval Estate in a Unit upon ceasing to own any Interval Interest therein and paying all sums and performing all obligations in respect of such Interval Estate to the time his ownership interest is terminated.

35. NOMINEES: If title to an Interval 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.

36. 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 mortgagors.

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.

37. DURATION AND WINDING UP:

(A) This Interval Ownership Agreement and the covenants contained herein and the Estate for Years of which each Interval Estate consists shall continue in full force and effect with respect to the Unit for ninety-nine years from the date of recording this Interval Ownership Agreement or until the Unit voluntarily, by unanimous agreement of *all* of the owners of each Interval Estate created hereby, ceases to be subject to the Declaration of Unit Ownership or this Interval Ownership Agreement, whichever first occurs. In addition, the provisions of section 37(B) shall continue in full force and effect

for so long after such termination date as is required to satisfy the provisions of paragraph 37(B).

(B) If the Unit ceases to be subject to either the Declaration of Ownership or this Interval Ownership Agreement, except if voluntarily removed as set forth in paragraph five of this Interval 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 Interval Ownership Agreement, or otherwise. Such sums shall be collected by the Managing Agent and divided among such Owners and paid into separate accounts on the basis of each Owner's Interval Estate Ownership percentage. 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 Interval Estate of the Owner,
- (ii) for payment of taxes and special assessment liens in favor of any assessing entity with respect to the Interval Estate of the Owner,
- (iii) for payment of unpaid general operating costs attributable to the Interval 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 Interval 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.

38. GENERAL:

(A) Each Owner by accepting conveyance of a deed to the 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 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 laws of the State of Montana shall govern the provisions of this Agreement.

(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.

IN WITNESS WHEREOF, Grantor has duly executed this Agreement this _____ day of December 2022.

MEADOW LAKE DEVELOPMENT CORPORATION
A Montana Corporation

By: _____

Its: _____

STATE OF MONTANA)
 : ss.
County of Flathead)

On this _____ of December, 2022, before me, the undersigned, a Notary Public for the State of Montana, personally appeared _____, known to me to be the _____, of the corporation and that he executed the foregoing instrument, and acknowledged to me that such corporation executed the same.

SIGNATURE

PRINT OR TYPE NAME

Notary Public for the State of Montana.

Residing at _____.

My commission expires:

MONTH, DAY, YEAR (20**)

EXHIBIT A

(Attached to and made a part of Declaration of Protective Covenants and Interval Ownership Agreement for Spyglass Village)

- a. In accordance with paragraph 3, each Owner must be designated as having purchased Interval Estate No. 1, Interval Estate No. 2, Interval Estate No. 3, Interval Estate No. 4, Interval Estate No. 5, Interval Estate No. 6, Interval Estate No. 7, Interval Estate No. 8, Interval Estate No. 9, Interval Estate No. 10, Interval Estate No. 11, Interval Estate No. 12, Interval Estate No. 13, Interval Estate 14, Interval Estate No. 15, Interval Estate No. 16, Interval Estate No. 17, Interval Estate No. 18, Interval Estate No. 19, Interval Estate No. 20, Interval Estate No. 21, Interval Estate No. 22, Interval Estate No. 23, Interval Estate No. 24, Interval Estate No. 25, Interval Estate No. 26, Interval Estate No. 27, Interval Estate No. 28, Interval Estate No. 29, Interval Estate No. 30, Interval Estate No. 31, Interval Estate No. 32, Interval Estate No. 33, Interval Estate No. 34, Interval Estate No. 35, Interval Estate No. 36, Interval Estate No. 37, Interval Estate No. 38, Interval Estate No. 39, Interval Estate No. 40, Interval Estate No. 41, Interval Estate No. 42, Interval Estate No. 43, Interval Estate No. 45, Interval Estate No. 46, Interval Estate No, 47, Interval Estate No. 48, Interval Estate No. 49 or Interval Estate No. 50, Interval Estate No. 51, Interval Estate No. 52. Each subsequent purchase of an Interval Estate shall succeed to and retain the Interval Estate designation of his grantor (i.e., a purchaser from the Owner of Interval Estate No. 1, becomes the Owner of Interval Estate No. 1).

- b. Each Interval Estate receives the usage rights to the week number matching their interval estate number. Interval Estate No. 1 receives usage lights to week No. 1 Interval 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 Sunday 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 Condominium Unit for each calendar year shall be the week commencing at 10:01 a.m. on the 48th Sunday of each year and ending at 3:59 p.m. on the 49th Sunday of each year.