

FIRST AMENDMENT TO THE BY-LAWS OF
THE INNS OF WATERVILLE VALLEY ASSOCIATION

This first amendment, made this 4th day of June, 1983, by The Inns of Waterville Valley Association, a New Hampshire non-profit corporation having a principle place of business at Waterville Valley, Grafton County, New Hampshire, for the purpose of amending the By-Laws of the aforesaid Association, dated _____, 198 , and recorded in the Grafton County Registry of Deeds at Book 1438, Page 495 et seq., in accordance with the provisions of the aforesaid By-Laws, the Declaration of Condominium, and the provisions of the New Hampshire Condominium Act, New Hampshire RSA Chapter 356-B.

WHEREAS, Article 9-100 of the By-Laws of The Inns of Waterville Valley Association provides that the By-Laws may be amended from time to time as set forth in Article 8-100 of the Declaration of Condominium; and

WHEREAS, Article 8-100 of the Declaration of Condominium provides that they may be amended at any meeting of the Association provided a copy of the proposed amendment has been included in the written notice of the meeting and that the meeting is conducted in accordance with RSA 356-B:37; and

WHEREAS, in order to be effective any such amendment must be recorded in the Grafton County Registry of Deeds and will not be effective until such time; and

WHEREAS, at the June 4, 1983 annual meeting of the Association the owners consented to conversion of some of the

condominium units to a combination of fixed and flexible (floating) use periods; and

WHEREAS, Gerard J. Noonan, in his capacity as President of The Inns of Waterville Valley Association, as certified by an affidavit to be recorded herewith that the requisite notice and vote necessary to make such an amendment has been taken; and

WHEREAS, over three-fourths (3/4) of the owners have voted in support of the proposed amendment;

NOW, THEREFORE, the By-Laws are amended as follows:

Amend said By-Laws by adding a new Article 12 to read as follows:

ARTICLE 12, RESERVATION PROCEDURE FOR FLEXIBLE USE PERIODS

12-100 Use During Same Flexible Season. No flexible use period owners shall be entitled to occupy any unit during any use period except within the same Flexible Use Period Season in which an owner owns a use period.

12-200 Use Only by Reservation. No flexible use period owner shall be entitled to occupy any unit during any use period except in accordance with the reservation procedure set forth in these By-Laws.

12-300 Procedure. In order to maximize the availability of space to fill each interval owner's desired use period, upon the recordation of a deed to an interval interest in a unit, each such unit shall be available for reservation and use by every interval interest owner, subject to the provisions of the following reservation procedures and the condominium rules and regulations.

(a) Consecutive Use Period. Subject to the provisions of the following paragraphs, any flexible use period owner shall be entitled to make a reservation with the manager for use period(s) during the flexible use period season in which the

owner owns a flexible use period. If such interval interest owner owns more than one flexible use period and reserves consecutive flexible use periods, such owner shall have the right to use and occupy his assigned unit between check-out-time and check-in-time of the consecutive use periods, provided the owner has reserved a flexible use period (or periods) in the manner set forth in this paragraph and in the rules and regulations.

- (b) Advance Reservations. During the month of January of each year, owners may submit a request for a flexible use period in the succeeding calendar year. Such reservation requests shall be submitted in writing on a form supplied by the manager or the Association. Such reservation requests shall set forth for each flexible use period owned, in the order of preference, three alternative flexible periods within the same flexible use periods are owned. If an owner owns more than one flexible use period the owner may request consecutive use periods. On February 1st of each year, the Association shall commence processing of all reservation requests submitted under this subparagraph. In the event that all advance reservation requests cannot be confirmed, the Association shall resolve conflicts in an equitable manner taking into consideration past reservation history. The objective of the reservation procedure is to provide, over a period of time, each owner with equal opportunity to have assigned to him or her flexible use periods considered the most desirable. The Association shall use its best efforts to notify each owner submitting an advance reservation request under this subparagraph on or before February 21st, whether or not such reservation has been confirmed. Reservations may be cancelled by notifying the Association in writing at least fifteen (15) days in advance. Notice under this section is deemed to be given when received. If an owner fails to cancel in accordance with this procedure, his or her use period for that year shall be considered to be the one originally reserved.

- (c) Short-Term Reservations. An owner who has not used a use period for his or her use week within the current year with respect to any use period owned by him or her and who does not have a confirmed reservation outstanding, may submit a reservation request for a use period pursuant to this subparagraph 1(c) not less than thirty (30) days prior to the commencement date of the use period sought. Reservation requests submitted pursuant to this subparagraph 1(c) may be submitted in person, by telephone, by telegraph, or by mail. Reservation requests made pursuant to this subparagraph 1(c) shall be considered submitted when actually received by the Association and will be confirmed on a first-come, first-served basis and on the same equitable basis as provided in subparagraph 1(b) above. Reservations may be cancelled by notifying the Association in writing at least fifteen (15) days in advance. Notice under this section is deemed to be given when received. If an owner fails to cancel in accordance with this procedure, his or her use period for that year shall be considered to be the one originally reserved.
- (d) Bonus Use. Subject to all terms and conditions contained elsewhere in the Declaration, the By-Laws of the Association and in the rules and regulations, any flexible use period owner shall have the right to reserve the use of and to use and occupy a combination time-share unit pursuant to the provisions of this paragraph 1(d). Such use ("Bonus Use") shall be in addition to any use obtained pursuant to paragraphs 1(a), 1(b), and 1(c). Reservation requests for Bonus Use may be submitted and reservations will be confirmed in the following manner:
- i. Reservations for Bonus Use will be confirmed on a space available basis only, first-come, first-served.
 - ii. No reservation requests for Bonus Use may be submitted more than ten (10) days prior to the start of the use period requested.

- iii. No reservation for Bonus Use will be confirmed for a period extending beyond fourteen (14) days from the date the reservation request is submitted. A reservation request for Bonus Use may not be submitted for less than two consecutive nights nor for more than one full use period.
 - iv. Reservation requests for Bonus Use may be submitted in person, by telephone, telegraph or mail.
 - v. Each flexible use period owner who uses a unit pursuant to the provisions of this paragraph 1(d), shall pay, in advance of his use, a reasonable rental therefor, which rental shall be fixed from time to time by the Association. All rental revenues generated by the use of units pursuant to this paragraph 1(d) shall be deposited in the General Account of the Association.
- (e) Reservations for Bonus Use may be cancelled, without penalty, at any time prior to forty-eight (48) hours prior to check-in-time. Owners who cancel reservations for Bonus Use less than forty-eight (48) hours in advance of check-in-time on the commencement date shall pay to the Association a cancellation fee equal to two day's rental.
- (f) No reservation for Bonus Use will be confirmed if the flexible use period owner submitting the reservation request has another reservation for Bonus Use outstanding.

12-400 Adjustments to Reservation and Use Rights. In the event the Association determines that the reservation system provided for in paragraphs 1(a), 1(b), and 1(c) is unmanageable or unfair, the Association may, by amendment to the By-Laws, revise the reservation system with the objective of assuring a manageable and fair system.

12-500 Use of Unsold Use Periods. Nothing in this reservation procedure shall be construed to in any way limit, restrict or control the renting or leasing of any unsold weeks by the Declarant under any procedure or system.

