

AMENDED AND RESTATED SUBDIVISION RESTRICTIONS

SECTION C – HOLIDAY VILLAGES OF LIVINGSTON

1. The Timeshare Property is, by the recording of these Restated Restrictions, subject to the covenants and restrictions hereinafter set forth and shall be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered and subject to these Restated Restrictions.

2. Upon the filing of these Restated Restrictions and acceptance of an agreement for deed to a Timeshare Interest, any and all obligations, liabilities, limitations or burdens that are vested or that may in the future become vested in or upon the Developer in relation to the Timeshare Property, pursuant to these Restated Restrictions are hereby assumed by each owner or purchaser of a Timeshare Interest (a "Timeshare Interest Owner"). EACH TIMESHARE INTEREST OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS THE DEVELOPER FROM SUCH TIMESHARE INTEREST OWNER'S SHARE OF ANY AND ALL LIABILITIES, COSTS, EXPENSES (COMMON OR OTHERWISE), AND ASSESSMENTS RELATING OR APPERTAINING TO SUCH TIMESHARE INTEREST.

3. There shall be established an Architectural Control Committee ("ACC") composed of three members appointed by the Developer (and/or by designees of the Developer, from time to time) to (i) protect the Timeshare Interest Owners against such improper uses as will depreciate the value of the Timeshare Property; (ii) preserve, so far as practicable, the natural beauty of said Timeshare Property; and (iii) guard against the placement thereon of poorly designed or proportioned structures or camping equipment. The ACC or its designee may promulgate written guidelines for the exercise of this review, which may include, among other things, a written submission of the plans and specifications showing the nature, kind, shape, height, materials and location of the proposed improvements, structures or camping equipment, other than those constructed by the Developer, which shall be exempt from approval by the ACC. The ACC or its designee shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. Any member of the ACC or of its designee or the representatives of either shall have the right, during reasonable hours, to enter upon any Accommodation to inspect any unit and/or other improvements on such Accommodation for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such person or persons shall not be deemed guilty of trespass by reason of such entry.

4. The Timeshare Property hereunder shall be used solely for recreational and other leisure-related uses and such other uses as may be permitted by these Restated Restrictions. Except as otherwise permitted by these Restated Restrictions, the use and occupancy of the Timeshare Property is restricted to Timeshare Interest Owners, their families and guests, persons who belong to camping organizations described in numbered Paragraph 15 of these Restated Restrictions, and such other persons as authorized by the Developer. The Developer shall establish rules and regulations (the "Regulations") containing reasonable restrictions on the use and occupancy of the Timeshare Property, including but not limited to, restrictions on the length of occupancy, fees which may be charged for the use of such Timeshare Property and provisions defining the term "family." The Regulations may be supplemented, amended and/or modified from time to time by the Developer until such time (if ever) as the Developer shall have assigned all its rights under the Regulations to HV of Livingston Owners Association, a Texas non-profit corporation (the "Association"); thereafter, the Regulations may be supplemented, amended or modified from time to time by the Association pursuant to procedures established by the Association. The Association shall be managed by its board of directors pursuant to the procedures set forth in the Association's articles of incorporation and bylaws, subject to these Restated Restrictions. In the event of any conflict or inconsistency between provisions of these Restated Restrictions and the Regulations, the provisions of these Restated Restrictions shall govern. Notwithstanding anything to the contrary contained herein, the Developer or the Association, as applicable, shall obtain and maintain and keep in full force and effect insurance upon and relating to the Timeshare Property and related Amenities (as hereinafter defined) with such insurers, in such amounts and covering such risks as required by Section 221.072 of the Act.

5. The Timeshare Property hereunder shall not be used for residential purposes, and no one other than the Developer, the Association or any utility company or similar entity in accordance with these Restated Restrictions may occupy the Timeshare Property or any portion thereof other than on a temporary basis, as more particularly described in the Regulations. No buildings, fences, permanent structures or improvements may be erected, constructed, placed or permitted to remain on the Timeshare Property other than by the Developer or the Association or by any utility company or similar entity for the purpose of furnishing utilities or similar services to the Timeshare Property or the improvements located thereon.

6. The placement and use of improvements, buildings, facilities or equipment on the Timeshare Property shall be limited to site-built structures, HUD-code manufactured homes, modular homes or other improvements permitted by the Regulations. There shall be no minimum floor area in regard to such improvements; however, all improvements shall be subject to approval by the ACC prior to construction.

7. No animals, livestock or poultry of any kind shall be kept on any portion of the Timeshare Property except dogs, cats or other common household pets. Those pets which are permitted to roam free, or, in the sole discretion of the Developer or Association, endanger the health or safety, make objectionable noise, or constitute a nuisance or inconvenience to other Timeshare Interest Owners shall be removed upon the request of the Developer or Association. If such Timeshare Interest Owner fails to honor such request, the pet may be removed by the Developer or Association. Dogs shall at all times whenever they are outside be confined on a leash held by a responsible person.

8. It shall be the responsibility of each Timeshare Interest Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition upon the Timeshare Property, the Accommodations or Amenities. The Timeshare Property, the Accommodations and Amenities shall not be used, in whole or in part, for the storage of any property or thing that will cause the Timeshare Property, the Accommodations or Amenities to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon the Timeshare Property, the Accommodations or Amenities that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon the Timeshare Property, the Accommodations or Amenities nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using the Timeshare Property or any property adjacent to the Timeshare Property. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Timeshare Property, the Accommodations or Amenities.

9. The Developer or the Association may, at their respective option, erect, construct, place, alter, maintain and remove buildings, fences, recreational facilities and equipment, vegetation and other improvements on the Timeshare Property reasonably deemed by such party to be related to the recreational use or enhancement of the Timeshare Property, including, but not limited to, storage facilities, utility facilities and equipment, recreational vehicles and other camping facilities for rental purposes or otherwise. Any such buildings, equipment, facilities, recreational vehicles or camping facilities erected, constructed or placed on the Timeshare Property shall remain the property of the party placing or installing same regardless of how same is affixed and may be removed from the Timeshare Property at any time. The Developer or the Association may grant to contractors or other persons or entities the right of access over, under and across the Timeshare Property and the use and occupancy of the Timeshare Property for the purposes described in this Paragraph 9.

10. Perpetual easements are reserved for the installation and maintenance of utilities and all necessary appurtenances thereto, whether installed in the air, upon the surface or underground, along and within ten (10) feet of all boundary lines of the Real Property. In addition, the Developer or the Association may from time to time grant utility easements over, under and across other portions of the Real Property for the purpose of bringing utility service to such Timeshare Property or to other portions of Holiday Villages of Livingston Subdivision. No permanent structures shall be constructed or placed on or over such easement areas nor shall any other structures or equipment which may damage or interfere with the installation, maintenance or operation of utility lines or equipment being placed or permitted to remain on or over such easement areas. Utility companies and their employees and agents shall have all of the rights and benefits necessary or convenient for the full exercise of such easement rights, including the free right of ingress and egress to and from such easement areas and the right from time to time to trim or remove all trees, vegetation or other obstructions that may interfere or threaten to interfere with the installation, maintenance or operation of such utilities.

11. No outside toilet or privy shall be erected or maintained on any of the Timeshare Property. The materials installed in, and the means and method of assembly of, all sanitary plumbing shall conform with the requirements of the Health Department of the State of Texas and the local authorities having jurisdiction. No sewage nor effluent shall be disposed of upon, in, nor under any of the Timeshare Property except into waste disposal facilities installed by the Developer or its designees, without the written consent of the Developer.

12. There is hereby made and impressed upon the Timeshare Property an assessment of \$16.00 per month with respect to each Timeshare Interest (the "Assessment"); provided, however, that if a Timeshare Interest Owner (other than the Developer) is also the owner or purchaser of one or more lots in another area of Holiday Villages of Livingston Subdivision that is subject to an assessment payable to the Association, such Timeshare

Interest Owner shall not be obligated to pay any Assessment with respect to its Timeshare Interest. Each Timeshare Interest Owner shall be a member of the Association. Such rate for the Assessments shall at all times be equal to the assessment rate applicable to the owner or purchaser of one lot in other areas of Holiday Villages of Livingston Subdivision as set forth in the applicable subdivision restrictions of record for such other areas and payable to the Association. It is acknowledged that such assessment rate applicable to one lot is subject to change from time to time in accordance with the provisions of such subdivision restrictions of record for other areas of Holiday Villages of Livingston Subdivision, and upon any such change, the rate of Assessments shall automatically change to the same rate. The Assessment against a Timeshare Interest shall accrue from the earlier of: (i) the date of the earliest agreement for deed or contract between the Developer as seller and a purchaser of such Timeshare Interest or (ii) the date of the earliest conveyance of such Timeshare Interest by the Developer as grantor. All Assessments shall be and are hereby secured by a lien on each Timeshare Interest and shall be payable to the Association, its successors and assigns, the owner of such funds, on January 1 of each calendar year, at which date said assessment lien shall conclusively be deemed to have attached to each Timeshare Interest. Such Assessment shall be payable monthly, quarterly, semi-annually or annually, either in arrears or in advance, as determined from time to time by the Association, except that such Assessment shall never be payable more than twelve months in advance. In the event such Assessment is made payable in advance and except as otherwise required by law, there shall be no refund of paid but unaccrued Assessments on account of any cancellation or repossession of a purchase contract or any transfer of a Timeshare Interest. If any such Assessment is not paid in full by the 30th day following the due date thereof, the unpaid amount of such assessment shall bear interest from such 30th day at a rate equal to the lesser of (i) eighteen percent (18%) per annum or (ii) the maximum legal rate under Texas law until paid (the "Default Rate"). In addition, ALL ASSESSMENTS WITH INTEREST FROM SUCH DUE DATE AT THE DEFAULT RATE AND THE COSTS OF COLLECTION, INCLUDING REASONABLE ATTORNEY'S FEES, ARE SECURED BY A CONTINUING CONTRACTUAL LIEN AND CHARGE ON EACH TIMESHARE INTEREST COVERED BY SUCH ASSESSMENT, WHICH SHALL BIND SUCH TIMESHARE INTEREST AND THE TIMESHARE INTEREST OWNER AND ITS HEIRS, SUCCESSORS, DEVISEES, PERSONAL REPRESENTATIVES AND ASSIGNEES. The contractual lien shall be a continuing charge and lien upon each such Timeshare Interest as a covenant running with the land, and any such Assessments, interest, costs and other charges assessed or charged and remaining unpaid with respect to any Timeshare Interest shall constitute a lien and encumbrance on such Timeshare Interest until the same is paid in full. Developer hereby reserves such a lien upon each Timeshare Interest in the name of and for the benefit of the Association, and each Timeshare Interest Owner, by acquisition of such Timeshare Interest, grants to the Association a power of sale in connection with the Association's liens. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. To evidence any unpaid Assessment, the Association may prepare a written notice of unpaid Assessment (the "Notice of Unpaid Assessments") setting forth the amount of the unpaid Assessment and the name of the Timeshare Interest Owner. Such notice shall be recorded in the real property records of San Jacinto County, Texas. The Association shall record an appropriate release of any recorded Notice of Unpaid Assessments when the amounts referenced therein have been paid. THE LIEN FOR PAYMENT OF ASSESSMENTS MAY BE ENFORCED BY FORECLOSURE OF THE LIEN UPON THE DEFAULTING TIMESHARE INTEREST OWNER'S TIMESHARE INTEREST BY THE ASSOCIATION SUBSEQUENT TO THE RECORDING OF THE NOTICE OF UNPAID ASSESSMENTS AS PROVIDED ABOVE EITHER BY JUDICIAL FORECLOSURE OR BY NON-JUDICIAL FORECLOSURE THROUGH A PUBLIC SALE IN LIKE MANNER AS A DEED OF TRUST ON REAL PROPERTY IN ACCORDANCE WITH SECTION 51.002 OF THE TEXAS PROPERTY CODE, AS SUCH MAY BE AMENDED, REVISED, SUPPLEMENTED OR REPLACED FROM TIME TO TIME. In addition, the Association may institute suit against the Timeshare Interest Owner personally to obtain a judgment for unpaid Assessments. In any foreclosure proceeding, whether judicial or non-judicial, or in any other suit against the Timeshare Interest Owner, the Timeshare Interest Owner shall be required to pay the costs, expenses and reasonable attorneys' fees incurred by the Association, except as may be limited by law. Nothing contained herein shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. The Developer may resign from membership in the Association at any time; however, no other member may resign from membership in the Association. No member shall be entitled to vote or exercise any other right or privilege of membership if such member is delinquent with respect to any Assessments due hereunder.

13. The Assessments described in numbered Paragraph 12 hereof may be used for the construction, reconstruction, improvement and maintenance of roads and streets, swimming pools, parks, boat ramps, piers, playgrounds, cabanas, basketball/volleyball courts, miniature golf courses, community buildings and other improvements (collectively, the "Amenities") located upon the Timeshare Property or elsewhere within the Holiday Villages of Livingston Subdivision, for the purchase and rental of land and other property and facilities by the Association, for security guards, for central garbage disposal containers at the Timeshare Property or the Holiday Villages of Livingston Subdivision, for insurance and/or bond coverage related to any such improvements, facilities, guards or personnel, for the payment of property and other taxes, for the payment of utility costs and maintenance expenses on the Timeshare Property or Section B of Holiday Villages of Livingston Subdivision and other areas designated by the Developer, for the repayment of any advances which may be made by the Developer or its

affiliates to cover the cost and expense of any of such purposes and uses, and for any other uses approved by the board of directors of the Association. The use and benefit of the above described Amenities and other improvements and facilities shall be restricted to the members of the Association, their families and authorized guests, and other persons and classes of persons designated by the Developer. "Holiday Villages of Livingston Subdivision," as such term is used herein, shall include the Timeshare Property covered by these restrictions and all other property in San Jacinto County, Texas, which may have heretofore or may hereafter be subdivided, platted and/or designated by the Developer as a portion of Holiday Villages of Livingston Subdivision. The Association shall pay all taxes and assessments (other than the Assessments described in Paragraph 12 hereof) which may be levied on the Timeshare Property, and each Timeshare Interest Owner (other than the Developer), by purchasing or acquiring a Timeshare Interest by whatever manner, designates and appoints such Association as his exclusive agent for receipt of notices and claims for such taxes and assessments and for payment of such taxes and assessments out of the funds described in Paragraph 12 hereof. The lien securing such assessments shall be junior and subordinate to any lien held by the Developer. Assessments against property interests owned by the Developer shall accrue, and liens securing same may attach, only during such times as a contract to purchase said property interests is then in force; and no assessment shall be made against the Developer nor against then unsold property interests owned by it at any time (whether or not such property interests have been previously sold and the contract cancelled or otherwise terminated). At any time, as to any property interest then owned by the Developer not covered by a contract with the Developer then in force to sell or reserve for sale such property interest, any then accrued but unpaid assessments under this paragraph against such property interest shall thereupon be automatically cancelled. Notwithstanding anything to the contrary contained herein, it is Developer's express intent that the Amenities described above shall not constitute any portion of the Timeshare Property. By accepting a deed to a Timeshare Interest, each Timeshare Interest Owner is deemed (i) to accept the Timeshare Property in its then-existing "as is" condition; (ii) to acknowledge the authority of the Developer and the Association, acting through its board of directors and management, for all decisions pertaining to the Timeshare Property; and (iii) to acknowledge the continuity of maintenance of the Timeshare Property, regardless of changes in the Association's board of directors or management.

14. The use and occupancy of the Timeshare Property pursuant to the provisions of these Restated Restrictions and the Regulations require that the Timeshare Property not be divided into several portions. Therefore, subject to the remaining provisions of this paragraph, there shall be no partition of the Timeshare Property by any means, voluntary or involuntary. Each Timeshare Interest Owner (other than the Developer), by purchasing or acquiring an interest in the Timeshare Property hereunder by whatever manner, waives all right to seek or require partition of the Timeshare Property. The provisions of this paragraph shall apply only to the surface estate of the Timeshare Property and shall have no force nor effect upon oil, gas or other minerals in or under the Timeshare Property.

15. From time to time, the Developer or the Association may enter into agreements with camping organizations or similar organizations whereby members of such organizations, their families and guests may be granted the right to use and occupy the Timeshare Property and all facilities and improvements thereon. The Developer and the Association are each, respectively, authorized to enter into any such agreements and to agree to any terms, conditions and provisions which either may, in its sole discretion, deem to be appropriate.

16. The Association, the Developer and/or any Timeshare Interest Owner shall each have the right to prosecute any proceedings at law or in equity against any person or entity violating, attempting to violate and/or suffering to be violated the Regulations, any restriction or provision herein to (i) prevent such violation, (ii) recover damages or other dues for such violation, and (iii) recover court costs and reasonable attorney's fees incurred in such proceedings. No delay or omission on the part of the Developer, the Association, or any other person or entity entitled to enforce these Restated Restrictions or the Regulations in seeking or exercising any right, power of remedy provided herein shall be deemed to be a waiver thereof. No waiver of any right, power or remedy provided herein in regard to any breach or violation of these Restated Restrictions or the Regulations shall preclude or prevent the exercise of any such right, power or remedy in the event of any subsequent breach or violation.

17. Neither the Developer, the Association, nor their respective employees, officers nor directors shall have any liability or responsibility at law nor in equity on account of the enforcement of, or on account of their failure to enforce, these Restated Restrictions or the Regulations. In addition, the Developer shall neither be liable nor be subject to any proceeding at law or in equity on account of any violation or attempted violation committed or permitted by any person or entity other than the Developer or its employees, officers or directors.

18. At any time after December 31, 2020, any provisions contained in these Restated Restrictions (except as hereinafter provided) may be amended or repealed, in whole or in part, by the vote of at least one-half of the votes cast at a meeting of the members of the Association duly convened, provided that prior written notice is

mailed to each member of the Association (at the most recent address shown for such member in the records of the Association) generally describing any proposed amendment or repeal to be voted on at such meeting. At any time before December 31, 2020, that the Developer holds at least one-half of the total ownership interest (as shown by the Records of San Jacinto County, Texas) in the Timeshare Property and any subsequent additions to the Timeshare Property as may hereafter be dedicated as an additional part of the Timeshare Property, the Developer may amend or repeal any of the provisions of these Restated Restrictions without notice to the Timeshare Interest Owners or without a vote of such Timeshare Interest Owners. Any such amendment or repeal must be recorded in the Office of the County Clerk, San Jacinto County, Texas, and shall be effective upon the date of such recordation. Notwithstanding the foregoing, none of the provisions of numbered Paragraphs 9, 10, 13 and 17 hereof or this sentence may be amended or repealed without the written consent of the Developer.

19. Whenever possible, each provision of these Restated Restrictions shall be interpreted in such manner as to be effective and valid, but if the application of any provision of these Restated Restrictions to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of these Restated Restrictions are declared to be severable.

20. THE ASSOCIATION AND TIMESHARE INTEREST OWNERS EACH COVENANT AND AGREE, JOINTLY AND SEVERALLY, TO INDEMNIFY, DEFEND AND HOLD HARMLESS DEVELOPER, ITS RESPECTIVE OFFICERS, DIRECTORS, PARENT AND/OR SUBSIDIARY ENTITIES, PARTNER(S) AND ANY RELATED PERSONS OR CORPORATIONS, AND THEIR EMPLOYEES, PROFESSIONALS AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, ACTIONS, CAUSES OF ACTION OR DAMAGES ARISING FROM ANY PERSONAL INJURY, LOSS OF LIFE, OR DAMAGE TO PROPERTY, SUSTAINED ON OR ABOUT THE TIMESHARE PROPERTY OR OTHER PROPERTY SERVING THE ASSOCIATION AND IMPROVEMENTS THEREON, OR RESULTING FROM OR ARISING OUT OF ACTIVITIES OR OPERATIONS OF DEVELOPER OR OF THE ASSOCIATION, OR OF THE TIMESHARE INTEREST OWNERS, AND FROM AND AGAINST ALL COSTS, EXPENSES, COURT COSTS, COUNSEL FEES (INCLUDING, BUT NOT LIMITED TO, ALL TRIAL AND APPELLATE LEVELS AND WHETHER OR NOT SUIT BE INSTITUTED), EXPENSES AND LIABILITIES INCURRED OR ARISING FROM ANY SUCH CLAIM, THE INVESTIGATION THEREOF, OR THE DEFENSE OF ANY ACTION OR PROCEEDINGS BROUGHT THEREON, AND FROM AND AGAINST ANY ORDERS, JUDGMENTS OR DECREES WHICH MAY BE ENTERED RELATING THERETO. THE COSTS AND EXPENSE OF FULFILLING THIS COVENANT OF INDEMNIFICATION SHALL BE CONSIDERED OPERATING COSTS OF THE ASSOCIATION TO THE EXTENT SUCH MATTERS ARE NOT COVERED BY INSURANCE MAINTAINED BY THE ASSOCIATION. IT IS EXPRESSLY ACKNOWLEDGED THAT THE INDEMNIFICATION IN THIS SECTION PROTECTS DEVELOPER (AND ANY PARENT OR SUBSIDIARY OR RELATED OR AFFILIATED ENTITY) FROM THE CONSEQUENCES OF THEIR RESPECTIVE ACTS OR OMISSIONS, INCLUDING WITHOUT LIMITATION, DEVELOPER'S (OR ANY PARENT'S OR SUBSIDIARY'S OR RELATED OR AFFILIATED ENTITY'S) NEGLIGENT ACTS OR OMISSIONS, TO THE FULLEST EXTENT ALLOWED BY LAW.

21. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine and vice versa.

22. NEITHER THE ASSOCIATION, NOR DEVELOPER (NOR ANY PARTNER NOR PARENT NOR SUBSIDIARY NOR RELATED OR AFFILIATED ENTITY NOR EMPLOYEE NOR AGENT OF ANY OF THEM) SHALL IN ANY WAY OR MANNER BE HELD LIABLE OR RESPONSIBLE FOR ANY VIOLATION OF THESE RESTATED RESTRICTIONS BY ANY OTHER PERSON OR ENTITY. NEITHER DEVELOPER, NOR THE ASSOCIATION (NOR ANY PARTNER NOR PARENT NOR SUBSIDIARY NOR RELATED OR AFFILIATED ENTITY NOR ANY EMPLOYEE NOR AGENT OF ANY OF THEM) MAKES ANY REPRESENTATIONS WHATSOEVER AS TO THE SECURITY OF THE TIMESHARE PROPERTY OR UNITS OR ACCOMMODATIONS, OR THE EFFECTIVENESS OF ANY GATE, ACCESS SYSTEM OR MEDICAL ALERT SYSTEM. THE ASSOCIATION AND EACH TIMESHARE INTEREST OWNER DOES HEREBY HOLD DEVELOPER, THE ASSOCIATION, (AND ANY PARTNER, PARENT, SUBSIDIARY, RELATED OR AFFILIATED ENTITY OR EMPLOYEE OR AGENT OF ANY OF THEM) HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. NEITHER THE ASSOCIATION, NOR THE DEVELOPER (NOR ANY PARTNER NOR PARENT NOR SUBSIDIARY NOR RELATED OR AFFILIATED ENTITY NOR EMPLOYEE NOR AGENT OF ANY OF THEM) SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE TIMESHARE PROPERTY, UNITS OR ACCOMMODATIONS OR THE EFFECTIVENESS OF ANY SUCH SYSTEM. ALL TIMESHARE INTEREST OWNERS SPECIFICALLY ACKNOWLEDGE THAT THE PROPERTY MAY HAVE A PERIMETER BOUNDARY SYSTEM, SUCH AS FENCES, WALLS, HEDGES, GATED ENTRIES OR THE LIKE. NEITHER THE ASSOCIATION, NOR THE DEVELOPER, (NOR ANY PARTNER, NOR PARENT NOR SUBSIDIARY NOR RELATED OR AFFILIATED ENTITY NOR EMPLOYEE NOR AGENT OF ANY OF THEM) SHALL BE HELD

LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF MEASURES UNDERTAKEN. ALL TIMESHARE INTEREST OWNERS AND OCCUPANTS OF ANY UNITS AND/OR ACCOMMODATIONS, TENANTS, GUESTS AND INVITEES OF ANY TIMESHARE INTEREST OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION, THEIR RESPECTIVE BOARDS AND OFFICERS, DEVELOPER, ANY SUCCESSOR DEVELOPER, OR THEIR NOMINEES, OR AGENTS OR ASSIGNS, DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, GATE ACCESS SYSTEM, BURGLAR ALARM SYSTEM, MEDICAL ALERT SYSTEM, OR OTHER SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS, GATE ACCESS SYSTEM, MEDICAL ALERT SYSTEM OR OTHER SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED.

23. In the event of any dispute arising between, among, against or on behalf of Timeshare Interest Owners relating to these Restated Restrictions, including without limitation, any dispute with Developer (regardless of Developer's capacity), the parties shall try and agree on an arbitrator. If after ten days the parties are unable to agree, each party shall appoint one arbitrator. Should any such Timeshare Interest Owner refuse to appoint an arbitrator within ten days after written request therefor by the board of directors of the Association, the Association shall appoint an arbitrator for the refusing Timeshare Interest Owner. The arbitrators thus appointed shall appoint one additional arbitrator and the decision by a majority of all three (or more) arbitrators shall be binding upon the Timeshare Interest Owners and judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof and located in Dallas County, Texas. However, this provision shall not be constructed as to require Developer or the Association to arbitrate any enforcement and/or collection action initiated by Developer and/or the Association hereunder. After a demand for arbitration has been filed and the filing fee paid, any party may require that the dispute be submitted to mediation prior to commencement of the final arbitration hearing. If the dispute is not resolved by mediation, then the arbitration proceeding shall continue to conclusion. If any controversy, claim or dispute arises relating to these Restated Restrictions, its breach or enforcement, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorneys' fees and costs.

(The Developer is Livingston Holiday Villages, L.P.)