

July 27, 2007

Re: Chateau Chantal **FOUNDER'S CIRCLE**

Dear member:

On page thirty-two of Chateau Chantal's Offering Circular of February, 2003, you may recall the subject benefits accruing to original investors as well as all who have purchased 1500 or more shares of the Company stock. You are a member of the Founder's Circle and these benefits remain intact. However, as permitted by the same Offering, the Board of Directors were empowered to *"....revoke or modify any or all of these benefits at any time..."*

At their April 17, 2007 meeting, the Board chose to maintain **all** the benefits detailed in the IPO, but to further clarify an occasional inquiry with respect to benefit-transfer and the complimentary one night stay at the Chateau. The clarifications are:

- The designation and benefits of 'Founder' cannot be transferred to heirs. They are personal and reside with the purchasing shareholder (s)
- The one night complimentary stay each year during periods of designated low-occupancy from November through February shall remain in effect to all members as stated in the Offering. The stay must be reserved by the member individually, and no effort will be made to convene a form of annual reunion

Regards,

Robert P. Begin
Chairman