

Exhibit "D" to the Declaration

PERCENTAGE INTEREST IN COMMON ELEMENTS

Each residential Unit within the Condominium shall have an undivided percentage interest in the Common Elements and Common Surplus and a share of the Common Expenses of the Condominium on an equal fractional basis. This fractional interest is based on the total number of Units and Commercial Units, if any, declared as part of the Condominium at any given time. The percentage interest in the Common Elements and Common Surplus and share of the Common Expenses of a given residential Unit declared into the Condominium from time to time shall always equal the total square footage of that residential Unit divided by the total square footage of all Units declared into the Condominium; however, each Commercial Unit declared into the Condominium from time to time will have a percentage interest of .00000001% in the Common Elements and Common Surplus and share of the Common Expenses. As additional phases are added to the Condominium, the respective percentage interests in the Common Elements and Common Surplus and share of the Common Expenses of the Units already declared into the Condominium will be decreased accordingly.

To determine the exact percentage interest of a given Unit declared into the Condominium at any given time, the following mathematical formula applies: $I = (B/T) * [1.0 - (C * .00000001)]$.

1. "I" represents the interest to be determined of a particular Unit.
2. "B" represents the square footage of the particular Unit.
3. "T" represents the total square footage of all of the Units declared as part of the Condominium.
4. "C" represents the number of Commercial Units declared as part of the Condominium.

This instrument prepared by and return to:
Brent Gibbs, Esquire
Attn: Regulatory Affairs
Disney Vacation Development, Inc.
1390 Celebration Boulevard
Celebration, FL 34747

DOC# 20150007000 B: 10857 P: 3951
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Rec Fee: \$299.00
Martha O. Haynie, Comptroller
Orange County, FL
MB - Ret To: DISNEY VACATION DEVELOPME



MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
(DISNEY'S POLYNESIAN VILLAGE RESORT)

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Master Declaration") is effective as of the 29th day of December, 2013 (the "Effective Date"), by **WALT DISNEY PARKS AND RESORTS U.S., INC. ("WDPR")**, whose address is Post Office Box 10000, Lake Buena Vista, Florida 32830-1000.

WITNESSETH:

WHEREAS, WDPR (as defined in Article I) is the owner of that certain real property located in Orange County, State of Florida, which real property is more particularly described in **Exhibit A** attached to this Master Declaration and by this reference incorporated in this Master Declaration (the "**Master Property**") and as more particularly defined in Article I); and

WHEREAS, a portion of the Master Property currently includes an existing hotel, support infrastructure and amenities; and

WHEREAS, WDPR anticipates that the Master Property will be developed and operated as a multi-use master planned project containing retail, restaurant and hotel; and

WHEREAS, WDPR also anticipates that the multi-use master planned project will include accommodations and facilities that are part of a timeshare plan pursuant to Chapter 721 (as defined in Article I), and that, as such, all or a portion of the Master Property, as it may exist from time to time, may be subjected to the condominium form of ownership in accordance with Chapter 718 (as defined in Article I), as well as subjected to a timeshare plan pursuant to Chapter 721; and

WHEREAS, WDPR further anticipates that the project shall also include certain Shared Areas (as defined in Article I) which will or may be located on portions of the Master Property under separate ownership and control but commonly used for the benefit of persons other than the owner of the Shared Areas and include roads, parking, support facilities, open space green belt areas, amenities and other facilities, which Shared Areas may be inside buildings and other infrastructure located on the Master Property; and

WHEREAS, the Master Property is located within the Reedy Creek Improvement District and is also an integral part of the WALT DISNEY WORLD® Resort; and

WHEREAS, WDPR desires to provide for the preservation and enhancement of the desirability and attractiveness of the Master Property; to ensure that any improvements on the Master Property will at all times be developed, designed, constructed, used, operated, managed and maintained in compliance with Applicable Law (as defined in Article I) and in compliance with this Master Declaration and in conformity with the overall theme, concept, atmosphere and extraordinarily high standards of quality which have come to be known and expected at the WALT DISNEY WORLD® Resort; to provide for the common use of and the allocation and sharing of expenses and reserves for the operation, maintenance, repair and renovation of Shared Areas; and to permit the development and

reserves for the operation, maintenance, repair and renovation of Shared Areas; and to permit the development and operation of the Shared Areas and the alteration, renovation, removal, or modification of certain of the Shared Areas to integrate with, enhance and support the surrounding portions of the Master Property and the Walt Disney World® Resort; and to recognize that as a result of the development and operation of the Master Property as an integrated property, and in order to maximize efficiencies and cost savings, certain services and operational and maintenance costs that might otherwise be separately obtained or incurred for the benefit of separately-owned portions of the Master Property may, and in some instances, must, be obtained or incurred on a consolidated basis and then allocated and shared by owners of such separately-owned portions on the same basis that expenses are allocated and shared for the Shared Areas as more particularly described in this Master Declaration, in order to avoid unnecessary increases in the cost of administration attendant to accounting for such expenses on a cost accounting basis.

NOW, THEREFORE, WDPR declares that all of the Master Property shall be held, transferred, sold, conveyed, leased, mortgaged, occupied and otherwise dealt with subject to the covenants, conditions, restrictions, reservations, easements, charges and liens, as set forth in this Master Declaration, all of which are in furtherance of the foregoing purposes. Such covenants, conditions, restrictions, reservations, easements, charges and liens shall run with the Master Property, shall be binding upon all parties having or acquiring any right, title or interest in or lien upon the Master Property, their successors, assigns and legal representatives, and shall inure to the benefit of each and every person or entity from time to time, owning or holding an interest in or lien upon the Master Property or any portion of the Master Property.

I. **DEFINITIONS.** The following words when used in this Master Declaration shall have the following meanings:

"Accommodation" means a unit used for residential occupancy purposes, whether or not declared as part of a Condominium or Timeshare Plan.

"Applicable Law" means any and all applicable statutes, common laws, judicial determinations, ordinances, requirements, orders, directions, rules and regulations having the force of law enacted or promulgated or issued by federal, state, regional, county or municipal governments or courts or by any of their respective departments, bureaus and offices or by any other governmental authorities with jurisdiction over the Master Property or the ownership, design, construction, reconstruction, alteration, renovation, restoration, replacement, zoning, use, land use, operation, management, condition (including environmental and non-environmental conditions), repair or maintenance of the Master Property. The term **"Applicable Law"** shall specifically include the laws, ordinances, requirements, orders, directions, rules and regulations of RCID, as the same may exist from time to time. Applicable Law shall be determined as it constituted on the date this Master Declaration is recorded, unless otherwise provided in this Master Declaration.

"Architectural Review Officer or ARO" means the person or persons designated by WDPR and further described in Article IV of this Master Declaration.

"Association" means any Condominium or owners' association responsible for the maintenance and operation of any portion of the Master Property declared as Condominium Property, declared as Timeshare Property or subject to subdivision restrictions or other similar restrictive documents pursuant to which an owners' association is created. With respect to those portions of the Master Property that an Association is responsible for maintaining and operating, that Association shall be the only representative authorized to act on behalf of a member or members of such Association, including any Owners, with respect to such property and the provisions of this Master Declaration. Whenever the governing board of the Association gives its acknowledgment, consent, understanding or agreement with respect to this Master Declaration, such acknowledgment, consent, understanding or agreement shall be deemed to also have been given by each member of such Association and shall be absolutely binding upon each such member. Nothing contained in this Master Declaration shall be deemed to relieve any individual member of an Association from the requirement of complying with any provision of this Master Declaration as both a member of an Association and as an individual Owner.

"Beaches" mean all of the areas located within the Master Property that are adjacent to the Lagoon and designated from time to time as beaches by the ARO, which designation is subject to the approval of WDPR in its discretion.

"Bungalow" means any Accommodation located over the Lagoon.

"Capital Improvement Expense" means a charge against each Owner and such Owner's portion of the Master Property, representing a portion of the costs incurred by WDPR for construction, installation or replacement of any capital improvement to or for any portion of the Shared Areas for which WDPR is responsible as provided in this Master Declaration, or any repair of such an Improvement amounting to a capital expenditure under generally accepted accounting principles, which WDPR may, from time to time, undertake pursuant to this instrument. The term "construction" in this definition does not refer to the initial construction of any portion of the Shared Area or other Improvements.

"Chapter 718" means Chapter 718, Florida Statutes, as the same is constituted on the date that this Master Declaration is recorded in the Public Records of Orange County, Florida.

"Chapter 721" means Chapter 721, Florida Statutes, as the same is constituted on the date that this Master Declaration is recorded in the Public Records of Orange County, Florida.

"Condominium" means that form of ownership of real property, whether created on land owned in fee simple or held under lease, which is created pursuant to Chapter 718.

"Condominium Property" means any portion of the Master Property, or rights or interests in the Master Property, which is made subject to a recorded Condominium declaration in accordance with Chapter 718. If any Condominium so created is a phased Condominium, all portions of the Master Property made subject to the condominium form of ownership by amendments or supplements to the Condominium declaration to add a phase shall be deemed included within and a part of the Condominium Property, if and when such amendments or supplements are recorded in the Public Records of Orange County, Florida.

"Designated Facilities" consist of such facilities as WDPR may specifically designate, from time to time, as **"Designated Facilities"** in its discretion. Such designation shall be made in this Master Declaration or by the filing of record, from time to time, of an instrument referencing the provisions of this Master Declaration executed by WDPR and recorded in the Public Records of Orange County, Florida. At the time of the initial recording of this Master Declaration, there are no Designated Facilities.

"Ground Lease" means and refers to any ground lease that WDPR may enter into with another entity for the purpose of leasing WDPR's interest in all or a portion of the Master Property. In such event, this Master Declaration will govern and control and shall be superior to the terms of such ground lease and such lessee, its successors, and assigns and anyone claiming through the lessee, its successors or assigns shall be governed by this Master Declaration.

"Hotel Master Parcel" means and refers to all of the Master Property that is not declared as Condominium Property, declared as Timeshare Property or subject to a declaration of covenants, conditions or restrictions or other similar restrictive documents that creates a separate subdivision within the Master Property, and includes the Improvements located on the Hotel Master Parcel from time to time.

"Improvements" consist of any and all structures, buildings, infrastructure, and all appurtenant and related facilities, and Designated Facilities constructed and located from time to time on the Master Property, together with any and all additions to and replacements of such structures, buildings, infrastructure, and all appurtenant and related facilities, and all other improvements now or hereafter located on the Master Property. Improvements shall include the Accommodations, Surface Water Management System, Streets and Roadways, Utility Services, fences, walls, lift stations, signage, decks, pilings, piers, bulkheads, retaining walls and sea walls.

"Lagoon" means that body of water, together with all submerged lands under such body of water, commonly referred to as the Seven Seas Lagoon, a portion of which is located adjacent to the Master Property and a portion of which is included within the Master Property.

"Master Declaration" means this Master Declaration of Covenants, Conditions and Restrictions, as the same may be amended or supplemented from time to time.

"Master Property" means that certain real property lying and situated in Orange County, State of Florida, which real property is more particularly described in Exhibit A attached to this Master Declaration and by this reference incorporated in this Master Declaration, together with all Improvements on the Master Property, and any property added to the Master Property in accordance with this Master Declaration. All references to the Master Property shall be deemed to apply to all portions and any portion of the Master Property whether or not such portions are separately owned, managed, or developed.

"Open Area" means those areas of open space located from time to time on the Master Property and that are not included within the Improvements.

"Owner" means the record owner of fee title or lessee, whether one or more persons or entities, in any portion of the Master Property. Owner shall not refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any alternative in lieu of foreclosure. As to any portion of the Master Property declared as Condominium Property, declared as Timeshare Property or subject to subdivision restrictions or other similar restrictive documents pursuant to which an Association is created, such Association shall be deemed the Owner for that portion of the Master Property the Association is responsible to operate and maintain pursuant to the applicable Condominium, Timeshare Plan, subdivision or similar restrictive documents; provided however, that this definition shall not relieve any member of such Association as an owner of an interest subject to the Condominium, Timeshare Plan instrument or restrictive documents from being bound by and complying with the restrictions and conditions set forth in this Master Declaration or from being responsible for any costs, fees, assessments, taxes or charges applicable to such person's ownership interest. With respect to the provisions of this Master Declaration, each Association shall be the only representative authorized to act on behalf of the members of such Association, including any Owners. Whenever the governing board of the Association gives its acknowledgment, consent, understanding, or agreement with respect to this Master Declaration, or whenever any notice is served or delivered to such governing board pursuant to this Master Declaration, such acknowledgment, consent, understanding, agreement, service or delivery shall be deemed to also have been given or received by each member of the Association and shall be absolutely binding on each member.

"Pools" means and refers to the swimming pools and related adjacent facilities (such as pool slides, hot tubs, kiddie pools, pool chairs, or interactive play areas) located on the Master Property, and regardless of whether such swimming pools and related adjacent facilities exist as of the date of this Master Declaration or are constructed subsequent to the date of this Master Declaration.

"Prohibited Deletions" consist of those portions of the Master Property which may not be deleted from encumbrance by this Master Declaration, as provided in Section 2.3.2 and except as otherwise set forth in Section 2.3.2.

"RCID" means the Reedy Creek Improvement District, a political subdivision of the State of Florida.

"Rules and Regulations" mean any rules and regulations governing the ownership, use, occupation, management and operation of the Master Property or otherwise pertaining to the Master Property as promulgated and deemed advisable from time to time by WDPR or the ARO, as applicable, and in their discretion.

"Shared Areas" means those portions of the Master Property, whether now existing or subsequently constructed, consisting of the Designated Facilities, any portions of the Streets and Roadways, any Open Areas, the Beaches, the portions of the Lagoon within the Master Property, the Pools, sidewalks and pedestrian walkways, the Surface Water Management System, security gates and central security systems, interior hallways, interior spaces of

units or buildings (other than Accommodations), entranceways, elevators, stairs, fire escapes, fire command center, fire panels, fire equipment room, emergency generator room, fire pump room, switch gear equipment, generator, fuel tank, fire pump and, fire sprinkler systems, water pump, water distribution systems, piping systems, exfiltration systems, sewage collection system, lift systems, plumbing, electrical systems, main electrical room (and appurtenant equipment), mechanical rooms, exterior lighting, generators, lighting protection systems, load bearing walls, party walls, roofs, pipes, conduits, support beams, HVAC, HVAC shafts, chiller, cooling tower, exhaust chases, smoke evacuation systems and ventilation chases, boilers, pipes, compressors, conduits, ducts, engines, building control systems, communication and data transmission systems, trash compactors, trash dumpsters, delivery area and loading docks, other Utility Services and related systems, or any other Improvements (except Accommodations) that are made available for common use or integral to the structure, operation, use, or enjoyment of the Master Property as determined by the ARO, in its discretion from time to time. The ARO shall have the right, in its discretion, to determine that any area (other than a Designated Facility) no longer needs to be a Shared Area. Shared Areas shall not include any facilities used for the conduct of a business, as offices, for commercial activities, or for profit-making ventures except to the extent that portions of such facilities are necessary to support the structural integrity or use of any other Improvement, all as determined by the ARO, in its discretion.

"Shared Area Expenses" means all costs and expenses of maintenance and operation of the Shared Areas, including the payment of insurance on the Shared Areas, and all expenses of repair, refurbishment, preservation, enhancement, or replacement of the Shared Areas including all Capital Improvement Expenses, all costs of labor, equipment, materials, insurance and landscaping related to the Shared Areas and all costs related to services provided to or from the Shared Areas, including Utility Services, check in/check out services, concierge and valet services, housekeeping and janitorial services if so designated by the ARO, in its discretion.

"Streets and Roadways" means all ingress and egress infrastructure constructed upon or across the Master Property including streets, roadways, driveways, parking areas, paths and sidewalks.

"Surface Water Management System" means the surface water management system located on the Master Property consisting of any swales, inlets, culverts, retention ponds, outfalls, storm drains, pump stations, connecting pipes and similar systems used in connection with the retention, drainage and control of surface water.

"Timeshare Plan" means a timeshare plan created pursuant to Chapter 721.

"Timeshare Property" means any portion of the Master Property that is made subject to a Timeshare Plan.

"TWDC Companies" means The Walt Disney Company, a Delaware corporation, its successors and assigns, affiliates, related entities and all of its subsidiaries.

"Utility Services" means any kind of utilities servicing the Master Property whatsoever, including water, natural gas, cable television, telephone service, electricity, sewage and solid waste disposal and communications (voice, video or data) and any other similar public service or convenience facility supplied to any portion of the Master Property.

"Visible Area" means any portion of the Improvements (including any curtain wall, facade, window shades, blinds and other window covering, roof, or other area of the Improvements) visible from the exterior of such Improvements.

"WDPR" means Walt Disney Parks and Resorts U.S., Inc., a Florida corporation, its successors and any assigns who take assignment of the rights and duties under this Master Declaration pursuant to a written instrument recorded in the Official Records of Orange County, Florida.

"Work" means any grading, site work, planting or removal of plants, trees, shrubs or other landscaping materials, or construction, installation or material modification of any Improvements. A modification shall be deemed material if it would involve a visible change or addition to the Visible Area of any Improvements, if it would impact the structural integrity of any Improvement or, as to the interior of an Improvement, modifications which would not comply

with the Master Declaration or Applicable Law. Work does not include non-structural changes to the interior of any Improvements.

II. PROPERTY SUBJECT TO THIS MASTER DECLARATION, ADDITIONS AND DELETIONS.

2.1 Master Property. The real property which is, and shall hereafter be, held, transferred, sold, conveyed, leased, mortgaged, occupied and otherwise dealt with subject to this Master Declaration is the Master Property.

2.2 Additions to Master Property. WDPR, from time to time, may, in its discretion, cause additional real property to become subject to this Master Declaration, but under no circumstance shall WDPR be required to make such additions.

2.2.1 Other WDPR Property. No other real property owned by WDPR shall in any way be affected by or become subject to this Master Declaration, except as specifically provided for in this Master Declaration, until such time, if ever, such real property is added to the Master Property.

2.2.2 Development of Additions. Any real property added to the Master Property and to become subject to this Master Declaration shall be used or developed in compliance with this Master Declaration and in conformity with the overall theme, concept, atmosphere and extraordinarily high standards of quality which have come to be known and expected at the WALT DISNEY WORLD® in the same manner as described for the Master Property.

2.2.3 Amendment to Master Declaration/Supplemental Declaration. Any additions to the Master Property authorized under this Master Declaration shall be made by the filing of record of an amendment to this Master Declaration or a supplemental Master Declaration of Covenants, Conditions and Restrictions, executed by WDPR, which shall extend the covenants, conditions, easements and restrictions contained in this Master Declaration to such property. Such amended Master Declaration or supplemental Master Declaration of Covenants, Conditions and Restrictions may contain such amendments or additional provisions as WDPR may deem necessary in its discretion. WDPR shall not be required to obtain the approval or consent of any Owner or any person claiming by, through, or under any Owner, to add any property to the Master Property pursuant to this Section.

2.3 Deletions from Master Property.

2.3.1 WDPR Rights. Subject to any Prohibited Deletions, WDPR may, without the consent of any Owner or any person claiming by, through, or under any Owner, at any time delete any portion of the Master Property owned by WDPR from encumbrance by this Master Declaration by executing and filing of record a Notice of Deletion from Master Declaration of Covenants, Conditions, and Restrictions. No Owner, or any person claiming by, through, or under any Owner, shall have any right to claim detrimental reliance on this Master Declaration with regard to any portion of the Master Property deleted from these Master Declaration by WDPR pursuant to this Section.

2.3.2 Prohibited Deletions. Subject to WDPR's reserved rights in Section 9.4.2, WDPR shall not delete, without approval of all Owners, any portion of the Master Property which deletion would result in the deletion of any Designated Facility from this Master Declaration. WDPR shall not delete, without the approval of all Owners, any portion of the Master Property which deletion would result in the elimination of all reasonable ingress and egress rights to a dedicated right of way granted pursuant to Section 3.5.2, elimination of all reasonable Utility Services easements pursuant to Section 3.5.3 or the elimination of all reasonable drainage or Surface Water Management System easement rights granted pursuant to Section 3.5.4.

III. RIGHTS IN THE MASTER PROPERTY.

3.1 Title to Master Property. At the time of the recording of this Master Declaration, WDPR is the fee title holder of the entire Master Property. Nothing contained in this Master Declaration is intended to prohibit or in any manner restrict WDPR's ability to sell, transfer, convey, assign, lease, mortgage, encumber or otherwise dispose of any or all of its interest in all or a portion of the Master Property to any person. WDPR acknowledges and

understands that if any portion of the Master Property is developed as a leasehold Condominium pursuant to the terms of a Ground Lease, ownership of the Condominium units, undivided interests in the Condominium units or timeshare interests Condominium units in a Timeshare Plan shall be real property interests for the term of the Ground Lease. Nothing in this Master Declaration is intended to grant by implication any rights in or to the Master Property other than the rights specifically set forth in this Master Declaration.

3.2 Development Permitted. The Master Property may be developed for any lawful purpose, including the construction, use, operation, maintenance, repair and replacement of Improvements or Open Areas. All development of the Master Property shall be in accordance with this Master Declaration and Applicable Law. It is expressly contemplated that such development may involve the creation of a Condominium, a Timeshare Plan, or a combination of the two. The development may also involve the continued operation and further creation of commercial or other profit making ventures, as may be designated by WDPR in its discretion.

3.3 WDPR Rights in the Master Property.

3.3.1 WDPR Rights. Notwithstanding anything to the contrary contained in this Master Declaration, or within any other agreement, document, instrument or writing, WDPR shall have, and reserves unto itself, use and access rights over, upon, under and across the Master Property (together with the right to assign all or any portion of such rights) including the right to: (i) erect, maintain, repair, replace, relocate and use electric and telephone poles, wires, cables, conduits, sewers, water mains, pipes, machinery, and other related suitable equipment or improvement, whether public or private, used in connection with, or in any way related to, the production, transmission, conveyance, distribution or use of Utility Services, storm water, security or any other public conveniences or utilities; (ii) plant, maintain, remove, relocate or replace any trees, bushes, shrubbery or other landscaping; (iii) perform any excavation, filling, digging, earth moving or grading activities; (iv) construct, maintain, repair, replace, relocate, remove, modify, support or alter Improvements and Open Areas of every kind or nature as may be permitted by Applicable Law and this Master Declaration, including a monorail, boat launch or Streets and Roadways that service other property owned by WDPR or the TWDC Companies as part of the larger Walt Disney World® Resort transportation system; (v) take such actions to maintain or enhance the aesthetic quality of the Master Property and the Improvements and Open Areas to be developed on the Master Property; (vi) locate, construct, repair, maintain, replace or relocate wells, lift stations, pumping stations, tanks and any other associated facilities associated; (vii) take any other similar action reasonably necessary to provide economical and safe utility installation on or about the Master Property and to maintain, at all times, high standards of health, safety and appearance; (viii) share in the license and easement rights granted to Owners pursuant to this Master Declaration; (ix) access and use, and allow its lessees, guests, invitees, and licensees to access and use any Shared Area; (x) conduct marketing, sales, and rental of Accommodations or ownership interests in the Master Property, products and property owned by WDPR or the TWDC Companies; (xi) develop, construct, remodel, or otherwise do any and all acts necessary or desirable to develop the Master Property in any manner deemed desirable by WDPR, in its discretion, from time to time; (xii) maintain, clean, landscape, refurbish, restore, modify, alter, or reconfigure Beaches or shoreline, including locating, constructing, repairing, maintaining, replacing or relocating pilings, piers, bulkheads, retaining walls and sea walls, all as WDPR determines in its discretion; (xiii) maintain, clean, dredge and modify the Lagoon, and engage in other Lagoon management activities, including managing aquatic vegetation, fish, insects and wildlife and treating water or reducing or increasing water levels, all as WDPR determines in its discretion; (xiv) perform maintenance on and otherwise manage the Hotel Master Parcel in accordance with the provisions of this Master Declaration; (xv) employ or contract with a manager (which may be a TWDC Company) with respect to maintenance of the Hotel Master Parcel, and delegate its powers to committees, officers and employees; (xvi) assign and delegate for the term of any management contract, any or all of its obligations, privileges and immunities under this Master Declaration; (xvii) control the appearance of the exterior of any Improvements located on the Master Property and the appearance of any Visible Area; and (xviii) otherwise do any and all acts necessary or desirable to develop the Master Property in any manner deemed desirable by WDPR and in WDPR's discretion; provided, however, that such reservation and granting powers and rights shall not be considered to create, impose or imply any obligation of WDPR to provide any of the items listed in this Section.

3.3.2 Right to Approve Name or Use of a Name. Prior to the use of any name to identify: (i) any Improvements constructed on the Master Property, including any Condominium or Timeshare Plan; (ii) any person or entity having management duties with respect to any Improvement or any portion of the Master Property, including any Association or management company or any subsidiary or affiliate of any of the foregoing; or (iii) any commercial or non-commercial venture operated on the Master Property when such venture seeks to use the names approved for use in connection with the Master Property; such name or use shall be submitted to WDPR for its approval. WDPR may approve or disapprove of the name or the use of such name in its discretion, and under such terms, conditions and limitations as WDPR determines in its discretion. WDPR's consent to the name or the use of such name, if given, shall be set forth in writing, shall only apply to the specific Improvements, person or entity to whom such approval is given, and shall only be used in connection with the Master Property and for so long as that connection is in effect.

3.3.3 Right to approve instruments affecting the Master Property. Prior to the recording of any Condominium declaration, Timeshare Plan instrument, easements, restrictions or restrictive covenants, or related instruments concerning any portion of the Master Property, or any amendment to any of the foregoing, such instruments shall be submitted to WDPR for its review and written consent, to give or withhold in its discretion, and if given under such terms, conditions and limitations as WDPR determines in its discretion. Such written consent, if given, shall be recorded with such documents.

3.3.4 Streets and Roadways. Unless required under Applicable Law, Streets and Roadways shall not be dedicated or required for public use, and such Streets and Roadways are not and will not be a part of the county system of roads; provided, however, that WDPR may, without the consent and joinder of any Owner, dedicate or grant easements to RCID or any other governmental entity for all or any part of the Streets and Roadways as to which RCID or the other governmental entity has agreed to maintain and service. The Streets and Roadways shall be the sole and exclusive property of WDPR or the Owner of the property upon which such Streets and Roadways are constructed, as applicable; provided, however, that WDPR reserves unto itself and grant to its lessees, guests, invitees, licensees, purchasers, prospective purchasers, domestic help, delivery and pickup services, fire protection and emergency services, police and other authorities of the law, United States mail carriers, representatives of utilities to serve the Master Property as authorized by WDPR or any Owner, holders of mortgage liens on interests in the Master Property, and such other persons as WDPR may from time to time designate, a non-exclusive license and limited right of enjoyment for reasonable ingress and egress over and across the Streets and Roadways and to any dedicated rights of way solely in connection with the limited purpose for which such persons are permitted on the Master Property. Nothing contained in this Master Declaration shall require WDPR or any Owner to construct any Streets and Roadways other than as WDPR or such Owner may be required by any Applicable Law, and nothing contained in this Master Declaration shall prevent the construction and maintenance of Improvements or Open Area on the Master Property.

Notwithstanding anything to the contrary contained in this Master Declaration, WDPR may regulate the use of any parking areas on the Master Property pursuant to any Rules and Regulations promulgated by WDPR in its discretion, including providing designating parking spaces for specific persons or uses or providing valet parking services, the cost of which may be charged either as a Shared Area Expense or for a fee, all in WDPR's discretion. WDPR shall have the right to construct and operate a security gate on any portion of the Streets and Roadways located within the Master Property for the purpose of regulating access to the parking spaces or other areas of the Master Property, and to limit such access pursuant to reasonable Rules and Regulations promulgated by WDPR in its discretion and from time to time.

3.3.5 Water Areas. All lakes, canals, dikes, ditches or other water management, transportation or drainage facilities, including the Lagoon and the Surface Water Management System, existing, constructed or maintained on the Master Property shall not be dedicated or required for public use; provided, however, that WDPR may, without the consent and joinder of any Owner, dedicate or grant easements to RCID or any other governmental entity for all or any part of such facilities as to which RCID or such other governmental entity has agreed to maintain and service.

3.3.6 Utilities. WDPR reserves until itself and reserves the right to grant such easements over, upon, under and across the Master Property, without the consent of any Owners, as are reasonably necessary to enable any company to provide Utility Services to the Master Property; provided such company is franchised by RCID or Orange County, as applicable. Each Owner may grant such easements over, upon, under and across the portion of the Master Property owned by such Owner as are reasonably necessary to enable any company to provide Utility Services to the Master Property; provided such company is franchised by RCID or Orange County, as applicable. Should an Improvement be constructed such that it encroaches upon a utility easement, such Improvement shall be removed to the extent necessary to ensure the continuation of uninterrupted service and to affect the maintenance, repair or replacement of any utilities within the easement, at the cost and expense of the owner of such Improvement.

3.3.7 Signage Easements. WDPR reserves exclusive, perpetual easements for the location, installation, erection, maintenance, use, operation, repair, replacement, or removal of signs, notices, other displays, or advertising on the Visible Area of any Improvements, together with non-exclusive rights of ingress to and egress as may be necessary and appropriate to exercise the easements granted in this Section 3.3.7.

3.3.8 Sales and Marketing Easements. WDPR reserves non-exclusive, perpetual easements for the use, access, ingress, and egress over, through, under, over, and across the Master Property, as may be necessary and appropriate for marketing, sales, resales, and rental of units, commercial units, accommodations at other projects, or any other hospitality, realty, or consumer products, and for the purpose of leasing any accommodations that may or may not be part of the Master Property. Such rights may include the right to establish models; conduct property tours; conduct sales presentations; conduct closings; solicit prospective purchasers; and to erect, post, maintain, and relocate signs, notices, advertisements, and other promotional information on the Master Property.

3.3.9 Rules and Regulations. WDPR or the ARO may promulgate such Rules and Regulations they deem advisable in their discretion, and the Owners and respective lessees, guests, invitees and licensees shall comply with all such Rules and Regulations.

3.4 Shared Areas Easements. The following provisions shall govern with respect to easements concerning the Shared Areas:

3.4.1 Easements. Non-exclusive easements are reserved in favor of WDPR and its lessees, guests, invitees and licensees and granted to Owners and their respective lessees, guests, invitees and licensees across, under and through the applicable portions of the Master Property as are necessary and reasonable for access, use, support, ingress and egress and for the installation, maintenance, repair, replacement or operation of all Shared Areas. The Owners and their respective lessees, guests, invitees and licensees shall also have a non-exclusive easement for the use and enjoyment of Shared Areas to the same extent as lessees, guests, invitees and licensees staying within the Hotel Master Parcel. Notwithstanding the foregoing, the Owner of the Hotel Master Parcel shall be entitled, in its discretion, to: (a) close or discontinue use of any portion of the Hotel Master Parcel, including all or any portion of the Shared Areas, including any Beaches or recreational facilities located on the Hotel Master Parcel (other than Designated Facilities) provided, that such closure or discontinuation does not compromise the structural integrity of any Improvement other than in connection with reserved rights to maintain, repair, replace, renovate, alter, modify, relocate or remove any Improvement; and (b) establish, adopt, and enforce Rules and Regulations governing the use of the Shared Areas; and (c) limit or deny the Owners and their respective lessees, guests, invitees and licensees access to designated portions of the Shared Areas, including with respect to the Beaches or any recreational facility (specifically including the right to restrict access to a limited number of users during specific hours or during high occupancy periods or for special events as designated by the Owner of the Master Parcel) provided that reasonable access continues to be permitted to the Shared Areas. The Owners, other than the Owner of the Hotel Master Parcel, shall have no rights to access or use, or any rights in or to, those portions of the Hotel Master Parcel that are not Shared Areas, including the commercial areas, such as restaurants and bars, located within the Hotel Master Parcel. In addition, these non-exclusive easements are also granted to owners of

properties adjacent to the Master Property, and their respective lessees, guests, invitees and licensees and include non-exclusive easements over the Streets and Roadways.

3.4.2 Encroachment Easements. Non-exclusive, perpetual easements are reserved in favor of each Owner for minor encroachments of Improvements on such Owner's portion of the Master Property that are located in, on, through, under or over a Shared Area which encroachments do not interfere with the use and operation of the Shared Areas and that are created by the construction, reconstruction, renovation, settling, or shifting of the Improvements, or other causes of movement and for overhangs. In exercising the rights under this Section 3.4.2, each Owner and its successors and assigns agree to indemnify WDPR and the Owner of the Shared Areas from any losses, costs, damages, or expenses incurred by WDPR or such Owner, as the case may be, as a result of the exercise by the indemnifying party of its rights under this Section 3.4.2, unless such losses, costs, damages, or expenses are incurred as a result of the gross negligence or willful misconduct of such Owner or WDPR, as the case may be, or their successors and assigns.

3.4.3 Maintenance, Repair and Replacement Easements. Non-exclusive, perpetual easements appurtenant to any portion of the Master Property are reserved to WDPR for access and temporary encroachments by WDPR, its agents, invitees, contractors and subcontractors (and the equipment and employees of each) in, on, or through the Shared Areas to the extent reasonably necessary for WDPR to perform general and ongoing maintenance, repair and replacement as contemplated under this Master Declaration.

3.4.4 Improvements or Alterations. No structural improvements or alterations to a Shared Area may be made which will jeopardize the structural integrity of the Shared Area without prior written approval of the ARO and WDPR. No Owner shall alter, modify, rearrange, relocate, replace, or remove any Improvement constructed or located on any Shared Area without the prior written approval of the ARO and WDPR. Subject to the limitations imposed on WDPR as set forth in Section 2.3, WDPR may alter, modify, rearrange, relocate, replace, or remove any Improvement constructed or located on Shared Areas owned by WDPR. To the extent that WDPR exercises its right to make such unilateral additions of facilities, amenities, or other similar Improvements to the Shared Areas, then such addition, alteration, modification, rearrangement, relocation, replacement, or removal shall be at WDPR's sole capital expense; provided, however, that the same may result in an increase of the Shared Area Expenses.

3.5 WDPR Reserved Easements and Grant of Easements to Owners. WDPR reserves to itself and grants to each Owner the following non-exclusive easements over the Master Property, for as long as such Owner owns an interest in the Master Property, as appurtenances to such Owner's interest but subject to the provisions of this Master Declaration, including the right of WDPR or the ARO to amend, restrict, more specifically define or limit such easement in their discretion and from time to time:

3.5.1 Emergency Access Easements. WDPR reserves to itself (and its lessees, guests, invitees and licensees) and grants to the Owners (and their respective lessees, guests, invitees and licensees) non-exclusive, perpetual easements, rights, and privileges appurtenant to the Master Property for emergency ingress, egress, and access to, from, through or across those portions of the Master Property as may be needed for emergency access, provided the Owner (and their respective lessees, guests, invitees and licensees) using the easement shall use good faith efforts to limit any emergency ingress, egress and access within the Master Property to those parts of such Master Property which are generally available for use by the Owners within such Master Property (e.g., lobby area, stairwells and common hallways).

3.5.2 Utility Services Easements. WDPR reserves to itself and grants to the Owners non-exclusive, perpetual easements appurtenant to WDPR's or such Owner's portion of the Master Property for ingress, egress, access, passage and use on, over, and across those portions of the Master Property which contain structures, lines, pipes, conduits, and other Improvements related to Utility Services that serve WDPR's or such Owner's portion of the Master Property, or the easement areas appurtenant to such property, on an exclusive or non-exclusive basis for the purposes of using the same; provided, however, in exercising the rights granted under this Section 3.5.2, the Owner, and its successors and assigns, agree to and do hereby indemnify the WDPR and the

other Owners from any losses, costs, damages, and expenses incurred as a result of the exercise by an indemnifying party of its rights under this Section 3.5.2, unless such losses, costs, damages or expenses are incurred as a result of the gross negligence or willful misconduct of the indemnified party or its successors and assigns.

3.5.3 Streets and Roadways. WDPR reserves for itself, and for its lessees, guests, invitees and licensees and grants to each Owner and their respective lessees, guests, invitees and licensees, a non-exclusive easement over the Streets and Roadways and easements appurtenant thereto for the purposes of ingress and egress to and from dedicated rights of way. Each Owner and their respective lessees, guests, invitees and licensees also shall have a non-exclusive easement for parking on any paved areas of the Master Property designated as parking areas; provided, however, that WDPR may regulate the use of any parking areas on the Master Property pursuant to Rules and Regulations promulgated by WDPR in its discretion, including providing designating parking spaces for specific persons or uses or providing valet parking services, the cost of which may be charged either as a Shared Area Expense or for a fee, all in WDPR's discretion. There shall at all times be provided paved parking areas meeting all building standards under Applicable Law for each building constructed on the Master Property including all buildings located on the Condominium Property or Timeshare Property.

3.5.4 Drainage and Surface Water Management. WDPR reserves for itself and each Owner shall have a non-exclusive easement for drainage onto the Master Property pursuant to the Surface Water Management System and an easement for all necessary access for the operation of the Surface Water Management System over, upon, under and across the Master Property in locations acceptable to WDPR and the ARO.

3.6 Use of Easement Areas and No Liens. Any Owner of a portion of the Master Property that is subject to any easements established, created, or reserved in this Master Declaration shall retain all right, title, and interest in and to such property subject to the easements so established, created, or reserved and such Owner may use such property for any and all purposes not inconsistent with the reasonable use of the easement areas as expressly permitted in this Master Declaration. All Work performed by or at the request of any person in any easement area as provided in this Master Declaration shall be performed in a manner, which will not cause, suffer, or permit any lien, notice of lien, or claim of lien to attach to or encumber any such easement area. In the event such lien, notice of lien, or claim of lien is filed, the person at whose request the services were performed or the materials were supplied shall remove, or cause to be removed, or bond, or cause to be bonded, such lien, notice of lien, or claim of lien within fifteen (15) business days of the later of (i) the date of the filing of such lien, notice of lien, claim of lien, or (ii) demand to remove the same. If such person fails to remove, or cause to be removed, or bond, or cause to be bonded, such lien, notice of lien, or claim of lien as required in this Master Declaration, the Owner of the property which is the subject of the lien, notice of lien, or claim of lien, in addition to any other right or remedy it may have at law or in equity, may, but shall not be obligated to, remove such lien, notice of lien, or claim of lien by paying the amount claimed to be due. Within thirty (30) days after receiving written notice of the payment of the amount claimed to be due by such Owner, the person at whose request the services were performed or the materials were supplied shall reimburse such Owner all amounts paid by such Owner in connection with the removal of such lien, notice of lien, or claim of lien, including any and all reasonable costs and expenses (including attorney's fees) actually incurred by such Owner in conjunction with the same.

3.7 No Rights in Public Generally. The easements and rights created in this Article III do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public.

3.8 Liability for Use of Easements. The Owner, on such Owner's own behalf and on behalf of such Owner's agent, employee, lessee, guest, invitee and licensee who uses the easements provided for in this Master Declaration shall be responsible for any and all damages or violations incurred or sustained as the result of the use of the easements created, granted, conveyed, or reserved in this Master Declaration by such Owner, agent, employee, lessee, guest, invitee or licensee.

3.9 Scope of Easements. Each of the easements created by this Master Declaration shall (unless expressly provided in this Master Declaration to the contrary) continue for so long as this Master Declaration is in effect and shall, both as to the benefits and the burdens thereof, run with the title to, and benefit or burden the title to,

the property identified in the granting or reservation of a particular easement. The easements created by this Master Declaration are subject to a general reservation and right in WDPR: (i) to locate within any pedestrian access easement area so-called "street furniture" including trash containers, signs, directories, security desks, kiosks, benches, chairs, public art, and other similar elements of aid to pedestrians in using the Improvements, so long as such "street furniture" does not materially impede pedestrian access to and from any Improvements and the visibility of Improvements is not impaired; and (ii) to make changes in the configuration and location of any of the easement areas so long as (a) the width of the easement areas, pedestrian access to the easement areas, or sidewalk areas, if any, located within the easement areas, are not materially reduced; (b) the visibility of any Improvements is not materially impaired; (c) the resulting easement areas provide essentially the same benefit to the Owners and do not materially and adversely interfere with rights that such Owners previously maintained under this Master Declaration; (d) such changes are made at no expense to the other Owners and with the minimum possible interruption and interference to the other Owners and their respective licensees; and (e) such changes do not violate any Applicable Law.

3.10 Extent of Owners' Rights and Easements. Except as expressly provided in this Master Declaration to the contrary, any right and easement created by any provision of this Master Declaration shall be subject to the following:

3.10.1 The right of WDPR, without the need to obtain the approval or written assent of any other Owner, to borrow money for the purpose of improving property within the Master Property owned by WDPR or any of the Shared Areas located on any portions of the Master Property owned by WDPR, and in furtherance of such right to borrow, to mortgage, pledge or hypothecate such property and assessments for Shared Area Expenses as security for money borrowed or debts incurred; provided, however, that the rights of the mortgagee or secured party in any such case shall be subordinate to the rights and easements of the Owners under this Master Declaration, including their rights in the Shared Areas and the Owners' use of such rights. Further, any assessments that are pledged or hypothecated pursuant to this Section 3.10.1 shall be available for use only for, and used only for, the purpose for which assessments were levied, assessed and collected, and any such pledge or hypothecation of assessments shall be subordinate to the rights and easements of the Owners under this Master Declaration, including their rights in the Shared Areas and the Owner's use of such rights, and the rights of Owners to have the assessments for Shared Area Expenses used for the purpose for which they were levied or assessed.

3.10.2 The right of WDPR to reconstruct, replace or refinish any Improvement upon any portion of the Master Property owned by WDPR or the Shared Areas, subject to those conditions and limitations set forth elsewhere in this Master Declaration.

3.10.3 The rights and easements of WDPR and other matters provided elsewhere in this Master Declaration.

3.10.4 The right of WDPR to relocate and redefine the areas covered by such easements, subject to the specific limitations on such right set forth elsewhere in this Master Declaration.

3.10.5 Subject to the requirement that there be no Prohibited Deletions, the right of WDPR and the ARO to establish and enforce Rules and Regulations governing the use of such easements, and to limit or deny the Owners and their respective lessees, guests, invitees or licensees access to designated portions of the Master Property owned by WDPR, charge use fees or otherwise regulate the use by the Owners and their respective lessees, guests, invitees and licensees of the portions of the Master Property owned by WDPR pursuant to the Rules and Regulations; provided that Owners and their respective lessees, guests, invitees and licensees shall at all times have reasonable ingress and egress to any dedicated rights of way and use of the Shared Areas supporting the structural integrity of any Improvement on an Owner's portion of the Master Property.

3.10.6 The right of WDPR to suspend the enjoyment and use rights of any Owner for any period during which any monies due by the Owner under this Master Declaration remain unpaid.

3.10.7 Subject to the requirement that there be no Prohibited Deletions, the right of WDPR to transfer all or any part of its interest in the Master Property to any public agency, authority or utility company, Association, Owner or other person or entity, and subject to such conditions as WDPR determines in its discretion.

3.10.8 Subject to the requirements that there be no Prohibited Deletions, the easements granted in this Master Declaration shall in no way prevent or limit WDPR's right to subsequently develop any portion of the Master Property for whatever purposes or uses WDPR chooses.

3.10.9 Unless specifically provided otherwise, the easements granted in this Master Declaration shall be non-exclusive and the Owners shall have no use priority over any other users of similar easements or over WDPR, its lessees, guests, invitees, licensees, successors and assigns.

3.10.10 All plats, restrictions, covenants, conditions, reservations, limitations, easements and other matters of record affecting the Master Property.

3.11 Surface Water Management System. The following provisions will govern the Surface Water Management System:

3.11.1 WDPR is responsible for operating and maintaining the Surface Water Management System.

3.11.2 WDPR shall also be responsible for successfully completing any wetland mitigation monitoring that may be required, including meeting all conditions associated with mitigation maintenance and monitoring as may be described in any surface water management permit. In addition, no construction activities may be conducted on any portion of the Surface Water Management System. The water management district with jurisdiction over the Master Property has the right to take enforcement measures, including a civil action or injunction or penalties against WDPR to compel WDPR to correct any outstanding problems with the Surface Water Management System. If WDPR ceases to exist or own any portion of the Master Property, and does not assign its interests, rights and obligations under this Master Declaration as a declarant to any person, including its obligations to operate and maintain the Surface Water Management System, all of the Owners shall be jointly and severally responsible for operation and maintenance of the Surface Water Management System in accordance with the requirements of the water management district unless and until (i) the Surface Water Management System is conveyed to a local government agency or a non-profit corporation; or (ii) an alternate entity assumes responsibility for such operation and maintenance, which is acceptable to the water management district.

3.11.3 The Surface Water Management System is a Shared Area.

3.11.4 The costs and expenses of maintaining the Surface Water Management System will be a Shared Area Expense and WDPR is responsible for assessing and collecting fees for the operation, maintenance, and replacement of the Surface Water Management System.

3.11.5 Any amendment proposed to this Master Declaration which would materially and adversely affect the Surface Water Management System, conservation areas, or water management portions of Master Property shall be submitted to the water management district for review prior to finalization of the amendment. The water management district shall determine if the proposed amendment will require a modification of the environmental resource or surface water management permit. If a permit modification is necessary, the modification must be approved by the water management district prior to the amendment of this Master Declaration.

3.12 Water Areas, Beaches and Lagoon. The following provisions will govern the waters areas of the Master Property, Beaches and the portions of the Lagoon within the Master Property:

3.12.1 The Owner of the portion of the Master Property on which a Beach is located shall have the responsibility to maintain the Beach; provided, however, that such maintenance and operation must be performed in accordance with this Master Declaration and Applicable Law.

3.12.2 It is expressly contemplated that erosion to the Beaches and other shoreline located adjacent to the lakes, canals, dikes, ditches, or water management, transportation or drainage facilities (whether on the Master Property or not), including the Lagoon, may occur, the Owner has the obligation to perform restoration to any Beaches or shoreline that are part of the Owner's, such as the placement of fill including sand, pea gravel, and rock. Any action taken by such Owner in this regard must be in compliance with applicable law governing the Beaches and the Lagoon, including any applicable law respecting wetlands or lake management.

3.12.3 All portions of the Lagoon included within the Master Property shall be a Shared Area. The Owner of the portion of the Master Property in which portions of the Lagoon may exist shall have the responsibility to maintain such portions of the Lagoon lying within such Owner's property, and the expense of such maintenance shall be a Shared Area Expense.

3.12.4 Notwithstanding the other provisions of this Section 3.12, the ARO shall have the right, but not the obligation, to require that the performance of all or any activities necessary to meet an Owner's obligations as set forth in this Section 3.12 may be required to be performed by a third party (which may be one of the TWDC Companies), and not performed by the Owner, and the costs associated with such third party performance shall be a Shared Area Expense.

3.12.5 No Improvements shall be permitted to be made in the portions of the Lagoon within the Master Property, unless such Improvements are approved by the ARO pursuant to this Master Declaration. The costs of maintenance, repair, refurbishment, preservation, enhancement, or replacement of any permitted Improvements in the Lagoon, including the Improvements supporting the Bungalows, shall be the obligation of the Owner of the portion of the Master Property containing such Improvements.

3.12.6 Neither WDPR, nor any of the TWDC Companies, make any representations or warranties regarding the use, character or the appearance of the Beaches and the Lagoon, including water levels, water quality, aquatic or shore line vegetation, fish, insects or wildlife; and WDPR and the TWDC Companies specifically disclaim any liabilities arising therefrom.

3.12.7 WDPR or the ARO may promulgate such other Rules and Regulations governing the use, operation or maintenance of the Beaches and the Lagoon as they deem advisable in their discretion, and the Owners and respective lessees, guests, invitees and licensees shall comply with all such Rules and Regulations.

IV. INSURANCE.

4.1 Shared Area Insurance. Except as otherwise provided in this Master Declaration, if it is determined by the ARO in its discretion that it is necessary or beneficial to obtain a blanket property insurance policy as to any Shared Area, such insurance policy shall insure against loss or damage caused by fire and other hazards and such other risks normally covered with respect to improvements similar in construction, location and use as the Improvements on the Master Property, including all perils normally covered by the standard "Special Perils" endorsement where such is available, including vandalism and malicious mischief. WDPR, and the TWDC Companies, shall be included as additional insureds in any commercial general liability policy obtained by or for the benefit of any Owner, and any additional premium as a result thereof shall be the responsibility of such Owner.

4.2 Property Insurance. WDPR shall keep the Master Property (including all Improvements located thereon) insured against loss or damage by fire, water, lightning, windstorm, hail, explosion, riot, damage from aircraft, collapse, and smoke damage, and such other risks, casualties and hazards as may from time to time be carried for similar buildings within the Walt Disney World® Resort, with "Special Perils" extended coverage, vandalism and malicious mischief endorsements, in an amount equal to the full replacement value thereof less any applicable deductibles, the cost of which shall be a Shared Area Expense. Such property insurance shall also contain a "Building Code" or similar endorsement providing coverage for costs associated with compliance and conformance with codes required under Applicable Law at the time of reconstruction. Any amount of a loss advanced by WDPR by reason of not being paid under any deductible provision or retained loss provision in any insurance policy shall be treated as a Shared Area Expense, but may be allocated among the Owners, to the extent reasonably practicable,

based upon the extent of the loss. Notwithstanding the foregoing, WDPR may elect from time to time, in its discretion, to obtain property insurance only for those portions of the Master Property owned by WDPR in which case, the Owner of those portions of the Master Property not owned by WDPR shall be required to obtain such property insurance covering the property owned by such Owner in accordance with the requirements of this paragraph; provided, however, that any such insurance costs, including deductibles, shall not be a Shared Area Expense.

All property insurance policies maintained by an Owner, other than WDPR pursuant to the preceding paragraph, and covering any portion of the Master Property owned by such Owner shall provide that all monies for losses payable thereunder shall be paid to an insurance trustee as set forth in Section 4.4 (the "Insurance Trustee"). Such policies shall name as additional insureds: (i) WDPR and the TWDC Companies; (ii) every Owner; and (iii) at the request of the Board of Directors of each Association, the Association. At the request of any Owner, such policies shall contain standard mortgagee clauses in favor of any mortgagee of all or any portion of the Master Property owned by such Owner or any holder of a mortgage on a leasehold interest in all or any portion of such property, as their interests may appear, provided that the cost of adding any standard mortgagee clause shall be borne by the Owner requesting such addition. Nevertheless, all monies payable under such policies shall be payable in accordance with the provisions of this Master Declaration. Each such policy shall provide that the acts of any insured party shall not invalidate the policy as against any other insured party or otherwise adversely affect the rights of any other insured party under the policy. Each such policy shall contain waivers of subrogation for the benefit of WDPR and the TWDC Companies, all Owners, and Associations and Occupants and waivers of any defense based on co-insurance or other insurance, and shall provide that such policies may not be cancelled or modified without at least thirty (30) days (ten (10) days in the event of a cancellation for non-payment of premium) prior written notice to all of the named insureds and mortgagees.

4.3 Liability Insurance for Master Property. Each Owner shall maintain (a) commercial general liability insurance and automobile liability insurance protecting WDPR and the TWDC Companies and the Owners against claims for bodily injury, death or property damage occurring upon, in or about the Master Property, and (b) worker's compensation insurance to the extent required by law with respect to the Master Property and employers liability insurance with minimum limits of \$500,000 each accident. The expense of liability insurance maintained pursuant to this Section 4.3 shall be a Shared Area Expense. In no event, however, shall the policies for commercial general liability insurance required by clause (a) above afford protection for combined limits of less than \$15,000,000.00 in respect to any occurrence, and \$5,000,000 combined single limit for automobile liability, nor shall the amount of worker's compensation insurance policies required under clause (b) above be less than the amount required by Applicable Law or the insurance policies for employers liability insurance be less than the limits described above. Each Owner's commercial general liability insurance shall name as additional insured parties, as their interests may appear and as applicable, (i) WDPR and the TWDC Companies, (ii) at the request of any Owner, the managing agent for the portion of the Master Property owned by such Owner; (iii) at the request of any Owner, the partners, members, directors, officers or employees of such Owner; and (iv) at the request of the board of directors of any Association, the directors and officers of such Association. Each such policy, to the extent obtainable, shall provide that the acts of any insured party shall not invalidate the policy as against any other insured party or otherwise adversely affect the rights of any other insured party under the policy and each such policy shall contain waivers of subrogation (except in the case of worker's compensation and employer's liability policies) for the benefit of all additional insureds, and waivers of any defense based on coinsurance or other insurance, and shall provide that such policies may not be cancelled or modified without at least thirty (30) days (ten (10) days in the event of a cancellation for non-payment of premium) prior written notice to all of the insureds and mortgagees. Any amount of a loss advanced by WDPR by reason of not being paid under any deductible provision or retained loss provision in any insurance policy shall be treated as a Shared Area Expense, but may be allocated among the Owners, to the extent reasonably practicable, based upon the extent of the loss. Notwithstanding the foregoing, WDPR may elect from time to time, in its discretion, to obtain liability insurance in whole for all of the Master Property, in which case the Owners shall not be required to maintain such insurance but only to the extent such insurance is maintained by WDPR and the premium for such insurance shall be a Shared Area Expense.

4.4 Insurance Trustee; Share of Proceeds. All insurance policies maintained by Owners are to be for the benefit of WDPR, the Owners, and any mortgagees as their interests may appear. All insurance policies maintained by Owners other than WDPR must provide that all proceeds covering property losses are to be paid to a named Insurance Trustee if WDPR so elects. WDPR shall be deemed to be the Insurance Trustee for all purposes under this Master Declaration if WDPR elects not to appoint an Insurance Trustee. If WDPR is not the Insurance Trustee, the Insurance Trustee will be a commercial bank with trust powers authorized to do business in Florida or another entity acceptable to WDPR. The Insurance Trustee (other than WDPR with respect to its obligations as the declarant under this Master Declaration) is not liable for payment of premiums or for the failure to collect any insurance proceeds. The duty of the Insurance Trustee is to receive such proceeds as are paid and hold the proceeds in trust for the purposes stated in this Master Declaration for the benefit of WDPR, the Owners, and distributed in accordance with Section 6.6.

4.5 Insurance for Associations and Unit Owners. In the event of the creation of a Condominium, the Owners of Accommodations may carry insurance for their own benefit, provided such required insurance shall contain waivers of subrogation for the benefit of all Owners and the Owners of Accommodations, and, further provided, that the liability of the carriers issuing the insurance obtained pursuant to this Article IV shall not be affected or diminished by reason of any such insurance carried by the Owners of the individual Accommodations.

4.6 Disputes. In the event of a dispute concerning the Shared Areas or as to the cause of damage or the cost of replacement, repair, operation or maintenance of any Shared Area, the ARO shall make a determination that shall be binding on the parties. If the ARO declines to make a determination as to the cause of damage or the cost of replacement, repair, operation or maintenance of any Shared Area, then an independent licensed engineer shall be retained by the disputing parties, the cost of which shall be borne equally by such parties, and whose determination shall be binding on the parties.

4.7 Right to Self-Insure. Notwithstanding anything in this Article IV to the contrary, WDPR may elect, from time to time, to self-insure all or any portion of the risks for which insurance is required under this Article IV, in which event WDPR shall be solely responsible for any costs or expenses incurred by the Owners as a result of casualty or other events for which WDPR has self-insured and which would have been covered by the insurance required under this Article IV if such insurance had been obtained. The provisions of this Section 4.7 shall not limit or reduce any Owner's obligation to obtain the insurance required by this Article IV with respect to the Owner's portion of the Master Property if WDPR directs the Owners to obtain such insurance (or as may be otherwise required by this Master Declaration or Applicable Law) and no Owner (other than WDPR) shall have the right to self-insure any risk without the approval of WDPR, which may be granted or withheld in its discretion.

V. ARCHITECTURAL REVIEW AND ARCHITECTURAL REVIEW OFFICER.

5.1 Architectural Review. No Improvements shall be located, constructed, erected, installed, placed, attached, affixed, or maintained upon the Master Property, nor shall any exterior addition to, change or alteration in the Improvements, be made, nor shall any tree removal or other landscaping changes be commenced or completed until the plans and specifications showing the nature, kind, shape, height, materials, color, approximate cost and location of the same shall have been submitted to and approved by the ARO, as set forth in this Article, as to conformity of design and location to the overall theme, concept, atmosphere and extraordinarily high standards of quality associated with buildings or other improvements developed and maintained within RCID and on or adjacent to the grounds of the WALT DISNEY WORLD® Resort, as determined by the ARO in its discretion. Any repair, rebuilding, alteration or reconstruction on account of casualty or other damage on the Master Property shall be conducted in accordance with this Master Declaration and with the original ARO approved design and construction for the damaged Improvements or with new plans approved by the ARO. Prior to commencing any Work on any portion of the Master Property owned by an Owner, the Owner shall submit to the ARO, and obtain the written approval of the ARO of, detailed plans for all proposed Work. Any change in the Visible Area of any Improvement including repainting in a different color, adding decorative sculptures, wrought iron grills, or the like shall also require approval by the ARO before any Work is commenced. Disapproval of plans, specifications or location may be based upon any grounds, including purely aesthetic considerations, which the ARO, in its discretion deems sufficient. If the

ARO fails to approve or disapprove such design and location within one hundred twenty (120) days after the plans and specifications have been submitted to it, approval will not be required and compliance with this Section will be deemed to have been granted.

5.2 Architectural Review Officer. WDPR, upon the recording of this Master Declaration, may designate one or more persons as the "Architectural Review Officer" or "ARO" in its discretion, which person or persons will continue to serve in such capacity until WDPR determines otherwise, in its discretion. To the extent WDPR does not designate a person or persons as ARO, WDPR will act as the ARO. WDPR may increase or decrease the number of persons who make up the composition of the ARO from time to time.

5.3 Duties and Powers. The ARO shall have the following duties and powers:

5.3.1 The ARO shall have the right to adopt, promulgate, rescind, amend and revise Rules and Regulations governing architectural control; provided, however, such Rules and Regulations shall at all times remain consistent with the overall theme, concept, atmosphere and extraordinarily high standards of quality associated with improvements on or adjacent to the grounds of the WALT DISNEY WORLD® Resort;

5.3.2 The ARO shall have the right of specific approval or veto in its discretion, and of all architectural, engineering, platting, planning and landscaping aspects of any Improvement as well as the general plan for development of all or any portion of the Master Property;

5.3.3 The ARO may appoint one or more persons to make preliminary review of all applications and report recommendations to the ARO for ARO action on the recommendations, which preliminary review shall be subject to regulations and limitations as the ARO deems advisable, and the reasonable cost of which preliminary review shall be charged and collected from the Owner requesting approval, at the discretion of the ARO;

5.3.4 The ARO shall consider all matters submitted for approval as to the conformity of the design and location in relation to surrounding Improvements, topography and the overall theme, concept, atmosphere and extraordinarily high standards of quality associated with improvements on or adjacent to the grounds of the WALT DISNEY WORLD® Resort, as determined by the ARO in its discretion;

5.3.5 The ARO shall have the right to require the submission, for approval, of samples of building materials proposed or any other data or information necessary in its review process; and the ARO may require that a set of plans and specifications be submitted to the ARO prior to obtaining a building permit, which set of plans and specifications shall become the property of the ARO. The work contemplated must be performed in accordance with the plans and specifications as approved.

5.4 Ownership of Plans; Modifications to Final Plans. The submitting Owner shall be the owner of the plans for all Improvements on the Owner's property. The ARO shall be provided with a copy, for record purposes, of all final construction plans filed with any governmental authority. The ARO shall also be furnished with a complete set of "as-built" drawings upon the completion of construction of any Improvements. Any changes or revisions to the final plans shall be at Owner's sole cost and expense and shall be subject to the ARO's approval if such changes or revisions materially alter or modify aspects of the final plans over which the ARO had approval rights. If the nature or extent of such changes to the final plans are sufficiently material that, pursuant to Applicable Law the Owner is required to submit such changes to the appropriate governmental authority for a plan revision and approval, the ARO shall be furnished with copies of any modifications to the final plans prior to submission to the governmental authority. The ARO shall provide all copies in its possession of plans, "as-built" drawings, and construction plans filed with any governmental authority to WDPR, which shall maintain such plans and drawings on record for the review of any Owner.

5.5 Enforcement. WDPR shall provide written notice of any violation of the provisions of this Master Declaration, and failure to correct the violation within fifteen (15) business days after delivery of such notice shall give rise to WDPR's right to enter upon the Master Property, and an easement is reserved by WDPR for this purpose, make such corrections or modifications as are necessary or remove anything in violation of the provisions of this

Master Declaration, and charge the cost of such corrections or modifications to the entity responsible for the violation or the Owner on whose portion of the Master Declaration the violation occurred or existed. Any such action taken by WDPR pursuant to this Section 5.5 shall not be deemed a trespass. Should WDPR be required or elect to enforce the provisions of this Master Declaration by legal action, the reasonable attorneys' fees, other professionals' fees and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees, other professionals' fees and costs incurred on appeal of such judicial proceedings and those incurred in all bankruptcy and probate proceedings, shall be collectible from the breaching party.

5.5.1 If any Work is performed in violation of this Article V, or if any Improvements or alterations to Improvements, or any portions of any of the foregoing, do not substantially and materially conform to the approved plans for such Improvements or alterations and such non-conformity pertains to any aspect of the Improvements or alterations that were subject to the ARO's approval rights, the same shall be removed or reconstructed by Owner at Owner's cost if so required by the ARO, in addition to, and not in limitation of the other rights and remedies of the ARO or WDPR under this Master Declaration.

5.5.2 Upon written request from the ARO, an Owner shall, at its own cost and expense, remove any non-conforming Improvement on or in such Owner's portion of the Master Property and restore such property or Improvements to substantially the same condition as existed prior to the construction of the non-conforming Improvement or undertake Work to construct or install a conforming Improvement. Should an Owner fail to remove and restore as required within fifteen (15) days after delivery of the written request or such longer period as may be necessary to restore or construct as required (provided that the ARO agree in writing to such longer period of time, in its discretion), the ARO shall have the right, but not the obligation, and an easement is granted to the ARO for this purpose, to enter the Owner's portion of the Master Property, remove the non-conforming Improvement and restore such property to substantially the same condition as previously existed or undertake such Work as is necessary to cause the non-conforming Improvement to conform to and be in compliance with the Master Declaration and the plans for such Improvement. Any such action shall not be deemed a trespass, and the ARO shall charge the reasonable cost of such corrections or modifications to the Owner responsible for the violation. Should the ARO be required or elect to enforce the provisions of this Section 5.5.2 by legal action, the reasonable attorneys' fees, other professionals' fees and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees, other professionals' fees and costs incurred on appeal of such judicial proceedings and those incurred in all bankruptcy and probate proceedings, shall be collectible from the breaching party. Upon demand, the Owner of the portion of the Master Property upon which the non-conforming Improvement is located shall reimburse all reasonable costs incurred by the ARO in exercising its rights under this Section 5.5.2.

5.5.3 The ARO may preclude any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article V from continuing or performing any further activities within the Master Property in which such party is performing such activity; provided, however, this right shall not be utilized to preclude any Owner or its contractors, subcontractors, agents, or employees from performing further activities in the Master Property which are in compliance with the terms and provisions of this Article V. Neither the ARO, nor its officers, directors or agents shall be held liable to any person for exercising the rights granted by this Article V.

5.6 Exculpation of WDPR and ARO. WDPR and the ARO cannot and shall not be held responsible for any loss or damage to any person arising out of the approval of any plans and specifications or designs with respect to either construction errors or noncompliance with any Applicable Law. The approval of any plans and specifications submitted to WDPR and the ARO pursuant to this Master Declaration shall not be construed as approval or certification of the structural adequacy of the structures detailed in such plans and specifications or their conformity to applicable building codes or other legal requirements or Applicable Law, it being agreed that Owner shall hold WDPR and the ARO harmless from all claims and liabilities arising from use of any such plans and specifications. Neither the ARO nor any of the TWDC Companies (nor their respective representatives, officers, directors, employees, or agents) shall have, assume or incur any responsibility for the adequacy of the plans and specifications or be subject to any liability or damages to an Owner or to any other person or party in the event such plans and specifications, or

the design represented by such plans and specifications, is deficient in any manner or for any mistake in judgment, negligence, misfeasance or nonfeasance related to or in connection with any such decision, approval or disapproval, including any violation of Applicable Law or any defect in the design or construction of any building, structure or other aspect of the Improvements constructed, erected, placed or installed pursuant to or in accordance with the approved plans and specifications for such Improvements. Plans, specifications and other materials submitted to and approved by the ARO shall not be reviewed or approved for their compliance with any Applicable Law. An Owner, or any third party, shall not be entitled to bring and shall not bring any action, proceeding or suit against the ARO any Owner or WDPR for the purpose of recovering any damages or other relief in connection with the approval or disapproval of such plans, specifications or other materials.

5.7 Indemnity During Construction. Each Owner that is constructing or working on Improvements or alterations to Improvements shall indemnify, protect, defend and hold WDPR, other Owners, any management company hired by an Association, and the ARO harmless from and against all claims, expenses, liabilities, loss, damage, and costs, including any actions or proceedings in connection therewith and including reasonable attorneys' and other professionals' fees, actually incurred in connection with, arising from, due to or as a result of the death of or any accident, injury, loss or damage caused to any person or loss or damage to the property of any person, to the extent such death, accident, injury, loss or damage was caused by such Owner or its agents, servants, employees, lessees, guests, invitees or licensees except claims that result from the gross negligence or willful misconduct of such indemnified person or the agents, servants, employees, lessees, guests, invitees or licensees of such indemnified person.

5.8 Permits and Approvals. Each Owner that is constructing or working on Improvements or alterations to Improvements shall be responsible for obtaining all governmental permits and for filing copies of the same with the ARO prior to commencement of any Work. Such Owner shall be responsible for payment of any application, impact, tap in, deposit, hookup, connection and similar fees and charges applicable to or a prerequisite for the issuance of any governmental permits, any utility connections, or other permits, authorizations or approvals necessary to the construction, occupancy and use of the proposed Improvements. WDPR, ARO and Owner shall cooperate in connection with applications for any and all such governmental permits.

5.9 Stormwater Design and Runoff. Each Owner shall insure that any construction performed by such Owner complies with all conditions imposed by any stormwater discharge permits applicable to such property or the Master Property as a whole and shall employ best management practices during construction to prevent runoff sedimentation.

VI. REQUIREMENTS REGARDING OPERATION, MANAGEMENT AND MAINTENANCE OF MASTER PROPERTY.

6.1 General Intent. It shall be the intent and purpose of this Master Declaration to preserve and enhance the desirability and attractiveness of the Master Property and to ensure that all permitted development on the Master Property will be designed, constructed and at all times operated, managed and maintained in compliance with all Applicable Law and this Master Declaration and in conformity with the overall theme, concept, atmosphere and extraordinarily high standards of quality associated with the WALT DISNEY WORLD® Resort, as determined by the ARO and WDPR in their discretion. In this regard, all and each portion of the Master Property, including any Improvements and Open Spaces, will be subject, at a minimum, to the standards set forth in this Master Declaration and to such standards as are applied to resort hotels in the WALT DISNEY WORLD® Resort. The ARO and WDPR shall have the right to require all Owners to comply with established maintenance, repair, replacement and management standards which are in effect for similar improvements in the WALT DISNEY WORLD® Resort, as determined in their discretion.

6.2 Open Areas, Beaches and Lagoon, and Improvements. In order to (i) fulfill the terms, provisions, covenants, conditions and restrictions contained in this Master Declaration and (ii) ensure that the Master Property is managed and maintained for the best recreation, use, enjoyment, welfare and benefit of WDPR or any Owner, there is imposed upon the persons or entities charged with the responsibility of operating, managing and maintaining the all

and each portion of the Master Property, including any Improvements developed on the Master Property, the specific duty and obligation to perform the following:

6.2.1 Maintain and care for the Open Areas so that such Open Areas are at all times neat, presentable and attractive, including completing such routine tasks as planting new flowers and shrubs, grass cutting, tree and plant trimming, sprinkling, fertilizing, spraying and the like and keeping the landscaped portion of the Open Areas free of weeds, tall grass, undergrowth, dead trees, dangerous or dead tree limbs, weeds, trash and rubbish, and any other unsightly objects, which such tasks may be required by the ARO to be performed on a daily basis;

6.2.2 Maintain, preserve and protect those portions of the Master Property designated or used for water transportation, water management and drainage purposes including maintenance and operation of the Surface Water Management System and any Improvements established within such areas and any efforts to control the levels of, chemically treat or otherwise alter any waters on the Master Property, including the portion of the Lagoon located within the Master Property;

6.2.3 Maintain, preserve and protect all Beaches and the portion of the Lagoon located within the Master Property, including debris pick-up, sand grooming, raking and disposing or burying of non-growing aquatic vegetation, landscaping and replacement of littoral plantings, and maintaining any Improvements located within the Lagoon so that such Improvements are at all times in good, clean and attractive condition, order and repair; provided, however, that any action taken in this regard must be in compliance with all Applicable Law governing any Beach and the Lagoon, including any Applicable Law respecting wetlands or lake management.

6.2.4 Maintain, operate, repair, alter, renovate, reconstruct and replace any and all Improvements placed or erected upon the Master Property so that such Improvements are at all times in good, clean, attractive and sanitary condition, order and repair; and maintain, operate, repair, alter, renovate, reconstruct and replace any and all Shared Areas so that such Shared Areas are at all times in good, clean, attractive and sanitary condition, order and repair and do not become in such a state of disrepair that the structural integrity of the Shared Area is jeopardized or that the appearance of the Shared Area becomes inconsistent with the surrounding area or the standard of care required under this Master Declaration. Any Shared Area that is partially or totally destroyed or damaged must be repaired or reconstructed except as ARO and WDPR agree otherwise.

6.3 Safety Standards. Nothing contained in this Master Declaration is intended to set any acceptable minimum safety or welfare standards and it shall remain the sole responsibility of the persons or entities charged with the responsibility for the operation, management, repair and maintenance of any portion of the Master Property to determine the minimum levels of safety or welfare standards for the Master Property or the relevant portions of the Master Property, which shall not be inconsistent with the provisions of this Master Declaration and in compliance with Applicable Law.

6.4 Responsibility for Operation, Management and Maintenance of Shared Areas. Except as specifically provided otherwise in this Master Declaration, the responsibility to care for, operate, maintain, repair, replace, alter, renovate, reconstruct, preserve and protect any Shared Area or Improvement that is included as part of a Shared Area shall be the responsibility of the Owner (or lessee) of such Shared Area or Improvement and shall be a Shared Area Expense. Except as specifically provided otherwise in this Master Declaration, it shall be the responsibility of the applicable Association to care for, operate, maintain, repair, replace, alter, renovate, reconstruct, preserve, and protect any Shared Area or other Improvement located on Condominium Property or Timeshare Property. If all or any portion of any Shared Area or Improvement that is included as part of a Shared Area is not cared for or operated as required by this Master Declaration, WDPR and each Owner shall have the right to enforce compliance with the requirements of this Master Declaration in the manner reserved for enforcement of the provisions of this Master Declaration as set forth in this Master Declaration. Notwithstanding the provisions of this Section 6.4, the ARO shall have the right, but not the obligation, to require that the performance of all or any activities necessary to meet the responsibility to care for, operate, maintain, repair, replace, alter, renovate, reconstruct, preserve, and protect a Share Area or Improvement that is included as part of a Shared Area be performed by a third party (which may be one of the TWDC Companies), and not by the Owner (or lessee) of such

Shared Area or Improvement, and the costs associated with such third party performance shall be a Shared Area Expense.

6.5 Minimize Interference. All activities by or on behalf of any Owner in the use and occupancy of such Owner's portion of the Master Property, including maintenance repairs, replacement, alterations, renovation, reconstruction, or other work, shall be performed, insofar as possible, in a manner which minimizes interference with the use of any part of the Master Property.

6.6 Professional Management. In order to discharge any additional duties or obligations imposed under this Master Declaration, WDPR, any Owner or such other persons or entities which are, from time to time, charged with or responsible for the operation, management and maintenance of all or any portion of the Master Property may delegate all or any portion of such party's obligations to a professional management company, which may include a subsidiary or an affiliate of WDPR or the TWDC Companies.

VII. EXPENSES.

7.1 Expenses Generally. WDPR or any Owner, as the case may be, shall be solely responsible for the expenses associated with the care, maintenance, reconstruction, restoration or repair contemplated under this Master Declaration of the Beaches, portions of the Lagoon, any Open Areas or Improvements existing, developed, constructed or maintained on the portion of the Master Property owned by WDPR or such Owner, except as set forth in this Article VII or elsewhere in this Master Declaration.

7.2 Shared Area Expenses and Other Shared Expenses. WDPR and each Owner, by the acceptance of a conveyance of all or a portion of the Master Property, covenants and agrees to share in the Shared Area Expenses to be fixed and collected from time to time as provided in this Master Declaration. Furthermore, as a result of the development and operation of the Master Property as an integrated property, and in order to maximize efficiencies and cost savings and to avoid any unnecessary increases in administrative costs arising from cost accounting, certain services or operational or maintenance functions (including those Utility Services that are not separately metered or are provided to the Master Property on a consolidated basis) that might otherwise be separately obtained or incurred for the benefit of WDPR and the Owners, with respect to each portion of the Master Property owned by WDPR and such Owners, and which are not necessarily Shared Area Expenses may, and in some instances must, be obtained or performed on a consolidated basis and the expense associated therewith allocated and shared by Owners on the same basis that Shared Area Expenses are allocated and shared. WDPR, in its discretion, will designate those services and operational and maintenance functions that will be so consolidated and determine the allocation and sharing of the expenses associated therewith pursuant to this Article VII. Further, by agreement (including any property management agreement), Owners may designate additional services and operational and maintenance functions to be consolidated and allocated and shared pursuant to this Article VII. All such expenses will be deemed to be Shared Area Expenses for purposes of this Article VII.

7.2.1 Determination of Shared Area Expenses. Shared Area Expenses will be determined on an annual basis by WDPR and shall be used exclusively for the payment of the costs and expenses associated with the maintenance, operation, repair, replacement and refurbishment of the Shared Areas or the payment of the cost and expense of providing the consolidated services and operational and maintenance functions for the Shared Areas as set forth in Section 7.2 and elsewhere in this Master Declaration. The Shared Area Expenses shall be apportioned between Owners in accordance with any allocation methodology that reasonably allocates in an equitable manner the Shared Area Expenses between all Owners, as determined by WDPR in its discretion. Any one or more of the following allocation methodologies may be used by WDPR in its discretion: (i) number of arrivals; (ii) occupancy rates; (iii) room nights; (iv) guest population; (v) square footage; (vi) number of Accommodations; (vii) labor hours incurred; (viii) number of employees engaged to perform function; (ix) number of housekeeping hours incurred; or (ix) any other allocation methodology that WDPR determines, in WDPR's reasonable judgment, allocates the Shared Area Expenses in an equitable manner. In addition, WDPR may use, in its discretion, different allocation methodologies to allocate different components of the Shared Area Expenses. The calculations of each Owner's share of the Shared Area Expense shall be made in accordance with generally accepted accounting principles.

7.2.2 Additional Shared Area Expenses. In addition to the annual Shared Area Expenses authorized by this Article VII, additional Shared Area Expenses may be required in any given year for the purpose of defraying, in whole or in part, any unexpected Shared Area Expense or the expense arising out of any construction or reconstruction (net of insurance proceeds after a casualty loss), refurbishment, renovation or unexpected repair or replacement of a Shared Area.

7.2.3 Annual Surplus or Deficit. Any monies collected in a given year in excess of Shared Area Expenses shall be carried forward and applied to the Shared Area Expenses of the next year. Any deficits incurred in a given year, which deficits are not eliminated by additional Shared Area Expenses, will be carried forward and included in the Shared Area Expenses charged for the next year.

7.2.4 Notification, Due Date and Creation of Lien and Personal Obligation for Shared Area Expenses. WDPR shall notify each Owner of such Owner's share of the Shared Area Expenses each year, and shall set a due date by which all Owners must pay their share of the Shared Area Expenses, which date shall not be sooner than thirty (30) days after delivery of the notification by WDPR. The Shared Area Expenses, together with such interest on the Shared Area Expenses and costs of collection of the Shared Area Expenses, as provided in Section 7.2.5, shall be a lien against the property of any Owner obligated to pay a share of the Shared Area Expenses pursuant to this Master Declaration, and shall also be the personal obligation of the person who was the Owner of such property at the time when the Shared Area Expense was due. When any portion of the Master Property has been declared as Condominium Property or Timeshare Property, the Shared Area Expenses shall be a common expense of the Condominium or Timeshare Plan and the Association responsible for managing the Condominium Property or Timeshare Property shall be the entity responsible for collecting and remitting the share of the Shared Area Expenses due from the members of the Association. While each member shall be responsible for the payment of his or her share of the Shared Area Expenses, the failure of any member to pay his or her share of the Shared Area Expenses shall not relieve the Association from the obligation to timely pay the entire amount of the Shared Area Expenses due from the members of the Association.

7.2.5 Effect of Nonpayment.

7.2.5.1. Personal Obligation of Owner; the Lien. If an Owner's share of the Shared Area Expenses are not paid when due, then such obligation shall become delinquent and shall, together with interest and the costs of collection on such obligation as provided in Section 7.2.5.2, become a continuing lien on the Owner's portion of the Master Property which shall bind such property in the hands of the then Owner, and such Owner's heirs, successors, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such obligation, however, shall remain such Owner's personal obligation.

7.2.5.2. Remedies. If an Owner's share of the Shared Area Expenses is not paid by the due date, the obligation shall bear interest from the due date at the maximum rate permitted by Florida law. WDPR may bring an action at law against the Owner personally obligated to pay the same or in equity to foreclose the lien against the property, and there shall be added to the amount of such obligation the costs of collection including the preparing and filing the complaint in any such action. If a judgment is obtained, such judgment shall include interest on the obligation as above provided and a reasonable attorneys' fee or other professionals' fees, including those incurred in all probate and bankruptcy proceedings, to be fixed by the court together with the costs of the action.

7.2.5.3. Association's Responsibility. Each Association shall be responsible for the administration and collection of the share of Shared Area Expenses due from members of such Association together with applicable interest, late charges and costs of collection (including costs and reasonable attorneys' fees and other professionals' fees), and such obligation, if not timely paid, shall be secured by a lien against the Condominium Property or Timeshare Property (as applicable). WDPR shall have the power to perfect and to foreclose said lien in the manner generally provided for such perfection and foreclosure against real and personal property, respectively, by Florida law. The Association shall collect Shared Area Expense obligations from their members as common expenses in the same manner and at the same time as they collect other common expenses from their members. The Association may utilize all the provisions of their respective declarations and governing documents which pertain

to the assessment and collection of common expenses of the Condominium Property or Timeshare Property when collecting Shared Area Expenses payable pursuant to this Master Declaration.

7.2.5.4. No Avoidance of Shared Area Expenses. The liability for Shared Area Expenses may not be avoided by waiver of the use or enjoyment of the Master Property or by the abandonment of the Owner's portion of the Master Property.

7.2.6 Subordination of the Lien to Mortgages. The lien provided for in this Master Declaration shall be subordinate to the lien of any first mortgage now or hereafter placed upon any portion of the Master Property by a mortgagee; provided, however, that such subordination shall apply only to the obligations which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any Shared Area Expense obligation thereafter becoming due, nor from the lien of any such subsequent obligation.

7.2.7 Assignment. WDPR may assign and delegate its rights and duties under this Article VII to any entity, in its discretion, including the assignment to a ground lessee if WDPR enters into a Ground Lease for all or a portion of the Master Property. Such ground lessee may further assign and delegate such rights and duties with WDPR's prior written consent which may be granted or withheld in WDPR's discretion.

VIII. GENERAL RESTRICTIONS. In order to preserve and enhance the desirability and attractiveness of the Master Property and in furtherance of the general intent of this Master Declaration, the following general restrictions shall be applicable to the Master Property:

8.1 Permitted Use. The Master Property may be used from time to time during the term of this Master Declaration for any lawful purpose, subject to the provisions of this Master Declaration. It is expressly contemplated that all or a portion of the Master Property may be utilized for commercial purposes or may be declared as part of a Condominium, as part of a Timeshare Plan or as part of both.

8.2 Mining or Drilling. There shall be no mining, quarrying or drilling for minerals, oil, gas or otherwise, undertaken within any portion of the Master Property without the specific consent of WDPR. Activities of WDPR or any Owner in dredging any lakes; creating, excavating or maintaining the Surface Water Management System, drainage or other facilities or easements; or installing wells, pumps or sprinkler systems for any portion of the Master Property, in compliance with Applicable Law, shall not be deemed a mining, quarrying or drilling activity as contemplated in this Section 8.2.

8.3 Litter. In order to preserve the attractiveness and desirability of the Master Property and to more fully integrate its overall appearance with that of the WALT DISNEY WORLD® Resort, no garbage, trash, refuse, waste or rubbish shall be deposited, dumped or kept upon the Master Property except in closed containers, dumpsters or other garbage collection facilities suitable for such use and in compliance with all Applicable Law. All centrally located containers, dumpsters and other garbage collection facilities shall be screened from view of casual passersby and shall at all times be kept in a clean condition with no noxious or offensive odors emanating therefrom. Individual waste receptacles located throughout the Master Property shall be designed and maintained in conformity with the overall care and maintenance standards set forth in this Master Declaration and in conformity with the standards of the WALT DISNEY WORLD® Resort, as determined by the ARO in its discretion.

8.4 Signs.

8.4.1 No Signs. No sign shall be displayed or placed upon the Master Property by any Owner (other than WDPR), or by any Owner's lessee, guest, invitee or licensee without the prior written consent of the ARO.

8.4.2 WDPR Rights. Nothing contained in this Master Declaration shall prevent WDPR or any person designated by WDPR, from erecting or maintaining or allowing such commercial and display signs for development, sales, management or other purposes, provided such are in compliance with Applicable Law.

8.5 Aerials. No exterior radio or television mast, tower, pole, wire, aerial, satellite receiving stations or dish, antenna or related appurtenances or equipment, shall be erected or maintained on the Master Property, without the prior written approval of the ARO.

8.6 Electrical Interference. No electrical or electromagnetic signals, machinery, devices or apparatus of any sort shall be used or maintained on the Master Property which causes interference with any television or radio reception received or broadcast on any other portion of the Master Property or the WALT DISNEY WORLD® Resort without the approval of WDPR.

8.7 Household Pets and Livestock. No animals, household pets, livestock, or poultry of any kind shall be raised, bred, or kept on the Master Property unless approved by WDPR. This Section shall not apply to service animals as defined by the Americans with Disabilities Act.

8.8 Nuisances and Trespassing. No illegal, obnoxious or offensive activity shall be permitted or committed on any part of the Master Property, nor shall anything be permitted or done on the Master Property which is or may become a nuisance or a source of embarrassment, discomfort or annoyance to persons at or about the Master Property or the WALT DISNEY WORLD® Resort. No trash, garbage, rubbish, debris, waste material, or other refuse shall be deposited or allowed to accumulate or remain on any part of the Master Property. No fires for the burning of trash, leaves, clipping or other debris or refuse shall be permitted on any part of the Master Property except as required to develop all or a portion of the Master Property and as permitted by Applicable Law. It is expressly contemplated that the construction, reconstruction or alteration of Improvements on the Master Property may result in noise or light levels in excess of levels typically occurring in areas consisting solely of residential Accommodations and may result in an obstruction of views. Nothing contained in this Master Declaration shall be deemed to prohibit such construction. It is expressly contemplated that portions of the Master Property and properties nearby the Master Property may be operated as commercial spaces containing hotels, restaurants, entertainment complexes or other public establishments which may have nighttime hours of operation and which may result in noise or light levels in excess of levels typically occurring in areas consisting solely of residential Accommodations, including fireworks and concerts. Nothing contained within this Master Declaration shall be deemed to prohibit such commercial activity.

8.9 Subdividing. WDPR shall have the right in its discretion to cause or permit the subdivision, platting or division of all or any part of the Master Property, subject to this Master Declaration and Applicable Law. No portion of the Master Property shall be subdivided, platted or divided by any persons claiming an interest in the Master Property by, through or under any Owner, without the prior written consent of WDPR.

8.10 No Chain-Link Fences. The installation of chain-link fences on the Master Property is prohibited, except temporarily in connection with construction work related to the development of the Master Property or with the approval of the ARO.

8.11 Casualties. If any Improvements are damaged or destroyed by fire, casualty or otherwise, the Owner or Owners of such Improvements shall promptly clear all debris resulting from such event, and promptly commence either to rebuild or repair the damaged or destroyed Improvements in accordance with the terms and provisions of this Master Declaration, or in the case of Open Areas, to grass over and landscape the land in a manner consistent with their pre-casualty condition and the surrounding area. If the Owner or Owners decide not to rebuild destroyed Improvements, the land previously underlying such Improvements shall be developed and maintained as Open Areas in accordance with this Master Declaration.

8.12 Repair, Rebuilding, Alteration and Reconstruction. Any repair, rebuilding, alteration or reconstruction on account of casualty or other damage on the Master Property shall be in accordance with this Master Declaration and with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the ARO.

8.13 Vehicles and Vehicular Parking. No vehicle shall be parked on any part of the Master Property, except on areas designed for parking. Trailers, oversized vehicles, commercial vehicles, recreational vehicles, buses,

and trucks with more than six (6) wheels (excluding those vehicles owned by WDPR or the TWDC Companies) shall not be permitted on the Master Property except in temporary or designated parking spaces, if any, and as permitted by WDPR. No commercial vehicles shall be parked on the Master Property, except those present on business or with the approval of WDPR. No inoperative automobiles, trucks, trailers or other types of vehicles shall be allowed to remain on or adjacent to any portion of the Master Property for a period in excess of forty-eight (48) hours without the prior written approval of WDPR, unless concealed from public view. Nothing contained in this Section shall prohibit the entry or parking of trailers, mobile homes or other temporary structures to be used as field construction offices by contractors in connection with construction, alteration or reconstruction of Improvements or of maintenance or construction vehicles necessary for the maintenance of the Master Property or the construction, alteration or reconstruction of Improvements.

8.14 Accessory Structures. No tent, shack, garage, trailer, barn or other temporary or accessory structures shall at any time be erected and used temporarily or permanently as a residence or for any other purpose, except as approved by the ARO; provided, however, temporary structures, mobile homes or field construction offices may be used by contractors in connection with construction work for the development of the Master Property, and other temporary or accessory structures may be used during time of emergency caused by fire or other casualty.

8.15 Hazardous Materials and Waste. In order to preserve and enhance the beauty, use and enjoyment of the Master Property, there shall be no possession, storage, use or handling of any hazardous materials on the Master Property, except in compliance with Applicable Law. To the extent that any hazardous waste is generated on or at the Master Property during the term of this Master Declaration, whether as a result of ongoing business or recreational activities or as a result of cleanup or remedial activities, it shall be the sole obligation of WDPR, the Owner, the management company or other person generating the hazardous waste to comply with Applicable Law relating to the generation, temporary collection and offsite disposition of any such hazardous waste.

8.16 Water Areas, Beaches and Lagoon.

8.16.1 No use of lakes, ponds, streams, or other bodies of water, including the waters of the Lagoon, within the Master Property is permitted, except for approved commercial activities permitted by WDPR in its discretion. Such prohibited uses include fishing, bathing, swimming, wading, diving, snorkeling, canoeing, kayaking, paddle boarding or boating.

8.16.2 No boats, jet-skis, waverunners or watercraft of any kind shall be used, stored or brought onto the Master Parcel by any Owner, lessee, guest, invitee or licensee except for approved commercial activities in such areas and under such conditions as may be determined by WDPR in its discretion from time to time.

8.16.3 No person, including any Owner, guest, licensee or invitee is permitted to disturb or remove sand, aquatic vegetation, fish, insect or wildlife from any Beach or the Lagoon, including any mowing, cutting or chemical treatment, except as such activity is performed in connection with the Beach and Lagoon maintenance obligations, as set forth in this Master Declaration or as required or permitted under Applicable Law.

8.16.4 Owners, lessees, guests, invitees and licensees occupying any Bungalow are prohibited from engaging in any use of the Lagoon from a Bungalow, including fishing, bathing, swimming, wading, diving, snorkeling, canoeing, kayaking, paddle boarding or boating, and shall at all times refrain from littering or dumping anything in the Lagoon.

8.16.5 Neither WDPR nor any of the TWDC Companies shall be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Beaches, lakes, ponds, streams, or other bodies of water within or adjacent to the Condominium Property, including the Lagoon.

8.17 Rules and Regulations. WDPR in its discretion may, from time to time, promulgate, modify, or delete use restrictions and Rules and Regulations applicable to the Master Property, with or without the consent of any other person. WDPR may exempt certain Owners, Improvements, or portions of the Master Property from the use, restrictions, and Rules and Regulations applicable to the Master Property.

8.18 No Domiciliary Intent. No person or party may enter, stay or dwell upon or about the Master Property or any Accommodation constructed or maintained on the Master Property with the intent or desire to be or become a legal domiciliary of the State of Florida or any political subdivision of the State of Florida (including the RCID), and all such persons or parties shall and do waive, release and remise any such intent or desire. No person or party may enter, stay or dwell upon or about the Master Property or any Accommodation constructed on the Master Property with the intent that the same shall be or become that person's or party's principal dwelling, and such person or party shall maintain a principal dwelling at all times at a location other than within the confines of the RCID.

IX. AMENDMENT OF THIS MASTER DECLARATION.

9.1 By WDPR as to all Master Property. Except as otherwise provided in this Master Declaration, no amendment may be made to this Master Declaration by WDPR as to all or any portion of the Master Property without the prior written consent of all Owners and mortgagees of record if such amendment would prejudice or impair to any material extent the rights of the Owners as a whole. Notwithstanding the foregoing, WDPR may amend this Master Declaration, in its discretion, at any time and from time to time, as to all or any portion of the Master Property unilaterally and without the consent of any Owner or other person claiming an interest in the Master Property by, through or under any Owner in the following situations:

9.1.1 if such amendment is necessary to bring any provision of this Master Declaration into compliance with any Applicable Law;

9.1.2 if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any property subject to this Master Declaration;

9.1.3 if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, to enable such lender or purchaser to make or purchase mortgage loans encumbering any property subject to this Master Declaration;

9.1.4 if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans encumbering any property subject to this Master Declaration;

9.1.5 if such amendment is necessary for the purpose of curing any error, ambiguity in or inconsistency between or among the provisions contained in this Master Declaration;

9.1.6 if such amendment is necessary to allow the development or expansion of the Condominium Property or Timeshare Plan or to allow the development of other residential accommodations or commercial or other profit-making ventures as contemplated under this Master Declaration; or

9.1.7 if WDPR determines in its discretion that such amendment is necessary; provided, however, that such amendment made under this Section 9.1.7 does not prejudice or impair to any material extent the rights of the Owners as a whole.

9.2 By WDPR as to Portions of Master Property Held by WDPR. For so long as WDPR holds fee title in any portion of the Master Property, WDPR shall have and reserves to itself, in addition to those rights specified in Section 9.1 and notwithstanding the limitations of Section 9.1, the sole and exclusive right with regard to such portions of the Master Property held by WDPR to take the following actions, in its discretion, at any time and from time to time unilaterally and without the consent of any Owner or any other person claiming an interest in the Master Property by, through or under any Owner:

9.2.1 To amend, modify or grant exceptions or variances from any of the use restrictions set forth in this Master Declaration;

9.2.2 To add or delete portions of the Master Property as otherwise provided in this Master Declaration, except for a Prohibited Deletion; or

9.2.3 To include in any contract, deed, lease agreement or other instrument, any additional covenants, conditions and restrictions deemed desirable by WDPR.

9.3 By an Owner as to Portions of the Master Property Not Held by WDPR. This Master Declaration may be amended by any Owner, as may be required from time to time; provided, however, that no such amendment shall be effective without the prior written consent of WDPR and all other Owners and mortgagees of record.

9.4 Designated Facilities, Ingress and Egress Easement, and Drainage and Utility Easement.

9.4.1 Neither WDPR nor any Owner shall amend this Master Declaration, without approval of WDPR and all Owners, if such amendment would result in the elimination of: (i) access, use, or enjoyment of any Designated Facility from this Master Declaration, subject to Rules and Regulations as are deemed advisable from time to time by WDPR in its discretion, and subject to WDPR's reserved rights set forth in Section 9.4.2; (ii) all reasonable ingress and egress rights to a dedicated right of way granted pursuant to Section 3.5.3; (iii) Utility Services easements pursuant to Section 3.5.2; or (iv) drainage and Surface Water Management System easement rights granted pursuant to Section 3.5.4.

9.4.2 Notwithstanding any provision in this Master Declaration to the contrary, WDPR may, at WDPR's expense, alter, modify, rearrange, relocate, replace, or remove any Designated Facility; provided, however, no amendment may, without the approval of all Owners, result in the alteration, modification, rearrangement, relocation, or replacement of the Designated Facility in such a manner that such Designated Facility or any replacement Designated Facility no longer provides substantially the same use, function, or experience as the existing Designated Facility, as WDPR determines in its discretion. No Owner shall alter, modify, rearrange, relocate, or replace any Designated Facility without the approval of WDPR.

9.5 Recording of Amendments or Supplements; No Reliance. Any amendment or supplement to this Master Declaration shall become effective immediately upon recordation in the Public Records of Orange County, Florida, or otherwise as permitted in this Master Declaration. No Owner or any persons claiming by, through, or under any Owner shall have any right to claim detrimental reliance upon this Master Declaration with regard to any amendments to this Master Declaration affected by WDPR pursuant to this Article.

X. REMEDIES.

10.1 Violations. WDPR, any Owner or any Association shall each have the right to enforce, by proceeding at law or in equity, whether in an action for damages, injunctive relief or both, all covenants, conditions, restrictions, reservations, easements, charges and liens now or hereafter imposed by the provisions of this Master Declaration. In addition to the enforcement provisions provided in this Master Declaration, whenever there shall have been built, or there shall exist on the Master Property, or any portion of it, any Improvement or condition which is in violation of this Master Declaration, WDPR shall have the right, but not the obligation, to enter upon the property where such violation exists and summarily to abate and remove, reconstruct or repair, or remedy the same, all at the expense of the person responsible for such violation, which expense shall be due and payable by such person to WDPR on demand. Such entry and abatement or removal shall not be deemed a trespass or make WDPR liable in any way to any person, firm, corporation or other entity for any damages on account of such entry, abatement or removal. All costs incurred in abating or removing, reconstructing or repairing or remedying as contemplated in this Section shall become a charge and continuing lien against the non-complying party's interest, if any, in the Master Property as well as an individual and personal obligation of such breaching party.

10.2 Easement for Enforcement. In furtherance of the enforcement provisions provided for in this Master Declaration, WDPR reserves an easement over the Master Property for the purpose of enforcing the provisions in this Master Declaration, and may go upon any portion of the Master Property to remove or remedy any violations of these provisions. If WDPR, after notice to a person of any violation and such person's continued failure to cure the same, does in fact exercise its right to cure violations, all costs incident to any action by WDPR shall become a charge and continuing lien against the non-complying party's interest, if any, in the Master Property as well

as an individual and personal obligation of such breaching person. Nothing in this Section shall be construed to require WDPR to take any action.

10.3 Costs of Enforcement. Should WDPR, any Owner or any Association find it necessary to employ an attorney or institute legal action against any party to enforce any provisions of this Master Declaration, the non-complying party shall pay all costs in connection with such action, including court costs and reasonable attorneys' fees and other professionals' fees for pretrial, trial, and appellate proceedings, whether or not judicial proceedings are involved and including those incurred in any bankruptcy or probate proceedings. All such costs shall become a charge and continuing lien against the non-complying party's interest, if any, in the Master Property, as well as an individual and personal obligation of such breaching party.

XI. MISCELLANEOUS.

11.1 Approvals. Wherever the consent or approval of WDPR or any Owner is required to be obtained, no act requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the required approval has been submitted to WDPR or such Owner, as applicable. Unless specified to the contrary, if WDPR or the Owner fails to act on any such written request within the period required for response or, if no response period is provided, within sixty (60) days after the same has been submitted to it, an additional request may be submitted in writing to WDPR or the Owner, and then if no response is provided within sixty (60) days after the additional request has been submitted, the consent or approval of WDPR or the Owner to the particular action sought in such written request shall be conclusively and irrefutably presumed. However, no act shall be taken by or on behalf of the person or persons submitting such written request that violates any of the provisions of this Master Declaration.

11.2 Limited Effect of Certain Liens and Encumbrances.

11.2.1 WDPR's Interest. WDPR's interest in the Master Property shall not be subjected to liens or encumbrances of any nature, including mortgages, mechanics' and materialman's liens or other liens arising pursuant to Applicable Law, by reason of any act or omission of any other person, including the construction, alteration, repair, renovation, restoration, replacement or reconstruction of any Improvements on the Master Property or any other act or omission by or on behalf of any Owner or Association or any person claiming by, through, or under an Owner or Association. All persons dealing with any Owner, any Association or any person claiming by, through, or under any Owner or any Association are placed on notice that such persons shall not look to WDPR's credit or assets for payment or satisfaction of any obligations incurred in connection with such construction, alteration, repair, restoration, replacement or reconstruction. No person other than WDPR itself has the power, right or authority to subject WDPR's interest in the Master Property or in any Improvements to any mortgage, mechanic's or materialman's lien or claim of lien. If a lien, a claim of lien or an order for the payment of money shall be imposed against the Master Property or any Improvements on the Master Property on account of work performed, or alleged to have been performed, for or on behalf of an Owner, Association or any person claiming by, through, or under an Owner or Association, the person for or on behalf of which the work was performed or alleged to have been performed shall, within thirty (30) days after written notice of the imposition of such lien, claim or order, cause the Master Property and the Improvements to be released from such lien, claim or order by the payment of the obligation secured thereby or by furnishing a bond or by any other method prescribed or permitted by Applicable Law. If a lien is released, the person obtaining the release shall thereupon furnish WDPR with a written instrument of release or otherwise in form for recording in the office of the Clerk of the Circuit Court, Orange County, Florida, or other applicable public records, sufficient to establish the release as a matter of record.

11.2.2 Right to Contest Liens. WDPR, any Owner, any Association or any person claiming by, through, or under WDPR, any Owner or any Association, as applicable, may, at its option, contest the validity of any lien or claim of lien if such person shall have first posted an appropriate and sufficient bond in favor of the claimant or paid the appropriate sum into court, if permitted by law, and thereby obtained the release of the Master Property and the improvements from such lien. If judgment is obtained by the claimant of any lien, such person shall pay the same immediately after the time for appeal from such judgment has expired without appeal having been taken or after such

judgment has otherwise become final. Such person shall, at its own expense, defend the interests of itself and WDPR in any and all such suits; provided, however, that WDPR may, at its election, engage its own counsel and assert its own defenses, in which event such person shall cooperate with WDPR and make available to WDPR all information and data which WDPR deems necessary or desirable for such defense.

11.2.3 Notice of Commencement. Prior to commencement of any work by or on behalf of WDPR, an Owner or Association on the Master Property for which a Notice of Commencement is required pursuant to Applicable Law, WDPR, the Owner, Association or the person causing the work to be commenced shall record such a notice in the office of the Clerk of the Circuit Court, Orange County, Florida in accordance with Applicable Law.

11.3 Taxes and Assessments. During the term of this Master Declaration, WDPR or each Owner (or an Association on behalf of Owners), as applicable, shall timely pay and discharge, or shall arrange for the timely payment or discharge of, all taxes (including sales and use taxes on rents), property taxes and assessments and RCID or other governmental impositions and charges of every kind and nature whatsoever, which shall or may during the term be charged, laid, levied, assessed, imposed, become due and payable or liens upon, or that arise in connection with the use, occupancy or possession of, or become due or payable out of or for, the portion of the Master Property owned by WDPR or such Owner or any interest in the Master Property, so that no such liens, charges, assessments or impositions shall be payable by WDPR or any other Owner (or any Association on behalf of Owners) by virtue of its interest in the Master Property.

11.4 Condemnation.

11.4.1 Right to Terminate Master Declaration. If the Master Property or any Improvements shall be taken or condemned for any public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu of eminent domain, or if a portion of the Master Property or the Improvements shall be so taken or condemned that the portion remaining is not sufficient and suitable for any other use permitted by this Master Declaration, then, with the consent of WDPR, this Master Declaration shall cease and terminate as of the date on which the condemning authority takes possession.

11.4.2 Continuation of Master Declaration. If a portion of the Master Property or the Improvements is taken, and the remaining portion can be adapted and used for the conduct of WDPR or an Owner's operations, then this Master Declaration shall continue in full force and effect as to the remaining portion.

11.4.3 Temporary Taking. If the temporary use (but not title) of the Master Property or any Improvements is taken, this Master Declaration shall remain in full force and effect.

11.4.4 Judicial Determination. If any interested party cannot agree in respect of any matters to be determined under this Section, a determination shall be requested of a court having jurisdiction over the taking pursuant to Section 11.13.

11.4.5 Condemnation of Condominium Property or Timeshare Property. With respect to any portion of the Master Property which becomes a part of the Condominium Property or Timeshare Property, the Condominium declaration or Timeshare Plan instrument shall provide for the circumstances under which the Accommodations, facilities, common elements or common areas of the Condominium Property or Timeshare Property if taken or condemned for public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu of eminent domain, shall be reconstructed, or the circumstances under which the Condominium Property or Timeshare Property shall be terminated as a result of such taking or condemnation. The provisions of the Condominium declaration or Timeshare Plan instrument shall control the disposition of proceeds received as a result of such taking or condemnation. Notwithstanding the provisions of Section 11.4.1. this Master Declaration shall only terminate as to the Condominium Property or Timeshare Property, with WDPR's prior written consent and to the extent that the Condominium Property or Timeshare Property is not reconstructed in accordance with the Condominium declaration or Timeshare Plan instrument.

11.5 Force Majeure. If the performance by any person obligated under this Master Declaration (excluding monetary obligations) is limited, delayed or prevented in whole or in part by Applicable Law or action adopted or taken by any federal, state or local governmental authority (including RCID), and not attributable to an act or omission of such person, or by any Acts of God, fire or other casualty, floods, storms, explosions, major accidents, epidemics, war, acts of terrorism, civil disorders, strikes or other labor difficulties, shortages or failure of supply of materials, labor, fuel, power, equipment, supplies or transportation, or by any other significant cause not reasonably within such person's control, whether or not specifically mentioned in this Master Declaration, performance shall be excused, discharged and released of performance but only to the extent and for such time that such performance or obligation (excluding any monetary obligation) is so limited, delayed or prevented by such occurrence.

11.6 Assignments. WDPR shall have the sole and exclusive right at any time to transfer and assign to any person, firm or corporation, partnership, limited liability company or other entity, any or all rights, powers, easements, privileges, authorities and reservations given to or reserved by WDPR or any obligation imposed upon WDPR by any part, section or paragraph of this Master Declaration as to all or a portion of the Master Property. Such transfer or assignment shall be evidenced by a writing, such as a memorandum of Ground Lease or a deed of conveyance from WDPR to a successor in title to all or a portion of the Master Property, recorded in the Public Records of Orange County, Florida, which such writing shall specifically indicate WDPR's intent to transfer and assign any or all rights, powers, easements, privileges, authorities and reservations given to or reserved by WDPR or any obligation imposed upon WDPR under this Master Declaration.

11.7 Termination; Rule Against Perpetuities. Unless sooner terminated as provided in this Master Declaration, this Master Declaration shall run with and bind the land until WDPR and all Owners owning an interest in all or a portion of the Master Property (including WDPR as applicable) agree in writing that it shall terminate. If (and only if) the term of this Master Declaration is deemed to violate the "Rule Against Perpetuities," or any similar law or rule, then in that event this Master Declaration shall continue in effect until 21 years after the death of the last survivor of the now living descendants of Queen Elizabeth II, Queen of the United Kingdom.

11.8 No Representations. Each Owner shall inspect and examine the Master Property and shall not rely on any representations or warranties as to the condition of the Master Property (except with respect to any express representations or warranties that WDPR may provide in a writing signed by WDPR and authorizing such reliance). Prior to the commencement of any construction on the Master Property, an Owner shall conduct such tests of the subsurface and soil conditions as the Owner may deem necessary or desirable to ascertain the existence of any hazards as well as the suitability of the Master Property for the contemplated development and shall furnish such fill and take such other steps as may be required prior to the commencement of construction, all in accordance with Applicable Law. WDPR shall not have any liability because of, or as a result of, the existence (either upon the commencement of the term of this Master Declaration or at any time during the term) of any subsurface or soil or hazardous condition, either at the Master Property or land adjacent to the Master Property, which might affect an Owner's construction or otherwise cause an Owner or any person claiming by, through or under an Owner to suffer or incur any damage, loss, fine, penalty, liability, cost or expense.

11.9 Notices. Except as may be otherwise provided in this Master Declaration, any notice, demand, request, consent, approval or communication under this Master Declaration shall be in writing and shall be deemed duly given or made: (i) when deposited, postage prepaid, in the United States mail, certified or registered mail with a return receipt requested, addressed to the person at the last known address of the person; (ii) when delivered personally to the person at the last known address of the person; or (iii) when deposited with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the person at the last known address. A person may designate a different address for receiving notices under this Master Declaration by notice to the other persons giving notice. All notices required to be given to Owners who own property declared as Condominium Property, declared to a Timeshare Plan or subject to subdivision restrictions or other similar restrictive documents pursuant to which an Association is created, shall be deemed given in accordance with this Master Declaration when delivered to such Association in accordance with this Section. Such Association is authorized to receive all notices required to be given to the members of the Association by the provisions of this Master

Declaration. Any notice, demand, request, consent, approval or communication under this Master Declaration to be given to WDPR under this Master Declaration shall be given at the address noted on the first page of this Master Declaration unless a notice of an alternative address is recorded in the Public Records of Orange County, and deemed delivered when received by WDPR.

11.10 Severability. If any covenant, condition, restriction, term or provision of this Master Declaration to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Master Declaration, or the application of such covenant, condition, restriction, term or provision to persons whose circumstances are other than those as to which it is held invalid and unenforceable, shall not be affected thereby and shall remain in full force and effect.

11.11 No Waiver. The rights of WDPR, any Owner or any Association under this Master Declaration shall be cumulative and WDPR's, any Owner's or any Association's pursuit of any one or more of the rights or remedies provided for in Article IX shall not preclude pursuit of any other right, remedy or remedies provided in this Master Declaration or any other right, remedy or remedies provided for or allowed by law or in equity, separately or concurrently or in any combination. WDPR's, any Owner's or any Association's pursuit of any one or more of its rights or remedies shall not constitute an election of remedies excluding the election of another right, remedy or other remedies, or a forfeiture or waiver of any right or remedy or of any damages or other sums accruing to WDPR, such Owner or Association by reason of any obligated person's failure to fully and completely keep, observe, perform, satisfy and comply with all of the covenants, conditions and restrictions set forth in this Master Declaration. No action taken by or on behalf of WDPR, Owner or Association shall be construed to be an acceptance of a surrender of this Master Declaration. WDPR's, an Owner's or Association's forbearance in pursuing or exercising one or more of its or their rights or remedies, or the failure of WDPR, an Owner or Association to enforce any of the covenants, conditions and restrictions set forth in this Master Declaration or to promptly pursue and exercise any right or remedy contained in this Master Declaration, shall not be deemed or construed to constitute a waiver of any other right or remedy or any waiver of the further enforcement or the provision or the exercise of the right or remedy that was the subject of the forbearance or failure. No waiver by WDPR, an Owner or Association of any right or remedy on one occasion shall be construed as a waiver of that right or remedy on any subsequent occasion or as a waiver of any other right or remedy then or thereafter existing. No failure of WDPR, an Owner or Association to pursue or exercise any of their respective powers, rights or remedies or to insist upon strict and exact compliance by any obligated person with this Master Declaration, and no custom or practice at variance with the terms of this Master Declaration, shall constitute a waiver by WDPR, such Owner or Association of the right to demand strict and exact compliance with all terms and conditions of this Master Declaration. No termination of this Master Declaration shall affect WDPR's, an Owner's or Association's right to collect any monetary amounts due to it for the period prior to termination.

11.12 Waiver of Jury Trial. WDPR, EACH OWNER, ANY ASSOCIATION, ALL OTHER PERSONS WHO MAY ACQUIRE ANY RIGHT, TITLE, INTEREST, LIEN OR ENCUMBRANCE IN OR TO ALL OR ANY PART OF THE MASTER PROPERTY SUBSEQUENT OR SUBORDINATE TO THIS MASTER DECLARATION, AND ALL PERSONS WHO MAKE ANY CLAIM WITH RESPECT TO THIS MASTER DECLARATION, WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST ANY OTHER CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT OR PERFORMANCE OF THIS MASTER DECLARATION OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS MASTER DECLARATION.

11.13 Governing Law; Venue. This Master Declaration shall be governed by, and shall be construed in accordance with, the laws of the State of Florida. If any such suit or legal action is commenced by any of them, each of them agrees, consents and submits to the personal jurisdiction of the federal, county and local courts located in Orange County, Florida (the "**Orange County Courts**"), with respect to such suit or legal action, and each of them also consents and submits to and agrees that venue in any such suit or legal action is only proper in the Orange County Courts, and each of them waives any and all personal rights under Applicable Law or in equity to object to the

jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

11.14 Interpretation. Where the context so indicates, a word used in this Master Declaration in the singular form shall include the plural. The use of the term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example) in this Master Declaration, when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. This Master Declaration shall be construed without regard to any presumption or other rule requiring construction against WDPR as a result of WDPR causing this Master Declaration to be drafted. Whenever the consent or approval of WDPR or the ARO is referred to in this Master Declaration or the taking of any action under this Master Declaration is subject to the consent or approval of WDPR or the ARO, it shall mean WDPR's or the ARO's prior written approval to be given or withheld in its discretion. Further, any references to the use, exercise or grant of the right of WDPR's or the ARO's discretion as set forth in this Master Declaration shall mean WDPR's or ARO's sole, absolute and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. The use of headings, captions and numbers in this Master Declaration is solely for the convenience of identifying and indexing the various provisions of this Master Declaration and shall in no event be considered otherwise in construing or interpreting any provision of this Master Declaration.

11.15 Estoppel Certificates. Each Owner agrees, within fifteen (15) days after written request by any other Owner, to execute and deliver to such Owner or to any existing or prospective purchaser, mortgagee or lessee designated by such Owner, a certificate in recordable form stating to the best of its knowledge: (a) whether or not there is any existing default under this Master Declaration by any Owner in the payment of any sum of money owing to the Owner executing such certificates; (b) whether or not there is any existing default by any Owner with respect to which a notice of default has been give nor received by the Owner executing such certificate and if there is any such default, specifying the nature and extent thereof; (c) whether or not there are any sums which the Owner executing such certificate is entitled to receive or demand from any other Owner under this Master Declaration, and if there is any such sum specifying the nature and extent thereof; (d) whether or not WDPR has performed or caused to be performed, or is then performing or causing to be performed, any maintenance or Work, the cost of which WDPR may be entitled to charge in whole or in part to any Owner but has not yet charged to such other Owner, and if there be any such maintenance or Work, specifying the nature and extent of such maintenance or Work; (e) whether or not WDPR has performed or caused to be performed, or is then performing or causing to be performed, any maintenance or Work, specifying the nature and extent thereof; (f) whether or not there are any set-offs, defenses or counterclaims then being asserted or otherwise known against enforcement of any obligations under this Master Declaration which are to be performed by the Owner executing such certificate, and, if so, the nature and extent of such set-offs, defenses or counterclaims; (g) whether or not any Owner has given any notice to the Owner executing such certificate making a demand or claim under this Master Declaration which has not yet been discharged or otherwise resolved, or given any notice of a dispute, and if so, a copy of any such notice shall be delivered with the certificate; (h) whether or not there is any pending dispute involving the Owner executing such certificate which has been submitted for arbitration under this Master Declaration, and if so, specifying the nature of the dispute; and (i) whether or not there is any ruling or decision involving the Owner executing such certificate within the ninety (90) days preceding the date of such certificate, and if so, identifying such ruling or decision. In the event of the recording of a Condominium declaration or Timeshare Plan instrument, any such certificates which are required of the Owners of property submitted to the Condominium or Timeshare Plan shall be given by the president or vice president of the Association.

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IN WITNESS WHEREOF, WDPR has caused this instrument to be duly executed effective as of the Effective Date.

WITNESSES:

“WDPR”

WALT DISNEY PARKS AND RESORTS U.S., INC.,
a Florida corporation

Barbara Kusler

Print Name:

Barbara Kusler

Karen L. Grip

Print Name:

Karen L. Grip

By:

Lee Schudde

Name: Lee Schudde

As its: Vice President

STATE OF FLORIDA) SS.

COUNTY OF Orange

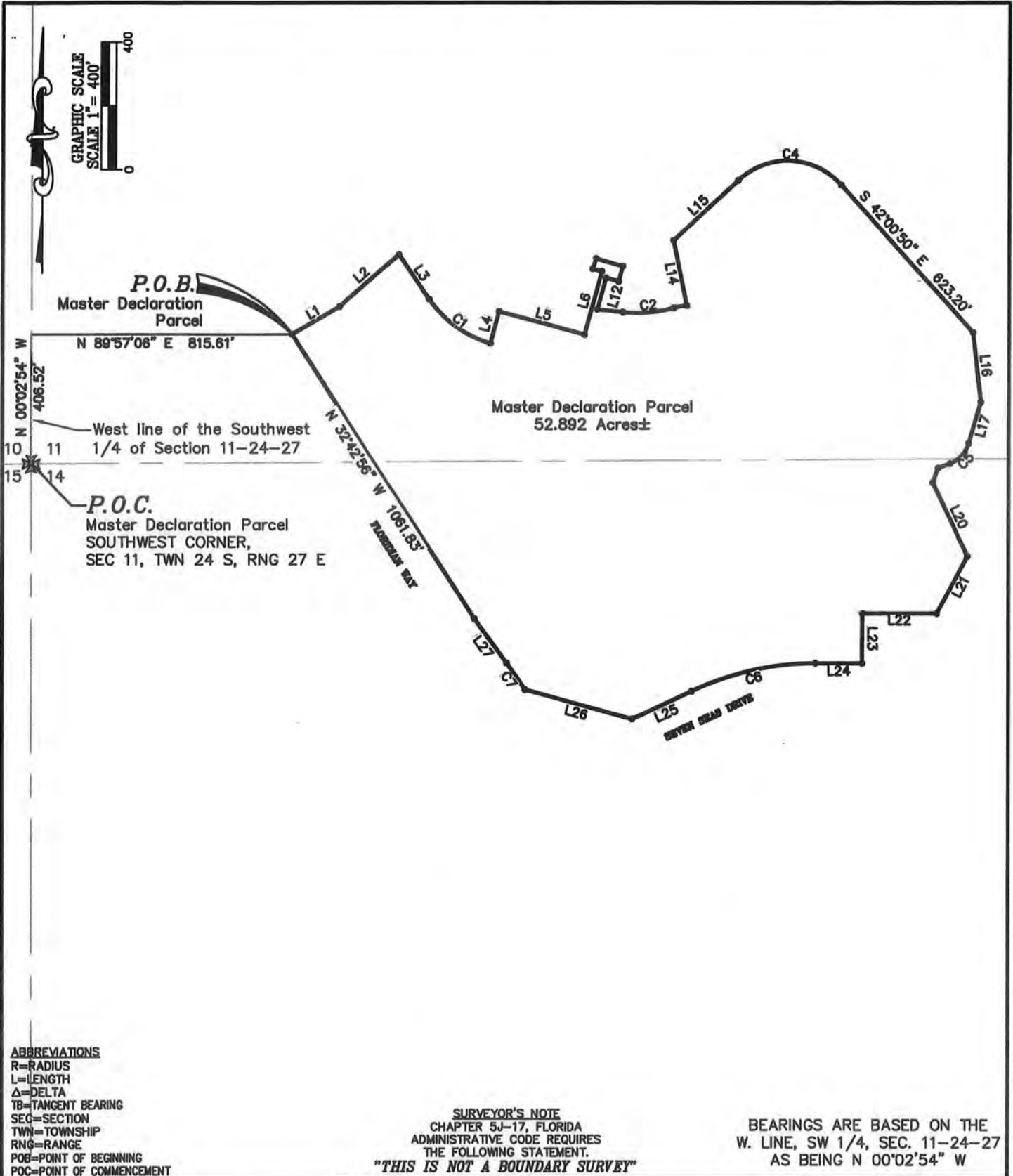
The foregoing instrument was acknowledged before me this 29th day of December 2014, by Lee Schudde, Vice President of **WALT DISNEY PARKS AND RESORTS U.S., INC.**, a Florida corporation, on behalf of the corporation. He is personally known to me.

Notary Signature:

Karen L. Grip



EXHIBIT A



ABBREVIATIONS
 R=RADIUS
 L=LENGTH
 Δ=DELTA
 TB=TANGENT BEARING
 SEC=SECTION
 TWN=TOWNSHIP
 RNG=RANGE
 POB=POINT OF BEGINNING
 POC=POINT OF COMMENCEMENT

SURVEYOR'S NOTE
 CHAPTER 5J-17, FLORIDA
 ADMINISTRATIVE CODE REQUIRES
 THE FOLLOWING STATEMENT.
"THIS IS NOT A BOUNDARY SURVEY"

BEARINGS ARE BASED ON THE
 W. LINE, SW 1/4, SEC. 11-24-27
 AS BEING N 00°02'54" W



**SURVEYING AND
 MAPPING DEPARTMENT**
 P.O.B. 10000
 LAKE BUENA VISTA
 FL. 32830-1000
 PHONE (407)560-7118
 FAX (407)560-7889

FILING AREA WALT DISNEY WORLD RESORTS	DATE: 05/15/14
PROJECT NAME DISNEY'S POLYNESIAN VILLAS & BUNGALOWS	SCALE 1"=400'
SURVEY TYPE SKETCH OF DESCRIPTION MASTER DECLARATION	DRAWN BY: GPRL
COMMENTS SHEET 1 OF 2	FILENAME: 04GL14022

EXHIBIT A

TANGENT TABLE

LINE#	BEARING	DIST.
L1	N 60°00'00" E	173.30
L2	N 49°00'00" E	248.06
L3	S 34°00'00" E	168.49
L4	N 15°00'00" E	103.89
L5	S 75°00'00" E	279.57
L6	N 15°30'00" E	205.53
L7	N 73°30'00" W	30.01
L8	N 18°00'00" E	33.79
L9	S 74°00'00" E	87.60
L10	S 15°30'00" W	48.98
L11	N 75°30'00" W	40.84
L12	S 15°30'00" W	102.46
L13	S 84°00'00" E	81.12
L14	N 11°36'39" W	208.96
L15	N 47°05'33" E	276.14
L16	S 06°27'43" E	219.53
L17	S 16°19'19" W	135.40
L18	S 70°22'15" W	40.68
L19	S 20°00'00" W	49.13
L20	S 25°30'00" E	256.22
L21	S 28°30'00" W	203.65
L22	N 90°00'00" W	234.00
L23	S 00°30'00" W	156.34
L24	N 90°00'00" W	147.00
L25	S 64°41'45" W	204.48
L26	N 74°48'52" W	352.70
L27	N 35°54'28" W	171.38

CURVE TABLE

CURVE	RADIUS	DELTA	LENGTH	TANG. BRG.
C1	345.82	40°00'00"	241.43	
C2	416.22	22°00'00"	159.82	
C3	181.64	12°56'49"	41.04	
C4	230.00	90°53'37"	364.87	
C5	97.25	52°34'41"	89.24	
C6	915.94	25°18'15"	404.52	
C7	2035.84	02°51'38"	101.65	N 33°02'50" W

DESCRIPTION: MASTER DECLARATION PARCEL

A parcel of land lying in Sections 11 & 14, Township 24 South, Range 27 East, Orange County, Florida, and being more particularly described as follows:

Commence at the Southwest corner of said Section 11, run along the West line of the Southwest 1/4 of said Section 11, N 00°02'54" W, 406.52 feet; thence N 89°57'06" E, 815.61 feet to the Point of Beginning, thence N 60°00'00" E, 173.30 feet; thence N 49°00'00" E, 248.06 feet; thence S 34°00'00" E, 168.49 feet to a point of curvature of a curve concave Northeasterly having a radius of 345.82 feet, and a central angle of 40°00'00"; thence run Southeasterly along the arc of said curve, 241.43 feet; thence N 15°00'00" E, 103.89 feet; thence S 75°00'00" E, 279.57 feet; thence N 15°30'00" E, 205.53 feet; thence N 73°30'00" W, 30.01 feet; thence N 18°00'00" E, 33.79 feet; thence S 74°00'00" E, 87.60 feet; thence S 15°30'00" W, 48.98 feet; thence N 75°30'00" W, 40.84 feet; thence S 15°30'00" W, 102.46 feet; thence S 84°00'00" E, 81.12 feet to a point of curvature of a curve concave Northerly having a radius of 416.22 feet, and a central angle of 22°00'00"; thence run Easterly along the arc of said curve, 159.82 feet; to a point of reverse curvature of a curve concave Southerly having a radius of 181.64 feet, and a central angle of 12°56'49"; thence run Easterly along the arc of said curve, 41.04 feet; thence N 11°36'39" W, 208.96 feet; thence N 47°05'33" E, 276.14 feet to a point of curvature of a curve concave Southerly having a radius of 230.00 feet, and a central angle of 90°53'37"; thence run Easterly along the arc of said curve, 364.87 feet; thence S 42°00'50" E, 623.20 feet; thence S 06°27'43" E, 219.53 feet; thence S 16°19'19" W, 135.40 feet to a point of curvature of a curve concave Northwesterly having a radius of 97.25 feet, and a central angle of 52°34'41"; thence run Southwesterly along the arc of said curve, 89.24 feet; thence S 70°22'15" W, 40.68 feet; thence S 20°00'00" W, 49.13 feet; thence S 25°30'00" E, 256.22 feet; thence S 28°30'00" W, 203.65 feet; thence N 90°00'00" W, 234.00 feet; thence S 00°30'00" W, 156.34 feet; thence N 90°00'00" W, 147.00 feet to a point of curvature of a curve concave Southerly having a radius of 915.94 feet, and a central angle of 25°18'15"; thence run Westerly along the arc of said curve, 404.52 feet; thence S 64°41'45" W, 204.48 feet; thence N 74°48'52" W, 352.70 feet to a point on a non-tangent curve concave Southwesterly having a radius of 2035.84 feet, and a central angle of 02°51'38"; thence from a tangent bearing of N 33°02'50" W run Northwesterly along the arc of said curve, 101.65 feet; thence N 35°54'28" W, 171.38 feet; thence N 32°42'56" W, 1061.83 feet; to the Point of Beginning, containing 52.892 Acres, more or less.



SURVEYING AND
MAPPING DEPARTMENT
P.O.B. 10000
LAKE BUENA VISTA
FL. 32830-1000
PHONE (407)560-7118
FAX (407)560-7889

FILING AREA WALT DISNEY WORLD RESORTS	DATE 05/15/14
PROJECT NAME DISNEY'S POLYNESIAN VILLAS & BUNGALOWS	SCALE N/A
SURVEY TYPE SKETCH OF DESCRIPTION MASTER DECLARATION	DRAWN BY: GPRL
COMMENTS SHEET 2 OF 2	FILENAME: 04GL14022

ARTICLES OF INCORPORATION OF DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC.

All terms used in these Articles of Incorporation of DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC. (the "Articles") shall have the same meaning as the identical terms used in the Declaration of Condominium of DISNEY'S POLYNESIAN VILLAS & BUNGALOWS, a leasehold condominium (the "Declaration"), unless the context otherwise requires.

ARTICLE I - Name

The name of the corporation shall be DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC. (the "Association").

If the Property Management Agreement between the Association and Disney Vacation Club Management Corp., a Florida corporation ("DVCMC") terminates for any reason, the name of the Association will be, at the option of Disney Vacation Development, Inc. ("DVD") or DVCMC, and without any action to be taken by the board of directors of the Association (the "Board") or the Association, simultaneously and automatically changed to THE VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC. If the name "THE VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC." is unavailable for use by the Association, the Board will be empowered to select an alternative name for the Association; provided, however, that prior to the use of any name to identify the Association, whether the name change is as a result of the termination of the Property Management Agreement or otherwise, such name will be submitted to WALT DISNEY PARKS AND RESORTS U.S., INC., a Florida corporation ("WDPR") for its consent. WDPR may consent or withhold its consent to the use of such name in its discretion and, if given, the consent will be set forth in writing.

If the Property Management Agreement between the Association and DVCMC terminates for any reason, the name of DISNEY'S POLYNESIAN VILLAS & BUNGALOWS, A LEASEHOLD CONDOMINIUM (the "Condominium") will, at the option of DVD or DVCMC and without requiring any action to be taken by the Board or the Association, simultaneously and automatically be changed to THE VILLAS & BUNGALOWS, A LEASEHOLD CONDOMINIUM, and the Association shall promptly take all steps necessary to officially change its name to THE VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC., a not-for-profit Florida corporation. If either of these replacement names are unavailable for use by the Condominium or the Association, the Board is empowered to select an alternative name for the Condominium and the Association; provided, however, that prior to the use of any name to identify the Condominium or the Association, whether the name change is as a result of the termination of the Property Management Agreement or otherwise, such name will be submitted to WDPR for its consent. WDPR may consent or withhold its consent to the use of such name in its discretion and, if given, the consent must be in writing.

If the name of the Condominium and the Association is changed for any reason, the Board and all Owners are prohibited from using the name "Disney" or "Polynesian" (or any other form of the name "Disney" or "Polynesian") in any manner whatsoever, unless WDPR consents to such use in writing, which consent may be given or withheld in WDPR's discretion, and the Association is immediately required to:

- a. Remove all signs containing the name "Disney" or "Polynesian" (or any other form of the name "Disney" or "Polynesian") from the Condominium Property and from any offsite location to the extent the sign refers to the Condominium;
- b. Destroy all stationery, descriptive literature or printed or written matter bearing the name "Disney" or "Polynesian" other than the prior books and records of the Association;
- c. Cease and desist from using the name "Disney" or "Polynesian" (or any other form of the name "Disney" or "Polynesian") orally or in writing in referring to the Association or the Condominium;

d. Take immediate action to effect changes to the documents and materials that reference the Association and the Condominium and use of the name "Disney" or "Polynesian" (or any other form of the name "Disney" or "Polynesian") to eliminate the use of such names in any manner; and

e. Remove any architectural or landscaping features from the Condominium Property which contain the "Disney" or "Polynesian" name or any "Disney" caricature, fanciful character, logo or other trademark of The Walt Disney Company, a Delaware corporation, its successors and assigns or any of the subsidiaries of The Walt Disney Company, including DVD, DVCMC and WDPR, unless otherwise approved by WDPR. In this regard, the Association is responsible, at its cost, for repairing or replacing the structure or landscaping from which any such symbol has been removed so as to ensure that the structural integrity of such structure or landscaping is not jeopardized and that the appearance of the structure or landscaping remains consistent with the surrounding area and in compliance with the Condominium Documents.

ARTICLE II - Purposes

1. The purpose for which the Association is organized is to manage, operate and maintain the Condominium in accordance with the Declaration, the Master Declaration, the Ground Lease and Florida law.

2. The Association shall not be operated for profit. The Association shall have no capital stock and shall make no distribution of income or profit to its directors or officers or the Owners. The Association may make distribution to its Owners upon dissolution or final liquidation, as permitted by a court of competent jurisdiction. No such payment, benefit, or distribution shall be deemed to be a dividend or distribution of income or profit. Any assessments or fees collected by the Association, or by any agent acting on behalf of the Association, are held for the benefit of the Owners and shall not be considered income of the Association.

ARTICLE III - Powers

1. The Association shall have all of the common law and statutory powers of a Florida not for profit corporation which are not in conflict with the terms of these Articles or Florida law, together with such specific powers as are contained in the Bylaws or the Declaration.

2. The Association shall have all of the powers reasonably necessary to implement the purpose of the Association including the following:

a. To adopt a budget and make and collect assessments against Owners to defray the costs of the Condominium and the Vacation Ownership Plan.

b. To use the proceeds of assessments in the exercise of its powers and duties.

c. To maintain, manage, repair, replace and operate the Condominium Property.

d. To reconstruct improvements after casualty and construct further improvements to the Condominium Property.

e. To promulgate and amend the Condominium Rules and Regulations respecting the use of Condominium Property.

f. To enforce by legal means the provisions of the various Condominium Documents, including these Articles, the Bylaws and the Condominium Rules and Regulations.

g. To contract for the management of the Condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the various Condominium Documents to have approval of the Board or the Owners. Notwithstanding any provisions contained in these Articles to the contrary, it is the intent of these Articles that the Board shall not have the power to independently terminate the Property Management Agreement except as set forth in the Property Management Agreement. The Property Management

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Agreement may only be terminated in accordance with its own terms or by Owner vote in accordance with Florida law.

h. To maintain, manage, repair, replace and operate the property of the single condominium resulting from a merger of this Condominium with another independent and separate condominium pursuant to the merger provisions of the Declaration.

i. To operate and manage or assign the operation or management of any reservation system created for the Condominium or the Vacation Ownership Plan. Notwithstanding any provisions contained in these Articles to the contrary, it is the intent of these Articles that the Board shall not have the power to independently terminate the Membership Agreement or the DVC Resort Agreement, which agreements may only be terminated as set forth in the Membership Agreement or the DVC Resort Agreement, respectively.

j. To lease non-Condominium Property, as lessee; to lease Units owned by the Association and Common Elements of the Condominium, as lessor; and to acquire title to and hold, convey or mortgage non-Condominium Property and Condominium Property in accordance with the Declaration. All funds and the titles to all property acquired by the Association and the proceeds thereof shall be held only for the benefit of the Owners in accordance with the provisions of the Condominium Documents.

k. Those powers specifically granted to condominium associations pursuant to Chapter 718 and to managing entities pursuant to Chapter 721.

4. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration, the Master Declaration, the Ground Lease and Florida law.

ARTICLE IV - Owners

The qualifications of Owners as members of the Association, the manner of their admission to the Association, and voting by Owners shall be as follows:

1. All Owners of Units shall be members of this Association, and no other persons or entities shall be entitled to membership. Each Unit shall be entitled to one (1) vote at Association meetings, except for Commercial Units, which shall not be entitled to any vote. The vote for a Unit shall be cast by its Voting Representative. Voting Representatives for Units owned by more than one person or by a corporation or other entity shall be cast by the Voting Representative named in a Voting Certificate signed or accepted by all of the Owners of that Unit and filed with the secretary of the Association. Cumulative voting is expressly prohibited.

2. Changes in membership in the Association shall be established by the recording in the Public Records of Orange County, Florida, of a deed or other instrument establishing a change of record title to a Unit in the Condominium. The Association shall recognize a change in membership upon delivery to the Association of a copy of such recorded instrument. The new Owner designated by such instrument shall automatically become a member of the Association. The membership of the prior Owner shall then be deemed terminated.

3. The share of Owners in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to their Unit.

ARTICLE V - Directors

1. The affairs of the Association will be managed by a Board of not less than three (3) nor more than seven (7) directors as shall be determined by the Bylaws, and in the absence of such determination the Board shall consist of five (5) directors.

2. Directors of the Association shall be appointed or elected at the annual Owners' meeting in the manner determined by the Bylaws.

3. The names and addresses of the initial Board who shall hold office until their successors have been duly

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TALLAHASSEE, FLORIDA

appointed or elected and qualified as provided in the Bylaws are as follows:

Name:	Address:
Kenneth M. Potrock	1390 Celebration Boulevard, Celebration, Florida 34747
Jeff Craigmile	1375 Buena Vista Drive, Suite 4N, Lake Buena Vista, FL 32830
Yvonne Chang	1390 Celebration Boulevard, Celebration, Florida 34747
Leigh Anne Nieman	1390 Celebration Boulevard, Celebration, Florida 34747
Sonya Deese-Byrnes	1960 North Magnolia Way, Lake Buena Vista, Florida 32830

ARTICLE VI - Officers

The officers of the Association shall consist of a president, a vice president, a secretary, and a treasurer. The Board may appoint such other officers and grant them the duties as it deems appropriate, which other officers may include assistant vice presidents, assistant secretaries and assistant treasurers. Officers shall serve without compensation and at the pleasure of the Board. Any officer may be removed by the Board at any time, with or without cause. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the offices of president and vice president shall not be held by the same person, nor shall the offices of president and secretary or assistant secretary or treasurer or assistant treasurer be held by the same person.

The names of the initial officers who shall serve until replacements are appointed are:

Name:	Office:
Kenneth M. Potrock	President
Jeff Craigmile	Vice President and Secretary
Yvonne Chang	Vice President and Assistant Secretary
Terri A. Schultz	Vice President and Treasurer
Brian Paulsen	Vice President and Assistant Treasurer

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TALLAHASSEE, FLORIDA

ARTICLE VII - Indemnification; No Liability for Obligations

1. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' and other professionals' fees, reasonably incurred by or imposed upon such officer or director in connection with any proceeding to which such officer or director may be a party, or in which such officer or director may become involved by reason of his or her being or having been a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer breaches or fails to perform his or her duties and such breach or failure constitutes a violation of criminal law or intentional misconduct; provided, however, that in the event of a settlement, the indemnification shall apply only when the Board has approved such settlement and reimbursement as being in the best interests of the Association. The foregoing indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

2. No officer, director, or Owner shall be personally liable for any debt or other obligation of the Association.

ARTICLE VIII - Bylaws

The Bylaws shall be adopted by the Board and may be altered, amended or rescinded as provided in the Bylaws.

ARTICLE IX - Amendments

Amendments to these Articles of Incorporation shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

2. Until the first election of a majority of directors by Owners other than DVD, proposal of an amendment and approval of such amendment shall require the affirmative action of three-fourths (3/4) of the entire membership of the Board, and no meeting of the Owners or any approval of the Owners is required.

3. After the first election of a majority of directors by Owners other than DVD, a resolution approving a proposed amendment may be proposed by either the Board or by the Owners, and after being proposed and approved by one of such bodies, requires the approval of the other body. Except as otherwise provided in these Articles, such approvals must be by not less than three-fourths (3/4) of all the directors and by not less than a three-fourths (3/4) vote of the voting interests of the Association at a duly called meeting of the Association. Directors and Owners not present at the meeting considering the amendment may express their approval in writing within ten (10) days after such meeting.

4. Once adopted, an amendment shall be effective when filed with the Florida Secretary of State and recorded in the Public Records of Orange County.

5. Notwithstanding the provisions of this Article, these Articles may be amended by DVD as may be required by any governmental entity; as may be necessary to conform these Articles to any governmental statutes; as may be in the best interests of the Association as determined by DVD, in its discretion; or as DVD may deem appropriate, in its discretion, to carry out the purposes of the Condominium, the Vacation Ownership Plan or the Club.

ARTICLE X - Term

The term of the Association shall be the life of the Condominium. The Association shall be terminated at such time of the termination of the Condominium in accordance with the Declaration.

ARTICLE XI - Special Meetings

Special Owners' meetings shall be held if called by the president or vice president or by a majority of the Board. A special Owners' meeting must be called by the president upon receipt of a written request from fifty percent (50%) of the voting interests of the Association unless otherwise provided by Florida law or these Articles or the Bylaws. The Board shall designate the time, date and place of any special Owners' meeting; provided, however, that it shall be held within a reasonable time after the special Owners' meeting is called as set forth in this Article XI.

ARTICLE XII - Additional Provisions

1. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. These Articles of Incorporation shall be construed without regard to any presumption or other rule requiring construction against DVD as a result of DVD causing these Articles of Incorporation to be drafted. Whenever the consent or approval of DVD, DVCMC or WDPR is referred to in these Articles of Incorporation or the taking of any action under these Articles of Incorporation are subject to the consent or approval of DVD, DVCMC or WDPR, it shall mean DVD's, DVCMC's or WDPR's prior written approval to be given or withheld in its discretion. Further, any references to the use, exercise or grant of the right of DVD's, DVCMC's or WDPR's discretion as set forth in these Articles of Incorporation shall mean DVD's, DVCMC's or WDPR's sole, absolute and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. The use of headings, captions and numbers in these Articles of Incorporation is solely for the convenience of identifying and indexing the various provisions of these Articles of Incorporation and shall in no event be considered otherwise in construing or interpreting any provision of these Articles of Incorporation.

2. Should any paragraph, sentence, phrase, or portion of any provision of these Articles of Incorporation or the Bylaws be held invalid or held inapplicable to certain circumstances, it shall not affect the validity of the remaining parts, remaining instruments, or the application of such provisions to different circumstances.

ARTICLE XIII - Incorporator

The name and address of the incorporator of the corporation is Yvonne Chang whose address is 1390 Celebration Boulevard, Celebration, Florida 34747.


ARTICLE XIII - Registered Agent

The Association appoints Jeffrey S. Craigmile, as its registered agent to accept service of process within the state of Florida, with the registered office located at 1375 Buena Vista Drive, Suite 4N, Lake Buena Vista, FL 32830.

ARTICLE XIV - Principal Office

The street and mailing address of the principal office of the Association is 1390 Celebration Boulevard, Celebration, Florida 34747, Attn: Regulatory Affairs.

The incorporator has affixed her signature on these Articles of Incorporation as of the 6th day of June 2014.


Yvonne Chang

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TALLAHASSEE, FLORIDA

REGISTERED AGENT CERTIFICATE

Pursuant to the Florida Not For Profit Corporation Act, the following is submitted, in compliance with said statute:

That *DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC.* has named Jeffrey S. Craigmile, as its registered agent to accept service of process within the state of Florida, with the registered office located at 1375 Buena Vista Drive, Suite 4N, Lake Buena Vista, FL 32830.

ACKNOWLEDGMENT:

Having been named to accept service of process and serve as registered agent for the above-stated corporation at the place designated in this certificate, the undersigned accepts to act in this capacity, and agrees to comply with the provision of said statute relative to keeping open said office, and further states that he is familiar with Section 617.0501, Florida Statutes.

Dated: June 13, 2014


Jeffrey S. Craigmile

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

BYLAWS
OF
DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC.,

a Florida not for profit corporation

The terms used in these Bylaws of *Disney's Polynesian Villas & Bungalows Condominium Association, Inc.* (the "**Bylaws**") shall have the same meaning as the identical terms used in the Declaration of Condominium of *Disney's Polynesian Villas & Bungalows*, a leasehold condominium (the "**Declaration**"), unless the context otherwise requires. Regarding the interpretation of these Bylaws, the references to Chapter 718, Florida Statutes ("**Chapter 718**"), and Chapter 721, Florida Statutes ("**Chapter 721**"), means as they are constituted on the date of the recording of the Declaration, and in the event of a conflict between Chapter 718 and Chapter 721, or any rules promulgated under either, Chapter 721 shall control.

I. IDENTITY

These are the Bylaws of *DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC.*, a not for profit corporation under the laws of the State of Florida (the "**Association**"), and under the Articles of Incorporation (the "**Articles**") which were filed in the office of the Florida Secretary of State. The Association has been organized for the purpose of administering a leasehold condominium upon certain lands in Orange County, Florida known as "*Disney's Polynesian Villas & Bungalows*", a leasehold condominium (the "**Condominium**"), subject to a vacation ownership plan, and in accordance with the Declaration, the Master Declaration and the Ground Lease.

1. The office of the Association shall be at 1390 Celebration Boulevard, Celebration, Florida 34747, or at such other place as may be designated by the board of directors of the Association (the "**Board**") from time to time.
2. The fiscal year of the Association shall be the calendar year.
3. The seal of the Association shall bear the name of the Association, the word "Florida," the words "Corporation" Not for Profit," and the year of incorporation.

II. OWNERS' MEETINGS

1. The annual Owners' meeting shall be held at such time, place and date as may be designated by the Board, and held for the purpose of electing directors and transacting any other business authorized to be transacted by the Owners. At the determination of the Board, such annual Owners' meeting may be held jointly with the annual owners' meetings of other associations for vacation ownership plans that are affiliated with the Disney Vacation Club.
2. As set forth in Article XI of the Articles, special Owners' meetings shall be held if called by the president or vice president or by a majority of the Board. A special Owners' meeting must be called by the president upon receipt of a written request from fifty percent (50%) of the voting interests of the Association unless otherwise provided by Florida law or these Articles or the Bylaws. The Board shall designate the time, date and place of any special Owners' meeting; provided, however, that it shall be held within a reasonable time after the special Owners' meeting is called as set forth in this Article II. Business transacted at a special meeting shall be confined to the purposes as set forth in the notice for the special Owners' meeting.
3. Notices of Owners' meetings shall be given in accordance with the following:
 - A. Written notice of any Owners' meeting must include an agenda, and must be mailed, hand delivered, or electronically transmitted to each Owner at least fourteen (14) days before the annual meeting, and posted in a conspicuous place on the Condominium Property at least fourteen (14) continuous days before the annual meeting.
 - B. Notice of any meeting at which assessments against Owners are to be considered for any reason shall contain a statement that assessments will be considered and the nature of the assessment. The proposed annual budget, as referenced in these Bylaws, may accompany the notice of the annual meeting. Notice of any special meeting shall state the purpose of the meeting.

C. Upon notice to the Owners, the Board shall, by duly adopted rule, designate the specific location on the Condominium Property where all notices of Owner meetings shall be posted. This requirement does not apply if there is no Condominium Property or Association Property for posting notices. In lieu of, or in addition to, the physical posting of meeting notices, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium Property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this Paragraph 3. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

D. Unless an Owner waives in writing the right to receive notice of the annual meeting, such notice must be hand delivered, mailed, or electronically transmitted to each Owner. Notice for meetings and notice for all other purposes must be sent to each Owner at the address or e-mail address last furnished to the Association by the Owner, or hand delivered to each Owner. Any notice by e-mail shall only be valid if the Owner has first consented electronically to the use of e-mail for notice purposes demonstrating that the Owner has the ability to access the notice by e-mail. Any consent to receive notice by e-mail is effective until revoked by the Owner. Any notice sent by facsimile shall be deemed sent upon confirmation of receipt. If an Ownership Interest is owned by more than one person, the Association must provide notice to the address that DVD identifies for that purpose and thereafter as one or more of the Owners advise the Association in writing, or if no address is given or the Owners of the Ownership Interest do not agree, to the address provided on the deed of record.

E. An officer of the Association, or the Management Company or other person providing notice of the Association meeting, must provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association affirming that the notice was sent in accordance with this Paragraph 3.

F. Owners may waive notice of any meeting and may take action by written consent without meetings, and any Owner's attendance at a meeting shall constitute a waiver of the notice of that meeting. Mortgagees shall, upon prior written request, be entitled to receive notice of all Owners' meetings. Failure to provide such notice shall not invalidate any action taken at an otherwise properly noticed meeting.

G. Any Owner's name or address or e-mail address provided to or obtained by the Association pursuant to this Section 3 or otherwise shall be maintained by the Association as part of the books and records of the Association in accordance with and governed by the provisions of Section 721.13(3)(d) and (f), Florida Statutes (2014), and Section 721.13(4), Florida Statutes (2014).

4. The presence in person or by proxy of Voting Representatives representing a majority of the total voting interests eligible to vote shall constitute a quorum. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

5. Each Unit shall be entitled to one (1) vote at Association meetings, except for Commercial Units, which shall not be entitled to any vote. The vote of the Owner of a Unit shall be cast by its Voting Representative. Voting Representatives for Units owned by more than one person or by a corporation or other entity shall be cast by the Voting Representative named in a Voting Certificate signed or accepted by all of the Owners of that Unit and filed with the secretary of the Association. If the Voting Representative is a legal entity but not an individual, the vote may be cast by an employee or agent of such entity on behalf of such entity, and such employee or agent need not be a member of the Association. The Voting Certificate shall provide that all notices or other information required to be delivered to Owners by the Association shall be delivered by the Association to the Voting Representative; provided, however, that the Voting Certificate shall require the Voting Representative to provide the Owners of a Unit with all notices required by Florida law. Each Voting Certificate shall be valid until revoked by a subsequent Voting Certificate. In the event that a Voting Certificate is not on file with respect to a Unit that is owned by more than one Owner, the vote of such Owners shall not be considered in determining the requirements for a quorum nor for any other purposes. By execution or acceptance of a deed for transfer of an Ownership Interest in a Unit in the Condominium, Cotenants of a Unit shall evidence their joinder in the Master Cotenancy Agreement recorded in the Public Records of Orange County, which Agreement shall be recognized by the Association as the Voting Certificate for that Unit, and nothing in these Bylaws shall affect the terms and conditions of the Voting Certificate established in the Master Cotenancy Agreement for each Unit.

6. Votes may be cast in person or by proxy. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings, and must be filed with the secretary at or before the appointed time of the meeting. Each proxy shall specifically set forth the name of the person voting by proxy, the name of the person authorized to vote the proxy, and the date the proxy was given. Each proxy shall contain the date, time and place of the meeting for which the proxy is given. In addition, limited proxies shall set forth those items which the holder of the proxy may vote and the manner in which the vote is to be cast. In no event shall any proxy be valid for a period of longer than ninety (90) days after the date of the first meeting, and any lawful adjournments of such meeting, for which the proxy was given. Every proxy shall be revocable at any time at the pleasure of the Owner executing it. If a proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in the Owner's place. If such provision is not made, substitution is not authorized. Proxies or written consents on votes may be received by facsimile or e-mail and utilized for votes of the Association; provided, however, that the facsimile is confirmed upon receipt and the e-mail signature is authorized through use of a password, cryptology software or other reasonable means and proof of such authentication is made available to the Board.

7. Decisions are made by the vote of a majority of the voting interests at a meeting at which a quorum is present unless applicable law, the Declaration, the Articles or these Bylaws require a different vote, in which case the express provision as it pertains to voting percentages shall govern and control. Approval or disapproval upon any matter, whether or not the subject of an Association meeting, shall be by the same person, corporation or other entity who would cast the vote of such Owner if in an Association meeting.

8. If approved by the Board, Owners and any Voting Representative may attend any Owners meeting by telephone or other electronic conference, and those Owners and Voting Representative may be counted toward obtaining a quorum and the Owners or Voting Representative may vote by telephone or other electronic means. A speaker must be used so that the conversation of those Owners and Voting Representative may be heard by the Owners attending in person.

9. The presiding officer of all Owners' meetings shall be the president of the Association who shall serve as the chairperson of the meeting. In the absence of the president, the vice president of the Association shall preside. In the absence of the president or vice president, the Board shall determine who shall preside.

10. Unless modified by the Board or the Owners, the order of business at annual Owners' meetings and, as far as practicable at all other Owners' meetings, shall be:

- | | |
|--|--|
| A. Call to order. | F. Report of officers, if any. |
| B. Election of chairperson (if president or vice president not present) | G. Report of committees, if any. |
| C. Calling of the roll and certifying of proxies. | H. Election of directors, if any open positions. |
| D. Proof of notice of meeting or waiver of notice. | I. Unfinished business. |
| E. Reading and approval of minutes and disposal of any unapproved minutes. | J. New business. |
| | K. Adjournment. |

Notwithstanding the foregoing, if any item listed above is not relevant to a particular meeting, as determined by the Board in its sole, absolute and unfettered discretion, such item shall not be required to be addressed at that particular meeting.

11. For so long as Disney Vacation Development, Inc. ("DVD") holds Units or Ownership Interests for sale in the ordinary course of business, none of the following actions may be taken without the prior approval in writing by DVD:

- A. Assessment of DVD as the Owner of Units or Ownership Interests for capital improvements.
- B. Any action by the Association that would be detrimental to the sale of Units or Ownership Interests by DVD.
- C. Any other action by the Association for which the Condominium Documents require the prior written approval of DVD.

III. DIRECTORS

1. The affairs of the Association shall be managed by the Board comprised of directors who shall be members of the Association, excepting where Ownership Interests are owned by a legal entity that is not an individual, including DVD, the officers, directors, employees or other appointed representatives or agents of such legal entity shall be eligible to serve on

the Board on behalf of the legal entity and need not individually be members of the Association. The initial Board shall consist of five (5) directors, and thereafter the membership of the Board shall consist of not less than three (3) nor more than seven (7) directors. The Board may from time to time increase or decrease the number of persons to serve on the Board; provided, however, that the Board shall always consist of an odd number of directors. In the absence of a specific determination, the Board shall consist of five (5) directors.

2. Election or appointment of directors shall be conducted in the following manner:

A. Except as otherwise set forth in these Bylaws, members of the Board shall be elected by a plurality of the votes cast at an annual Owners' meeting. There shall be no cumulative voting. Proxies may be used in electing the Board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise. The Board may appoint a search committee for the purpose of locating and encouraging qualified persons to become candidates.

B. Subject to the provisions of Paragraph 2(D) of this Article, any vacancy occurring on the Board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, the Board may hold an election to fill the vacancy in accordance with these Bylaws. A director appointed or elected to fill a vacancy shall serve the remainder of the term of the former director.

C. An election is not required if the number of vacancies equals or exceeds the number of candidates. If the number of directors whose terms expire at the annual meeting equals or exceeds the number of candidates, the candidates become directors effective upon the adjournment of the annual meeting. Any remaining vacancies shall be filled by the affirmative vote of the majority of the directors making up the newly constituted Board even if the directors constitute less than a quorum or there is only one director.

D. The initial directors shall be appointed by DVD and shall serve until the first election of directors, and any vacancies in office occurring before the first election shall be filled by the remaining directors. In the event there are no remaining directors, any such vacancies shall be filled by DVD. Unless applicable law is subsequently amended to permit a longer period of control of the Board by DVD (in which case such applicable law shall govern at the option of DVD), the Owners of Ownership Interests in Units other than DVD will be entitled to elect members of the Board as follows:

(1) At such time as fifteen percent (15%) or more of the Ownership Interests in all Units that will be operated ultimately by the Association are owned by Owners other than DVD, the Owners of Ownership Interests other than DVD shall be entitled to elect at least one-third (1/3) of the members of the Board.

(2) Owners of Ownership Interests other than DVD shall be entitled to elect not less than a majority of the members of the Board upon the first to occur of any of the following events: (i) three (3) years after fifty percent (50%) of the Ownership Interests in all Units that will be operated ultimately by the Association have been conveyed to purchasers; (ii) three (3) months after ninety percent (90%) of the Ownership Interests in all Units that will be operated ultimately by the Association have been conveyed to purchasers; (iii) when all the Units that will be operated ultimately by the Association have been completed, some of the Ownership Interests in the Units have been conveyed to Owners other than DVD, and none of the other Ownership Interests are being offered for sale by DVD in the ordinary course of business; (iv) when some of the Ownership Interests in Units have been conveyed to Owners and none of the other Units are being constructed or Ownership Interests in Units are offered for sale by DVD in the ordinary course of business; (v) DVD files a petition seeking protection in bankruptcy; (vi) a receiver for DVD is appointed by a circuit court and is not discharged within thirty (30) days after such appointment, unless the court determines within thirty (30) days after appointment of the receiver that transfer of control would be detrimental to the Association or the Owners; or (vii) seven (7) years after the date of the recording of the certificate of a surveyor and mapper pursuant to Section 718.104(4)(e), Florida Statutes (2014), or the recording of an instrument that transfers title to an Ownership Interest or Unit which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such Ownership Interest or Unit, whichever occurs first.

(3) DVD shall be entitled to elect at least one (1) member of the Board as long as DVD holds for sale in the ordinary course of business at least: (i) five percent (5%) of the Ownership Interests in all Units, if the Condominium has fewer than five hundred (500) Units operated by the Association; or (ii) two percent (2%) of the Ownership Interests in all Units, if the Condominium has more than five hundred (500) Units operated by the Association. After DVD relinquishes control of the Association, DVD may exercise the right to vote any DVD-owned Units or Ownership Interests in the same

manner as any other Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board.

(4) As to the election of directors pursuant to Subparagraphs (1) and (2) above, within seventy-five (75) days after Owners other than DVD are entitled to elect a director or directors to the Board in accordance with the Declaration, the Association, shall call, and give not less than sixty (60) days' notice of an election for the Owner elected directors to the Board. The notice may be given by any Owner if the Association fails to do so. Upon election of the first Owner other than DVD to the Board, DVD shall forward to the Division of Florida Condominiums, Timeshares and Mobile Homes (the "Division") the name and mailing address of the Owner elected Board director.

(5) Nothing in this Subparagraph should be construed so as to preclude the Developer from relinquishing control of the Board at any earlier time the Developer may so elect, in sole, absolute and unfettered discretion to the exclusion of any other person or entity.

3. Prior to the first election at which all of the members of the Board are elected by Owners other than DVD, the term of office of each director elected by the Owners shall extend until the next annual Owners' meeting and thereafter until a successor is duly elected or qualified or until the director is removed in the manner provided in these Bylaws. At the first election at which all of the members of the Board are elected by Owners other than DVD, the majority of those directors receiving the most votes shall serve for a two (2) year term and the remaining director or directors shall initially serve for a one (1) year term. At the expiration of the term of the director or directors serving a one (1) year term, those director positions will also change to two (2) year terms. Thereafter, each director's service shall extend for a two (2) year period and thereafter until a successor is duly elected and qualified or until the director is removed in the manner elsewhere provided in these Bylaws.

4. The first meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected (and may be held immediately after the meeting at which they were elected), and no further notice of the first meeting shall be necessary providing a quorum shall be present.

5. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of regular meetings shall be given to each director, personally, by fax upon confirmation of receipt, or by mail or e-mail at least three (3) days prior to the date set forth for such meeting unless such notice is waived or unless such meeting is required on an emergency basis, in which case as much advance notice of the emergency meeting shall be provided as practically possible. Notice of all meetings of the Board will be continuously posted in a conspicuous place on the Condominium Property for the benefit of Owners at least forty-eight (48) hours in advance of such meeting, except in an emergency. In lieu of any physical posting of notice, the Board may adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and agenda on a closed-circuit television system serving the Association at least four (4) times every broadcast hour each day notice is required. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one (1) of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. Notwithstanding anything in this Section to the contrary, if a meeting of the Board at which nonemergency special assessments, or at which amendment to rules regarding Unit use will be considered is called, notice will be mailed or delivered to the members and posted conspicuously on the Condominium Property not less than fourteen (14) days prior to the meeting. Upon notice to the Owners, the Board shall, by duly adopted rule, designate a specific location on the Condominium Property upon which all notices of Board meetings shall be posted.

6. Special meetings of the Board may be called by the president of the Association and must be called by the secretary of the Association at the written request of one-third (1/3) of the votes of the Board. Not less than three (3) days' notice of the meeting shall be given personally, by fax upon confirmation of receipt, by mail or e-mail, which notice shall set forth the time, place and purpose of the meeting.

7. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Any director's attendance at a meeting shall constitute a waiver of the notice of that meeting.

8. A quorum at Board meetings shall consist of the directors entitled to cast a majority of the votes of the entire Board. The acts of the Board, approved by a majority of votes present at a meeting at which a quorum is present, shall constitute the acts of the Board, except as specifically otherwise provided in the Condominium Documents. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a

quorum is present. Once a quorum is present, the meeting may resume and any business which might have been transacted at the meeting as originally called may be transacted without further notice.

9. If any of the directors meet by telephone or other electronic conference, those directors may be counted toward obtaining a quorum and may vote by telephone or other electronic means. A speaker must be used so that the conversation of those directors may be heard by the directors attending in person as well as by any Owners present at a meeting.

10. The presiding officer of Board meetings shall be the president of the Association. In the absence of the president the vice president presides. If neither the president nor the vice president is present, the Board members who are present shall elect a chairperson to preside.

11. Except as otherwise set forth in these Bylaws, all meetings of the Board shall be open to all Owners. All Owners shall have the right to speak at meetings of the Board with reference to designated agenda items; however, the Board may adopt reasonable rules governing the frequency, duration, and manner of Owner statements. Notwithstanding any other law or provision of these Bylaws, the requirement that Board meetings be open to the Owners does not apply to: (i) meetings between the Board and the Association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or (ii) Board meetings held for the purpose of discussing personnel matters.

12. Directors' fees, if any, shall be determined by the Owners, and no director shall receive a fee prior to the election of a majority of the members of the Board by Owners other than DVD.

13. Any action required or permitted to be taken at a Board meeting may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents describing the action taken and signed by each director. Actions taken under this Paragraph are effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this Paragraph has the effect of a meeting vote.

14. Owner directors may be removed from the Board pursuant to Section 718.112(2)(j), Florida Statutes (2014).

15. Notwithstanding anything to the contrary contained in these Bylaws, any director appointed by DVD may be removed by DVD at any time. Upon such removal, DVD shall appoint a replacement director and notify the remaining directors, if any, of such removal and appointment.

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board, including those existing under common law, statutes and the Condominium Documents. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Declaration, and shall include the following:

1. To adopt an operating and reserve budget and to make and collect assessments against Owners to defray the costs of operating the Condominium and the Association and to fund reserves.
2. To use the proceeds of assessments in the exercise of its powers and duties.
3. To maintain, manage, repair, replace and operate the Condominium Property, including obtaining and maintaining adequate insurance to protect the Association and the Condominium Property.
4. To reconstruct improvements after casualty and to construct further improvements to the Condominium Property.
5. To make and amend rules and regulations respecting the use of the Condominium Property.
6. To enforce by legal means the provisions of the Condominium Documents.
7. To contract for management of the Condominium and the Vacation Ownership Plan and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Condominium Documents to have approval of the Board or Owners. Notwithstanding any provisions contained in these Bylaws to the contrary, it is the intent of these Bylaws that the Board shall not have the power to independently terminate the Property Management Agreement except as set forth in the Property Management Agreement. The Property Management Agreement may only be terminated in accordance with its own terms or by the vote of the Owners in accordance with Florida law.

8. To pay taxes and assessments which are liens against any part of the Condominium, and to assess the same against the Owner subject to such liens.
9. To pay the cost of all power, water, sewer and other utility services rendered to the Condominium and not billed directly to an Owner.
10. To employ personnel and professionals for reasonable compensation to perform the services required for proper administration of the purposes of the Association, including accountants and attorneys.
11. To bond any or all employees, officers and directors of the Association, for which the Association shall bear the costs.
12. To maintain, manage, repair, replace and operate the property of the single condominium resulting from a merger of this Condominium with another independent and separate condominium pursuant to the merger provisions of the Declaration.
13. To maintain all books and records concerning the Condominium and the Vacation Ownership Plan including the maintenance of a complete list of the names, addresses and e-mail addresses of all Owners, a copy of which shall be provided to the Division upon request.
14. To operate and administer or assign the operation and administration of any reservation system created for the Condominium, and to amend or revise the reservation system as is necessary from time to time. Notwithstanding any provisions contained in these Bylaws to the contrary, it is the intent of these Bylaws that the Board shall not have the power to independently terminate the Membership Agreement or DVC Resort Agreement except as set forth in the Membership Agreement or the DVC Resort Agreement, respectively.
15. To lease non-Condominium Property for the Association as lessee, and Condominium Property, including Association Property and Common Elements, for the Association as lessor, in accordance with the Declaration.
16. To convey a portion of the Common Elements to a condemning authority for the purpose of providing utility easements, right-of-way expansions or other public purposes, whether negotiated or as a result of eminent domain proceedings.
17. To accept a certificate of compliance from a licensed electrical contractor or electrician as evidence of compliance of the Units with the applicable fire and life safety code.
18. To borrow money in furtherance of its rights and obligations.
19. To acquire title to and hold, convey, transfer, assign, encumber or mortgage non-Condominium Property, Condominium Property, and Association Property.
20. To grant, modify, or move easements from time to time over the Condominium Property and Association Property.
21. To institute, maintain, compromise, settle, or appeal claims, actions or hearings in its name on behalf of all Owners concerning matters of interest to the Association, the Board, or most or all Owners, including settling claims of lien for past due assessments and related foreclosure actions.
22. To adopt reasonable rules and regulations regarding the frequency and manner of responding to Owner inquiries. Unless provided by the Board otherwise, the Association is only obligated to respond to one (1) written inquiry per Ownership Interest in any given thirty (30) day period, and any additional inquiry or inquiries must be responded to in the subsequent thirty (30) day period.

V. OFFICERS AND COMMITTEES

1. The executive officers of the Association shall consist of a president, a vice president, a secretary, and a treasurer, all of whom may be directors of the Association and who shall be appointed, at a minimum on an annual basis, by the Board. The Board may appoint such other officers and grant them the duties as it deems appropriate, which other officers may include assistant vice presidents, assistant secretaries and assistant treasurers. The officers do not have to be members of the Association. Officers shall serve without compensation and at the pleasure of the Board. Any officer may be removed by the Board at any time, with or without cause. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the offices of president and vice president shall not be held by the same person, nor shall the offices of president and secretary or assistant secretary or treasurer or assistant treasurer be held by the same person.

2. The president shall be the chief executive officer of the Association. The president shall have all of the powers and duties which are usually vested in the office of president including the power of appointing committees from among the Owners from time to time, as the president may in the president's discretion determine appropriate, to assist in the conduct of the affairs of the Association.
3. The vice president shall, in the absence or disability of the president, exercise the powers and duties of the president. The vice president shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the Board.
4. The secretary shall keep, or cause to be kept, the minutes of the proceedings of the Board and the Owners in a book available for inspection at any reasonable time by the directors or Owners, or their authorized representatives. The Association shall retain these minutes for a period of not less than seven (7) years. The secretary shall attend to the giving and serving of all notices required by law. The secretary shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed.
5. The treasurer shall have custody of all property of the Association including financial records, funds, securities and evidences of indebtedness. The treasurer shall keep the financial records of the Association and shall keep the assessment rolls, the accounts of the Owners, and the books of the Association in accordance with good accounting practices. The treasurer shall perform all other duties incident to the office of treasurer of an Association and as may be required by the directors or the president of the Association.
6. The compensation of all employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a director or an officer as an employee of the Association nor from contracting with a director for the management of the Condominium.
7. Committee meetings shall be governed by the following:
 - A. Meetings of a committee to take final action on behalf of the Board or make recommendations to the Board regarding the Association budget are subject to the same provisions governing the giving of notice and the right of Owners to attend and speak at the committee meeting as those governing Board meetings.
 - B. Meetings of a committee that does not take final action on behalf of the Board or make recommendations to the board regarding the Association budget are exempt from the same provisions governing the giving of notice and the right of Owners to attend and speak at the committee meeting as those governing Board meetings. Such meetings may be called by the committee chair and must be called by the committee chair of the Association at the written request of one-third (1/3) of the votes of the committee. Not less than three (3) days' notice of the committee meeting shall be given personally, by fax upon confirmation of receipt, by mail or e-mail, which notice shall set forth the time, place and purpose of the meeting. Owners may attend and speak at such committee meetings only with the approval of the committee.
 - C. Notwithstanding any other law or provision of these Bylaws, the requirement that committee meetings be open to the Owners does not apply to meetings between the committee and the Association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice.
 - D. Any action required or permitted to be taken at a committee meeting may be taken without a meeting if the action is taken by all members of the committee. The action must be evidenced by one or more written consents describing the action taken and signed by each committee member. Actions taken under this Subparagraph are effective when the last committee member signs the consent, unless the consent specifies a different effective date. A consent signed under this subparagraph has the effect of a meeting vote.
 - E. If any of the committee members meet by telephone or other electronic conference, those members may be counted toward obtaining a quorum and may vote by telephone or other electronic means. A speaker must be used so that the conversation of those committee members may be heard by the other committee members attending in person as well as by any Owners present at a meeting.

VI. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration and the Articles shall be supplemented by the following:

1. Assessments for the Association shall be in compliance with the following:

A. The Board shall fix and determine from time to time the sum or sums that shall constitute the Common Expenses. Common Expenses shall include the expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as Common Expenses from time to time by the Board, or under the provisions of the Declaration. The Board is specifically empowered, on behalf of the Association, to make and collect assessments and to lease, maintain, repair and replace the Common Elements and Limited Common Elements of the Condominium. Funds for the payment of Common Expenses shall be assessed against the Owners in the proportions of percentages of sharing Common Expenses, as provided in the Declaration. Assessments shall be due on the fifteenth (15th) day of January each year and shall be considered delinquent if payment has not been received before the fourteenth (14th) day of February each year, unless otherwise determined by the Board. Special assessments, should such be required by the Board, shall be levied in the same manner as provided for regular assessments, and shall be payable in the manner determined by the Board. If an Owner shall be in default in the payment of any assessment or taxes, the Association shall have all collection rights available to it under Chapter 718 and Chapter 721. If any unpaid share of Common Expenses or assessments is extinguished by foreclosure or deed in lieu of foreclosure of a superior lien or otherwise, the unpaid share of Common Expenses or assessments shall be Common Expenses collectible from all the Owners.

B. The assessment roll shall be maintained in a set of accounting books or records in which there shall be an account for each Unit and Ownership Interest. Such an account shall designate the name and address of the Owners or Owner, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments. Assessments shall be made against Owners in an amount not less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. In the absence of a determination by the Board as to the frequency of assessments, assessments shall be due and payable annually. The personal liability of an Owner for assessments shall survive the termination of such Owner's membership in the Association.

C. Within 30 days after receiving a written request from an Owner, an agent designated in writing by the Owner, or a person authorized to make a written request pursuant to Section 721.15(7)(b), Florida Statutes (2014), the Association must provide a certificate, signed by an officer or agent of the Association, including the Management Company, to the person requesting the certificate, that states the amount of any assessment, transfer fee, or other moneys currently owed to the Association, and of any assessment, transfer fee, or other moneys approved by the Association that will be due within the next ninety (90) days, with respect to the Unit or Ownership Interest, as well as any information contained in the books and records of the Vacation Ownership Plan regarding the legal description and use plan related to the designated Unit or Ownership Interest.

(1) A person who relies upon such certificate shall be protected thereby.

(2) A summary proceeding pursuant to Section 51.011, Florida Statutes (2014), may be brought to compel compliance with this Subparagraph, and in such an action the prevailing party may recover reasonable attorney fees and court costs.

(3) The Association may charge a fee not to exceed one hundred fifty dollars (\$150) for the preparation and delivery of the certificate. The amount of the fee must be included on the certificate.

2. The budget for the Association shall be adopted in accordance with the following:

A. The Board shall adopt an operating budget and a capital reserves budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association and estimates of the revenue received by the Association. The proposed annual operating budget of Common Expenses shall show the amounts budgeted, by accounts and expense classifications. The capital reserves budget shall include reserve accounts for capital expenditures and deferred maintenance. Reserves shall be calculated using a formula based upon estimated life and replacement cost of each reserve item that will provide funds equal to the total estimated deferred maintenance expense or total estimated life and replacement cost for an asset or group of assets over the remaining useful life of the asset or group of assets. Funding formulas for reserves shall be based on either a separate analysis of each of the required assets using the straight-line accounting method or a pooled analysis of two or more of the required assets using the pooling accounting method.

Reserves for deferred maintenance for such accommodations and facilities shall include accounts for roof replacement, building painting, pavement resurfacing, replacement of Unit furnishings and equipment for Units subject to the Vacation Ownership Plan, and any other component, the useful life of which is less than the useful life of the overall structure. These reserve accounts may be waived, or less adequate reserves established, by a majority vote of the voting interests, voting in person or by proxy, at a duly called meeting of the Association.

B. The budget shall include proposed assessments against each Owner, together with an annual total of assessments, and the following items, if applicable:

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|---|---|
| (1) Administration of the Association. | (9) Operating Capital. |
| (2) Management fees. | (10) Reserves. |
| (3) Maintenance. | (11) Fees payable to any governmental entities, if applicable. |
| (4) Rent for recreational and other commonly used facilities. | (12) The costs and expenses of the Club, including the DVC Reservation Component, that are attributed to the Condominium. |
| (5) Taxes upon Association Property. | (13) Other expenses. |
| (6) Taxes upon leased areas. | |
| (7) Insurance. | |
| (8) Security provisions. | |

C. Copies of the proposed budget and proposed assessments shall be transmitted to each Owner at least fourteen (14) days prior to the meeting at which the budget is to be considered, together with a notice of the meeting which shall state the time and place of the meeting. Such notice shall be sent in writing, or hand delivered, to each Owner at the Owner's address as it appears on the books of the Association. Any notice by e-mail shall only be valid if the Owner has first consented electronically to the use of e-mail for notice purposes demonstrating that the purchaser has the ability to access the notice by e-mail. Any consent to receive notice by e-mail is effective until revoked by the Owner. Any notice sent by facsimile shall be deemed sent upon confirmation of receipt. The meeting shall be open to all Owners. An officer or the Management Company, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. If the budget is subsequently amended before the assessments are made, a copy of the amended budget or a description of any changes in the adopted budget and a disclosure regarding the Owner's rights to receive a copy of the adopted budget shall be furnished to each Owner.

D. If the Board adopts in any fiscal year an annual budget which requires assessments against Owners which exceed one hundred fifteen percent (115 %) of assessments for the preceding fiscal year, the Board shall conduct a special meeting of the Owners to consider a substitute budget if the Board receives, within twenty-one (21) days after adoption of the annual budget, a written request for a special meeting from at least ten percent (10%) of all voting interests. The special meeting shall be conducted within sixty (60) days after adoption of the annual budget. The special meeting shall be noticed in accordance with Subparagraph C of this Paragraph 2.

(1) An officer or the Management Company, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. Owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled.

(2) Any determination of whether assessments exceed one hundred fifteen percent (115%) of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses of the Association which the Board does not expect to be incurred on a regular or annual basis, or assessments for betterments to the Condominium Property.

(3) If DVD controls the Board, assessments shall not exceed one hundred fifteen percent (115%) of assessments for the prior fiscal year unless approved by a majority of all voting interests.

3. The depository of the Association shall be such bank or other institution as permitted by applicable Florida law, as shall be designated from time to time by the Board and from which the monies in such accounts shall be withdrawn only by checks signed by such persons as are authorized by the Board.

4. The Board shall arrange for an annual independent audit of the financial statements of the Association by a certified public accountant licensed by the Board of Accountancy of the Department of Business and Professional Regulation, in accordance with generally accepted auditing standards as defined by the rules of the Board of Accountancy of the Department of Business and Professional Regulation. The financial statements must be prepared on an accrual basis using fund accounting, and must be presented in accordance with generally accepted accounting principles. A copy of the audited financial statements must be filed with the Division for review and forwarded to the Board and officers of the Association no later than five (5) calendar months after the end of the Association's fiscal year. Notwithstanding any requirement of Chapter 718, the audited financial statements required by this Paragraph are the only annual financial reporting requirements for the Association.

5. The Board shall obtain fidelity bonding of all officers and directors who control or disburse funds of the Association, as defined in Chapter 718. The amount of such bonds shall be determined in accordance with Chapter 718. The premiums on such bonds shall be paid by the Association as a Common Expense.

VII. PARLIAMENTARY RULES

Unless the Board determines otherwise for a particular meeting, Robert's Rules of Order (latest edition) shall govern the conduct of the Association proceedings when not in conflict with the Condominium Documents or with the statutes of the State of Florida.

VIII. AMENDMENTS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

2. Until the first election of a majority of directors by Owners other than DVD, proposal of an amendment to these Bylaws and approval of such amendment shall require the affirmative action of two-thirds (2/3) of the entire membership of the Board, and no meeting of the Owners nor any approval of the Owners is required.

3. After the first election of a majority of directors by Owners other than DVD, an amendment may be proposed by either the Board or by the membership of the Association, and after being proposed and approved by one of such bodies, it must be approved by the other. Except as otherwise provided in these Bylaws, a resolution adopting a proposed amendment must receive approval of not less than two-thirds (2/3) of the votes of the entire membership of the Board and not less than a majority vote of the voting interests of the Association at a duly called meeting of the Association. Directors and Owners not present at the meeting considering the amendment may express their approval in writing within ten (10) days after such meeting.

4. These Bylaws may be amended by DVD, as it determines necessary in its sole, absolute and unfettered discretion: (i) to make the same consistent with the provisions of the Declaration, the Master Declaration and the Ground Lease or other Condominium Documents; (ii) conform these Bylaws to meet the requirements of any governmental entity or statute; (iii) as may be in the best interests of the Association; (iii) to carry out the purposes of the project and the Condominium and to expand or enhance the Vacation Ownership Plan or the Disney Vacation Club or to facilitate the marketing and sale of Units and Ownership Interests by DVD; or (iv) as may be required by any lending institution (including the expansion of mortgagee rights), title insurance company or insurance provider.

5. No amendment shall be made that is in conflict with Florida law or the Declaration, nor shall any amendment abridge, alter, or amend the rights of DVD without the DVD's prior written approval in its sole, absolute and unfettered discretion, for so long as DVD owns an interest in the Condominium Property, including a Unit or Ownership Interest.

6. An amendment when adopted or made shall become effective only after being recorded in the Public Records of Orange County, Florida. No Bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text double underlined, and words to be deleted shall be lined through. However, if the proposed change is so extensive that this procedure would hinder rather than assist the understanding of the proposed amendment, it is not necessary to use double underlining and lining as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language "Substantial rewording of Bylaw. See Bylaw . . .

for present text." Nonmaterial errors or omissions in the Bylaw amendment process shall not invalidate an otherwise properly promulgated amendment.

IX. SEVERABILITY; CONFORMITY TO STATE LAW; INTERPRETATION

These Bylaws are to be governed by and construed according to the laws of the State of Florida. If it should appear that any of the provisions of these Bylaws are in conflict with the Declaration, the Master Declaration, the Ground Lease or any rule of law or statutory provision of the State of Florida, as of the date of the recording of the Declaration, then such provisions of these Bylaws shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to the Declaration, the Master Declaration, the Ground Lease or such rule of law. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. These Bylaws shall be construed without regard to any presumption or other rule requiring construction against DVD as a result of DVD causing these Bylaws to be drafted. The use of headings, captions and numbers in these Bylaws is solely for the convenience of identifying and indexing the various provisions of these Bylaws and shall in no event be considered otherwise in construing or interpreting any provision of these Bylaws.

X. MANDATORY NON-BINDING ARBITRATION

Internal disputes arising from the operation of the Condominium among DVD, the Association, the Owners, their respective agents and assigns, or any or all of them, must be submitted first for resolution through non-binding arbitration pursuant to Florida law.

Disney's Polynesian Villas & Bungalows
Estimated Operating Budget For The Year
January 1, 2015 Through December 31, 2015

	152 Vacation Homes	
	2015 Annual Budget	2015 Annual Budget (Per Vacation Point)
Revenue Components		
Interest Income - Taxes and Operating	\$2,344	\$0.0014
Member Late Fees and Interest	70,507	0.0430
Breakage Income	191,546	0.1167
Member Annual Dues Assessment	6,525,682	3.9757
TOTAL REVENUES AND INCOME	\$6,790,079	\$4.1368
Cost Components		
Administration and Front Desk	\$1,237,307	\$0.7538
Annual Audit	5,854	0.0036
DVC Reservation Component	7,136	0.0043
Fees to the Division	15,778	0.0096
Housekeeping	1,653,915	1.0076
Income Taxes	37,777	0.0230
Insurance	314,114	0.1914
Legal	407	0.0002
Maintenance	1,116,490	0.6802
Management Fee	707,565	0.4311
Member Activities	310,759	0.1893
Security	137,523	0.0838
Transportation	866,353	0.5278
Utilities	379,100	0.2310
TOTAL OPERATING EXPENSES	\$6,790,079	\$4.1368

ESTIMATED OPERATING BUDGET NOTES

All capitalized terms not defined in these budget notes will have the same meanings ascribed to such terms in the Component Site Public Offering Statement for *Disney's Polynesian Villas & Bungalows* ("Resort"). See also Additional Budget Notes.

Description of Revenue Components:

1. Interest Income - Taxes and Operating - Interest earned on (i) ad valorem tax deposits held in escrow and (ii) operating budget deposits invested until expended for operating expenses.
2. Member Late Fees and Interest - All delinquent Annual Dues payments are subject to a late fee of \$25 per Ownership Interest, plus interest at the maximum rate permitted by law (currently 18 percent) accrued on the amount outstanding from the original due date.
3. Breakage Income - As stated in the Condominium Documents, Disney Vacation Club Management Corp. ("DVCMC") rents, during the Breakage Period, certain accommodations that have not been reserved by Members. The Association is entitled to receive, as breakage income, the proceeds of such rentals not to exceed 2.5 percent of the aggregate of the Condominium Operating Budget (total operating expenses less the sum of interest income and Member late fees and interest) and Capital Reserve Budget in each calendar year.
4. Member Annual Dues Assessment - The amount assessed to Owners with an Ownership Interest in *Disney's Polynesian Villas & Bungalows*.

Description of Cost Components:

1. Administration and Front Desk - Cost of front desk operations and resort management, including operating supplies and equipment rental. Also includes costs for operational and administrative support from the WALT DISNEY WORLD® Resort ("WDW").
2. Annual Audit - Fee for the independent audit of the Association's financial statements as required by Florida law.
3. DVC Reservation Component - Fee paid to Buena Vista Trading Company for providing the exchange component of the Club central reservation system.
4. Fees to the Division - Annual fee of \$2 per Vacation Home per week assessed by the State of Florida for regulation of the timeshare industry in Florida.
5. Housekeeping - Cost of cleaning Vacation Homes and public areas and replacement of disposable amenities in Vacation Homes. Also includes the purchase, replacement and cleaning of linens and towels.
6. Income Taxes - Federal income taxes. Timeshare condominium associations may not claim non-profit status for federal income tax purposes under current regulations.
7. Insurance - Cost of insurance premiums for property coverage, general liability, workers' compensation, crime and Director's and Officer's liability.
8. Legal - Cost of legal counsel regarding Association business.
9. Maintenance - Cost of interior and exterior maintenance and repairs not paid for out of replacement reserves. Also includes landscaping, pest control and fire alarm monitoring.
10. Management Fee - Fee paid to DVCMC for providing management services to the Association according to the Property Management Agreement. The fee is equal to 12 percent of the total Operating Budget (total operating expenses less the sum of interest income, Member late fees and interest, and breakage income) and Capital Reserve Budget exclusive of transportation fees and the management fee.

11. Member Activities - Cost of recreation operations, certain Member activities and events at the Resort. Cost of quarterly Member newsletter, annual Association meetings and printing and postage for Association legal mailings.
12. Security - Cost of guard coverage at the Resort.
13. Transportation - Cost of WDW transportation provided to the Resort.
14. Utilities - Cost of electricity, gas, water, sewer, solid waste disposal, cable television and telephone service at the Resort.

General Notes:

1. Property Management Subcontract - Certain of the variable and semi-variable expenses related to the provision of certain services to the Condominium as set forth in the 2015 Estimated Annual Operating Budget, including expenses for housekeeping, maintenance and front desk operations, may be lower than they otherwise would be if such services were being provided only to the Condominium instead of included in a property management subcontract that takes into account that the services are also being provided to adjacent accommodations that are not part of the Condominium.
2. Developer Guarantee - DVD has agreed to guarantee to each Purchaser and Owner that they will only be required to pay an assessment for operating expenses of \$3.9757 per Vacation Point through December 31, 2015, exclusive of ad valorem taxes which are billed separately. In consideration of this guarantee and pursuant to Florida law, DVD will be excused from the payment of its share of the expenses which otherwise would have been assessed against its unsold Ownership Interests during the term of the guarantee. As a consequence of this exemption, during the term of this guarantee, existing Owners and current Purchasers will not be specially assessed with regard to Common Expenses, except as hereinafter provided, if Common Expenses exceed the guarantee per Vacation Point amount and DVD will pay any difference between actual expenses and assessments collected from all Owners and income from other sources. Amounts expended for any insurance coverage required by law or the Condominium Documents to be maintained by the Association and depreciation expense related to real property shall be excluded from the calculation of the Developer obligation except that for real property used for the production of fees, revenue or other income depreciation expense shall be excluded only to the extent they exceed the net income from the production of such fees, revenue or other income. DVD will pay such expenses as needed to meet expenses as they are incurred. However, any expenses incurred during the guarantee period resulting from a natural disaster or an act of God, which are not covered by insurance proceeds from the insurance maintained by the Association, will be assessed against all Owners owning Ownership Interests on the date of such natural disaster or act of God, or their successors or assigns, including DVD as to its unsold Ownership Interest, provided that during any period of time DVD controls the Association pursuant to Section 718.301, Florida Statutes, the Association maintains all insurance coverages required by Section 721.165, Florida Statutes. DVD reserves the right, but is under no obligation, to extend and/or increase the amount of this guarantee for one (1) or more periods of one (1) year each after the expiration of this guarantee period on December 31, 2015, as permitted by Florida law.

See also Additional Budget Notes.

Estimated Capital Reserves Budget For January 1, 2015 Through December 31, 2015

Replacement Fund Components	152 Vacation Homes	
	2015 Annual Budget	2015 Annual Budget (Per Vacation Point)
Capital Reserves	\$946,665	\$0.5768
Interest Income	(1,642)	(0.0010)
TOTAL CAPITAL RESERVES BUDGET	\$945,023	\$0.5758

Capital Reserve Analysis For The Year Ended December 31, 2014

Replacement Fund Components	Estimated Fund Balance as of December 31, 2014	Estimated Useful Lives (Years)	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs (152 Vacation Homes)
Roof Replacement/Repair		30	15	\$2,333,381
Interior Refurbishment		6 - 24	5 - 23	8,101,915
External Building Painting		7	6	402,561
Common Element Renovation		5 - 26	4 - 25	4,229,723
Pavement Resurfacing		25	24	157,353
Capital Reserves	\$0			
TOTAL	\$0			\$15,224,932

ESTIMATED CAPITAL RESERVES BUDGET NOTES

All capitalized terms not defined in these budget notes will have the same meanings ascribed to such terms in the Component Site Public Offering Statement for *Disney's Polynesian Villas & Bungalows*. See also Additional Budget Notes.

1. Funds Covered - The annual budget for Capital Reserves covers funds set aside, in accordance with Chapter 721, Florida Statutes using the pooling accounting method, for the repair or replacement of major items pertaining to the Units and Common Elements with a useful life of greater than one year. The interest earned on these funds remains in the Capital Reserves account and is not absorbed into the Operating Budgets.
2. Developer Guarantee - DVD has agreed to guarantee to each Purchaser and Owner that they will only be required to pay an assessment for reserves expenses of \$0.5758 per Vacation Point through December 31, 2015, exclusive of ad valorem taxes, which are billed separately. In consideration of this guarantee and pursuant to Florida law, DVD will be excused from the payment of its share of the Common Expenses which otherwise would have been assessed against its unsold Ownership Interests during the term of the guarantee. As a consequence of this exemption, during the term of this guarantee, DVD will pay any difference between actual expenses and assessments collected from all Owners and income from other sources. DVD will pay such expenses as needed to meet expenses as the expenses are incurred. However, any Common Expenses incurred during the guarantee period resulting from a natural disaster or an act of God, which are not covered by insurance proceeds from the insurance maintained by the Association, will be assessed against all Owners owning Ownership Interests on the date of such natural disaster or act of God, or their successors or assigns, including DVD, provided that during any period of time DVD controls the Association pursuant to Section 718.301, Florida Statutes, the Association maintains all insurance coverages required by Section 721.165, Florida Statutes. DVD reserves the right, but is under no obligation, to extend and/or increase the amount of this guarantee for one (1) or more periods of one (1) year each after the expiration of this guarantee period on December 31, 2015, as permitted by Florida law.

See also Additional Budget Notes.

ADDITIONAL BUDGET NOTES

1. 2015 Dollars - All costs are stated in 2015 dollars unless otherwise indicated.
2. Annual Budgets - The 2015 Estimated Budgets are annual budgets based upon *Disney's Polynesian Villas & Bungalows* being open the full year in 2015 for the purpose of calculating annual assessments. Because it is estimated that *Disney's Polynesian Villas & Bungalows* will actually only be open for less than 12 months during 2015, assessments for 2015 will be prorated.
3. Shared Facilities - The use of certain facilities, including without limitation, hotel check-in facility, back office facilities, telephone equipment rooms, etc., are being provided to the Resort pursuant to the terms of either the Property Management Agreement or the Master Declaration as a shared area, the cost of operating and maintaining such facilities being apportioned among its users including Owners and are included in certain of the Cost Components in the 2015 Estimated Operating Budget, including Administration and Front Desk, Housekeeping, Maintenance, Utilities and Member Activities. If the Resort was required to provide such facilities within the Condominium Property and solely for the use and benefit of the Owners, the cost of operating the Condominium Property would increase.
4. Books and Records - The books and records for the Association are maintained at: 1390 Celebration Boulevard, Celebration, Florida 34747. The person responsible for the upkeep and custodianship of the books and records of the Association is the Treasurer of the Association, (407) 566-3000.

5. Related Party Transactions - DVD is a Florida corporation and a subsidiary of The Walt Disney Company ("TWDC"), a Delaware corporation. DVD leased the property under the terms of a ground lease by and between Walt Disney Parks and Resorts U.S., Inc. ("WDPR"), a Florida corporation, and DVD. WDPR is also a subsidiary of TWDC. DVD developed the Condominium on the leasehold property located in Orange County, Florida, and sold Ownership Interests in Condominium units as part of the Vacation Ownership Plan. Unless otherwise extended, the ground lease will expire on January 31, 2066, and vest to the benefit of WDPR.

Certain directors or officers of DVD or DVCMC serve on the Board or as officers of the Association. Certain directors or officers of the Association are also employees of TWDC or its affiliates.

DVCMC, a Florida corporation, is the manager of the Association and is also a subsidiary of TWDC.

Management fees payable to DVCMC are 12 percent of the total Operating and Reserve Budget exclusive of real estate taxes, transportation fees, and the management fee.

DVCMC has entered into an agreement with the Association whereby DVCMC may operate a resort hotel operation with respect to the rental of unreserved Vacation Homes in the Condominium. Gross proceeds, resulting from the rental of unreserved Vacation Homes, are retained by the Association up to an amount equal to 2.5 percent of the adjusted Operating and Reserve Budget in each calendar year, as breakage revenue.

Substantially all operating expenses have been allocated to the Association from DVCMC, and certain operating expenses have been rendered by or incurred through other TWDC entities.

Amounts due to or from DVCMC are payable in full and due on demand.

6. Management Agreement - The Association currently has a three-year management agreement ending December 31, 2018 with DVCMC. Thereafter, the management agreement automatically renews for successive periods of three (3) years each, upon its scheduled expiration, unless either party gives the other written notice of nonrenewal, as stipulated in the agreement. DVCMC provides on-site management and maintenance services, and off-site administrative and accounting services.

Pursuant to the management agreement, DVCMC has been delegated the authority by the Association to provide all services, through employees and experts retained by it, incidental to the management and operation of the Condominium. In connection therewith, substantially all operating expenses have been allocated to the Association from DVCMC. However, certain operating expenses may be incurred through other TWDC entities.

7. Use Availability Periods - Pursuant to Section 721.13(3)(c)1, Florida Statutes, the total number of 7-day annual use availability periods currently registered with the State of Florida is 7,752.

ESTIMATED AD VALOREM TAXES FOR JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

The amount of ad valorem taxes assessed against each Unit will be determined by the Orange County Property Appraiser's Office and the Reedy Creek Improvement District Appraiser, respectively. The estimated ad valorem tax assessments to be included on your 2015 Annual Dues billing statement will be \$1.4727 per Vacation Point. This is DVCMC's best estimate of the actual taxes, which will be assessed for the tax year 2015. DVCMC does not certify this ad valorem tax estimate. Each Owner is responsible for his or her per Vacation Point share of the actual tax bill received each year from the tax collector's office. Any difference between the tax estimate and actual taxes paid on the Owner's behalf will be applied towards the Owner's subsequent year's tax assessment.

2015 ESTIMATED ANNUAL DUES ASSESSMENT

The estimated Annual Dues for the year January 1, 2015 through December 31, 2015 are \$6.0242 per Vacation Point, which is comprised of the estimated Annual Operating Budget (\$3.9757 per Vacation Point), the estimated Annual Capital Reserves Budget (\$0.5758 per Vacation Point) and the estimated ad valorem taxes (\$1.4727 per Vacation Point). The total amount of Annual Dues paid by a Purchaser or Owner is determined by multiplying the total number of Vacation Points represented by the Ownership Interest purchased by \$6.0242. For example, if the Ownership Interest is represented by 230 Vacation Points, the estimated Annual Dues would be \$1385.56.

Rev. 10/14/13

**CONDOMINIUM RULES AND REGULATIONS OF
DISNEY'S POLYNESIAN VILLAS & BUNGALOWS, A LEASEHOLD CONDOMINIUM**

All terms used in these Condominium Rules and Regulations shall have the same meaning as the identical terms used in the Declaration of Condominium for *Disney's Polynesian Villas & Bungalows*, a leasehold condominium.

Each Owner shall be governed by and shall comply with the terms of the Condominium Documents, including these Condominium Rules and Regulations adopted pursuant to the Condominium Documents. Failure of an Owner to comply with the provisions of the Condominium Documents, including these Condominium Rules and Regulations shall entitle the Association or other Owners to pursue any and all legal and equitable remedies for the enforcement of such provisions, including an action for damages, an action for injunctive relief or an action for declaratory judgment. Violations of these Condominium Rules and Regulations, or other matters of concern, should be brought to the attention of the Management Company for proper resolution.

1. Personal Use. Except for Units or Ownership Interests owned by DVD, which may be used as DVD determines in its discretion, each of the Vacation Homes may be occupied only as vacation accommodations. Except for Units or Ownership Interests owned by DVD, rentals of Vacation Homes to the general public by DVD or the Management Company, and use occurring through the Club, the use of the Vacation Homes and Common Elements of the Condominium is limited solely to the personal use of Owners, their lessees, guests, invitees, licensees and exchangers and for recreational uses by corporations and other entities owning Ownership Interests in a Unit. Except as expressly stated in the Declaration otherwise, use of Vacation Homes or the Common Elements for commercial purposes or any purposes other than the personal use described in the Declaration is expressly prohibited. "Commercial purpose" includes a pattern of rental activity or other occupancy by an Owner that the Board, in its reasonable determination, could conclude constitutes a commercial enterprise or practice. From time to time, to the extent that the Board determines that use is occurring that is for a commercial purpose, the Board may adopt policies to provide what constitutes a commercial enterprise, practice or purpose. The Association has adopted a policy regarding what constitutes a commercial enterprise, practice or purpose, which policy is a record of the Association and may be reviewed upon request. The provisions of this Paragraph 1 do not apply to Commercial Units, DVD, the Management Company or The TWDC Companies

It is expressly contemplated that Commercial Units, Commercial Unit LCEs, portions of the Condominium Property owned, used or operated by DVD or The TWDC Companies, portions of the adjacent Master Property, and nearby properties owned by The TWDC Companies may be operated for commercial use or operate as commercial spaces containing stores, restaurants, entertainment areas and other public establishments which may have nighttime hours of operation and which may result in noise or light levels in excess of levels typically occurring in areas consisting solely of residential accommodations, including fireworks and concerts, and nothing contained within these Condominium Rules and Regulations is to be deemed to prohibit such commercial activity.

2. No Subdivision. No Vacation Home in any Unit may be divided or subdivided into a smaller Vacation Home without prior written approval of DVD.

3. Common Elements and Limited Common Elements. The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended as set forth in the Declaration.

4. Nuisances and Other Non-Permissible Activity. No nuisance, or any use or practice that is the source of annoyance to Owners or which interferes with the peaceful possession and proper use of the property by the Owners (as determined by the Board), is permitted on the Condominium Property, including within a Unit or a Vacation Home. No use or practice by any Owner or by any occupant that interferes with the operations of the property that is the subject of the Master Declaration, including any shared areas, is allowed. All parts of the Condominium are to be kept in a clean and sanitary condition, and no rubbish, litter, refuse or garbage is permitted to accumulate (except in areas designated by the Board, or the Management Company on behalf of the Board, for such purpose). No fire hazard is allowed to exist. No clothing, towels, bedding, or other similar items may be dried or aired in any outdoor area or hung over or on balconies. No Owner is permitted to make or permit any use of the Condominium Property

that will increase the cost of insurance on the Condominium Property. This Paragraph 2 shall not apply to DVD with respect to its ordinary operation of its commercial activities on the Condominium Property, to the Association or Management Company with respect to its ordinary operation, maintenance or management of the Condominium Property, or to The TWDC Companies.

5. Non-Smoking Policy. Smoking in any Vacation Homes, Units, Common Elements, Commercial Unit LCEs, common areas, commercial areas, or any other areas (including balconies, sidewalks, entrances, driveways, passages, vestibules, and stairways) of the Condominium Property, other than those areas specifically designated for smoking by the Board or the Management Company, is expressly prohibited. The Association may charge a cleaning fee for any violation of this policy in an amount to be determined at the sole discretion of the Association or by, and in an amount determined by the Management Company in its sole discretion, on behalf of the Association. For purposes of this provision, "smoking" includes the burning of cigarettes, pipe tobacco, cigars or any similar tobacco-based or smoke-producing substances.

6. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property, including Units and Vacation Homes, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

7. Leasing of Vacation Homes. All of the terms and provisions of the Master Declaration, Ground Lease and the Condominium Documents, including these Condominium Rules and Regulations, pertaining to the use, occupancy and possession of Vacation Homes are applicable and enforceable against any person occupying a Vacation Home to the same extent as against an Owner. All leasing or rental agreements relating to the use, occupancy and possession of any Unit or Vacation Home must be in writing and must set forth an acknowledgment and consent on the part of the lessee-sublessee-tenant to use, occupy and possess such Vacation Home in conformance and compliance with the provisions of the Master Declaration, Ground Lease and the Condominium Documents. If an Owner fails to secure a written lease or rental agreement, the Association has the right to require the lessee-sublessee-tenant, prior to the lessee-sublessee-tenant's use, occupancy or possession of any Vacation Home, to execute an acknowledgment to use and occupy the rental or leased Vacation Home in conformance with the Master Declaration, Ground Lease and the Condominium Documents. If the lessee-sublessee-tenant or guests, lessees, licensees and invitees of such lessee-sublessee-tenant do not comply with the provisions of the Master Declaration, Ground Lease and the Condominium Documents, the Association or DVCMC acting on behalf of the Association, may terminate the lease or rental agreement and require lessee-sublessee-tenant or guests, lessees, licensees and invitees of such lessee-sublessee-tenant to vacate the Condominium Property without any liability to any rebate or compensate for precluding the occupancy and use of the Condominium Property.

8. Signs. No signs, notices or other displays or advertising may be place, posted, displayed, maintained, painted or affixed on any part of the Condominium Property, except that: (i) the right is specifically reserved to DVD to place, post, display, maintain, paint and affix signs, notices, and displays in connection with the conduct of DVD's business on the Condominium Property, including related to the advertising, solicitation, marketing, rental or sale of Ownership Interests, Vacation Homes, or other related hospitality, realty, or consumer products for as long as it may have Units or Ownership Interests in the Units or any other DVC Resort. (ii) Owners of Commercial Units may maintain such signs on their Commercial Unit, or any Commercial Unit LCEs, in connection with use of their Commercial Unit; and (iii) except as permitted by the Board from time to time.

9. Bicycles, Motorcycles, Commercial Trucks, Oversized Vehicles, and Trailers. Excluding those vehicles owned by DVD or the Management Company or permitted for Commercial Unit Owners in connection with permitted commercial activities, no bicycles, motorcycles, commercial trucks, oversized vehicles, buses, and trailers may not be stored on the Condominium Property except in such areas, if any, designated by the Board or Management Company for this purpose.

10. No Pets or Animals. Owners, occupants and other persons using the Condominium Property are prohibited from bringing or keeping any pets or other animals on the Condominium Property. The provisions of this Paragraph 10 shall not apply to service animals, as defined by the Americans with Disabilities Actor or to animals brought on the

Condominium Property in connection with permitted commercial activity by DVD or The TWDC Companies or their designees, or as approved by the Board.

11. No Alterations. No Owner shall decorate or alter any part of a Unit or a Vacation Home or any part of the Condominium Property so as to affect the appearance of a Unit or a Vacation Home. Such decoration or alteration shall include painting or illumination of the exterior of a Unit or a Vacation Home, display of plants or other objects upon balconies or railings or exterior window sills or ledges, reflective film or other window treatments, draperies, window shades, screen doors and lights. The Association shall have the sole discretion, which may be based on aesthetic principles only, to determine compliance with this provision.

12. Antennas. No antennas, satellite equipment or related transmission or receivers of any type designed to serve a Unit or a Vacation Home will be allowed on the Condominium Property, except in connection with the delivery of Utility Services provided by the Association, DVD or any of The TWDC Companies for the benefit and use of the Condominium. Notwithstanding such restriction, the Owners of Commercial Units may place such equipment on Commercial Units or Commercial Unit LCEs which are appurtenant to their Commercial Unit with the approval of the Board. No electrical or other equipment may be operated on the Condominium Property which interferes with media or communication delivery or reception, except for equipment on the Commercial Units or Commercial Unit LCEs if approved by the Board.

13. Decor of Condominium Property. No Owner may alter the furnishings, appliances, personal property or decor of any Unit or any Vacation Home without the prior written consent of the Board. Except for Commercial Unit Owners as to the Commercial Unit owned and Owners of Units which are not committed to the Vacation Ownership Plan as to those Commercial Units and non-Vacation Ownership Plan Units only, no Owner, or Owner's lessee, guest, invitee, licensee or exchanger shall paint or otherwise decorate or change the appearance of any part of the Condominium Property nor shall any Owner or Owner's lessee, guest, invitee, licensee or exchanger make any additions, alterations, or renovations to the Condominium Property.

14. Noise. No Owner or other occupant shall make or cause to be made any noises, or use musical instruments, radios, televisions, amplifiers, or other such equipment in a manner that may tend to unreasonably disturb other Owners or occupants. Should noise transmission within the Condominium create a disturbance or a nuisance, the responsibility is with the Owner to abate the noise transmission and not with the Association. In order to insure the comfort of all Owners and authorized users, radio, stereo and television sets, and any and all other such audio equipment generating noise should be turned down to a minimum volume so as not to disturb other persons between the hours of 11:00 p.m. and 8:00 a.m. All other unnecessary noises between these hours should be avoided. Nothing contained within this paragraph shall be deemed to prohibit commercial activity occurring within any Commercial Unit or on any Commercial Unit LCE.

15. Obstructions. Sidewalks, entrances, driveways, passages, patios, courts, vestibules, stairways, corridors, halls or all other Common Elements and areas intended for common use must be kept open and shall not be obstructed in any manner. Rugs or mats, except those either permitted or placed by the Association, must not be placed outside of doors or in corridors. Owners shall not allow anything to be thrown or to fall from windows, doors, balconies or the interior of the building from hall doors except such as shall have been approved in writing by the Board or as is permitted to DVD without similar approval. All personal property of Owners shall be stored within the Vacation Home. Bicycles, garbage cans, laundry, dry cleaning, supplies or other articles shall not be placed in the halls or on staircase landings. No Owner shall allow doors to the corridor to remain open for any purpose other than for immediate ingress and egress.

16. Children. Children are to play only in areas either designated or clearly intended for play, and they are not to play in public halls, on stairways, or other Common Elements or common areas. Reasonable supervision by parents or guardians must be exercised at all times with respect to children on the Condominium Property.

17. Balconies. Plants, pots, receptacles and other movable objects must not be kept, placed or maintained on ledges or balconies, except as permitted by the Board. No objects shall be hung from balconies or window sills. No

cloth, clothing, rugs or mops shall be hung up or shaken from windows, doors or balconies. No cooking shall be permitted on any balcony of a Unit.

18. Entry for Emergencies. In case of emergency originating in or threatening any Unit or Vacation Home, regardless of whether or not the Owner is present at the time of such emergency, the Board, the Management Company or any other person authorized by them, shall have the right to enter such Unit or Vacation Home for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate. To facilitate entry into Units and Vacation Homes in the event of any such emergency, the Association or its designee shall be allowed to retain a key for each Unit and each Vacation Home.

19. Plumbing. Plumbing shall not be used for any other purpose than those for which it was constructed, and no sweepings, rubbish, rags or other foreign substances shall be deposited into the plumbing.

20. Roof. Owners are not permitted on the roof of any building within the Condominium Property for any purpose without the express written approval of the Board or Management Company.

21. Solicitation. No solicitation of any kind, whether commercial, religious, educational, or otherwise, shall be conducted anywhere on the Condominium Property unless specifically authorized in advance and in writing by the Board, except in connection with commercial activity by the Owner of a Commercial Unit, subject to restrictions imposed by the Board, with DVD's approval, or subject to restrictions imposed by DVD. This restriction on solicitation shall not apply to DVD or its designees (including any of The TWDC Companies), and DVD or its designees may make such use of the Condominium Property as DVD determines and as may facilitate the advertising, solicitation, marketing, rental or sale of Units or Ownership Interests in the Units or other DVC Resorts or other related hospitality, realty, or consumer products by DVD or its designees, including showing of the property and the display of signs and other promotional devices.

22. Parking. No vehicle belonging to any Owner or to a member of the family of an Owner or guest, tenant or employee of an Owner shall be parked in any unauthorized area or in such manner as to impede or prevent access to another Owner's or authorized user's parking space or any fire lanes. The Association or Management Company has the right to limit the number of vehicles permitted to be parked on the Condominium Property in connection with occupancy of a Unit. No repair of vehicles shall be made within the Condominium Property. No Owner shall store or leave boats, trailers, mobile homes, recreational vehicles and the like on the Condominium Property, except in areas, if any, designated for same; provided, however, that boats, trailers, mobile homes, recreational vehicles and the like may be parked on the Condominium Property if the vehicle is less than the width of the interior of the lines of one (1) individual parking space and does not exceed twenty-four (24) feet in length. If the vehicle is wider than the width of the interior lines of one (1) individual parking space or if the vehicle exceeds twenty-four (24) feet in length, then such vehicle may not be parked on the Condominium Property without the prior written permission of the Association or Management Company. Parking spaces are not assigned as appurtenances to particular Units or Vacation Homes. As such, each space may be used by any Owner, family member, lessee or guest. Owners may not park vehicles in spaces designated for handicapped persons, unless they fall within this category of individuals, and the Association or Management Company shall have the right to notify local authorities of any such violations. All vehicles shall be parked within the painted lines of one individual parking space and in no event shall a vehicle exceed, in width, the interior of the painted lines of one individual space. The Owners, their employees, servants, agents, visitors, licensees and the Owner's family will obey all posted parking regulations. Vehicles parked in any unauthorized area or impeding or preventing access to another Owner's or authorized user's parking space or any fire lanes are subject to being towed away at the Owner's or authorized user's sole expense.

23. Use of Swimming Pools, Whirlpools, or Other Facilities. Owners and authorized users of the swimming pools, whirlpools or other facilities do so at their own risk. All users are requested to obey the posted rules. Children under ten (10) years of age using any swimming pools, whirlpools, or other available facilities must be accompanied and supervised by a responsible adult.

Swimming in the pools or whirlpools and use of other facilities is permitted only during the posted hours of operation. Persons using the facilities do so at their own risk. Persons using all facilities must be appropriately attired.

The following are the basic rules for persons using the swimming pools or whirlpools:

- a. Shower thoroughly each and every time before entering.
- b. Pneumatic floats or other items of similar nature, except for Board-approved floatation devices, are not permitted in the pools or whirlpools.
- c. Running or ball playing or throwing objects is not permitted in the general pool area except in designated areas and in connection with various activities as permitted by the Board from time to time.
- d. Beverages may be consumed within the pool areas, but absolutely no glass, glass bottles or other glass containers shall be allowed within the pool area. Anyone who hosts or participates in serving or consuming beverages will be held strictly responsible for cleaning up after such refreshments have been consumed and will further be held strictly liable for any injury resulting from broken glass.
- e. If suntan oils, creams or lotions are used, a towel or other form of protection must be placed on pool furniture to protect the attire of others who use the furniture.
- f. No children in diapers will be allowed in the pools or whirlpools.
- g. Pool towels are provided at the pool for your convenience. No person or party may leave personal items, including towels to reserve pool chairs.

24. Storage of Dangerous Items. No inflammable, combustible, or explosive fluid, chemical or substance, shall be kept in any Unit or Vacation Home, Common Element or Limited Common Element except as are required for normal household use or as required by the Management Company in the furtherance of its maintenance, repair and renovation responsibilities. This provision shall not apply to the storage of such materials in Commercial Units or Commercial LCEs where such storage is for commercial purposes.

25. Employees or Agents Control and Entry of Units for Maintenance. Employees or agents of the Association or Management Company, and employees or agents of DVD's on-going sales program, shall not be sent off the Condominium Property by any Owner or authorized user at any time for any purpose. No Owner or authorized user shall direct, supervise or in any manner attempt to assert any control over the employees of the Management Company or the Association. Employees or agents of the Management Company shall be permitted to enter Units or Vacation Homes for maintenance and repairs during reasonable hours.

26. Complaints. Complaints regarding the operation of the Condominium shall be made in writing first to the Management Company, as long as the Property Management Agreement remains in effect, and thereafter, to the Board.

27. Payment of Maintenance Fees, Special Charges and Fines. Payment of maintenance fees, special charges, and fines shall be made at the office of the Management Company or at such other location as designated by the Management Company from time to time. Payments made in the form of checks shall be made to the order of such party as the Management Company shall designate.

28. Weapons. No explosives, firearms, or weapons of any kind shall be permitted in any Unit or Vacation Home or anywhere on the Condominium Property without the approval of the Board.

29. Non-Payment of Assessment. The Association may authorize the Management Company to charge a non-sufficient funds fee on all returned checks or dishonored electronic debits in an amount not to exceed the amount permitted under Florida law in connection with the payment of maintenance fees and taxes.

30. No Private Watercraft. No boats, jet-skis, waverunners or watercraft of any kind may be used, stored or brought onto the Condominium Property by any Owner, lessee, guest, invitee, licensee or exchanger except in such areas and under such conditions as may be determined by the Board from time to time.

31. Security. Owners shall at all times lock and secure their unattended motor vehicles parked or located upon the Condominium Property, and they shall not leave any valuables in plain sight within or upon such vehicles. During their occupancy, Owners shall at all times lock and secure all doors, windows, balconies or other points of possible entry with respect to their Vacation Homes (except when any such point of entry is in use by Owners or their lessees, guests, exchangers or invitees). Neither the Management Company nor the Association shall be responsible for the safekeeping or protection of personal property brought onto the Condominium Property.

32. Check-In, Check-Out Times. Check-in time for all Disney Vacation Club Resorts is 4:00 p.m. Check-out time for all Disney Vacation Club Resorts is 11:00 a.m. The front desk must approve any exceptions to these times.

33. Repairs and Replacements. Each Owner shall bear in their entirety any expenses for repairs or replacements to the Condominium Property occasioned by the specific use or abuse of such Owner or any lessee, guest, exchanger, tenant, or invitee of said Owner.

34. Timeshare Plans, Fractional Plans and Clubs. Except for the Vacation Ownership Plan, no timeshare plans, fractional plans, exchange programs, short-term or long-term vacation products, hospitality products, or travel or vacation clubs, including any such products using a trust, corporation, cooperative, limited liability company, partnership, equity plan, non-equity plan, membership program, contractual or any other structure, or any other similar programs, structures, schemes, devices or plans of any kind ("**Other Plan**") shall be created, established, operated or maintained with respect to the Condominium Property or the Ownership Interests. No person shall acquire or accommodate Condominium Property or Ownership Interests in connection with, or inclusion or incorporation in, any Other Plan. The provisions of this Paragraph shall not apply to DVD or any person who has the prior written authorization from DVD, which authorization may be given or withheld in DVD's discretion, and which authorization shall be evidenced by a written instrument executed by DVD, recorded in the Public Records of Orange County, Florida, and containing a reference to the Declaration.

35. No Use When Not in Residence. No Owner of an Ownership Interest, or lessee, guest, invitee, licensee or exchanger of such Owner, other than DVD, may access the Condominium Property when such Owner or lessee, guest, invitee, licensee or exchanger is not in residence in a Vacation Home during a properly reserved use period pursuant to the rules of the Disney Vacation Club; provided, however, that, the Board may establish rules for limited access and use by non-resident Owners, lessees, guests, invitees, licensees or exchangers from time to time in these Condominium Rules and Regulations, subject to the approval of DVD.

36. Emergency Evacuation. If an emergency evacuation order is made by the appropriate state, county or other governmental authorities, whether voluntary or mandatory, or for which a state of emergency is declared pursuant to Section 252.36, Florida Statutes, the Board may implement an emergency plan in order to protect all Owners, other occupants of the Condominium Property, the Condominium Property and the Association Property. The emergency plan will be communicated to Owners and other occupants staying at the Condominium when implemented and may require that Owners or other occupants of the Condominium Property evacuate the Condominium Property and find safer alternate accommodations at the Owner's or other occupant's sole expense. All Owners and occupants of the Condominium Property must adhere to the Association's emergency plan when implemented. In the event of any such evacuation, Owners and other occupants of the Condominium Property shall not be entitled to any rebate or compensation for occupancy precluded by such order. Should any Owner or other occupant of the Condominium fail or refuse to evacuate the Condominium Property where the Board has required evacuation, the Association, the Board and the officers and directors of the Association, shall be immune from liability or injury to persons or property arising from such failure or refusal. Further, neither DVD, The TWDC Companies, or DVCMC (including in the exercise of its obligations and duties under the Property Management Agreement) shall be liable for any damage, injury or other losses arising out of an emergency occurring at the Condominium Property, unless caused by such entity's willful action or gross negligence, or out of an emergency evacuation.

37. Beaches, Lagoon and Bungalows.

a. Neither DVD, nor any of The TWDC Companies, make any representations or warranties regarding the use, character or the appearance of the Beaches and the Lagoon, including water levels, water quality, aquatic or shore line vegetation, fish, insects or wildlife; and DVD and The TWDC Companies specifically disclaim any liabilities arising therefrom.

b. No use of lakes, ponds, streams, or other bodies of water, including the Lagoon, within the Condominium Property is permitted, except for approved commercial activities permitted by DVD, WDPR or any of The TWDC Companies in their discretion. Such prohibited uses include fishing, bathing, swimming, wading, diving, snorkeling, canoeing, kayaking, paddle boarding or boating.

c. No person, including any Owner, lessee, guest, licensee or invitee is permitted to disturb or remove sand, aquatic vegetation, fish, insect or wildlife from any Beach or the Lagoon, including any mowing, cutting or chemical treatment, except as such activity is performed in connection with the Beach and Lagoon maintenance obligations performed by the Association, or the Management Company on behalf of the Association, as set forth in the Master Declaration or the Declaration and as required or permitted under Applicable Law.

d. Owners, lessees, guests, invitees, licensees or exchanger occupying any Bungalow are prohibited from engaging in any use of the Lagoon from a Bungalow, including fishing, bathing, swimming, wading, diving, snorkeling, canoeing, kayaking, paddle boarding or boating and shall all time refrain from littering or dumping anything in the Lagoon.

e. Neither DVD nor any of The TWDC Companies shall be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Beaches, lakes, ponds, streams, or other bodies of water within or adjacent to the Condominium Property, including the Lagoon.

38. Designation of Parks and Park Areas. The Board may, from time to time in its discretion, designate portions of the Common Elements as a park or park area for the purpose of providing for the use of such Common Elements as a park or park area. Such designation may be evidenced by signage approved by the Board.

39. Violations of Condominium Rules and Regulations. If and to the extent that any of the foregoing, Condominium Rules and Regulations are violated, the Association and the Management Company shall have the right to exercise all rights and remedies available under the Declaration and applicable law against those individuals or entities violating the Condominium Rules and Regulations. In addition, if and to the extent that any violations, in the Board's judgment, (1) involve safety or security, (2) are crimes, or (3) adversely affect the reasonable enjoyment of the Condominium Property by other owners; those individuals committing such violations may be removed from the Condominium Property to the fullest extent permitted by law.

This instrument prepared by and return to:
Kurt Gruber, Esquire
Attn: Regulatory Affairs
Disney Vacation Development, Inc.
1390 Celebration Boulevard
Celebration, FL 34747

MASTER COTENANCY AGREEMENT

THIS MASTER COTENANCY AGREEMENT (this "**Agreement**") is entered into effective as of the Commencement Date (as defined in paragraph 10 of this Agreement) by and among DISNEY VACATION DEVELOPMENT, INC., a Florida corporation, whose address is 1390 Celebration Blvd., Celebration, Florida 34747 ("**DVD**"); DISNEY VACATION CLUB MANAGEMENT CORP., a Florida corporation, whose address is 1390 Celebration Blvd., Celebration, Florida 34747 ("**DVCMC**"); DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation, whose address is 1390 Celebration Blvd., Celebration, Florida 34747 ("**Association**"); and the owners of Ownership Interests (as defined in this Agreement) as tenants-in-common in each Unit (as defined in this Agreement) in *Disney's Polynesian Villas & Bungalows*, a leasehold condominium, more specifically described in this Agreement (individually, "**Cotenant**" and collectively, "**Cotenants**," and including DVD unless DVD is specially noted otherwise). DVD, DVCMC, Association and the Cotenants may be referred to individually as a "**Party**" or collectively as the "**Parties**" in this Agreement.

WITNESSETH:

WHEREAS, DVD is the developer of *Disney's Polynesian Villas & Bungalows*, a leasehold condominium (the "**Condominium**"), according to the Declaration of Condominium thereof as recorded in Official Records Book 10057, Page 4004, Public Records of Orange County, Florida, and all amendments to such instrument (the "**Declaration**") pursuant to which "**Units**" and "**Common Elements**" have been created as provided for and defined in the Declaration; and

WHEREAS, DVD is offering to Cotenants undivided tenant-in-common interests in Units ("**Ownership Interests**") and has made such Ownership Interests subject to a vacation ownership plan (the "**Vacation Ownership Plan**") pursuant to Chapter 721, Florida Statutes, as it is constituted on the date of the recording of this Agreement in the Public Records of Orange County, Florida ("**Chapter 721**"); and

WHEREAS, DVD will retain the ownership of a certain undivided interest in each Unit for its own use and benefit as a DVD-owned Ownership Interest and therefore as a cotenant with the Cotenants; and

WHEREAS, pursuant to the Declaration, the Association has the responsibility and obligation to operate and manage the Condominium; and

WHEREAS, the Association has assigned its responsibilities and obligations to operate and manage the Condominium to DVCMC pursuant to the terms of a property management agreement (the "**Property Management Agreement**") and the Disney Vacation Club Membership Agreement for the Condominium (the "**Membership Agreement**"); and

WHEREAS, DVD, to implement the Vacation Ownership Plan, has provided for the creation of a central reservation system and related services (the "**Disney Vacation Club**" or "**Club**"); and

WHEREAS, the Club includes the operation of a reservation system for the assignment and use of accommodations in each Unit designed for separate occupancy and use ("**Vacation Homes**") and the facilities of the Condominium pursuant to the priorities, restrictions and limitations established by DVCMC from time to time in accordance with the Vacation Ownership Plan (the "**Home Resort Reservation Component**"); and

WHEREAS, the respective Ownership Interest of each Cotenant, including DVD, is symbolized by a number of "**Home Resort Vacation Points**"; and

WHEREAS, pursuant to the Declaration, each Unit will contain a certain number of Vacation Homes and the number of Vacation Homes may vary from Unit to Unit; and

WHEREAS, pursuant to the Declaration and to the Membership Agreement, each Cotenant must make a reservation through the Home Resort Reservation Component in order to use a Vacation Home within a Unit, regardless of the Unit in which the Cotenant has an Ownership Interest; and

WHEREAS, all terms used in this Agreement shall have the same meaning as the identical terms used in the Declaration or the Membership Agreement, as applicable, unless otherwise defined in this Agreement or unless the context otherwise requires; and

WHEREAS, in order to facilitate: (i) the Vacation Home reservation process within each Unit; (ii) the reservation process among all Units; (iii) the proper allocation and discharge of all of the duties and obligations appurtenant to Unit ownership pursuant to the Declaration, pursuant to Chapter 718, Florida Statutes, as it is constituted on the date of the recording of this Agreement in the Public Records of Orange County, Florida ("**Chapter 718**"), and pursuant to Chapter 721; and (iv) the reservation process regarding the Vacation Homes and facilities of the Condominium, DVD and the other Cotenants, the Association, and DVCMC agree as follows:

1. Definitions. All terms used in this Agreement shall have the same meaning as the identical terms used in the Declaration unless otherwise defined in this Agreement or unless the context otherwise requires.

2. Allocation of Unit Expenses and Liabilities. Each Unit will be assessed at least annually for its share of the Common Expenses of the Condominium pursuant to the Declaration. Pursuant to Chapter 718 and the Declaration, the Cotenants as the owners of a Unit are jointly and severally liable for all Common Expenses of the Condominium attributable to that Unit. The Cotenants of each Unit are also jointly and severally liable for all taxes, including ad valorem taxes, assessed against such Unit and for which the failure to pay can give rise to the placing of a lien against the entire Unit. However, for purposes of this Agreement, the Cotenants agree that each individual Cotenant will be severally liable for that proportion of these and any other expenses or taxes that may be assessed against the Unit, or for which the Cotenants may otherwise become liable by virtue of being a cotenant in the Unit, that equals the Cotenant's Ownership Interest owned in the Unit. No Cotenant shall be liable for any assessment made against any other Cotenant pursuant to this paragraph, and any failure of a Cotenant to promptly pay the Cotenant's several share of such expenses, taxes or liabilities shall constitute a default under this Agreement pursuant to paragraph 7 of this Agreement.

3. Allocation of Unit Rents, Profits and Casualty or Condemnation Proceeds. As provided in the Declaration and in the Membership Agreement, each Cotenant must make a reservation prior to using any Vacation Home within any Unit, and any rents derived from the use of a reserved Vacation Home by a Cotenant will inure to the exclusive benefit of the person holding the reservation and securing the rental; therefore, it is not contemplated that any rents will be derived from any Unit that will inure to the benefit of the Cotenants as a whole, and no common rental pools shall be established with regard to the Unit. Subject to DVD's right of first refusal as set forth in the Declaration, each Cotenant is free to convey the Cotenant's Ownership Interest, and any proceeds derived from the sale of an Ownership Interest by a Cotenant will inure to the exclusive benefit of the person or entity selling the Ownership Interest; therefore, it is not contemplated that any proceeds derived from the conveyance of any Ownership Interest will inure to the benefit of the Cotenants as a whole. However, as more particularly set forth in the Declaration, the Cotenants agree that each individual Cotenant will be entitled to share in any proceeds that are produced by or allocable to the Unit as a whole, including the proceeds of any insurance or eminent domain award, in that proportion that equals the Ownership Interest owned in the Unit. DVD, the Association and DVCMC are not obligated to provide any rental or resale assistance to any Cotenant. Any rental by a Cotenant of a Vacation Home or sale by a Cotenant of an Ownership Interest will occur, if at all, solely through the efforts of such Cotenant. The Declaration shall govern as to each Cotenant's rights with respect to any proceeds arising out of casualty to the Unit or as to a taking of the Unit in condemnation.

4. Voting Certificate.

Pursuant to this Agreement, Cotenants of Ownership Interests in each Unit designate DVD as their authorized voting representative at all meetings of the Association.

Pursuant to Chapter 718, the Declaration, the Articles of Incorporation of the Association and the Bylaws of the Association, each Unit is allocated a vote in the affairs of the Association, and where a Unit is owned by more than one person, the Cotenant of the Unit must, pursuant to this Agreement, designate in a Voting Certificate the Cotenant authorized to cast the Unit's vote in meetings of the Association and to represent the Unit in all Association matters as the Voting Representative. In accordance with the foregoing, the Cotenant designates DVD as the Voting Representative and each Cotenant by the

acceptance of a deed transferring ownership of an Ownership Interest in a particular Unit, confirms and evidences the designation of DVD as the Voting Representative for such Unit. In exercising this authority, DVD agrees to act at all times on behalf of the Cotenants as a whole pursuant to its fiduciary duties pursuant to Chapter 721. DVD also agrees that it will not cast the Unit's vote in any of the following respects without the prior concurrence of the Cotenants who own sixty percent (60%) of the Ownership Interests in the Unit, which concurrence may be evidenced by a written consent signed by such Cotenants and placed in the books and records of the Association:

- a. waiver of any material rights of the Association or of the Cotenants against DVD or any of its affiliates;
- b. waiver or reduction of required replacement reserves;
- c. any increase in the Association's annual operating budget in excess of one hundred fifteen percent (115%) of the previous year's budget, excluding reserves and ad valorem taxes;
- d. any increase in the calculation of compensation paid to DVCMC under the Property Management Agreement;
- e. reallocation of the undivided interests in the Common Elements of the Condominium appurtenant to each Unit other than the automatic reallocation that results from the addition of phases to the Condominium pursuant to Article 18 of the Declaration;
- f. amendment of the Declaration or of the Articles of Incorporation or the Bylaws of the Association in any manner that is materially adverse to the Cotenants as a whole; or
- g. voluntary termination of the Condominium, or any proposition not to reconstruct, repair or replace any portion of any Unit or Common Elements after casualty.

Subject to the provisions of paragraph 9 of this Agreement, DVD shall continue to serve as the Voting Representative of the Unit until such time as the Cotenants who own sixty percent (60%) of the Ownership Interests in the Unit concur in writing that DVD should be removed from this position; provided, however, that during any period of time in which DVD owns in excess of forty percent (40%) of the Ownership Interests in a given Unit, the Cotenants who own sixty percent (60%) of the Ownership Interests in that Unit (other than the Ownership Interests owned by DVD in that Unit) may remove DVD as the Voting Representative of the Unit. Should DVD be removed from this position for any reason, the provisions of this Agreement shall continue in full force and effect, and the Cotenants shall elect one of their number to serve as the Voting Representative of the Unit until such time as that person resigns or is replaced pursuant to the provisions of this paragraph. In all events, the Cotenant of each Unit must have elected a Voting Representative pursuant to this paragraph at all times until such time that the Condominium has been terminated.

5. Turnover of Association Control. Pursuant to the provisions of Chapter 718, DVD shall give each Cotenant not less than sixty (60) days advance written notice of: (i) the first meeting of the Association at which Cotenants other than DVD are entitled to elect no less than one-third (1/3) of the members of the board of directors of the Association (the "**Board**"); and (ii) the first meeting of the Association at which Cotenants other than DVD are entitled to elect no less than a majority of the Board, unless applicable law is subsequently amended to permit a longer period of control of the board of directors by DVD. The notices required to be given by DVD pursuant to this paragraph 5, may be given, and shall be deemed given, if included as part of the notice of the Association annual meeting sent by the Association or DVCMC on behalf of the Association; provided, however, that it is given not less than sixty (60) days in advance of the applicable meeting. DVD shall be authorized to cast the vote of the Unit at these meetings in such manner as DVD determines to be appropriate pursuant to paragraph 4 of this Agreement unless DVD is otherwise directed in advance in writing by the Cotenants who own sixty percent (60%) of the Ownership Interests in the Unit; provided, however, that during any period of time in which DVD owns in excess of forty percent (40%) of the Ownership Interests in a given Unit, the Cotenants who own sixty percent (60%) of the Ownership Interests in that Unit (other than the Ownership Interests owned by DVD in that Unit) may instruct DVD as to the manner in which the Unit's vote will be cast.

For purposes of calculating when the Cotenants other than DVD are entitled to elect directors, the percentages set forth in Section 718.301, Florida Statutes, shall be deemed to apply to the aggregate number of Ownership Interests in Units that have been conveyed to purchasers.

6. Vacation Home Reservations. Subject to the provisions of paragraph 9 of this Agreement, the Cotenants agree that the Association shall serve as the reservation manager for the Unit in which they own. The Association is granted the authority to establish reservation procedures for the assignment and use of Vacation Homes within that Unit. Under the authority granted in this Agreement, the Association shall assign the use of Vacation Homes within a Unit to the Cotenants of that Unit and to the

Cotenants in other Units and to assign the Cotenants the use of Vacation Homes in other Units, through the Home Resort Reservation Component. The Association's authority to perform these functions has been delegated to DVCMC pursuant to the Membership Agreement. In the event that the Membership Agreement is terminated, the Association shall retain its authority to establish reservation procedures for the assignment and use of Vacation Homes in a Unit by the Cotenants who own in that Unit, as well as to establish reservation procedures, which may or may not be identical to those set forth in the Membership Agreement, by which use of all Units and Vacation Homes in the Condominium shall be determined.

7. Assessment Collections. Subject to the provisions of paragraph 9 of this Agreement, the Cotenants agree that the Association shall serve as the assessment collection manager for the Unit for the purpose of ensuring that all Common Expenses and taxes assessed against the Unit pursuant to paragraph 2 of this Agreement are timely remitted. The Association has assigned these duties to DVCMC under the Property Management Agreement. As part of its duties, DVCMC shall notify each Cotenant of the Cotenant's share of such expenses and shall provide for a reasonable time after receipt of the statement within which the Cotenant must pay the Cotenant's share to DVCMC. The failure of any Cotenant to promptly pay the Cotenant's share of expenses or taxes to DVCMC shall constitute a default under this Agreement, and the defaulting Cotenant shall be subject to the remedies in favor of non-defaulting Cotenants set forth in paragraph 8 of this Agreement and to the remedies in favor of the Association pursuant to the Declaration.

8. Rights Against Defaulting Cotenant. Upon the default of a Cotenant pursuant to paragraph 7 of this Agreement, DVD has the right, but not the obligation, to pay the amounts due from the defaulting Cotenant to DVCMC if collection attempts made by DVCMC are unsuccessful. Each Cotenant agrees that upon such payment by DVD, DVD shall acquire a lien upon the Ownership Interest owned by the defaulting Cotenant. The lien shall secure the amount of monies paid by DVD to DVCMC on behalf of the defaulting Cotenant together with interest on such amount at the highest rate permitted by law and together with the costs and reasonable attorneys' fees incurred by DVD in the collection of such sums from the defaulting Cotenant. The lien may be foreclosed upon the Ownership Interest of the defaulting Cotenant in the manner generally prescribed for the foreclosure of mortgages under Florida law (including, without limitation, trustee foreclosures under Section 721.855, Florida Statutes). In the event DVD elects not to exercise its right pursuant to this paragraph, any other Cotenant may tender the amounts due to DVCMC and acquire the lien described in this Agreement. Defaulting Cotenants may also be subject to legal actions for recovery of assessments as a personal liability and subject to the termination of their reservation rights pursuant to Florida law.

9. Insolvency or Bankruptcy. In the event DVD, the Association or DVCMC files for protection from creditors under any state or federal law or becomes the debtor in a bankruptcy proceeding, voluntarily or involuntarily (and if involuntarily, the bankruptcy is not dismissed within ninety (90) days after filing), the filing Party shall be deemed to have automatically resigned from its positions as Voting Representative, reservation manager or assessment collection manager for the Unit as applicable. If necessary, the Cotenants shall thereafter elect a successor Voting Representative pursuant to paragraph 4 of this Agreement.

10. Execution and Joinder by Cotenant; Commencement Date. Each Cotenant shall evidence acceptance of the terms and conditions of this Agreement by the acceptance of a deed for the transfer of ownership of an Ownership Interest and the recordation of such deed among the Public Records of Orange County, Florida, whether such transfer is from DVD or as a result of a subsequent transfer by the Cotenant to a new owner. The "**Commencement Date**" shall be the date of the first deed so recorded.

11. Waiver of Partition. The Cotenants agree that no action for partition of any Unit or Vacation Home in the Condominium shall lie.

12. Notices. Except as may be otherwise provided in this Agreement, any notice, demand, request, consent, approval or communication under this Agreement shall be in writing and shall be deemed duly given or made to DVD, the Association or DVCMC: (i) when deposited, postage prepaid, in the United States mail, certified or registered mail with a return receipt requested, addressed to the Party at the address set forth in this Agreement; (ii) when delivered personally to the Party at the address specified set forth in this Agreement; (iii) when deposited with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the Party as specified in this Agreement; or (iv) when delivered by facsimile transmission with confirmed receipt of transmission. A Party may designate a different address for receiving notices under this Agreement by notice to the other Parties given in accordance with this Agreement. Unless otherwise provided in this Agreement, all notices or information required to be delivered to Cotenants by the Association shall be delivered by the Association to DVD. DVD shall provide the Cotenants with all notices required by Florida law, or required under this Agreement, and all such notices shall be deemed given if delivered by regular U.S. mail or by e-mail to the Cotenant at the last known address of the Cotenant pursuant to the books and records maintained by DVCMC, or if provided to the Cotenants as a part of a newsletter or other periodic report directly by DVD or through the Association or DVCMC as the Management Company.

13. Governing Law; Successors in Title. This Agreement shall be governed by and construed under the laws of the State of Florida and shall run with the land, inuring to the benefit and burden of the successors in title of the Parties including all trustees in bankruptcy; and, therefore, this Agreement shall not be cancelable or cancelled until such time as the Condominium is terminated.

14. Interpretation. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. No provision of this Agreement shall be construed against a Party because the Party provided for the drafting of this Agreement. The use of headings, captions and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions of this Agreement and shall in no event be considered otherwise in construing or interpreting any provision of this Agreement.

15. No Partnership or Joint Venture. It is the express intent of the Parties that neither this Agreement nor any provision of this Agreement be deemed or construed to create a partnership or joint venture by or between or among any or all Parties.

16. Severability. In the event that any clause or provision of this Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any other provision of this Agreement.

17. Ownership Interests and Home Resort Vacation Points; Amendment.

The Ownership Interest owned by a given Cotenant in a given Unit shall be symbolized as a number of Home Resort Vacation Points ("**Home Resort Vacation Points**") desired by the Cotenant. The Cotenant's specific Ownership Interest is the ratio of the number of Home Resort Vacation Points assigned by DVD to the Cotenant with respect to a given Unit to the total number of Home Resort Vacation Points assigned by DVD to that Unit.

This Agreement may be amended by the concurrence of Cotenants owning seventy-five percent (75%) of the total Ownership Interests in a given Unit as to that Unit by an instrument in writing recorded among the Public Records of Orange County, Florida.

However, during any period of time in which DVD owns an Ownership Interest equal to more than twenty-five percent (25%) of the undivided interests in a given Unit, the Cotenants who own Ownership Interests of equal to at least seventy-five percent (75%) of the remaining undivided interests in that Unit (*i.e.*, other than the undivided interests owned by DVD in that Unit) may amend this Agreement as to that Unit. If required by any public body or by applicable law, DVD may unilaterally amend this Agreement by an instrument in writing executed by DVD and recorded among the Public Records of Orange County, Florida. DVD shall notify the Cotenants of any such unilateral amendment, the purpose of such unilateral amendment, and the nature of the public body or law that required same.

18. Waiver of Jury Trial; Venue of Actions. The Parties waive any right they may have under any applicable law to a trial by jury with respect to any suit or legal action which may be commenced by or against another Party concerning the interpretation, construction, validity, enforcement or performance of this Agreement or any other agreement or instrument executed in connection with this Agreement. In the event any such suit or legal action is commenced by a Party, the other Parties agree, consent and submit to the personal jurisdiction of the federal, county and circuit courts located in Orange County, Florida (the "**Orange County Courts**"), with respect to such suit or legal action, and each Party also consents and submits to and agrees that venue in any such suit or legal action is proper in Orange County and with the Orange County Courts, and each Party waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in the Orange County Courts and Orange County. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

19. Recitals. The recitals set forth at the beginning of this Agreement are true and correct and are incorporated in this Agreement by this reference.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the Commencement Date.

WITNESSES:

[Signature]
Print Name: Lynn Weber

[Signature]
Print Name: Karen L. Grip

[Signature]
Print Name: Jessica Johnson

[Signature]
Print Name: Maribela Aleman

[Signature]
Print Name: Karen L. Grip

[Signature]
Print Name: William Diercksen

DISNEY VACATION DEVELOPMENT, INC.,
a Florida corporation

By: [Signature]
Name: Yvonne Chang
As Its: Assistant Secretary

DISNEY VACATION CLUB MANAGEMENT CORP.,
a Florida corporation

By: [Signature]
Name: Leigh Anne Nieman
As its: Assistant Secretary

DISNEY'S POLYNESIAN VILLAS & BUNGALOWS

CONDOMINIUM ASSOCIATION, INC.,
a Florida not-for-profit corporation

By: [Signature]
Name: Terri A. Schultz
As its: Vice President and Treasurer

STATE OF FLORIDA) SS.
COUNTY OF Osceola)

The foregoing instrument was acknowledged before me this 30th day of December, 2014, by Yvonne Chang, Assistant Secretary of **DISNEY VACATION DEVELOPMENT, INC.,** a Florida corporation, on behalf of the corporation. He is personally known to me.

Notary Signature: [Signature]

STATE OF FLORIDA) SS.
COUNTY OF Osceola)

The foregoing instrument was acknowledged before me this 30 day of December, 2014, by Leigh Anne Nieman, the Assistant Secretary of **DISNEY VACATION CLUB MANAGEMENT CORP.,** a Florida corporation. She is personally known to me.



Notary Signature: [Signature]

STATE OF FLORIDA) SS.
COUNTY OF Osceola)

The foregoing instrument was acknowledged before me this 30 day of December, 2014, by Terri A. Schultz, Vice President and Treasurer of **DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC.,** a Florida not-for-profit corporation. She is personally known to me.



Notary Signature: [Signature]

DVC RESORT AGREEMENT

THIS DVC RESORT AGREEMENT (“**Agreement**”) is effective as of the 30th day of December, 2014 (the “**Effective Date**”) by and among BUENA VISTA TRADING COMPANY, a Florida corporation, having offices and its principal place of business at 1375 Buena Vista Drive, 4th Floor North, Lake Buena Vista, Florida, 32830 (“**BVTC**”); DISNEY VACATION CLUB MANAGEMENT CORP., a Florida corporation, having offices and its principal place of business at 1390 Celebration Blvd., Celebration, Florida 34747 (“**DVCMC**”); DISNEY VACATION DEVELOPMENT, INC., a Florida corporation having offices and its principal place of business at 1390 Celebration Blvd., Celebration, Florida 34747 (“**DVD**”); and DISNEY’S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC., a Florida not for profit corporation, having offices at 1390 Celebration Place, Celebration, Florida 34747 (the “**Association**”) (BVTC, DVCMC, DVD and the Association are sometimes individually referred to as a “Party” and collectively as the “Parties in this Agreement”).

RECITALS

WHEREAS, DVD has developed a resort project known as *Disney’s Polynesian Villas & Bungalows*, a leasehold condominium, located in Orange County, Florida (the “**Polynesian Villas**”) subject to a vacation ownership plan pursuant to Chapter 721, Florida Statutes (the “**Vacation Ownership Plan**”); and

WHEREAS, DVD has provided for a central reservation system and related services (the “**Club**”) which includes the operation of an exchange system (the “**DVC Reservation Component**”) through which the owners of ownership interests in the Polynesian Villas (“**Owners**”) and in any other vacation resorts that are entitled to access and use the DVC Reservation Component (“**DVC Resorts**”) have the ability to voluntarily reserve the use of available accommodations and related facilities of any DVC Resort in accordance with and as restricted by rules and regulations established by BVTC from time to time; and

WHEREAS, the Association is the owners’ association for the Polynesian Villas pursuant to Chapter 718, Florida Statutes, and Chapter 721, Florida Statutes; and

WHEREAS, DVCMC and the Association have entered into that certain property management agreement and that certain membership agreement for the purpose of the Association assigning to DVCMC all of the Association’s management and assessment collection duties, obligations and responsibilities (except those which cannot be delegated as a matter of law), including the Association’s responsibility for managing the use of the accommodations and related facilities of the Polynesian Villas in accordance with and as restricted by the Vacation Ownership Plan; and

WHEREAS, DVD, the Association, DVCMC and BVTC desire to enter into this Agreement for the purpose of enabling the Polynesian Villas to become a DVC Resort and for BVTC to coordinate activities and perform services associated therewith in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained in this Agreement, the Parties agree as follows:

AGREEMENT

I. Definitions

The following definitions of terms used in this Agreement shall prevail unless the context requires a different meaning:

- 1.1 Agreement shall mean this DVC Resort Agreement for the Polynesian Villas.
- 1.2 Annual Dues means that portion of the Polynesian Villas Estimated Budgets that has been assessed against an individual Owner’s Ownership Interest together with the Owner’s proportionate share of the ad valorem taxes for the Ownership Interest.
- 1.3 Applicable Law shall mean the law of the jurisdiction where the DVC Resort referred to is located, as of the date of this Agreement, unless BVTC determines otherwise.
- 1.4 Association shall mean The *Disney’s Polynesian Villas & Bungalows Condominium Association, Inc.*, a not for profit Florida corporation, and its successors and assigns, which is responsible for the operation and management of the Polynesian Villas under Applicable Law.

- 1.5 BVTC shall mean Buena Vista Trading Company, a Florida corporation, its successors and assigns. BVTC is an exchange company registered under Chapter 721.
- 1.6 Chapter 721 shall mean Chapter 721, Florida Statutes, as it is constituted on the Effective Date.
- 1.7 Club shall mean the Disney Vacation Club. The Club is not a legal entity or association of any kind, but rather is a service name for the services and benefits appurtenant to and the restrictions imposed upon the use and enjoyment of Ownership Interests. These services presently include, among other things, the operation of a central reservation system consisting of the reservation component for the Vacation Ownership Plan and the DVC Reservation Component.
- 1.8 Club Member shall mean the owner of record of an Ownership Interest.
- 1.9 Disclosure Document shall mean the disclosure statement promulgated or amended by BVTC in accordance with Section 721.18, Florida Statutes, and containing the rules and regulations that BVTC in its discretion determines are necessary or desirable from time to time in order to enforce the provisions of this Agreement. The terms and conditions of the Disclosure Document are incorporated as part of this Agreement by this reference.
- 1.10 DVCMC shall mean Disney Vacation Club Management Corp., a Florida corporation, its successors and assigns.
- 1.11 DVC Reservation Component shall mean the exchange component of the Club central reservation system through which Vacation Homes in any DVC Resort may be reserved using DVC Vacation Points pursuant to priorities, restrictions and limitations established by BVTC from time to time and as set forth in the Disclosure Document.
- 1.12 DVC Resort shall mean each resort, including the Polynesian Villas, which is entitled to access and use the DVC Reservation Component and other applicable Club services and benefits provided by BVTC by virtue of and pursuant to the terms and conditions of a DVC Resort Agreement.
- 1.13 DVC Resort Agreement shall mean the agreement pursuant to which a resort becomes and remains a DVC Resort in accordance with the terms and conditions of such agreement.
- 1.14 DVC Vacation Points shall mean Vacation Points utilized by a Club Member to make a reservation through the DVC Reservation Component at a DVC Resort.
- 1.15 DVD shall mean Disney Vacation Development, Inc., a Florida corporation, its successors and assigns, and the developer of the Polynesian Villas.
- 1.16 Home Resort shall mean any DVC Resort in which a Club Member owns an Ownership Interest which is symbolized by Home Resort Vacation Points.
- 1.17 Home Resort Priority Period shall mean the period of time at each DVC Resort during which only Club Members having an Ownership Interest at that DVC Resort are entitled to request a reservation for the Vacation Homes at that DVC Resort through the vacation ownership plan at that DVC Resort.
- 1.18 Home Resort Vacation Points shall mean Vacation Points symbolizing an Ownership Interest at a Home Resort which Vacation Points may be used to reserve Vacation Homes at that Home Resort where that Ownership Interest is held.
- 1.19 One-To-One Use Right To Use Night Requirement Ratio shall have the meaning as defined in Section 721.05(25), Florida Statutes (2014).
- 1.20 Ownership Interest shall mean a real property interest in a Unit in a DVC Resort.
- 1.21 Polynesian Villas Documents shall mean all of the documents, by whatever names denominated, and any amendments to such documents, which create and govern the rights and relationships of the Club Members in the Polynesian Villas as required or allowed by Applicable Law.
- 1.22 Polynesian Villas Estimated Budgets shall mean the operating and capital reserves budgets that establish the estimated annual common expenses and reserves of the Polynesian Villas each year.
- 1.23 The TWDC Companies shall mean TWDC and all subsidiaries and affiliates of TWDC, including DVD, DVCMC and BVTC.
- 1.24 TWDC shall mean The Walt Disney Company, a Delaware corporation, its successors and assigns.

1.25 Unit shall mean that portion of a DVC Resort, which is subject to exclusive ownership by one or more persons pursuant to Applicable Law.

1.26 Vacation Home shall mean those portions of a Unit designed and intended for separate use and occupancy.

1.27 Vacation Ownership Plan is the arrangement pursuant to Applicable Law and the documents establishing the DVC Resort under Applicable Law whereby a Club Member receives an Ownership Interest in a Unit in a DVC Resort under which the exclusive right of use, possession or occupancy of all Units in the DVC Resort circulates among the various Club Members at that DVC Resort on a recurring basis during the term of the plan.

1.28 Vacation Point shall mean the symbolic unit of measuring the respective rights of a Club Member to enjoy the benefits of the Club Member's Ownership Interest within the Club.

II. Assignment

2.1 The Association, on its own behalf and on behalf of all of the Club Members at the Polynesian Villas, enters into and agrees to be bound by the terms and conditions of this Agreement with the purpose of engaging BVTC to arrange for the assignment of the possession and use of the Polynesian Villas Vacation Homes by Club Members from other DVC Resorts and the possession and use of Vacation Homes at other DVC Resorts by Club Members from the Polynesian Villas through the DVC Reservation Component. In this regard, the Association shall be deemed to be the "corporate member" entitled to act on behalf of the Club Members with respect to all provisions of this Agreement. Wherever Association acknowledgment, consent, understanding or agreement is stated or implied in this Agreement or in dealing with BVTC, such acknowledgment, consent, understanding or agreement will be deemed to also have been given by each such Owner, other than DVD. Each Club Member at the Polynesian Villas shall expressly evidence acceptance of the terms and conditions of this Agreement and the Disclosure Document by acceptance of a deed transferring an Ownership Interest in a Unit.

2.2 DVD enters into this Agreement for the purpose of expressing its consent to and acceptance of the terms and conditions of this Agreement.

2.3 DVCMC, as the management company for the Polynesian Villas, enters into this Agreement for the purpose of expressing its consent to and acceptance of the terms and conditions of this Agreement. Whatever obligations are imposed upon the Association by this Agreement, the reference to the Association shall include DVCMC as the management company authorized to act on behalf of the Association to the extent contemplated under the Polynesian Villas Documents.

2.4 BVTC for itself and its successors and assigns agrees to assume all of the responsibilities and duties set forth above, and to faithfully discharge all of its obligations as assigned under this Agreement.

2.5 The Parties agree that the rights assigned to BVTC pursuant to this Agreement are exclusive to BVTC.

III. Acknowledgments

3.1 The Parties acknowledge the following:

a. That the DVC Reservation Component shall be operated by BVTC pursuant to the terms of this Agreement and the Disclosure Document, as the same may be amended from time to time.

b. That membership in the Club is an appurtenance to each Ownership Interest at the Polynesian Villas in accordance with the terms of the Polynesian Villas Documents and this Agreement and may not be partitioned from such Ownership Interest and that this Agreement and the Disclosure Document are covenants running with the title to such Ownership Interests, in accordance with the terms and conditions of this Agreement and the Disclosure Document.

c. That the Club does not own any property or assets, and that Club Members will acquire no legal or beneficial interest in any of The TWDC Companies or their assets, including the Club, and no right or interest in the property, contract rights or business of The TWDC Companies. Furthermore, Club Members will not be entitled to any share of income, gain or distribution by or of The TWDC Companies and will not acquire any voting rights in respect of The TWDC Companies.

d. That DVD is only obligated to develop and construct the phases of the Polynesian Villas initially declared as part of the Polynesian Villas and described in the Polynesian Villas Documents. DVD has the right, in its discretion, but not the obligation, to add other land, units and facilities, whether or not developed by The TWDC Companies, as part of the Polynesian Villas.

e. That BVTC has the right to delete a DVC Resort, including the Polynesian Villas, in accordance with Section 6.3 below, in which case the Club Members at the remaining DVC Resorts will not be able to reserve the use of accommodations at the deleted resort through the DVC Reservation Component and owners at the deleted resort will not be able to reserve the use of Vacation Homes through the DVC Reservation Component.

f. That BVTC has the discretion to associate other resorts as DVC Resorts and the terms and conditions of such association and the right to delete existing DVC Resorts and neither the Association, DVCMC nor the individual Club Members will be entitled to participate in BVTC's decision in this regard.

g. That the relationship between DVCMC, the Association and BVTC pursuant to this Agreement and the Disclosure Document, together with the handling of all of the services and benefits provided by BVTC for the Club Members at the Polynesian Villas, constitutes legitimate business of the Association.

IV. Covenants of DVD, DVCMC and the Association

4.1 DVD agrees to notify BVTC of DVD's execution and delivery of deeds to each Club Member at the Polynesian Villas indicating that DVD has transferred an Ownership Interest in the Polynesian Villas to the Club Member.

4.2 The Association agrees that at the time that DVD transfers its control of the Polynesian Villas to the Association as set forth in the Polynesian Villas Documents, the Polynesian Villas shall continue to be a DVC Resort pursuant to the provisions of and in accordance with the terms and conditions of this Agreement.

4.3 DVD, DVCMC and the Association represent and warrant to BVTC that: (a) DVD owns or leases, or shall own or lease prior to marketing or commencement of sales, the real estate and improvements constituting the Polynesian Villas; and (b) each Club Member owning an Ownership Interest in the Polynesian Villas shall acquire, possess and enjoy the right to use his or her Ownership Interest in accordance with information contained in the deed submitted for each Club Member and in accordance with the Polynesian Villas Documents. DVD, DVCMC and the Association shall immediately notify BVTC of any change or any other fact or circumstance affecting BVTC's delivery of services and benefits to Club Members at the Polynesian Villas, including the termination of any existing management company for the Polynesian Villas.

V. Operation and Management of Reservation Rights.

5.1 All reservations made by Club Members among the DVC Resorts using the DVC Reservation Component shall be made in accordance with the Disclosure Document as promulgated or amended from time to time by BVTC. BVTC reserves the right to amend the Disclosure Document in its discretion and as it determines is necessary or desirable in order to operate and manage the services and benefits made available through BVTC; provided, however, that the Disclosure Document will only be amended as permitted under Applicable Law.

5.2 DVD, DVCMC and the Association acknowledge and understand that the operation and management of the DVC Reservation Component is based upon a Vacation Point structure. Under this structure, each Ownership Interest is symbolized by a number of Home Resort Vacation Points under the Vacation Ownership Plan for the DVC Resort representing the reservation power of that Ownership Interest in that DVC Resort's Vacation Ownership Plan. These Home Resort Vacation Points may be converted into DVC Vacation Points (as described in the Disclosure Document) if the Club Member voluntarily participates in the DVC Reservation Component by making a reservation at other DVC Resorts. Home Resort Vacation Points may not be converted into DVC Vacation Points except in connection with making a reservation through the DVC Reservation Component. The number of DVC Vacation Points required to reserve Vacation Homes at a DVC Resort will be determined annually by BVTC in its discretion; however, in no event will BVTC reallocate DVC Vacation Points by more than twenty percent (20%) for any use day from year to year except for special periods of high demand and based upon Club Member use patterns and changes in Club Member use demand (including, without limitation, use demand during special or holiday seasons), as determined by BVTC in its discretion.

5.3 DVD, DVCMC and the Association acknowledge and understand that different Home Resort Priority Periods may exist at each DVC Resort; provided, however, that in no event shall BVTC associate a resort as a DVC Resort if such resort has a Home Resort Priority Period of less than one (1) month.

5.4 DVD, DVCMC and the Association acknowledge and agree that all personal property related to BVTC's operation of the DVC Reservation Component, including all computer hardware and software and intellectual property, is and always shall be the personal property of BVTC.

5.5 DVD, DVCMC AND THE ASSOCIATION ACKNOWLEDGE AND AGREE THAT BVTC IS PROVIDING THE SERVICES TO EACH OF THE PARTIES, THE DVC RESORTS AND CLUB MEMBERS AS CONTEMPLATED UNDER THIS AGREEMENT AND THE DISCLOSURE DOCUMENTS, INCLUDING THE OPERATION OF THE DVC RESERVATION COMPONENT, WITH NO WARRANTIES WHATSOEVER, INCLUDING ANY WARRANTIES ARISING FROM WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. BVTC FURTHER DOES NOT WARRANT THAT THE DELIVERY OF SUCH SERVICES, INCLUDING THE OPERATION OF THE DVC RESERVATION COMPONENT, WILL BE ERROR-FREE OR BE PROVIDED OR AVAILABLE WITHOUT INTERRUPTION AND BVTC DISCLAIMS ALL LIABILITY IN THIS REGARD. This Section 5.5 shall survive the expiration or earlier termination of this Agreement.

VI. Other DVC Resorts

6.1 In the event BVTC associates one or more additional resorts as DVC Resorts, the DVC Resort Agreement executed to effect such association shall be substantially similar to this Agreement in all material respects under the circumstances pertaining to each such additional DVC Resort.

6.2 The Parties agree that BVTC shall have the following rights with respect to the addition of resorts as DVC Resorts:

a. BVTC may elect to associate other resort properties as DVC Resorts from time to time. These other DVC Resorts, if any, may be located within or outside the United States of America. Furthermore, it is contemplated that all resorts that may be associated as DVC Resorts from time to time will be developed by DVD or another affiliate or subsidiary of The TWDC Companies and managed by DVCMC; however, BVTC in its discretion reserves the right to enter into a DVC Resort Agreement with other resorts that have not been developed by DVD or any of The TWDC Companies and that may or may not be managed by DVCMC.

b. The association of additional DVC Resorts is not subject to the approval of DVCMC, the Association or any Club Member, and any decision to associate DVC Resorts, including the terms and conditions under which the DVC Resort is associated, will be made by BVTC subject to the express written approval of DVD. In making a decision to associate additional DVC Resorts, BVTC shall use its best efforts, in good faith and based upon all available evidence under the circumstances, to further the best interests of the Club Members taken as a whole with respect to the Club Members' opportunity to use and enjoy all of the Vacation Homes and related facilities made available through the DVC Reservation Component. In this regard, BVTC will consider such factors as size, capacity, furnishings, maintenance impact, location (including geographic, topographic and scenic considerations), recreational capabilities, and demand and availability for Club Member use and enjoyment.

c. In the event other resorts are associated as DVC Resorts, the addition of the DVC Resort will result in the addition of new Club Members who will have the opportunity to make reservations for the use of Vacation Homes and related facilities through the DVC Reservation Component along with existing Club Members, including the Club Members at the Polynesian Villas, and may also result in an increase in the Annual Dues assessed against each Ownership Interest. If other DVC Resorts are associated, demand for use may vary among the various DVC Resorts and the level of Club Member demand for the use of a particular DVC Resort may increase over the level of use demand that existed at the time of purchase by a particular Club Member such that the ability of a Club Member to reserve use at a high demand DVC Resort at a particular time may be impacted. However, new Club Members' reservation requests will also be subject to the Home Resort Priority Period for each DVC Resort, and in no event shall the addition of a DVC Resort result in non-compliance with the One-To-One Use Right To Use Night Requirement Ratio standard. In addition, the inclusion of new resorts as DVC Resorts will afford existing Club Members with more DVC Resort Vacation Homes and location reservation opportunities and options.

d. BVTC does not anticipate that the rules and regulations governing reservations among the DVC Resorts will be affected by adding additional resorts as DVC Resorts. However, BVTC has reserved the right to amend the Disclosure Document and DVC Vacation Point schedules to take into account the location and anticipated relative use demand of the added DVC Resort as may be necessary and as it deems necessary or desirable in order to enforce the provisions of this Agreement and the Disclosure Document as permitted under Applicable Law.

6.3 The Parties agree that any deletion of a DVC Resort, including the Polynesian Villas, shall be governed by the following:

a. In the event of a deletion of any DVC Resort that results in Vacation Homes or related facilities of such DVC Resort being unavailable for use by Club Members, BVTC shall notify DVD, DVCMC, the Association and all affected Club Members of such unavailability of use within thirty (30) days after the related event of casualty, eminent domain action or automatic or other deletion.

b. BVTC may, in its discretion, delete all or a portion of an existing DVC Resort due to casualty where any of the affected Vacation Homes or related facilities are not reconstructed or replaced.

(1) By execution of this Agreement, DVCMC and the Association agree to obtain and maintain casualty insurance as to all Vacation Homes, related facilities and furnishings located upon the Polynesian Villas in an amount equal to the replacement cost of such Vacation Homes, related facilities and furnishings as required by Chapter 721. BVTC shall not be liable for any costs associated with obtaining or maintaining such insurance.

(2) DVD, DVCMC, and the Association further agree that any insurance proceeds resulting from a casualty at the Polynesian Villas shall be applied to the reconstruction or replacement of the Vacation Homes or related facilities; or, in lieu thereof, disbursed to affected Club Members at the Polynesian Villas as their share of the non-reconstructed or replaced Unit, in accordance with the Polynesian Villas Documents, resulting in their withdrawal from participation in the DVC Reservation Component so that Club Members will not be requesting reservations for available Vacation Homes in non-compliance with the One-To-One Use Right To Use Night Requirement Ratio standard. The decision whether or not to reconstruct or replace shall be made as promptly as possible under the circumstances.

(3) Any replacement of Vacation Homes or related facilities of the Polynesian Villas due to casualty shall be made so as to provide Club Members with an opportunity to enjoy a substantially similar vacation experience as was available with the deleted Vacation Homes or related facilities, as determined by BVTC in its discretion. In determining whether the replacement Vacation Homes and related facilities will provide a substantially similar vacation experience, BVTC shall consider relevant factors, including some or all of the following: size, capacity, furnishings, maintenance costs, location (geographic, topographic and scenic), demand and availability for Club Member use, and recreational capabilities. BVTC reserves the right, in its discretion, to reject replacement Vacation Homes and related facilities that do not meet its association criteria, including the high standards of quality and customer service established by BVTC for all DVC Resorts from time to time.

c. BVTC may, in its discretion, delete all or a portion of any existing DVC Resort where an eminent domain action has taken place and where any of the affected Vacation Homes or related facilities are not replaced.

(1) In the event of a taking of all or a portion of the Vacation Homes and related facilities of Polynesian Villas by eminent domain, DVD, DVCMC, and the Association agree that any proceeds resulting from such taking shall be applied to the replacement or acquisition of additional similar Vacation Homes and related facilities; or in lieu thereof, disbursed to affected Club Members at the Polynesian Villas as their share of the non-replaced Unit, in accordance with the Polynesian Villas Documents, resulting in their withdrawal from participation in the DVC Reservation Component so that Club Members will not be requesting reservations for available Vacation Homes in non-compliance with the One-To-One Use Right To Use Night Requirement Ratio standard.

(2) Any replacement of Vacation Homes or related facilities due to a taking by eminent domain shall be made upon the same basis as replacements made due to casualty as set forth above.

d. BVTC may, in its discretion, delete an existing DVC Resort pursuant to the specific termination rights contained in each individual DVC Resort Agreement. A DVC Resort also will be automatically deleted upon the expiration or earlier termination of the term of its Vacation Ownership Plan.

e. During any reconstruction, repair or replacement period, or as a result of a decision not to reconstruct or replace (if permitted under the documents establishing the DVC Resort under Applicable Law), Club Members may temporarily request reservations for available Vacation Homes on a greater than a One-To-One Use Right To Use Night Requirement Ratio basis. If available, DVCMC and the Association may acquire business interruption insurance for securing replacement Vacation Homes or related facilities or expend Association funds to secure replacement Vacation Homes or related facilities during any reconstruction, replacement or acquisition period.

f. In the event that a DVC Resort is deleted, all Club Members at the deleted DVC Resort will no longer be able to participate in the DVC Reservation Component which will thereby maintain compliance with the One-To-One Use Right To Use Night Requirement Ratio standard. A Club Member at a deleted DVC Resort will not be able to make reservations at other DVC Resorts unless the Club Member owns an Ownership Interest at a non-deleted DVC Resort; however, the Club Member will continue to have reservation rights in the resort where the Club Member owns his or her Ownership Interest in accordance with the terms of the resort's Vacation Ownership Plan.

6.4 Without first receiving the express written consent of DVD, BVTC shall not offer any external exchange programs to Club Members other than as contemplated under this Agreement.

VII. BVTC Fees

7.1 In consideration for providing the services contemplated under this Agreement and in lieu of charging individual transaction fees to Club Members, BVTC shall be entitled to receive an amount equal to the rental proceeds, if any, in excess of the amount paid to the Association under the Polynesian Villas Documents resulting from the rental of unreserved Vacation Homes (in accordance with the reservation priorities set forth in the Polynesian Villas Documents) equal to the costs incurred by BVTC to provide the services contemplated under this Agreement plus five percent (5%) of the amount of the costs to provide the services contemplated under this Agreement. BVTC shall provide DVCMC with an annual accounting of the costs that it incurs in the performance of the services contemplated under this Agreement. DVCMC shall receive, hold and remit these proceeds due to BVTC in accordance with the terms of the Polynesian Villas Documents. The proceeds contemplated to be remitted to BVTC pursuant to this Section shall be payable in arrears and shall be due on January 1st of the next year and past due on January 31st of that year. BVTC's right to receive these proceeds shall cease upon the termination of this Agreement.

7.2 In lieu of individual membership fees, the Association, as the "corporate member" on behalf of all Club Members at the Polynesian Villas, shall remit to BVTC each calendar year, an amount equal to one dollar (\$1.00) for each Club Member at the Polynesian Villas. This "corporate membership fee" shall be payable in arrears and shall be due on January 1st of the next year and past due on January 31st of that year. The fee shall be based upon the number of Club Members owning Ownership Interests at the Polynesian Villas as of December 31st of the year for which the fee is due. Upon the termination of this Agreement, BVTC shall be entitled to receive a prorated "corporate membership fee" through the termination date and based upon the number of Club Members owning Ownership Interests at the Polynesian Villas as of the effective date of termination.

7.3 A Club Member's failure to pay his or her Annual Dues shall not relieve the Association from its obligations to timely pay the entire amount of proceeds or fees due to BVTC under this Agreement.

7.4 By execution of this Agreement, DVCMC and the Association authorize BVTC to prohibit Club Members who are delinquent in the payment of their Annual Dues (with respect to any Ownership Interests owned by such Club Members) or any other sums due DVCMC or the Association from accessing the DVC Reservation Component or checking in to a Vacation Home at a DVC Resort reserved through the DVC Reservation Component as permitted under and in accordance with Applicable Law and until such time as the delinquency is paid in full.

VIII. Termination, Suspension and Remedies

8.1 Termination of this Agreement can occur as follows:

a. This Agreement will automatically terminate upon:

(1) the declaration of bankruptcy or insolvency of any of DVD, DVCMC or the Association according to Applicable Law or if any general assignment shall be made of DVD's, DVCMC's or the Association's property for the benefit of creditors; provided, however, that BVTC shall have the right, in its discretion, to continue the Agreement as to the Parties that have not been declared bankrupt or insolvent or made the subject of a general assignment for the benefit of creditors; or

(2) the deletion of the Polynesian Villas entirely in accordance with Section 6.3 above.

b. The Parties may terminate participation in this Agreement:

(1) by the mutual written agreement of the Parties, effective upon the date agreed to by the Parties; or

(2) in the event of a material breach of any of the terms, conditions, covenants, representations or warranties contained in this Agreement upon written notice to the breaching Party stating the grounds for such termination, unless the breaching Party cures the asserted breach within thirty (30) days after the date of notice.

c. BVTC may immediately terminate this Agreement, by giving written notice to DVD, DVCMC and the Association, upon BVTC's determination, in its discretion, that DVD, DVCMC or the Association have failed to manage, operate and maintain the Polynesian Villas in a manner consistent with the high standards of quality and customer service established by BVTC for all DVC Resorts from time to time, including the employment or termination by DVD or Association of the Polynesian Villas' management company without BVTC's consent.

8.2 Unless sooner terminated as provided in this Agreement, the term of this Agreement shall expire on January 31, 2066, or upon the earlier termination of the Vacation Ownership Plan for the Polynesian Villas. In the event that the Vacation Ownership Plan is extended beyond January 31, 2066, pursuant to the terms of the Polynesian Villas Documents and at BVTC's election, the term of this Agreement shall automatically be extended for the additional term unless sooner terminated as provided in this Agreement.

8.3 Upon termination of this Agreement, the following events shall occur:

a. DVD shall immediately discontinue the offering of Ownership Interests with appurtenant rights in the DVC Reservation Component in accordance with the terms of this Agreement to prospective purchasers; and

b. DVD, DVCMC and the Association shall immediately cease using and thereafter abstain from using all personal property belonging to BVTC and related to the operation and functioning of the DVC Reservation Component, including all computer hardware or software or intellectual property. DVD, DVCMC and the Association shall return to BVTC all personal property belonging to BVTC within fifteen (15) days after termination of this Agreement. No property right in or privilege to use BVTC materials is created by this Agreement which will extend beyond the expiration or termination of this Agreement. The terms of this Section shall survive the termination of this Agreement.

8.4 Upon termination of this Agreement, BVTC shall honor all reservations and reservation privileges of Club Members from other DVC Resorts reserving Vacation Homes at the Polynesian Villas that are confirmed or accrued prior to termination and shall honor all reservations and reservation privileges of Club Members at the Polynesian Villas reserving Vacation Homes at other DVC Resorts that are confirmed or accrued prior to termination of this Agreement. DVCMC and the Association shall honor all confirmed reservations and reservation privileges of Club Members from other DVC Resorts reserving Vacation Homes at the Polynesian Villas that are confirmed or accrued prior to termination. The terms of this Section shall survive the termination of this Agreement.

8.5 Notwithstanding any provisions contained in this Agreement to the contrary, BVTC reserves the right to elect to suspend the participation of the Polynesian Villas as a DVC Resort under this Agreement rather than electing to terminate this Agreement. The terms and conditions governing such suspension shall be determined by BVTC in its discretion. Upon the termination of such suspension period, the Polynesian Villas shall be entitled to resume participation as a DVC Resort under this Agreement subject to any terms and conditions established by BVTC.

8.6 In the event that DVD, DVCMC or the Association fails to perform its services under this Agreement and such failure results in a Club Member with a confirmed reservation at the Polynesian Villas being wrongfully denied access to a Vacation Home, then DVD, DVCMC or the Association shall immediately correct such denial of access at its own expense.

8.7 Each Party acknowledges that damages cannot adequately compensate the other Parties for a breach of any of the provisions of this Agreement, and, therefore, the Parties agree that each Party shall be entitled to a remedy of specific performance or injunctive relief, as appropriate, in the event of a breach or threatened breach of any such provisions by any other Party, in addition to any other appropriate legal or equitable remedies.

8.8 Each Party agrees to indemnify and hold harmless the other Parties from and against all claims, demands, obligations, deficiencies, judgments, damages, suits, losses, penalties, expenses, costs (including attorneys' and other professionals' fees) and liabilities of any kind, type or nature whatsoever directly or indirectly resulting from, arising out of or in connection with this Agreement or the operation of its business as a result of any acts or omissions by it or any of its directors, officers, partners, employees, representatives, agents, brokers, salespersons or associates.

8.9 IN NO EVENT SHALL BVTC, OR ANY OF THE TWDC COMPANIES, BE LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL DAMAGES ARISING OUT OF THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, BVTC'S BREACH OF THIS AGREEMENT, THE USE OF THE DVC RESERVATION COMPONENT BY THE PARTIES OR CLUB MEMBERS, THEIR AGENTS OR ANY THIRD PARTY, OR THE OPERATION OR INTERRUPTION IN SERVICE OF THE DVC RESERVATION COMPONENT.

8.10 This Article VIII shall survive the expiration or termination of this Agreement.

IX. Assignment

9.1 BVTC reserves the right, and DVD, DVCMC and the Association acknowledge BVTC's right, to assign BVTC's rights and duties under this Agreement to a subsidiary of BVTC, the parent corporation of BVTC, or a corporation under common ownership or control with BVTC. Upon such assignment and assumption, BVTC shall be released from all obligations under this Agreement. Thirty (30) days advance notice of the assignment shall be delivered to the other Parties.

9.2 DVD reserves the right, and DVCMC, BVTC and the Association acknowledge DVD's right, to assign DVD's rights and duties under this Agreement to a subsidiary of DVD, the parent corporation of DVD or a corporation under common ownership or control with DVD. Upon such assignment and assumption DVD shall be released from all obligations under this Agreement. Thirty (30) days advance notice of the assignment shall be delivered to the other Parties.

9.3 DVCMC reserves the right, and DVD, BVTC and the Association acknowledge DVCMC's right, to assign DVCMC's rights and duties under this Agreement to a subsidiary of DVCMC, the parent corporation of DVCMC or a corporation under common ownership or control with DVCMC. Upon such assignment and assumption DVCMC shall be released from all obligations under this Agreement. Thirty (30) days advance notice of the assignment shall be delivered to the other Parties.

9.4 The Parties agree that the Association shall not have the right to assign its rights and duties under this Agreement to any third party other than DVCMC.

X. General

10.1 Except as may be otherwise provided in this Agreement, any notice, demand, request, consent, approval or communication under this Agreement shall be in writing and shall be deemed duly given or made: (i) when deposited, postage prepaid, in the United States mail, certified or registered mail with a return receipt requested, addressed to the Party at the address shown above; (ii) when delivered personally to the Party at the address specified above; or (iii) when deposited with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the Party as specified above. A Party may designate a different address for receiving notices under this Agreement by notice to the other Parties.

10.2 The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement. All references in this Agreement to particular recitals and sections are references to recitals and sections of this Agreement. The recitals set forth at the beginning of this Agreement are true and correct and are incorporated as part of this Agreement by this reference.

10.3 In the event that any clause or provision of this Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any other provision of this Agreement. Failure of any Party to insist on strict compliance with the provisions of this Agreement shall not constitute waiver of that Party's right to demand later compliance with the same or other provisions of this Agreement.

10.4 This Agreement constitutes the entire understanding and agreement among the Parties concerning the subject matter of this Agreement. This Agreement may be modified only by a writing executed by the Parties with the same formality with which this Agreement has been executed. All understandings among the Parties are merged into this Agreement, and there are no representations, warranties, covenants, obligations, understandings or agreements, oral or otherwise, in relation to the understandings of the Parties other than those incorporated in this Agreement.

10.5 This Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Florida. THE PARTIES AND ANY OTHER PERSON CLAIMING RIGHTS OR OBLIGATIONS BY, THROUGH, OR UNDER THIS AGREEMENT, WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST ANY PARTY CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT OR PERFORMANCE OF THIS AGREEMENT OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS AGREEMENT. If any such suit or legal action is commenced by any Party, or any other person claiming rights or obligations by, through, or under this Agreement, the other Parties and all such persons agree, consent and submit to the personal jurisdiction of the federal, county and local courts located in Orange County, Florida (the "**Orange County Courts**") with respect to such suit or legal action, and each Party or person also consents and submits to and agrees that venue in any such suit or legal action is proper in the Orange County Courts, and each Party and person waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue are exclusive of any other jurisdiction and venue.

10.6 This Agreement and all of its provisions shall be binding upon and inure to the benefit of the Parties and their successors and assigns. In no event shall the terms and conditions of this Agreement be deemed in any way to inure to the benefit of any person or party not expressly made a Party except for permitted successors or assigns to the Parties.

10.7 In the event that BVTC shall be delayed, hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, act of terrorism, war, act of God, or any other reason beyond BVTC's control, then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

10.8 Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. Whenever the consent or approval of a Party is referred to in this Agreement or the taking of any action under this Agreement is subject to the consent or approval of a Party, it shall mean the Party's prior written approval to be given or withheld in its discretion. Further, any references to the use, exercise or grant of the right of a Party's discretion as set forth in this Agreement shall mean that Party's sole, absolute and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. The use of headings, captions and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions of this Agreement and shall in no event be considered otherwise in construing or interpreting any provision of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and effective as of the Effective Date.

WITNESSES:

Karen Grip

Print Name: Karen Grip

Lynn Weber

Print Name: Lynn Weber

San-Dee Thomas

Print Name: San-Dee Thomas

Karen Grip

Print Name: Karen Grip

Karen Grip

Print Name: Karen Grip

Lynn Weber

Print Name: Lynn Weber

Karen Grip

Print Name: Karen Grip

Lynn Weber

Print Name: Lynn Weber

DISNEY VACATION DEVELOPMENT, INC., a Florida corporation

By: Yvonne Chang

Name: Yvonne Chang

As its: Assistant Secretary

DISNEY VACATION CLUB MANAGEMENT CORP.,
a Florida corporation

By: Leigh Anne Nieman

Name: Leigh Anne Nieman

As its: Assistant Secretary

DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation

By: Terri A. Schultz

Name: Terri A. Schultz

As its: Vice President and Treasurer

BUENA VISTA TRADING COMPANY, a Florida corporation

By: Shannon Sakaske

Name: Shannon Sakaske

As its: Vice President

DISNEY VACATION CLUB MEMBERSHIP AGREEMENT

THIS DISNEY VACATION CLUB MEMBERSHIP AGREEMENT for *DISNEY'S POLYNESIAN VILLAS & BUNGALOWS* is effective as of the 30th day of December, 2014 (the "**Effective Date**") by and among **DISNEY VACATION DEVELOPMENT, INC.**, a Florida corporation ("**DVD**"), whose address is 1390 Celebration Boulevard, Celebration, Florida 34747; **DISNEY VACATION CLUB MANAGEMENT CORP.**, a Florida corporation ("**DVCMC**"), whose address is 1390 Celebration Boulevard, Celebration, Florida 34747; and **DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC.**, a Florida not-for-profit corporation (the "**Association**"), whose address is 1390 Celebration Boulevard, Celebration, Florida 34747. (DVD, DVCMC and the Association are sometimes referred to individually as a "**Party**" or collectively as the "**Parties**" in this Agreement.)

WITNESSETH:

WHEREAS, DVD has established a vacation ownership plan pursuant to Chapter 721, Florida Statutes (the "**Vacation Ownership Plan**") for *Disney's Polynesian Villas & Bungalows*, a leasehold condominium (the "**Condominium**"); and

WHEREAS, pursuant to the Declaration of Condominium for the Condominium (the "**Declaration**"), the Association has the responsibility, obligation and authority to operate the Vacation Ownership Plan for the Condominium; and

WHEREAS, DVD has provided for a "central reservation system" and related services (the "**Club**") which includes the operation of a reservation system for the Condominium (the "**Home Resort Reservation Component**") through which Owners in the Condominium reserve the use of the accommodations of the Condominium pursuant to the priorities, restrictions and limitations of the Vacation Ownership Plan established by DVCMC from time to time; and

WHEREAS, the Association is desirous of entering into this Agreement for the purpose of assigning its responsibilities and obligations for operating the Vacation Ownership Plan to DVCMC as described in this Agreement and for the purpose of assuring that the quality of the operation of the Vacation Ownership Plan is maintained as described in this Agreement; and

WHEREAS, DVCMC is desirous of accepting such assignment and furnishing the necessary services for the Association; and

WHEREAS, the Parties desire to enter into this Agreement for the purpose of defining and implementing the operation of the Vacation Ownership Plan and the Home Resort Reservation Component.

NOW, THEREFORE, in consideration of the covenants, conditions and obligations contained in this Agreement and other good and valuable consideration received by the Parties, it is agreed by and among the Parties as follows:

I. DEFINITIONS

The terms used in this Agreement shall be defined in accordance with the Declaration unless otherwise defined in this Agreement or the context otherwise requires. In addition, the following definitions of terms used in this Agreement shall also apply:

1.1 Agreement shall mean this Disney Vacation Club Membership Agreement and the Home Resort Rules and Regulations promulgated from time to time by DVCMC.

1.2 Annual Dues means that portion of the Condominium Estimated Budgets that has been assessed against a Club Member's Ownership Interest together with the Club Member's proportionate share of the ad valorem taxes for the Ownership Interest.

1.3 Association shall mean *Disney's Polynesian Villas & Bungalows Condominium Association, Inc.*, a not for profit Florida corporation, and its successors and assigns, which is responsible for the operation and management of the Polynesian Villas under Chapter 718, Florida Statutes, and Chapter 721.

1.4 Banking shall mean the act of a Club Member in deferring the use of all or a portion of the Club Member's Home Resort Vacation Points from the current Use Year into the next succeeding Use Year.

1.5 Borrowing shall mean the act of a Club Member in using all or a portion of the Club Member's Home Resort Vacation Points from the next succeeding Use Year for the purpose of making a reservation in the immediately preceding Use Year.

- 1.6 Breakage shall mean those Use Days which have not been reserved by Club Members prior to the commencement of the Breakage Period, the use of which may only be reserved by Club Members pursuant to the priorities set forth in Paragraph 4.3.
- 1.7 Breakage Period shall mean the period, as set forth in the Home Resort Rules and Regulations from time to time, preceding a given Use Day.
- 1.8 BVTC shall mean Buena Vista Trading Company, a Florida corporation, its successors and assigns. BVTC is an exchange company registered under Chapter 721.
- 1.9 Chapter 721 shall mean Chapter 721, Florida Statutes, as it is constituted on the Effective Date.
- 1.10 Club shall mean the Disney Vacation Club. The Club is not a legal entity or association of any kind, but rather is a service name for the services and benefits appurtenant to and the restrictions imposed upon the use and enjoyment of Ownership Interests. These services presently include, among other things, the operation of a central reservation system consisting of the Home Resort Reservation Component and the DVC Reservation Component.
- 1.11 Club Member shall mean the owner of record of an Ownership Interest. A Club Member is sometimes referred to as an Owner.
- 1.12 Condominium shall mean and refer to *Disney's Polynesian Villas & Bungalows*, a leasehold condominium.
- 1.13 Condominium Documents shall mean all of the documents, by whatever names denominated, and any amendments to such documents, which create and govern the rights and relationships of the Club Members in the Condominium as required or allowed by applicable law.
- 1.14 Condominium Estimated Budgets shall mean the operating and capital reserves budgets that establish the estimated annual common expenses and reserves of the Condominium.
- 1.15 Declaration shall mean the Declaration of Condominium for *Disney's Polynesian Villas & Bungalows*, a leasehold condominium, and all amendments to such instrument.
- 1.16 DVCMC shall mean Disney Vacation Club Management Corp., a Florida corporation, its successors and assigns.
- 1.17 DVC Reservation Component shall mean the exchange component of the Club central reservation system through which Vacation Homes in any DVC Resort may be reserved using DVC Vacation Points pursuant to priorities, restrictions and limitations established by BVTC from time to time and as set forth in the BVTC disclosure documents.
- 1.18 DVC Resort shall mean each resort, including the Condominium, which is entitled to access and use the DVC Reservation Component and other applicable Club services and benefits provided by BVTC by virtue of and pursuant to the terms and conditions of a DVC Resort Agreement.
- 1.19 DVC Resort Agreement shall mean the agreement pursuant to which a resort becomes and remains a DVC Resort in accordance with the terms and conditions of such agreement.
- 1.20 DVC Vacation Points shall mean Vacation Points used by a Club Member to make a reservation through the DVC Reservation Component at a DVC Resort.
- 1.21 DVD shall mean Disney Vacation Development, Inc., a Florida corporation, its successors and assigns, and the developer of the Condominium.
- 1.22 External Exchange Company shall mean any company that owns, operates or owns and operates an External Exchange Program.
- 1.23 External Exchange Documents shall mean all information provided to Club Members, from time to time, regarding the operation of any External Exchange Program, including the disclosures required by Section 721.18, Florida Statutes.
- 1.24 External Exchange Program shall mean the contractual arrangement between or among DVCMC, the Association, or individual Club Members or an External Exchange Company or Companies pursuant to which Club Members may request and reserve, under certain conditions, the use of accommodations in resorts other than the Condominium or other DVC Resorts.

- 1.25 Fixed Ownership Interest shall mean an Ownership Interest whose Owner has the right to reserve and use a specific Vacation Home type during a specific period of time each Use Year. A Vacation Home of that Vacation Home type will be automatically reserved every year for use by the Owner of a Fixed Ownership Interest during the applicable specific period of time.
- 1.26 Fixed Use Period shall mean, for a specific Fixed Ownership Interest, the specific period of time each Use Year that the Owner of the Fixed Ownership Interest has an automatic reservation right for a specific Vacation Home type.
- 1.27 Full Kitchen shall mean a kitchen that includes, at a minimum, a dishwasher, range, sink, oven and refrigerator.
- 1.28 Home Resort shall mean any DVC Resort in which an Owner owns an Ownership Interest.
- 1.29 Home Resort Priority Period shall mean the period of time at each DVC Resort, including the Condominium with respect to accommodations at the Condominium, during which only Owners of Ownership Interests at that DVC Resort are entitled to request a reservation for the Vacation Homes at that DVC Resort through that DVC Resort's Home Resort Reservation Component.
- 1.30 Home Resort Reservation Component shall mean the component of the Club central reservation system through which Vacation Homes may be reserved using Home Resort Vacation Points pursuant to the priorities, restrictions and limitations of the Vacation Ownership Plan and as set forth in the Declaration and the Membership Agreement.
- 1.31 Home Resort Rules and Regulations shall mean the rules and regulations which DVCMC, in its discretion, determines are necessary or desirable from time to time in order to enforce the provisions of this Agreement.
- 1.32 Home Resort Vacation Points shall mean Vacation Points symbolizing an Ownership Interest at a Home Resort and which Vacation Points may be used to reserve Vacation Homes at that Home Resort where that Ownership Interest is held.
- 1.33 Multiple Club Member shall mean a Club Member consisting of a business entity or two (2) or more natural persons owning a single Ownership Interest.
- 1.34 Owner shall mean the owner of record of an Ownership Interest. An Owner is sometimes referred to as a Club Member.
- 1.35 Ownership Interest shall mean the property interest in a DVC Resort.
- 1.36 Studio Vacation Home shall mean a Vacation Home containing one (1) bedroom, one (1) bathroom and equipped with a microwave, under counter refrigerator, and sink.
- 1.37 The TWDC Companies shall mean TWDC and all subsidiaries and affiliates of TWDC, including DVD, DVCMC and BVTC.
- 1.38 Transfer shall mean the assignment by one Club Member (other than DVD) of the use of his or her Home Resort Vacation Points to another Club Member (other than DVD) during a given Use Year.
- 1.39 TWDC shall mean The Walt Disney Company, a Delaware corporation, its successors and assigns.
- 1.40 Two-Bedroom Vacation Home shall mean a Vacation Home containing two (2) bedrooms, two (2) bathrooms and a Full Kitchen.
- 1.41 Unit shall mean that portion of the Condominium that is subject to exclusive ownership by one or more persons pursuant to the Condominium Documents.
- 1.42 Use Day shall mean a twenty-four (24) hour period (or such lesser period as may be designated by DVCMC from time to time) during which a Vacation Home is subject to reservation and use by Club Members.
- 1.43 Use Year shall mean, for each Unit, the twelve (12) month period beginning on the first day of the month designated by DVD in each purchase agreement selling an Ownership Interest to a Club Member in that Unit and in each deed conveying an Ownership Interest to a Club Member in that Unit. The Use Year shall continue for successive twelve (12) month periods for so long as the Vacation Ownership Plan continues.
- 1.44 Vacation Home shall mean and refer to those portions of a Unit designed and intended for separate use and occupancy.
- 1.45 Vacation Ownership Plan is the arrangement pursuant to Chapter 721, the Condominium Documents and this Agreement whereby an Owner receives an Ownership Interest in a Unit in the Condominium under which the exclusive right of use,

possession or occupancy of all Units in the Condominium circulates among the various Owners of Ownership Interests on a recurring basis during the term of the plan.

1.46 Vacation Point shall mean the symbolic unit of measuring the respective rights of an Owner to enjoy the benefits of the Ownership Interest within the Club.

II. ASSIGNMENT

The Association, on its own behalf and on behalf of all of the Owners, enters into and agrees to be bound by the terms and conditions of this Agreement and assigns to DVCMC, to the exclusion of all persons, all the powers and duties of the Association (except those that cannot be assigned as a matter of law) relating to the operation of the Vacation Ownership Plan, including the Home Resort Reservation Component, for the Condominium. DVCMC accepts such assignment and further agrees to operate the Vacation Ownership Plan and the Home Resort Reservation Component in accordance with the provisions of the Condominium Documents. Wherever Association acknowledgment, consent, understanding or agreement is stated or implied in this Agreement or in dealing with DVCMC, such acknowledgment, consent, understanding or agreement will be deemed to also have been given by each such Owner, other than DVD. Each Owner expressly evidences acceptance of the terms and conditions of this Agreement and the Home Resort Rules and Regulations by acceptance of a deed transferring ownership of an Ownership Interest. DVD enters into this Agreement for the purpose of expressing its consent to and acceptance of the terms and conditions of this Agreement.

III. OPERATION OF THE VACATION OWNERSHIP PLAN

3.1 Operation of the Home Resort Reservation Component. The purpose of this Agreement is to define the operation of the Vacation Ownership Plan for the Condominium by DVCMC. Club Members at the Condominium accessing Vacation Homes in accordance with the Vacation Ownership Plan and through the Home Resort Reservation Component must do so pursuant to the terms and conditions of this Agreement and the Home Resort Rules and Regulations.

3.2 Vacation Points. For administrative convenience in the operation of the Club and in the determination of the respective rights of Club Members to enjoy the services and benefits associated with membership in the Club, the Ownership Interest of each Club Member will be symbolized by a number of Home Resort Vacation Points rather than by the specific percentage of the Club Member's Ownership Interest. Club Members will be permitted to use their Home Resort Vacation Points each Use Year to make a reservation in the Condominium.

3.3 Home Resort Vacation Point Reservation Values. A certain number of Home Resort Vacation Points have been or will be established by DVCMC in its discretion for the use of each Vacation Home in the Condominium during each Use Day, with variations that will take into account, among other factors, anticipated seasonal and geographical demand factors and the related actual use demand of Club Members experienced in the operation of the Club. The number of Home Resort Vacation Points that a Club Member has with respect to an Ownership Interest will remain fixed and will always be symbolic of the Club Member's Ownership Interest. The Home Resort Vacation Point values established by DVCMC that are symbolic of all Ownership Interests will be based upon the three hundred sixty-five (365) Use Day calendar year containing the minimum number of Fridays and Saturdays distributed through high demand periods (the "Base Year"). During the Base Year the total number of Home Resort Vacation Points required to reserve all Vacation Homes during all Use Days in the Condominium must always equal, and be symbolic of, the total number of Ownership Interests owned by Club Members in the Condominium. Any excess availability that may exist from time to time shall be subject to the Breakage Period priorities set forth in the Home Resort Rules and Regulations.

In order to meet the Club Members' needs and expectations as evidenced by fluctuations in Use Day demand at the Condominium experienced by DVCMC during a given calendar year, DVCMC may, in its discretion, increase or decrease the Home Resort Vacation Point requirements for reservation of a given Use Day within a given Vacation Home during the given calendar year by any amount not to exceed twenty percent (20%) of the Home Resort Vacation Points required to reserve that Use Day during the previous calendar year; provided, however, that the total number of Home Resort Vacation Points existing within a given Unit (i.e., the amount of Home Resort Vacation Points representing 100% of the Ownership Interests in a given Unit) at any time may not be increased or decreased because of any such reallocation. The twenty percent (20%) reallocation limitation shall not apply to increases or decreases in Home Resort Vacation Point reservation requirements relating to changes in special periods of high demand based upon Club Member use patterns and changes in Club Member use demand (including, without limitation, use demand during special or holiday seasons), as determined by DVCMC in its discretion.

Any increase or decrease in the Home Resort Vacation Point reservation requirement for a given Use Day pursuant to DVCMC's right to make this Home Resort Vacation Point adjustment must be offset by a corresponding decrease or increase for

another Use Day or Days. Except as otherwise provided above, adjustments in excess of twenty percent (20%) in any calendar year will require approval of not less than sixty percent (60%) of all then-existing Club Members at the Condominium. The right to reallocate Home Resort Vacation Points is reserved by DVCMC solely for adjusting the Home Resort Reservation Component to accommodate Club Member demand. However, with respect to the Condominium, each Club Member will always be eligible to reserve at the Condominium, subject to availability: at least one (1) Use Day in a Studio "Standard View" Vacation Home for every twenty-two (22) Home Resort Vacation Points; at least one (1) Use Day in a Studio "Lake View" Vacation Home for every twenty-six (26) Home Resort Vacation Points and at least one (1) Use Day in a Two-Bedroom "Lake View" Vacation Home for every one hundred forty-seven (147) Home Resort Vacation Points. A maximum reallocation of Vacation Point reservation requirements could result in a "leveling" of all seasons, such that Home Resort Vacation Point reservation requirements would have no variation based upon seasonality or different times of the year. Similarly, a maximum reallocation of Home Resort Vacation Point reservation requirements could result in a "leveling" of differences in Vacation Point reservation requirements based upon particular Use Days in the week.

Participation in certain External Exchange Programs may be based on a week for week exchange, and require the reservation and deposit of a seven (7) consecutive Use Day period in a Two-Bedroom "Lake View" Vacation Home. Therefore, in the event of maximum reallocation as described in the preceding paragraph, a Club Member would be required (absent Banking and Borrowing) to have annual Home Resort Vacation Points of at least one thousand twenty-nine (1,029) Home Resort Vacation Points (7 Use Days X 147 Home Resort Vacation Points per Use Day) to reserve and deposit a Two-Bedroom "Lake View" Vacation Home for exchange through the External Exchange Program. Club Members should refer to the External Exchange Documents for details concerning the requirements for making an exchange through a particular External Exchange Program.

3.4 Home Resort Rules and Regulations. The Home Resort Rules and Regulations promulgated by DVCMC from time to time shall contain information regarding the operation of the Vacation Ownership Plan and the Home Resort Reservation Component, including the following:

- a. The procedures by which a reservation must be made and confirmed;
- b. The procedures for Banking and Borrowing;
- c. The Home Resort Vacation Point Charts listing the values for each Vacation Home for each Use Day in the Condominium;
- d. The procedures for and limitations upon canceling confirmed reservations;
- e. The procedures for and limitations upon any wait list;
- f. The procedures for and limitations upon Transfers; and
- g. Any other rules and regulations which DVCMC in its discretion determines are necessary or desirable from time to time in order to enforce the provisions of this Agreement in a manner that, in DVCMC's reasonable business judgment, will be for the principal purpose of improving upon the quality and operation of the Vacation Ownership Plan and furthering the collective enjoyment of the use of the Vacation Homes by Club Members taken as a whole. Such rules and regulations may include the implementation of special season preference lists, or other use demand management vehicles. In the event DVCMC implements a special season preference list, persons eligible to appear on this list will have a special reservation priority that will supersede the usual first come, first served reservation procedure and Home Resort Priority Period to varying extents.

3.5 DVCMC. The Vacation Ownership Plan and the Home Resort Reservation Component shall be operated by DVCMC pursuant to the terms of this Agreement and pursuant to the Home Resort Rules and Regulations. DVCMC is expressly authorized to take such actions as it deems are necessary and appropriate for the operation of the Vacation Ownership Plan, including the implementation of all Home Resort Reservation Component duties as outlined in Paragraph 4.2 below.

DVCMC shall also be responsible for all management, maintenance and operation of the Vacation Homes and facilities of the Condominium pursuant to the terms and conditions set forth in the Property Management Agreement. DVCMC further reserves the right to provide site management services for one or more other DVC Resorts. DVCMC shall initially be compensated for services performed under the Property Management Agreement and this Agreement by receiving an annual fee equal to twelve percent (12%) of the Condominium Estimated Budgets for each year of the Property Management Agreement, exclusive of the management fee, transportation fees and ad valorem taxes.

As additional consideration, the Association assigns to DVCMC any and all rights of the Association to rent unreserved Vacation Homes (in accordance with the reservation priorities of the Breakage Period) and to receive the proceeds from such rentals in excess of the following: (i) the rental proceeds equaling an amount up to two and one-half percent (2 1/2%) of the Condominium Estimated Budgets shall be remitted by DVCMC to the Association; and (ii) a portion of the rental proceeds, if any, in an amount equal to BVTC's costs for providing those services as set forth in the DVC Resort Agreement for the Condominium plus five percent (5%) of such costs. The portion of rental proceeds, if any, set forth in (ii) of the preceding sentence shall be remitted by DVCMC to BVTC in consideration for BVTC's performance of such services under the DVC Resort Agreement for the Condominium. In performing its obligations for the Association and BVTC pursuant to (i) and (ii) above, DVCMC shall segregate such funds owed to the Association and BVTC and hold them, respectively, on behalf of the Association and BVTC and not for its own account. Such funds shall be deemed to be the property, respectively, of the Association and BVTC and not of DVCMC upon receipt of such funds by DVCMC.

3.6 DVD Home Resort Vacation Points. DVD shall not sell Ownership Interests that equal more than ninety-eight percent (98%) of the total amount of undivided percentage interests existing within a Unit (although DVD reserves the right to convey its Ownership Interests to a successor developer). All Home Resort Vacation Points assigned to DVD in connection with these Ownership Interests will be governed by the same rules and regulations pertaining to all Club Members.

3.7 Reciprocal Use by DVD and Club Members. At any given time, DVD may own completed Vacation Homes which have not yet been committed to the Vacation Ownership Plan for various reasons. In order to provide Club Members with the greatest possible flexibility in making reservation requests, Club Members may be assigned to occupy both Vacation Homes which are associated with the Vacation Ownership Plan and completed accommodations which have not yet been committed to the Vacation Ownership Plan; however, the total number of accommodations which have not yet been committed to the Vacation Ownership Plan and made available for Club Member reservation for any given Use Day will never exceed the total number of Vacation Homes existing within the Vacation Ownership Plan on that Use Day. Conversely, DVD may assign its renters or other users of the completed accommodations which have not yet been committed to the Vacation Ownership Plan to occupy both those Vacation Homes which are committed to the Vacation Ownership Plan and those accommodations which are not; however, the number of total Vacation Homes made available for DVD renter/user reservation for any given Use Day will never exceed the total number of completed accommodations which have not yet been committed to the Vacation Ownership Plan on that Use Day. In addition, completed accommodations which have not yet been committed to the Vacation Ownership Plan may separately be made available to Club Members through rental or as an incidental benefit offered by DVD.

3.8 No Warranties. DVD AND THE ASSOCIATION ACKNOWLEDGE AND AGREE THAT DVCMC IS PROVIDING THE SERVICES TO EACH OF THE PARTIES, THE CONDOMINIUM AND CLUB MEMBERS AS CONTEMPLATED UNDER THIS AGREEMENT, INCLUDING THE OPERATION OF THE HOME RESORT RESERVATION COMPONENT, WITH NO WARRANTIES WHATSOEVER, INCLUDING ANY WARRANTIES ARISING FROM WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. DVCMC FURTHER DOES NOT WARRANT THAT THE DELIVERY OF SUCH SERVICES, INCLUDING THE OPERATION OF THE HOME RESORT RESERVATION COMPONENT, WILL BE ERROR-FREE OR BE PROVIDED OR AVAILABLE WITHOUT INTERRUPTION AND DVCMC DISCLAIMS ALL LIABILITY IN THIS REGARD. This Section 3.8 shall survive the expiration or earlier termination of this Agreement.

IV. USE OF HOME RESORT VACATION POINTS

4.1 Options in Use of Home Resort Vacation Points. Home Resort Vacation Points may be used by Club Members in any of the following ways during the Use Year: (i) Home Resort Vacation Points may be used to reserve Vacation Home use rights in accordance with the reservation rules set forth in Paragraph 4.2 below and in the Home Resort Rules and Regulations; (ii) Home Resort Vacation Points may be Banked as set forth in Paragraph 4.4 below and in the Home Resort Rules and Regulations; (iii) Home Resort Vacation Points may be Borrowed as set forth in Paragraph 4.5 below and in the Home Resort Rules and Regulations; (iv) Home Resort Vacation Points may be used to reserve Vacation Homes for exchange through an External Exchange Program as set forth in Paragraph 4.7 below and in the Home Resort Rules and Regulations; (v) Home Resort Vacation Points may be Transferred as set forth in Paragraph 4.8 below and in the Home Resort Rules and Regulations; or (vi) a Club Member may voluntarily participate in the DVC Reservation Component by using all or a portion of a Club Member's Home Resort Vacation Points as DVC Vacation Points (as described in the BVTC disclosure documents) to make a reservation for available Vacation Homes in other DVC Resorts in accordance with the DVC Resort Agreement.

4.2 Reservations. Club Members shall reserve Vacation Homes pursuant to the following guidelines:

a. The Use Year. If all of a Club Member's Home Resort Vacation Points for a given Use Year are not used in some manner set forth in Paragraph 4.1 above during that Use Year, any unused balance at the end of the Use Year will automatically expire as set forth in Paragraph 4.9 below. On the first day of each new Use Year, the Club Member will again have a full complement of Home Resort Vacation Points for use during that Use Year, unless the Home Resort Vacation Points were borrowed in the previous Use Year.

b. Reservation Requests. Subject to any special reservation priorities (for example, Club Members on any special season preference list or Club Members who own Fixed Ownership Interests), reservation requests for Vacation Homes by Club Members at the Condominium will be taken on a first come, first served basis. Home Resort Vacation Points available for use in a given Use Year (taking into account Banking and Borrowing activity) may only be used to reserve an available Vacation Home for use within that Use Year. To reserve a given Use Day on a space-available basis, a Club Member must follow the reservation procedures set forth in the Home Resort Rules and Regulations. Club Members are encouraged to submit requests as far in advance as possible to obtain the best choice of Vacation Homes. DVCMC's ability to confirm a reservation request is dependent upon the availability of the requested Vacation Home; therefore, DVCMC cannot guarantee that a particular reservation request can be fulfilled.

In addition to Club Members at the Condominium, Club Members from other DVC Resorts will also have the opportunity to make reservations for a Vacation Home on a first come, first served basis through the DVC Reservation Component upon the expiration of any applicable Home Resort Priority Period. In the case of the Condominium, the Home Resort Priority Period is currently four (4) months. This Home Resort Priority Period will be subject to any preference list rights set forth in the Home Resort Rules and Regulations. A Club Member from this Condominium seeking a reservation at another DVC Resort through voluntary participation in the DVC Reservation Component will be subject to the Home Resort Priority Period established for that other DVC Resort.

DVCMC reserves the right in its discretion to extend or decrease the Home Resort Priority Period; provided, however, in no event shall the Home Resort Priority Period be for a period of less than one (1) month prior to the period during which the other Club Members have the right to reserve that Vacation Home during that Use Day. In addition, DVCMC reserves the right (but has no obligation) to (i) further modify, in its discretion, the Home Resort Priority Period for the Condominium during the initial year of opening of the Condominium to give greater priority for reservations for, and access to, the Vacation Homes in the Condominium to Club Members owning Ownership Interests in the Condominium and (ii) establish a continental or other preference periods in the event resorts located outside of the jurisdictional limits of the United States are associated as DVC Resorts.

c. Fixed Use Periods. DVD has reserved the right to sell Ownership Interests in the Condominium as Fixed Ownership Interests with Fixed Use Periods. Club Members with Fixed Ownership Interests have the right to use a specific type of Vacation Home (for example a Two-Bedroom "Lake View" Vacation Home) during a specific Fixed Use Period (for example, a week that includes Christmas day). Reservations for Fixed Ownership Interests are confirmed automatically on a priority basis. **This reservation priority preempts other Club Members from reserving these Vacation Homes during Use Days occurring in the Fixed Use Periods, despite the first-come, first-served nature of the Home Resort Reservation Component, because the priority reservation of an Owner with a Fixed Ownership Interest will be confirmed prior to the right of other Club Members to make a reservation for such Vacation Homes during Use Days occurring in the Fixed Use Periods.** This may adversely affect the ability of Club Members without Fixed Ownership Interests to make reservations during high demand seasons. However, DVD will not sell Fixed Ownership Interests that include more than thirty-five percent (35%) of any specific Use Day for any specific Vacation Home Type in the Plan. This means, for example, that Christmas day will be available for reservation on a first-come, first-served basis in at least sixty-five percent (65%) of the Two-Bedroom "Lake View" Vacation Homes.

d. Confirmations and Cancellations. Reservations shall be confirmed and cancellations shall be processed as set forth in the Home Resort Rules and Regulations. Cancellations and reservation changes may be subject to restrictions or charges as set forth in the Home Resort Rules and Regulations.

e. Annual Dues. Failure to pay all Annual Dues (with respect to all Ownership Interests owned by a Club Member) in full when due may result in the initiation of lock-out procedures by DVCMC pursuant to Chapter 721, resulting (when permitted) in a denial of the right of delinquent Club Members to reserve, check in or use the Vacation Homes and facilities of the Condominium through the Home Resort Reservation Component or to voluntarily participate in the DVC Reservation Component by requesting a reservation for Vacation Homes at other DVC Resorts until such time as the delinquency is paid in full. Unsatisfied

delinquencies are also subject to procedures under applicable law to foreclose a lien against a Club Member's Ownership Interest.

f. Minimum and Maximum Stays. From time to time, DVCMC may require that a minimum number of consecutive Use Days for a particular season or special season be reserved or may impose a maximum limit on the number of consecutive Use Days for a particular season or special season that may be reserved as set forth in the Home Resort Rules and Regulations. The number of consecutive Use Days required to be reserved shall in no event exceed five (5) Use Days.

g. Vacation Home Inventory Management. DVCMC shall have the right to forecast anticipated reservation and use of the Vacation Homes, including the right to take into account current and previous reservation and use of the Vacation Homes, information about events that are scheduled to occur, seasonal use patterns, and other pertinent factors that affect the reservation or use of the Vacation Homes. DVCMC is authorized to reserve Vacation Homes, in the best interests of the Club Members as a whole, for the purposes of depositing such reserved use with an External Exchange Program or renting such reserved Vacation Homes in order to facilitate the use or future use of the Vacation Homes or other benefits made available through or in connection with the Vacation Ownership Plan.

4.3 Breakage. If a reservation request for any Vacation Home is not received by the first day of the Breakage Period with respect to a given Use Day, the right to reserve that Vacation Home for that Use Day will thereafter be subject to the priorities set forth in the Home Resort Rules and Regulations. In any event, DVCMC shall always have first priority to reserve the use of any available Use Day within the Breakage Period as DVCMC determines including (i) any reservations made by the for Unit and Vacation Home maintenance; (ii) any reservation requests contained in a wait list; and (iii) any rental reservations made by third parties prior to receipt of a reservation request. DVCMC, in its discretion, may lengthen or shorten the Breakage Period for all Use Days from time to time if DVCMC, in its reasonable business judgment, determines that such an adjustment will be for the principal purpose of improving upon the quality and operation of the Vacation Ownership Plan and furthering the collective enjoyment of the use of the Vacation Homes by Club Members taken as a whole. In no event will DVCMC establish a Breakage Period greater than ninety (90) days or less than thirty (30) days.

4.4 Banking Home Resort Vacation Points. Banking of Home Resort Vacation Points involves the decision by a Club Member during the current Use Year to save all or a portion of the Club Member's Home Resort Vacation Points for use in the next succeeding Use Year. Banked Home Resort Vacation Points can only be used in the next succeeding Use Year, and once deposited, the Club Member cannot retrieve the Banked Home Resort Vacation Points during the Use Year of deposit. Failure of Club Members to use any Banked Home Resort Vacation Points in the next succeeding Use Year will result in the expiration of those Home Resort Vacation Points as set forth in Paragraph 4.9 below. Banked Home Resort Vacation Points may be used by Club Members for reservations at the Condominium, or other DVC Resorts (as DVC Vacation Points) or for use of the External Exchange Program.

4.5 Borrowing Home Resort Vacation Points. Borrowing of Home Resort Vacation Points involves the decision by a Club Member during the current Use Year to use all or a portion of the Club Member's Home Resort Vacation Points from the next succeeding Use Year to secure a reservation in the current Use Year. Borrowed Home Resort Vacation Points can only be used in the Use Year into which they have been Borrowed, and failure of a Club Member to use any Borrowed Home Resort Vacation Points in the current Use Year will result in the expiration of those Home Resort Vacation Points as set forth in Paragraph 4.9 below. Borrowed Home Resort Vacation Points may not be returned to the original Use Year once they have been Borrowed. Borrowed Home Resort Vacation Points may be used by the Club Member for reservations at the Condominium or other DVC Resorts (as DVC Vacation Points) or for use of the External Exchange Program.

4.6 Limitation on Banking and Borrowing. A Club Member's ability to either Bank or Borrow at any given time is limited by the level of general Banking and Borrowing that exists at that particular time and by the projected amount of Use Days available for reservation at the Condominium. DVCMC reserves the right, in its discretion, to suspend, in whole or in part, or increase or decrease the amount of Banking or Borrowing activity at any time or from time to time if DVCMC, in its reasonable business judgment, determines that such suspension will be for the principal purpose of improving upon the quality and operation of the Vacation Ownership Plan and furthering the collective enjoyment of the use of the Vacation Homes by Club Members taken as a whole. A Club Member will also not be permitted to Bank or Borrow Home Resort Vacation Points in a given Use Year if the Club Member is delinquent in the payment of Annual Dues with respect to any Ownership Interests owned by the Club Member. Additional restrictions on Banking and Borrowing are set forth in the Home Resort Rules and Regulations.

4.7 External Exchange Programs. In order to increase the range of vacation options available to Club Members, DVCMC may arrange for Club Members to access External Exchange Programs from time to time. These Programs may include exchange

agreements between DVCMC (as a corporate participant or member) and External Exchange Companies for the purpose of affording Club Members with the opportunity to avail themselves of alternative vacation opportunities through the duration of the Vacation Ownership Plan. There can be no assurance, however, that DVCMC will be successful in arranging for ongoing access to any External Exchange Program. Under such circumstances, Club Members may contact a provider of exchange services directly to establish individual exchange privileges. There can be no assurance, however, that an individual Club Member will be able to satisfy the terms and conditions then required by such provider to participate individually in that provider's exchange program. If neither DVCMC nor the individual Club Member is successful in establishing an agreement with a provider of exchange services, the ability of an individual Club Member to request future external exchanges other than to a DVC Resort will cease. Club Members should refer to the Home Resort Rules and Regulations and External Exchange Documents for procedures and restrictions involved in requesting an exchange into any currently existing External Exchange Program.

4.8 Transfers. Transfers may be made by Club Members from time to time as set forth in the Home Resort Rules and Regulations.

4.9 Expiration of Vacation Points. Failure of Club Members to use their Vacation Points in any given Use Year, however such Vacation Points are obtained, shall result in automatic expiration of all unused Vacation Points without compensation to the Club Members.

V. RENTALS

5.1 Club Member Rentals. A Club Member may make a reservation to use a Vacation Home for the Club Member's own use, make their use available to family or friends or guests, or rent them solely through the Club Member's own efforts. Neither DVD's, DVCMC's or the Association's approval of a rental by a Club Member is required after a reservation has been made in the renter's own name, and Club Members are permitted to rent their occupancy rights on terms and conditions that they may establish. No rental assistance is being offered by The TWDC Companies. All renters must comply with the rules and regulations affecting occupancy, and the renting Club Member will be responsible for the acts or omissions of the renters or any other person or persons permitted by the Club Member to use the Vacation Home. The TWDC Companies do not in any way represent or promote that a particular Vacation Home can be rented, or if it is rented, that any particular rental rate can be obtained for such rental. Use of Vacation Homes and recreational facilities for commercial purposes or any purposes other than the personal use described in the Condominium Documents is expressly prohibited. "Commercial purpose" includes a pattern of rental activity or other occupancy by an Owner that the Board, in its reasonable discretion, could conclude constitutes a commercial enterprise or practice.

5.2 Area Resort Hotels. Club Members should be aware that several resort hotels may be in operation within and around the Condominium, including hotels owned or operated by The TWDC Companies, that DVD will rent its Ownership Interests to the general public, and that DVCMC will rent Vacation Homes that are available to it during the Breakage Period. Accordingly, any Club Members who attempt to rent reserved Vacation Homes for their own account must compete with these resort hotels, DVD and DVCMC for renters without any assistance from The TWDC Companies, and would be at a substantial competitive disadvantage. Club Members should not purchase an Ownership Interest based upon any expectation of deriving any rental or other revenue or profit therefrom.

VI. ANNUAL DUES

6.1 Condominium Estimated Budgets. The Association will promulgate an operating budget and a capital reserves budget each calendar year in the manner required by applicable law. The operating budget shall include the Condominium's share of the operating expenses of the Club attributed to it.

6.2 Assessment and Collection of Annual Dues. DVCMC will assess each Club Member's share of the Condominium Estimated Budgets to each Club Member each year in the ratio that the number of Home Resort Vacation Points assigned to that Club Member's Ownership Interest bears to the total number of Home Resort Vacation Points in the Condominium at that time. Annual Dues will be billed and will be past due as set forth in the Condominium Documents. Each Club Member who has not paid his or her Annual Dues in full by the past due date will be subject to late charges and interest as set forth in the Condominium Documents.

6.3 Club Member Default. In the event a Club Member has not paid his or her Annual Dues after the past due date described in Paragraph 6.2 above, a lien may be placed against the Club Member's Ownership Interest and foreclosed pursuant to Part III of Chapter 721, resulting in the loss of the Club Member's Ownership Interest and the termination of his or her membership in the Club as set forth in the Condominium Documents.

VII. MISCELLANEOUS PROVISIONS

7.1 Compliance; Personal Use; Commercial Purposes. Failure of a Club Member to comply with the terms and conditions of this Agreement, the Home Resort Rules and Regulations or the Condominium Documents may result in the denial of the right of the non-complying Club Member to reserve, check in or use the Vacation Homes and facilities of the Condominium or to voluntarily participate in the DVC Reservation Component by requesting a reservation for Vacation Homes at other DVC Resorts until such time as the Club Member is in compliance. Except for Ownership Interests owned by DVD, rentals of Vacation Homes to the general public by DVD or DVCMC, use of Vacation Points in connection with External Exchange Programs, and the rights of third parties under the Master Declaration, use of Vacation Homes and facilities of the Condominium is limited solely to the personal use of Club Members, their guests, invitees, exchangers and lessees and for recreational use by corporations or other similar business entities owning Ownership Interests while staying as a registered guest at the Condominium. Purchase of an Ownership Interest or use of Vacation Homes and facilities of the Condominium for commercial purposes or for any purpose other than the personal use described above is expressly prohibited.

7.2 Amendment of this Agreement. DVCMC, in its discretion, may change the terms and conditions of this Agreement and the Home Resort Rules and Regulations. These changes may affect an Owner's right to use, exchange and rent the Owner's Ownership Interest and impose obligations upon the use and enjoyment of the Ownership Interest and the appurtenant Club membership. Such changes may be made by DVCMC without the consent of any Club Member and may adversely affect a Club Member's rights and benefits and increase or decrease the Club Member's costs of ownership. Further, although DVCMC generally is required to make such changes in a manner which, in its reasonable business judgment, improves upon the quality and operation of the Vacation Ownership Plan and furthers the collective enjoyment of its benefits by the Club Members taken as a whole, such changes under some circumstances may not be to the advantage of some Club Members and could adversely affect their ability to secure reservations when and where they want them. Notice of any amendment shall be: (i) either mailed, faxed, e-mailed or sent by other electronic or wireless means, as the case may be, by DVCMC to each Club Member or to the designated representative of each Multiple Club Member at the Club Member's or designated representative's last known mailing address prior to its effective date; or (ii) included as a part of a newsletter or other periodic report sent by the Association or DVCMC as the management company for the Condominium.

7.3 Governing Law; Waiver of Jury Trial; Venue. This Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Florida. Each Party waives any right they may have under any applicable law to a trial by jury with respect to any suit or legal action which may be commenced by or against any other Party concerning the interpretation, construction, validity, enforcement or performance of this Agreement or any other agreement or instrument executed in connection with this Agreement. In the event any such suit or legal action is commenced by any Party, the other Parties agree, consent and submit to the personal jurisdiction of the federal, circuit and county courts in the Ninth Judicial Circuit of Florida in and for Orange County, Florida (the "**Orange County Courts**"), with respect to such suit or legal action, and each Party also consents and submits to and agrees that venue in any such suit or legal action is proper in the Orange County Courts, and each Party waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

7.4 Notices. Except as may be otherwise provided in this Agreement, any notice, demand, request, consent, approval or communication under this Agreement shall be in writing and shall be deemed duly given or made: (i) when deposited, postage prepaid, in the United States mail, addressed to the Party at the address shown above (or, in the case of a Club Member or designated representative of a Multiple Club Member, at the address shown on the books and records of DVCMC); (ii) when delivered personally to the Party at the address specified above; or (iii) when deposited with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the Party as specified above. A Party may designate a different address for receiving notices under this Agreement by providing notice to the other Parties pursuant to this Paragraph.

7.5 Termination. This Agreement shall automatically expire on January 31, 2066, or upon the earlier expiration of the Vacation Ownership Plan for the Condominium as set forth in the Declaration. In the event the Vacation Ownership Plan for Condominium is extended beyond January 31, 2066, pursuant to the terms of the Declaration and at the election of the Parties, the term of this Agreement shall automatically be extended for the additional term unless sooner terminated as provided in this Agreement.

In the event that the Property Management Agreement is terminated or it expires in accordance with its own terms, this Agreement will terminate, and DVCMC will no longer provide for the operation of the Vacation Ownership Plan. DVCMC also reserves the right to terminate this Agreement in the event that the DVC Resort Agreement for the Condominium is terminated.

In the event that this Agreement terminates, the Association shall have the authority to establish reservation procedures, which may or may not be identical to the reservation procedures set forth in this Agreement, by which use of the Units and Vacation Homes among all of the Club Members at the Condominium shall be determined; provided that any such reservation rules and regulations must allow for the continued automatic reservations for Fixed Ownership Interest on a priority basis in the same manner as the reservation procedures set forth in this Agreement and the Home Resort Rules and Regulations. In addition, the Parties expressly agree that in the event that this Agreement terminates, irrespective of whether the termination is voluntary or involuntary and irrespective of the cause of such termination, the Association and all Club Members shall cease using and thereafter abstain from using any and all personal property belonging to DVCMC, including any and all personal property relating to the operation of the Home Resort Reservation Component, and shall return same to DVCMC within fifteen (15) days after the date of termination.

7.6 Suspension. Notwithstanding any provisions contained in this Agreement to the contrary, DVCMC reserves the right to elect to suspend the operation of the Home Resort Reservation Component at the Condominium rather than electing to terminate this Agreement. The terms and conditions governing such suspension shall be determined by DVCMC in its discretion. Upon the termination of such suspension period, the Condominium shall be entitled to resume participation as contemplated under this Agreement subject to any terms and conditions established by DVCMC in its discretion.

7.7 Recitals. The recitals set forth at the beginning of this Agreement are true and correct and are incorporated in this Agreement by this reference.

7.8 Assignment; Subcontracting. DVCMC may assign this Agreement to a wholly owned subsidiary of DVCMC, the parent corporation of DVCMC, or a corporation under common ownership and control with BVTC without the consent of the Association. Upon such assignment and assumption DVCMC shall be released from any and all obligations under this Agreement. Thirty (30) days advance notice of the assignment shall be delivered to the Association. DVCMC may subcontract some or all of DVCMC's obligations under this Agreement to a third party or to another TWDC Company without the consent of the Association; provided, however, that DVCMC will continue to remain liable for the performance of its obligations under this Agreement.

7.9 Entire Agreement. This Agreement constitutes the entire agreement among the Parties, and none of the Parties have been induced by any other Party by representations, promises or understandings not expressed in this Agreement, and there are no collateral agreement, stipulations, promises, representations, warranties, covenants, obligations, or understandings whatsoever, in any way touching the subject matter of this instrument, or the instruments referred to in this Agreement that are not expressly contained in this Agreement or in the Condominium Documents.

7.10 Partial Invalidation. The invalidity in whole or in part of any covenant, promise or undertaking, or any paragraph, subparagraph, sentence, clause, phrase or words, or of any provision of this Agreement shall not affect the validity of the remaining portions of this Agreement.

7.11 Excusable Delays. In the event that DVCMC shall be delayed, hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, terrorist acts, act of God, or any other reason beyond DVCMC's control, then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

7.12 Remedies; Costs and Fees. DVCMC shall be entitled to pursue any and all legal and equitable remedies for the enforcement of the terms and conditions of this Agreement, including an action for damages, an action for injunctive relief, and an action for declaratory judgment. In any proceeding arising because of an alleged failure to comply with the terms of this Agreement, the substantially prevailing Party shall be entitled to recover the costs of the proceeding, and recover such reasonable attorneys', legal assistant or other professionals' fees and costs as may be awarded by the court, including all appeals and all proceedings in bankruptcy.

7.13 Successor and Assigns. This Agreement and all of its provisions shall be binding upon and inure to the benefit of the Parties and their successors and assigns. In no event shall the terms and conditions of this Agreement be deemed in any way to inure to the benefit of any person or party not expressly made a Party except for permitted successors or assigns to the Parties

7.13 Interpretation. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. Whenever the consent or approval of a Party is referred to in this Agreement


or the taking of any action under this Agreement is subject to the consent or approval of a Party, it shall mean the Party's prior written approval to be given or withheld in its discretion. Further, any references to the use, exercise or grant of the right of a Party's discretion as set forth in this Agreement shall mean that Party's sole, absolute and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. No provision of this Agreement shall be construed against a Party because the Party provided for the drafting of this Agreement. The use of headings, captions and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions of this Agreement and shall in no event be considered otherwise in construing or interpreting any provision of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

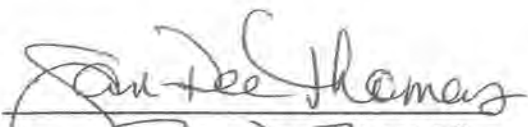
WITNESSES:



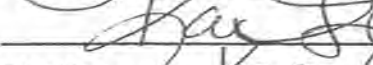
Print Name: Karen Grip



Print Name: Lynn Weber




Print Name: San-Dee Thomas



Print Name: Karen Grip



Print Name: Karen Grip



Print Name: Lynn Weber

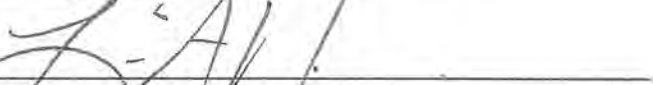
DISNEY VACATION DEVELOPMENT, INC.,
a Florida corporation

By: 

Name: Yvonne Chang

As its: Assistant Secretary

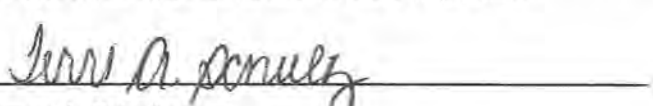
DISNEY VACATION CLUB MANAGEMENT CORP.,
a Florida corporation

By: 

Name: Leigh Anne Nieman

As its: Assistant Secretary

DISNEY'S POLYNESIAN VILLAS & BUNGALOWS CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation

By: 

Name: Terri A. Schultz

As its: Vice President and Treasurer



DOCH 20100382012 B: 10088 P: 7101

06/30/2010 02:24:56 PM Page 1 of 6

Rec Fee: \$52.50

Deed Doc Tax: \$0.00

Intangible Tax: \$0.00

Mortgage Stamp: \$0.00

Martha O. Haynie, Comptroller

Orange County, FL

MB - Ret To: DISNEY VACATION DEVELOPME



THIS INSTRUMENT PREPARED BY AND RETURN TO:

John McGowan
c/o Disney Vacation Development, Inc.
1390 Celebration Blvd.
Celebration, Florida 34747

MASTER MORTGAGE AGREEMENT

Master Form Mortgage Agreement
Recorded by Disney Vacation Development, Inc.
1390 Celebration Place
Celebration Florida 34747

Pursuant to Section 695.02, Florida Statutes, DISNEY VACATION DEVELOPMENT, INC., a Florida corporation, hereby records the attached Master Mortgage Agreement.

DISNEY VACATION DEVELOPMENT, INC.

By: _____

Name: Leigh Anne Nieman

Title: Assistant Secretary

STATE OF Florida
COUNTY OF Osceola s.s.

The foregoing instrument was acknowledged before me this 25 day of June, 2010, by Leigh Anne Nieman as Assistant Secretary of DISNEY VACATION DEVELOPMENT, INC., a Florida corporation, on behalf of the corporation. He/she is personally known to me.



Karen L. Grip
(Notary Signature)
Karen L. Grip

(Notary Name Printed)
NOTARY PUBLIC - State of Florida
Commission No. DD 616293
MY COMMISSION EXPIRES:



THIS INSTRUMENT PREPARED BY AND RETURN TO:

John McGowan
c/o Compliance Department
Disney Vacation Development, Inc.
1390 Celebration Blvd.
Celebration, Florida 34747

MASTER MORTGAGE AGREEMENT

THIS MASTER MORTGAGE AGREEMENT is executed on [redacted] between undersigned Mortgagor (hereinafter 'Mortgagor') whose post office address is c/o Disney Vacation Development, Inc., 1390 Celebration Blvd., Celebration, Florida 34747, and DISNEY VACATION DEVELOPMENT, INC., a Florida corporation, as Mortgagee (hereinafter 'Mortgagee') whose post office address is 1390 Celebration Blvd., Celebration, Florida 34747.

WHEREAS, from time to time, Mortgagee contemplates conveying title to property situated in Orange County, Florida to third parties (individually a 'Borrower' and collectively 'Borrowers') who will obtain loans from Mortgagee, each of which will be evidenced by a note and secured by a mortgage to be granted to Mortgagee by such Borrowers on the property acquired by such Borrowers; and

WHEREAS, each Borrower shall execute a Short Form Mortgage Agreement (the 'Short Form Mortgage') to secure each Borrower's obligation under their respective note, which Short Form Mortgage shall specifically adopt and incorporate by reference the covenants and agreements contained in this Master Mortgage Agreement (the 'Mortgage'); and

WHEREAS, the Short Form Mortgage and this Mortgage shall secure to Mortgagee (a) the repayment of the indebtedness evidenced by each Borrower's note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith or therewith, and (b) the repayment of any future advances, with interest thereon, made to or for the benefit of each Borrower by Mortgagee pursuant to paragraph 23 hereof (hereinafter 'Future Advances').

Each Short Form Mortgage that incorporates by reference this Mortgage shall be deemed to include the following provisions and all references herein to 'Mortgagee' and 'Mortgage' shall be deemed references to 'Lender' and 'Short Form Mortgage Agreement', respectively, in the Short Form Mortgage:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage. Unless applicable law provides otherwise, all payments received by Mortgagee shall be applied by Mortgagee first, at the option of Mortgagee, in payment of any late charges, costs, expenses and attorneys' fees due under the Note, then in payment of interest payable on the Note, then to the principal of the Note, then to interest and principal on any Future Advances, and then to any other amounts due and payable under the Note or this Mortgage. In the event Borrower shall execute and deliver any further note(s) or mortgage agreement(s) in favor of Mortgagee in connection with the acquisition of an additional ownership interest from Mortgagee, any payments received by Mortgagee from Borrower in respect of the indebtedness owed by Borrower to Mortgagee shall, at Mortgagee's sole option and discretion, be applied first to the indebtedness evidenced by the Note first executed and delivered by Borrower in favor of Mortgagee, and thereafter in the successive chronological order of execution and delivery of each of said further note(s), all in accordance with the payment terms of this paragraph.

2. **Charges; Liens.** Borrower shall promptly pay, when due, all condominium assessments imposed by the governing body of the Condominium. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, however, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation required by such lien in a manner acceptable to Mortgagee and, if requested by Mortgagee, immediately post with Mortgagee

an amount necessary to satisfy said obligation, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof and, if requested by Mortgagee, immediately post with Mortgagee an amount necessary to satisfy said obligation.

3. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term 'extended coverage' and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require; provided, however, that Mortgagee shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage. This obligation shall be deemed satisfied so long as the Condominium Association as defined in the Declaration, (hereinafter 'Association') maintains a 'master' or 'blanket' policy which otherwise satisfies the terms hereof and of the Declaration. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property or Condominium, whether to a unit or to the common elements, any such proceeds payable to Borrower are hereby assigned to Mortgagee and shall be paid to Mortgagee for application to the sums secured by this Mortgage, with the excess, if any, thereafter paid to Borrower.

4. Preservation and Maintenance of Property. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. Borrower shall perform all of Borrower's obligations under the Declaration, the by-laws and regulations of the Association and all constituent documents. Borrower shall take such actions as may be reasonable to insure that the Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Mortgagee.

5. Protection of Mortgagee's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Mortgagee at Mortgagee's option, upon notice to Borrower may make such appearances, disburse such sums and take such actions as are necessary to protect Mortgagee's interest, including, but not limited to, disbursement of funds to pay reasonable attorneys' fees and to make repairs and entry upon the Property to make such repairs. If Mortgagee required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Mortgagee's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums, if any. Any amounts disbursed by Mortgagee pursuant to this paragraph, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Mortgagee agree to other terms of payment, such amounts shall be payable upon notice from Mortgagee to Borrower requesting payment hereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph shall require Mortgagee to incur any expense or take any action hereunder.

6. Inspection. Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Mortgagee's interest in the Property.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or the common elements, or for any conveyance in lieu of condemnation, are hereby assigned to Mortgagee and shall be paid to Mortgagee for application to the sums secured by this Mortgage, with the excess, if any, thereafter paid to Borrower.

8. Borrower Not Released. Extension of time for payment or modification of amortization of the sums secured by this Mortgage, granted by Mortgagee to any successor in interest to Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Mortgagee shall not be required to commence proceedings against such successor or to refuse to extend time for payment or otherwise to modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest.

9. Forbearance by Mortgagee. Any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage.

10. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

11. Successors and Assigns Bound; Joint and Several Liability. Subject to the terms and provisions of paragraph 20 below, the covenants and agreements herein contained shall bind, and the rights hereunder shall inure to the respective successors and assigns of, Mortgagee and Borrower. All covenants, agreements and undertakings of Borrower shall be joint and several.

12. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by U.S. Mail, postage prepaid; addressed to Borrower at Borrower's address as set forth in the Note or this Mortgage, or at such other address as Borrower may designate by notice to Mortgagee as provided herein, and (b) any notice to Mortgagee shall be given by certified mail, return receipt requested, to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Mortgagee when given in the manner designated herein.

13. Severability. The provisions of this Mortgage are severable. If any provision of this Mortgage shall be held to be invalid or unenforceable in any respect, such provision shall be carried out and enforced only to the extent to which it shall be valid and enforceable, and any such invalidity or unenforceability shall not affect any other provisions of this Mortgage, all of which shall be fully carried out and enforced as if such invalid or unenforceable provision had not been set forth herein.

14. Governing Law and Waiver of Trial by Jury. THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED UNDER AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA AND THE COURTS IN THE STATE OF FLORIDA, COUNTY OF ORANGE SHALL BE THE EXCLUSIVE COURTS OF JURISDICTION AND VENUE FOR ANY LITIGATION OR OTHER PROCEEDING THAT MAY BE BASED ON, ARISE OUT OF, UNDER OR IN CONJUNCTION WITH THIS MORTGAGE. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONJUNCTION WITH THIS MORTGAGE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGEE EXTENDING THE LOAN REPRESENTED BY THE NOTE TO BORROWER.

15. Headings and Capitalized Terms. The paragraph headings contained herein are included solely for the convenience of the parties, and shall not be used in construction or interpretation of this Mortgage. Capitalized terms not defined herein shall contain the meaning associated to them in Borrower's Short Form Mortgage Agreement.

16. Entire Agreement. This Mortgage and the Note constitute the entire understanding and agreement of Borrower and Mortgagee with regard to the subject matter hereof, and supersede all oral agreements, understandings or representations of the parties. This Mortgage shall not be modified or amended unless such amendment is in writing signed by Borrower and Mortgagee.

17. Time. Time is of the essence in the performance by Borrower of each and every obligation of Borrower represented by this Mortgage.

18. Further Assurances. Borrower shall, from time to time, execute such additional documents which may reasonably be requested by Mortgagee, to carry out and fulfill the intents and purposes of this Mortgage and the Note.

19. Gender and Number. Whenever used in this Mortgage, the singular number shall include the plural, and the use of any gender shall be applicable to all genders. All covenants, agreements and undertakings of Borrower shall be joint and several.

20. Transfer of the Property Assumption. If all or any part of the Property or any interest therein is sold or transferred or if any mortgage, lien or other encumbrance shall, during the term of this Mortgage, be recorded against or otherwise attach upon the Property without Mortgagee's prior written consent (which consent may be withheld or granted at Mortgagee's sole discretion), excluding (a) a transfer by devise, descent or operation of law upon the death of a joint tenant or tenant by the entirety, or (b) the lien of real property ad valorem taxes not yet due and payable, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate related to sale or transfer if, and only if, prior to the sale or transfer, Mortgagee shall have waived in writing or failed to timely exercise its right of first refusal granted under the Declaration and pursuant to the Purchase Agreement executed by Borrower and Mortgagee in this matter, and Mortgagee and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Mortgagee and that the interest payable on sums secured by this Mortgage shall be at such rate as Mortgagee shall request. If Mortgagee has waived the option to accelerate provided in this paragraph and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Mortgagee, Mortgagee shall release Borrower from all obligations under this Mortgage and the Note. If Mortgagee exercises such option to accelerate, Mortgagee shall mail Borrower notice of acceleration in accordance with paragraph 12 hereof. Such notice shall provide a period of not less than ten (10) days from the date the notice is mailed within which Borrower shall pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Borrower, invoke any remedies permitted hereunder, at law or in equity.

21. Acceleration; Remedies. Except as provided in paragraph 20 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Mortgagee, prior to acceleration, shall mail notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure

such breach; and (3) a date, not less than fifteen (15) days from the date the notice is mailed to Borrower, by which date such breach must be cured. Such notice, at Mortgagee's sole option, may also state that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage or foreclosure by judicial or trustee (non-judicial) proceedings and sale of the Property. The notice, at Mortgagee's sole option, may also require that any past due amounts shall be payable by cashier's or certified check. If the breach is not cured on or before the date specified in the notice, Mortgagee at Mortgagee's sole and absolute discretion, subject to any right of reinstatement to which Borrower is entitled under applicable law, may declare, without further demand or notice of any kind, all of the sums secured by this Mortgage to be immediately due and payable and may foreclose this Mortgage by judicial, or trustee (non-judicial) proceedings pursuant to applicable law. Mortgagee shall be entitled to collect in such proceedings all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, court costs and costs of documentary evidence, abstracts, title reports, recording costs and documentary and other transfer taxes. If Borrower fails to make timely payments under the obligations secured by this Mortgage, or is otherwise deemed in unincurred default of this Mortgage, the lien against the Property created by this Mortgage may be foreclosed in accordance with either a judicial foreclosure procedure or a trustee foreclosure procedure and may result in Borrower's loss of the Property. If the Mortgagee initiates a trustee foreclosure procedure, Borrower shall have the option to object and the Mortgagee may proceed only by filing a judicial foreclosure action.

22. Assignment of Rental; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Mortgagee the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 21 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable. Upon acceleration or abandonment of the Property, Mortgagee shall be entitled upon written notice, to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, management fees, court costs and reasonable attorney's fees, and then to the sums secured by this Mortgage. Alternatively, Mortgagee may seek the appointment of a receiver to manage and collect rents from the Property. If a receiver is appointed, any income from rents from the Property shall be applied first to the costs of receivership, and then in the order set forth above.

23. Future Advance. Upon request by Borrower, Mortgagee, at Mortgagee's sole and absolute discretion within twenty (20) years from the date of this Mortgage, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed two hundred percent (200%) of the original principal amount of the Note.

24. Mortgagee's Prior Consent. Borrower shall not, except after notice to Mortgagee and with Mortgagee's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium or vacation ownership plan, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Declaration, by-laws or code of regulations of the Association or equivalent constituent documents of the Condominium which are for the express benefit of Mortgagee; or (iii) any action which would have the effect of rendering the public liability insurance coverage maintained by the Association unacceptable to Mortgagee.

25. Borrower's Representations and Warranties. As a material inducement to Mortgagee to lend Borrower the indebtedness evidenced by the Note, Borrower hereby represents and warrants to Mortgagee the following: (i) the Property is not in any wise intended, whether as of the date hereof or at any time hereafter, to constitute any form of 'homestead' under Florida law, and any such desire or intent is hereby waived, released and remised; (ii) Borrower has not acquired the Property for any use or purpose other than for personal use as required by the Declaration; and (iii) Borrower, by acquisition of the Property, has no desire or intent to be or become a legal domiciliary of the State of Florida, or any political subdivision thereof (including, without limitation, Reedy Creek Improvement District), and any such desire or intent is hereby waived, released and remised.

26. Release. Upon payment of all sums secured by this Mortgage, Mortgagee shall release this Mortgage without charge to Borrower and Borrower shall pay all costs of recordation, if any.

27. Attorneys' Fees. As used in this Mortgage and in the Note, the term attorneys' fees shall also include attorneys' fees, if any, which may be awarded by an appellate court.

28. Add-on Contracts. In the event Borrower (or any party comprising Borrower or of which Borrower is comprised) executes and delivers any further note(s) or mortgage agreement(s) in favor of Mortgagee in connection with the acquisition of an additional ownership interest from Mortgagee, or for some other purpose, then Borrower agrees that: (i) any default or event of default under any such further note(s) or mortgage agreement(s) shall automatically and without further notice constitute a default under this Mortgage as fully as if such default or event of default arose directly under this Mortgage; (ii) any default or event of default under this Mortgage shall automatically and without further notice constitute a default under any such further note(s) and mortgage agreement(s) as fully as if such

