

EXHIBIT "E"

VACATION VILLAS AT FANTASYWORLD

RULES AND REGULATIONS FOR FLOATING TIME

The rules and regulations set forth below comprise the "Rules and Regulations for Floating Time" as said term is defined in the Declaration of Time-Share Plan for **VACATION VILLAS AT FANTASYWORLD** (the "Declaration"), and shall govern the operation of the timeshare plan known as **VACATION VILLAS AT FANTASYWORLD**.

All capitalized terms used herein shall have the same meaning as set forth in the Declaration, as the same may be amended from time to time, unless the context clearly requires a different meaning. These Rules and Regulations for Floating Time, except as specifically indicated below, shall apply to and be binding upon all Owners of timeshare periods committed to Floating Use in the Time-Share Plan.

These Rules and Regulations for Floating Time may be amended in accordance with the provisions of the Declaration without the consent of the timeshare period Owners. In addition to these Rules and Regulations for Floating Time, timeshare period Owners shall obey all other Association rules and regulations at all times, and shall be responsible to insure that they are faithfully observed by their guests, family, invitees, servants, lessees, licensees, designees, and such other persons over whom they exercise control and supervision.

The Rules and Regulations for Floating Time are as follows:

1. The purchaser of a timeshare period committed to Floating Use becomes eligible to make a reservation request forty-five (45) days after the purchase agreement is executed and good funds are received for the timeshare period purchased.

2. Owners of Annual timeshare periods are entitled to request up to seven (7) days of occupancy each calendar year for each Annual timeshare period owned. Owners of Biennial timeshare periods are entitled to request up to seven (7) days of occupancy in alternate calendar years for each Biennial timeshare period owned. All seven (7) days must be used in the same calendar year. Unused or unreserved days may not be carried forward into subsequent calendar years.

Occupancy must begin on a Friday, Saturday or Sunday. Occupancy commences at 4:00 P.M. on the first day of occupancy (check-in) and terminates at 10:00 A.M. on the last day of occupancy (check-out).

3. Owners of timeshare periods committed to Floating Use must make a reservation request and receive a reservation confirmation from the Manager before occupying any Unit during a Floating timeshare period. Reservation requests must be made and confirmed in writing, or, at the election of the Manager, by telephone. All requests will be processed on a first come, first served basis. The ability to confirm a reservation request is based upon availability in the pool of Floating Use Periods ("Floating Use Pool") owned by timeshare period Owners in the Time-Share Plan.

Reservations requests will be accepted yearly beginning December 1 and ending March 31. Reservations may be made up to two (2) years ahead of the arrival date for exchange purposes, provided all assessments, taxes and exchange fees are paid prior to confirmation.

The Managing Entity, upon receipt of the reservation request, shall assign a designated timeshare period if the timeshare period requested is available, and shall confirm said reservation in writing. In the event the requested timeshare period is not available, the Managing Entity shall, based upon availability, assign the timeshare period Owner a timeshare period based upon said Owner's second or third choice of timeshare periods.

All Owners who have not made a timely reservation request pursuant to the terms and conditions set forth herein, or who have not otherwise been assigned a timeshare periods, will be assigned a timeshare period by the Managing Entity, at their sole discretion, on or before May 1 of each year.

Designated Time-Share Units will be assigned by the Managing Entity at the time of check-in.

4. Each timeshare period is designated by "Season" for purposes of reservation priority. There are two (2) Seasons, designated respectively as **GOLD SEASON** and **PLATINUM SEASON**.

Timeshare periods numbered 1, 2, 3, 4, 18, 19, 20, 21, 22, 23, 37, 38, 39, 40, 41, 42, 43, 44, 45, 48, 49 and 50 are assigned to the **GOLD SEASON**. All other timeshare periods are assigned to the **PLATINUM SEASON**.

5. Reservations for a Season Upgrade, at the discretion of the Manager, may be requested based upon availability, but the occupancy requested must begin within forty-five (45) days from the date the reservation request is made. If a Season Upgrade reservation request is confirmed, a \$25.00 per Day Upgrade fee must be paid at check-in.

6. Reservations for a Season Downgrade may be requested based upon

availability, but the occupancy requested must begin within forty-five (45) days from the date the reservation request is made. If a Season Downgrade reservation request is confirmed, no fee is required.

7. A timeshare period Owner may change his confirmed reservation based on availability up to thirty (30) days prior to occupancy. All changes will be processed for a \$25.00 charge up to thirty (30) days prior to occupancy. Changes in confirmed reservations less than thirty (30) days prior to occupancy will be processed for a \$150.00 charge. If a request for a timeshare period is not received at least thirty (30) days before the desired reservation date, the Managing Entity will nevertheless use its best efforts to confirm reservations for occupancy as provided herein. Such confirmation will be subject to immediate payment of maintenance fees, if not already paid, and any other due and unpaid charges.

8. Real Property Taxes and Assessments are billed on December 1 of each calendar year for the subsequent calendar year. Real Property Taxes and Assessments not paid by December 31 of each calendar year are delinquent and subject to interest at the rate of eighteen percent (18%) per annum from the date of delinquency until received by the Association. Timeshare period Owners of timeshare periods committed to Floating Use are not entitled to request a reservation of a Floating timeshare period, use a Floating timeshare period already reserved, or use any of the accommodations or facilities of the Time-Share Plan until all delinquent Real Property Taxes and Assessments, together with interest accrued thereon, are received by the Association, or until the timeshare period Owner has produced evidence satisfactory to the Association that the delinquency does not exist or has been satisfied.

9. Failure to request a reservation or to receive a reservation confirmation for a timeshare period in a calendar year does not relieve the timeshare period Owner from the obligation to pay Assessments and Real Property Taxes to the Association for each timeshare period owned.

10. A confirmed reservation for a Floating timeshare period held by a timeshare period Owner or assigned or provided to any other person may be canceled by the Association without further notice to such timeshare period Owner or person fourteen (14) days prior to the commencement of the reserved Floating timeshare period, if, at that time, the timeshare period Owner is delinquent in the payment of Assessments, interest on Assessments, or Real Property Taxes, and has not produced evidence satisfactory to the Association that the delinquency does not exist or has been satisfied. The days contained in the Floating timeshare period canceled by the Association due to delinquency in the payment of the Assessments, interest on Assessments, or Real Property Taxes will be charged against the timeshare period Owner's seven (7) day allocation for the calendar year.

11. Owners desiring to exchange their timeshare period with an

exchange company must first receive a confirmed reservation request prior to seeking to trade within any exchange system. Similarly, Owners desiring to rent their timeshare period must first receive a confirmed reservation request prior to entering into any rental agreement. Upon receipt of a confirmed reservation, a timeshare period Owner may offer said timeshare period for rent, or, request the Managing Entity to offer said timeshare period for rent. The Managing Entity will offer all timeshare periods available for rent on a first come, first served basis.

12. In accordance with the Declaration, any timeshare period which remains unreserved by the timeshare period Owner during the prescribed reservation time period, or any timeshare period or portion thereof for which the timeshare period Owner has received a confirmed use period but does not utilize the same, (hereafter "Breakage"), shall inure to the benefit of the Developer. The Developer may use such Breakage for such purposes as the Developer may in its sole discretion determine, including but not limited, to leasing said Breakage for use and occupancy by others, including non-Owners. Any and all net funds after expenses accruing from such use and occupancy of Breakage shall inure to the benefit of VACATION VILLAS AT FANTASYWORLD TIME-SHARE OWNER'S ASSOCIATION, INC.

These Rules and Regulations for Floating Time are subordinate to and designed to supplement the Declaration, and in the event of a conflict therewith, the Declaration shall control.