

## CALYPSO VACATION CLUB

This public offering statement contains important matters to be considered in acquiring an interest in a vacation club. The statements contained herein are only summary in nature. A prospective purchaser should refer to all references, accompanying exhibits, contract documents, and sales materials. The prospective purchaser should refer to all references, exhibits hereto, contract documents and sales materials. The prospective purchaser should not rely upon oral representations as being correct and should refer to this document and accompanying exhibits for correct representations.



INDEX TO  
MULTISITE PUBLIC OFFERING STATEMENT  
TEXT AND EXHIBITS

TAB#	SECTION
0	Public Offering Statement Text
1	Receipt for Timeshare Documents
2	Descriptive List of Multisite Public Offering Statement Documents Not Delivered to Purchasers
3	Component Site Documents



## TABLE OF CONTENTS

Page

I.	MULTISITE PUBLIC OFFERING STATEMENT DEFINITIONS AND ABBREVIATIONS .....	1
	1.1 "Accommodation" .....	1
	1.2 "Affiliate Resort" .....	1
	1.3 "Annual Ownership Interest" .....	1
	1.4 "Assigned Week" .....	1
	1.5 "Biennial Ownership Interest" .....	1
	1.6 "Calypso Cay Vacation Villas" .....	1
	1.7 "Check-In Time" and "Check-Out Time" .....	1
	1.8 "Club" .....	2
	1.9 "Club Affiliation Agreement" .....	2
	1.10 "Club Benefits Program" .....	2
	1.11 "Club Directory" .....	2
	1.12 "Club Documents" .....	2
	1.13 "Club Dues" .....	2
	1.14 "Club Manager" .....	2
	1.15 "Club Membership Agreement" .....	2
	1.16 "Club Point Account" .....	2
	1.17 "Club Points" .....	2
	1.18 "Club Point Chart" .....	3
	1.19 "Club Priority Reservation Window" .....	3
	1.20 "Club Resort" .....	3
	1.21 "Club Rules" .....	3
	1.22 "Commercial Unit" .....	3
	1.23 "Component Resort" .....	3
	1.24 "Component Site" .....	3
	1.25 "Developer" .....	3
	1.26 "Disclosure Statement" .....	3
	1.27 "External Exchange Company" .....	3

**TABLE OF CONTENTS**  
(Continued)

	Page
1.28 "External Exchange Program" .....	3
1.29 "Home Resort" .....	4
1.30 "Home Resort Advantage" .....	4
1.31 "Inventory Pool" .....	4
1.32 "Lock-off Unit" .....	4
1.33 "Member" or "Club Member" .....	4
1.34 "Members Priority Reservation Window" .....	4
1.35 "Owner" .....	4
1.36 "Purchaser" .....	4
1.37 "Owners Exclusive Reservation Window" .....	4
1.38 "Primary Contact" .....	4
1.39 "Request List" .....	4
1.40 "Reservation Services" .....	4
1.41 "Reservation System" .....	5
1.42 "Reservation Window(s)" .....	5
1.43 "Reservation Year" .....	5
1.44 "Resort Agreement" .....	5
1.45 "Resort Association" .....	5
1.46 "Resort Association Fees" .....	5
1.47 "Resort Declaration" .....	5
1.48 "Resort Developer" .....	5
1.49 "Resort Documents" .....	5
1.50 "Resort Manager" .....	5
1.51 "Resort Operating Budget" .....	5
1.52 "Split Week" .....	5
1.53 "Timeshare Interest" .....	6
1.54 "Turnover Day" .....	6
1.55 "Unit" .....	6
1.56 "Use Period" .....	6

**TABLE OF CONTENTS**  
(Continued)

	Page
1.57 "Use Window".....	6
1.58 "Wait List".....	6
1.59 "Week".....	6
II. SUMMARY OF REQUIRED DISCLOSURES .....	7
III. DEVELOPER DISCLOSURES .....	8
IV. MULTISITE PUBLIC OFFERING STATEMENT TEXT .....	9
1. Description of the Multisite Timeshare Plan .....	9
a. Term of the Multisite Timeshare Plan .....	9
b. Term of the Component Site Plans .....	9
(1) Calypso Cay Vacation Villas .....	9
c. Legal Structure of the Multisite Timeshare Plan .....	9
d. Form of Ownership of Timeshare Interests .....	10
2. Description of Structure, Ownership and Responsibility for Operation of the Reservation System.....	11
3. Description of Operation of the Reservation System .....	11
a. Demand Balancing.....	11
b. Club Rules Governing the Operation of the Reservation System.....	12
c. Club Points.....	12
(1) Club Points.....	12
(2) Week 53 .....	13
(3) Use of Club Points .....	13
4. Priority Reservation Features.....	14
a. Owners Exclusive Reservation Window .....	14
b. Members Priority Reservation Window .....	14
c. Club Priority Reservation Window.....	14
d. Additional Reservation Restrictions .....	15
e. External Exchange Opportunities .....	16
5. Summary of Rules and Regulations, Other than the Club Rules, Affecting each Component Site .....	16
6. Additions, Substitutions and Deletions.....	16

**TABLE OF CONTENTS**  
(Continued)

	Page
a. Additions.....	16
b. Substitutions.....	17
c. Deletions .....	17
(i) Deletion by Casualty.....	17
(ii) Deletion by Eminent Domain .....	18
(iii) Automatic Deletion.....	18
7. Description of Developer and Managing Entity of the Club.....	18
8. Description of Purchaser's Liability for Common Expenses of the Multisite Timeshare Plan .....	19
a. Description of Allocation and Assessment of Common Expenses of the Multisite Timeshare Plan.....	19
b. Description of Any Limits Imposed Upon the Level of Common Expenses of the Multisite Timeshare Plan Payable by Purchasers.....	19
c. Description of the Entity Responsible for Determination of and/or the Increase of the Common Expenses of the Multisite Timeshare Plan .....	19
d. Description of the Method Used for Collection of the Common Expenses of the Multisite Timeshare Plan.....	20
e. Description of the Developer Guarantee of the Level of Assessments.....	20
f. Additional Financial Disclosures for Each Component Site .....	20
9. Restrictions Upon the Sale, Transfer, Conveyance or Lease of an Interest In a Multisite Timeshare Plan .....	20
10. Basis for Purchase of an Interest in a Multisite Timeshare Plan .....	21
11. Exchange Program Opportunities.....	21
a. External Exchange Program .....	21
b. External Exchange Reservations.....	22
c. Special Exchange Programs.....	22
d. Club Benefits Program.....	22
12. Description of Each Component Site.....	22
13. Single Component Site Disclosure .....	23

## I. MULTISITE PUBLIC OFFERING STATEMENT DEFINITIONS AND ABBREVIATIONS

All terms contained in this Multisite Public Offering Statement shall have the meanings ascribed to them by the Florida Vacation Plan and Timesharing Act, Chapter 721, Florida Statutes. The following definitions shall prevail to the extent that they are not in conflict with these statutory definitions:

1.1 "Accommodation" means the physical space in a Unit of a Club Resort which is available for the use and occupancy of a Member through the reservation of a Use Period pursuant to the Club Rules.

1.2 "Affiliate Resort" means a resort or other facility for which Club Manager has determined that membership in the Club should be made available on a voluntary basis to owners of a Timeshare Interest at such resort in accordance with terms and conditions determined by Club Manager in its sole discretion and established through a Club Affiliation Agreement.

1.3 "Annual Ownership Interest" means a Timeshare Interest regarding which the Member receives annually on a recurring basis during the Reservation Year the right to request a reservation for the occupancy in Accommodations of the Club in accordance with the Club Rules.

1.4 "Assigned Week" means the Week to which a Timeshare Interest at a Club Resort is assigned either at the time of sale or is assigned pursuant to the Resort Documents and to which the Owner owning such Timeshare Interest will have occupancy rights on a priority basis if a reservation is timely made pursuant to the Home Resort Advantage of the Owners Exclusive Reservation Window. For a Biennial Ownership Interest, the Assigned Week will occur either in Odd Numbered Years or Even Numbered Years.

1.5 "Biennial Ownership Interest" means a Timeshare Interest regarding which the Member receives on a recurring basis during the Reservation Year occurring every other year the right to request a reservation for occupancy in Accommodations of the Club of a Unit in accordance with the Club Rules.

1.6 "Calypso Cay Vacation Villas" means the Units, common areas, and property owned by the Resort Association as well as recreational facilities and amenities which may be used by the occupants of the Units and the timeshare plan established for Calypso Cay Vacation Villas in accordance with the Declaration of Covenants, Conditions and Restrictions for Calypso Cay Vacation Villas, a Timeshare Plan which is or will be recorded in the Public Records of Osceola County, Florida.

1.7 "Check-In Time" and "Check-Out Time" respectively means the time on the day that begins the reserved Use Period when the Occupant may begin occupying the Accommodations and the time on the day that ends the reserved Use Period when the Occupant must cease occupying the Accommodations. This definition is also used in connection with

defining the commencement and termination of a Week.

1.8 "Club" means the Calypso Vacation Club, which is the service name given to the variety of exchange and reservation services provided to the Members and the other vacation, travel and leisure benefits that may be offered to the Members from time to time pursuant to the priorities, restrictions and limitations set forth in the Club Documents. The Calypso Vacation Club is not a legal entity or association of any kind.

1.9 "Club Affiliation Agreement" means one or more written contracts between Club Manager and the Resort Developer and/or the Resort Manager, association or other applicable entity at a development not constituting a Component Site whereby owners of a Timeshare Interest in a timeshare plan or other arrangement for accommodations become eligible to join the Club and the respective accommodations at the Affiliate Resort become eligible to become part of the Inventory Pool available for use by Members.

1.10 "Club Benefits Program" means the vacation and travel benefits programs created by Club Manager and made available to Members from time to time.

1.11 "Club Directory" means the periodically published listing of Club Resorts and other information which Club Manager may elect to include.

1.12 "Club Documents" means those agreements and other documents governing the establishment and operation of the Club including the Club Rules and such other instruments governing the use and operation of the Club which may be promulgated and amended by Club Manager from time to time.

1.13 "Club Dues" means those fees which shall include the costs and expenses of the Club that each Club Member or Component Resort is required to pay each calendar year in order to remain in good standing.

1.14 "Club Manager" means Timescape Resorts, LLC, a Florida limited liability company, its successors and assigns.

1.15 "Club Membership Agreement" means any document executed by Club Manager which bestows membership on the purchaser or owner of a Timeshare Interest at an Affiliate Resort and provides for the terms and conditions of such membership in the Club.

1.16 "Club Point Account" means the record of the number of Club Points available for use by a Club Member during each Reservation Year.

1.17 "Club Points" means the units of symbolic value utilized by the Club Manager to quantify the trading power assigned to a Member's Timeshare Interest by Club Manager which enables the Member to access the Reservation System and other Club services and benefits. Each Club Member shall annually or biennially, if applicable, be assigned an allocation of Club Points to represent the Use Rights in each Week or Split Week which is related to that Member's Timeshare Interest.

1.18 "Club Point Chart" means the table of Club Points required to reserve the use of a given Week or Split Week during a Reservation Window. The current Club Point Chart is an attachment to the Club Rules.

1.19 "Club Priority Reservation Window" means the Reservation Window which is open for Members to request reservations for Use Periods beginning three (3) months prior to the first day of the Assigned Week and ending on the day prior to the first day of the Assigned Week.

1.20 "Club Resort" means Component Resorts and also means Affiliate Resorts to the extent that owners of Timeshare Interests at such Affiliate Resorts have become Members.

1.21 "Club Rules" means the Calypso Vacation Club Rules and Regulations which may be modified from time to time by the Club Manager and which contain the rules and regulations governing a Member's use of the Club. In this regard, Club Manager will use its best efforts, in good faith and based upon all reasonably available evidence under the circumstances to further the best interests of the Members as a whole with respect to their opportunity to use and enjoy the Accommodations, services and benefits of the Club.

1.22 "Commercial Unit" means a Unit or other portion of a Club Resort intended and designed for the conduct of a private business enterprise to serve its owner, the owners guests, invitees and such other persons who may lawfully be entitled to come upon the property comprising the Club Resort. Unless the context requires otherwise and with respect to the multisite timeshare plan, all references to "Unit" shall include any Commercial Units.

1.23 "Component Resort" means a resort which constitutes a Component Site of the multisite timeshare plan known as the Calypso Vacation Club and at which membership in the Club is an appurtenance of ownership of a Timeshare Interest.

1.24 "Component Site" means a specific geographic site where a portion of the accommodations and facilities of the Calypso Vacation Club are located.

1.25 "Developer" means the developer of the Calypso Vacation Club which is Timescape Resorts, LLC, a Florida limited liability company.

1.26 "Disclosure Statement" means the exchange disclosure statement promulgated by Club Manager and filed with the Division of Florida Land Sales, Condominiums and Mobile Homes pursuant to §721.18, Florida Statutes.

1.27 "External Exchange Company" means any entity providing external exchange services to the Members of the Club by arrangements concluded by the Club Manager.

1.28 "External Exchange Program" means the service arrangement of an External Exchange Company pursuant to which Members may reserve the use of accommodations in resorts other than Club Resorts in accordance with the rules, procedures and availabilities of such exchange program.

1.29 "Home Resort" means the Club Resort at which a Member owns a Timeshare Interest.

1.30 "Home Resort Advantage" means the priority which a Member enjoys pursuant to the Club Rules to reserve a Use Period at the Member's Home Resort pursuant to the Club Rules. The Owners Exclusive Reservation Window provides the period pursuant to the Club Rules for Members to exercise the Home Resort Advantage.

1.31 "Inventory Pool" means the aggregation of all Use Periods in Accommodations which the Club Manager has available from time to time to facilitate the completion of reservations and exchanges requested by Members pursuant to the Club Rules.

1.32 "Lock-off Unit" means a Unit which may be temporarily divided into separate portions capable of being reserved as separate accommodations. Unless specifically noted otherwise, Lock-off Units shall be included within the term Units.

1.33 "Member" or "Club Member" means the owner of record of a Timeshare Interest at any Component Resort or an owner of record of a Timeshare Interest at an Affiliate Resort who has complied with all of the terms and conditions for membership in the Club as determined by Club Manager for that Affiliate Resort. Club Manager may establish from time to time different classifications of Members.

1.34 "Members Priority Reservation Window" means the Reservation Window which is open to Members to request reservations for Use Periods between ten (10) months and three (3) months prior to the first day of the Assigned Week

1.35 "Owner" means the owner of a Timeshare Interest.

1.36 "Purchaser" means a prospective Owner, but shall not include the Resort Developer.

1.37 "Owners Exclusive Reservation Window" means the Reservation Window which is open to Members to request reservations for Use Periods between twelve (12) months and ten (10) months prior to the first day of the Assigned Week.

1.38 "Primary Contact" means the individual who is authorized by the multiple or entity owners of a Timeshare Interest to exercise all rights of a particular membership and to represent such Owner(s) in dealing with Reservation Services.

1.39 "Request List" means the waiting list for Members who wish to make a reservation prior to the conclusion of the Owners Exclusive Reservation Window a reservation for use of a currently unavailable or not yet relinquished Use Period.

1.40 "Reservation Services" means the services arranged for by the Club Manager that handles and processes reservation requests and other selected Club Member services from time to time.

1.41 "Reservation System" means the method provided by the Club to enable each Member to utilize such Member's right to reserve a Use Period in Accommodations of a Club Resort in accordance with the Club Rules.

1.42 "Reservation Window(s)" means the several divisions of time beginning one year prior to the first day of the Assigned Week and ending on the day prior of the Assigned Week. The Reservation Windows consist of the Owners Exclusive Reservation Window, followed by the Members Priority Reservation Window, followed by the Club Priority Reservation Window.

1.43 "Reservation Year" means the period of time beginning one year prior to the first day of the Assigned Week and ending on the day prior to the first day of the Assigned Week.

1.44 "Resort Agreement" means the agreement among Club Manager and the Resort Developer and/or Resort Association and/or the Resort Manager of a resort pursuant to which the accommodations and facilities of that resort are included as a Component Resort of the Calypso Vacation Club.

1.45 "Resort Association" means an underlying condominium, townhome, master, timeshare or community property owners' association or other entity operating a Club Resort.

1.46 "Resort Association Fees" means any fee each Member is obligated to pay its respective Resort Association by virtue of such Member's ownership interest at the Club Resort, including without limitation, recreational, maintenance and reserve fees and assessments, special assessments and ad valorem taxes.

1.47 "Resort Declaration" means the Declaration of Condominium, or the Declaration of Covenants, Conditions and Restrictions, or any similar instrument applicable to a specific Club Resort by which the Timeshare Interest of such specific Club Resort is encumbered and/or the residential or timeshare regime thereof is established and governed.

1.48 "Resort Developer" means and refers to the developer of each Club Resort.

1.49 "Resort Documents" means the Resort Declaration and all other documents which create and govern the rights and relationships of the Members who own a Timeshare Interest in a given Club Resort and which also govern the use and operation of that Club Resort. Resort Documents do not include the Club Documents.

1.50 "Resort Manager" means the managing entity responsible for the management of a Club Resort.

1.51 "Resort Operating Budget" means the budget that accounts for the estimated annual common expenses and reserves of a given Club Resort, including Club Dues at a Component Resort.

1.52 "Split Week" means a Week of which the use is divided into periods of less than seven (7) consecutive days. The Club Manager reserves the right to change the combination, or

allow a different combination of days at certain Club Resorts and otherwise to limit the reservation of Split Weeks in the best interests of Members as a whole.

1.53 "Timeshare Interest" means the timeshare estate or other real or personal ownership interest in a Club Resort owned by a Club Member. The term "Timeshare Interest" shall include both an Annual Ownership Interest and a Biennial Ownership Interest.

1.54 "Turnover Day" means the day of the week when the Assigned Week begins and ends and may be different for different Club Resorts and different phases of a Club Resort.

1.55 "Unit" means an apartment, condominium, home, townhome or cooperative unit, cabin, lodge, hotel or motel room or any other private or commercial structure at a Club Resort available for use and occupancy for residential vacation purposes by one or more individuals living together as a family unit.

1.56 "Use Period" means the period of time consisting of a Week or Split Week during which a Member can or has reserved use and occupancy of an Accommodation from the Inventory Pool pursuant to the Club Rules.

1.57 "Use Window" means the period in which confirmed occupancy can occur due to a reservation confirmation made during a specific Reservation Window.

1.58 "Wait List" means the waiting list for Members who wish to make during the Member Priority Reservation Window or the Club Priority Reservation Window a reservation for use of a currently unavailable Use Period.

1.59 "Week" means a Use Period of seven (7) consecutive days during the calendar year. In each calendar year there shall be fifty-two (52) seven (7) consecutive day Use Periods and an additional seven (7) consecutive day period of time which will occur only during certain years and shall be known as the "53<sup>rd</sup> Week" defined hereinbelow. Each Week shall commence at Check-In Time on the Turnover Day and shall terminate at Check-Out Time on the Turnover Day seven (7) days later. In other words, Week No. 1 is the seven (7) day period commencing at Check-In Time on the first applicable Turnover Day in each calendar year and terminating at Check-Out Time on the next Turnover Day; Week No. 2 is the seven (7) day period commencing at Check-In Time on the Turnover Day next following the first Turnover Day in each year and terminating at Check-Out Time on the next Turnover Day. Additional Weeks up to and including Week No. 52 are computed in like manner. The 53<sup>rd</sup> Week shall be the seven (7) day period commencing at Check-In Time on the Turnover Day ending Week No. 52 and terminating at Check-Out Time on the first applicable Turnover Day of the next calendar year, but shall only exist and following Week No. 52 if Week No. 52 ends in the same calendar year in which the preceding Week No. 1 began.

## II. SUMMARY OF REQUIRED DISCLOSURES

This public offering statement contains important matters to be considered in acquiring an interest in a vacation club. The statements contained herein are only summary in nature. A prospective purchaser should refer to all references, accompanying exhibits, contract documents, and sales materials. The prospective purchaser should refer to all references, exhibits hereto, contract documents and sales materials. The prospective purchaser should not rely upon oral representations as being correct and should refer to this document and accompanying exhibits for correct representations.

Component sites contained in the vacation club are subject to priority reservation features which may affect your ability to obtain a reservation. (See Section 4 of this Multisite Public Offering Statement)

Accommodations and facilities may be added to this vacation club without the consent of the purchasers. The addition of accommodations and facilities of the plan may result in the addition of new purchasers who will compete with existing purchasers in making reservations for the use of available accommodations and facilities within the plan, and may also result in an increase in the annual assessment against purchasers for common expenses. (See Section 6.a. of this Multisite Public Offering Statement)

The sale, lease, or transfer of interests in this multisite timeshare plan is restricted or controlled. (See Section 9 of this Multisite Public Offering Statement)

The purchase of an interest in a vacation club should be based upon its value as a vacation experience or for spending leisure time, and not considered for purposes of acquiring an appreciating investment or with an expectation that the interest may be resold.

This Timeshare Plan has been filed as a Multisite Timeshare Plan; however, this Plan currently contains only one component site. The Developer is not required to add any additional component sites to the plan. Do not purchase an interest in this plan in reliance upon the addition of any other component sites. (See Section 13 of this Multisite Public Offering Statement)

### III. DEVELOPER DISCLOSURES

AN OWNER AT A COMPONENT SITE WITHIN THE CLUB MAY HAVE A HOME RESORT ADVANTAGE WHICH WILL REQUIRE SPECIFIC ACTION TO RESERVE THE ASSIGNED WEEK. OTHER THAN PURSUANT TO THE HOME RESORT ADVANTAGE, AN OWNER'S CHANCE OF SUCCESSFULLY CONFIRMING IN A SPECIFIC COMPONENT SITE THROUGH THE CLUB'S RESERVATION SYSTEM DEPENDS UPON THE NUMBER OF OWNERS COMPETING FOR SPECIFIC ACCOMMODATIONS AT THE SAME COMPONENT SITE NOT RESERVED DURING THE OWNERS EXCLUSIVE RESERVATION WINDOW. (See Section 3 of this Multisite Public Offering Statement)

WITH THE EXCEPTION OF THE PRIORITY RIGHTS THE MEMBER HAS WITH RESPECT TO RESERVING HIS ASSIGNED WEEK DURING THE OWNERS EXCLUSIVE RESERVATION WINDOW, RESERVATION REQUESTS FOR USE PERIODS WILL BE TAKEN ON A FIRST COME, FIRST SERVED BASIS. (See Section 3 of this Multisite Public Offering Statement)

WITH THE EXCEPTION OF THE PRIORITY RIGHTS THE CLUB MEMBER HAS WITH RESPECT TO RESERVING HIS ASSIGNED WEEK DURING THE OWNERS EXCLUSIVE RESERVATION WINDOW, CLUB MANAGER CANNOT ENSURE CONFIRMATION OF A RESERVATION OF ANY SPECIFIC WEEK OR SPLIT WEEK IN ANY SPECIFIC UNIT AT ANY SPECIFIC CLUB RESORT AT ANY TIME SINCE AVAILABILITY WILL VARY. THE EARLIER A RESERVATION REQUEST IS SUBMITTED, THE BETTER THE CHANCE THAT A RESERVATION CONFIRMATION CAN BE SECURED. (See Section 3 of this Multisite Public Offering Statement)

GENERALLY, AN OWNER SHOULD EXPECT SUBSTANTIAL COMPETITION FROM THE RESORT DEVELOPER AND NO ESTABLISHED RESALE MARKET IN THE EVENT AN OWNER DESIRES TO RESELL A TIMESHARE INTEREST. FURTHERMORE, ANY MEMBER WHO ATTEMPTS TO RENT THE MEMBER'S UNIT WILL EXPERIENCE CONSIDERABLE COMPETITION FROM RESORT HOTELS NEAR CLUB RESORTS AND FROM THE RESORT DEVELOPER WHO WILL BE RENTING ITS UNSOLD INVENTORY OF TIMESHARE INTERESTS. TIMESHARE INTERESTS IN CLUB RESORTS ARE OFFERED FOR SALE FOR PERSONAL USE AND ENJOYMENT ONLY, AND THE EXPECTATION OF ACHIEVING RENTAL INCOME, CAPITAL APPRECIATION, OR ANY OTHER FINANCIAL RETURN OR VALUABLE BENEFIT, INCLUDING, BUT NOT LIMITED TO, ANY TAX BENEFIT, SHOULD NOT BE A CONSIDERATION IN THE DECISION TO PURCHASE.

THE TERMS AND CONDITIONS OF THE CLUB RULES ARE SUBJECT TO CHANGE BY CLUB MANAGER WITHOUT ADVANCE NOTICE, INCLUDING, BUT NOT LIMITED TO, FEES, BENEFITS AND RESERVATION PROCEDURES. (See Section 4 of this Multisite Public Offering Statement and the Club Rules)

#### IV. MULTISITE PUBLIC OFFERING STATEMENT TEXT

**1. Description of the Multisite Timeshare Plan.** The name of the multisite timeshare plan is the Calypso Vacation Club. The principal place of business of the Club is 359 Carolina Avenue, Winter Park, Florida 32789. The Club consists of the exchange and reservation services and vacation and travel benefits, including the Reservation System, made available to Members by Club Manager. Club Manager, as the developer and managing entity of the Club, intends to affiliate as Club Resorts, quality vacation destination resorts which meet the standards of quality and customer service established by Club Manager from time to time. Subject to availability and pursuant to the Club Rules, a current copy of which is attached as an exhibit hereto, Members will have the opportunity to reserve accommodations located at Calypso Cay Vacation Villas, and other Club Resorts, if any, which are affiliated with the Club from time to time.

**a. Term of the Multisite Timeshare Plan.** The term of the multisite timeshare plan will be perpetual which is the term of the component site timeshare plan for Calypso Cay Vacation Villas unless terminated in accordance with the terms of the Resort Documents for Calypso Cay Vacation Villas. Pursuant to applicable Florida law, the term of the multisite timeshare plan at any given time will be the remaining term of the component site timeshare plan at the individual Club Resort with the then shortest remaining term. Upon expiration of the term of a Club Resort's component site timeshare plan, the term of the multisite timeshare plan for the remaining Club Resorts will be the remaining term of the component site timeshare plan at the individual Club Resort with the next shortest remaining term. In the event that a Club Resort is deleted from the Club earlier than the expiration date for the multisite timeshare plan, Owners of Timeshare Interests in the deleted Club Resort will not be eligible to continue to participate in the Club for the remainder of the term of the multisite timeshare plan. Membership in the Club provided each Member with the opportunity to reserve available Accommodations at any Club Resort that is affiliated with the Club subject to the Club Documents.

**b. Term of the Component Site Plans.**

(1) **Calypso Cay Vacation Villas.** As of the effective date of this public offering statement, Calypso Cay Vacation Villas, located in Kissimmee, Florida, is the only Club Resort. The duration of the component site timeshare plan for Calypso Cay Vacation Villas is perpetual subject to termination pursuant to the Resort Documents if the owners at resort so elect

**c. Legal Structure of the Multisite Timeshare Plan.** A purchaser will become a Member through one of two means:

(i) **Component Resort.** A Purchaser may become a Member by purchasing a Timeshare Interest in a Component Resort. Membership in the Club is mandatory and automatic upon becoming an Owner. The Club membership is an appurtenance to each Timeshare Interest in a Component Resort and may not be partitioned therefrom. When a purchaser acquires a Timeshare Interest in a Component Resort, the purchaser automatically becomes a Member.

(ii) Affiliate Resort. Membership is available to a person by owning or purchasing a Timeshare Interest in an Affiliate Resort and by voluntarily complying with all of the terms and conditions for membership in the Club as determined by the Club Manager for that Affiliate Resort through the Club Affiliation Agreement. Such membership in the Club is not an appurtenance to Timeshare Interests in Affiliate Resorts and may not be transferred, sold or assigned. The Member from an Affiliate Resort may be required to enter into a Club Membership Agreement.

Only component sites of the Multisite Timeshare plan as is defined by applicable law will constitute Component Resorts. Affiliate Resorts are not component sites of the Multisite Timeshare Plan and will only be voluntarily affiliated with the Club through the Club Affiliation Agreement. Affiliate Resorts will participate in the Club exchange services more particularly described in the Disclosure Statement and the Club Rules, a copy of which are attached to this Public Offering Statement.

Since not all members of the Affiliate Resorts will elect to become Members of the Club, only a limited number of accommodations at Affiliate Resorts, if any, will be available from time to time for reservation by Members through the Club. Consequently, a purchaser should not rely upon the status of a particular resort as an Affiliate Resort in determining whether to purchase a Timeshare Interest at the Component Resort.

**d. Form of Ownership of Timeshare Interests.** Calypso Cay Vacation Villas will be established as a Component Site of the Club by the Resort Developer pursuant to a Declaration of Covenants, Conditions and Restrictions creating a phased timeshare plan pursuant to the Act. The timeshare plan divides the property of each phase into interests in real estate defined by the Act as a "timeshare estates". Such timeshare estates at Calypso Cay Vacation Villas will be called Timeshare Interests. Resort Developer will offer for sale and by special warranty deed will convey to each Purchaser a Timeshare Interest consisting of a fractional undivided tenant-in-common fee simple interest along with other Owners within each separate phase of the Calypso Cay Vacation Villas. Membership in the Club is an "appurtenance" to each Timeshare Interest at Calypso Cay Vacation Villas and may not be partitioned therefrom. Therefore, when a Purchaser acquires a Timeshare Interest in Calypso Cay Vacation Villas, such Purchaser automatically becomes a Member at the same time such Purchaser becomes an Owner. Purchaser's do not purchase points but rather Club Points are allocated and utilized during certain Reservation Windows specified in the Club Rules to facilitate the reservation process. Timeshare Interests at Calypso Cay Vacation Villas may not be incorporated into any multisite timeshare plan or vacation club program other than the Club without the prior written consent of the Resort Developer.

Each Timeshare Interest created at Calypso Cay Vacation Villas shall be expressed as a fraction and will be either an Annual Ownership Interest or a Biennial Ownership Interest. Each such Timeshare Interest is coupled with the right to occupy accommodations at the resort. Such occupancy right is established at the time of sale and the deed will identify a specific Week assigned to the Owner. The Owner has a priority right to occupy accommodations during such Assigned Week as long as the Owner makes a reservation for occupancy during the Owners Exclusive Reservation Window in accordance with the Club Rules. The Owner of a Annual Ownership Interest may exercise the

right to make a reservation during every Reservation Year but the Owner of a Biennial Ownership Interest may exercise the right to make a reservation only during every other Reservation Year. Purchasers will be able to purchase difference sized fractional interests corresponding to the type of Unit in which the Owner has the priority right to occupy during the Assigned Week and corresponding to whether the Timeshare Interest is an Annual Ownership Interest or a Biennial Ownership Interest. The Units at Calypso Cay Vacation Villas are two bedroom lock-off Units and three bedroom lock-off Units.

**2. Description of Structure, Ownership and Responsibility for Operation of the Reservation System.** The Club provides for the methods and means by which Members compete among themselves for the use of any Club Accommodations and includes, among other components, the Reservation System. For purposes of Section 721.56(5)(a), Florida Statutes, the reservation system of the Club includes the software program and related computer hardware utilized to effectuate exchanges and reservations.

**3. Description of Operation of the Reservation System.**

AN OWNER AT A COMPONENT SITE WITHIN THE CLUB MAY HAVE A HOME RESORT ADVANTAGE WHICH WILL REQUIRE SPECIFIC ACTION TO RESERVE THE ASSIGNED WEEK. OTHER THAN PURSUANT TO THE HOME RESORT ADVANTAGE, AN OWNER'S CHANCE OF SUCCESSFULLY CONFIRMING IN A SPECIFIC COMPONENT SITE THROUGH THE CLUB'S RESERVATION SYSTEM DEPENDS UPON THE NUMBER OF OWNERS COMPETING FOR SPECIFIC ACCOMMODATIONS AT THE SAME COMPONENT SITE NOT RESERVED DURING THE OWNERS EXCLUSIVE RESERVATION WINDOW.

The Reservation System of the Club consists of the computer hardware and software described in paragraph 2 above and serves as the method and means by which Members compete among themselves in order to reserve the use of any Accommodations of the Club. The Reservation System also operates as an exchange program with respect to the method by which Members reserve the use of Accommodations at an Affiliated Resort and by which Members from an Affiliated Resort reserve Accommodations within the Club. However, the Reservation system does not provide the only means by which Members from Affiliate Clubs access the occupancy rights associated with their Timeshare Interests in the event of the termination of the Club or the termination of that Affiliate Resort's affiliation with the Club.

a. **Demand Balancing.** In connection with the operation of the Club Rules, a copy of which is attached as an exhibit to this Multisite Public Offering Statement, Club Manager has the ability periodically and if and when other Club Resorts are added to the Club, to take into account the location and anticipated relative use demand for each additional Club Resort and make such adjustments or amendments to the Club Rules as may be necessary or appropriate in order to respond to actual Member use patterns and changes in Member use demand for the accommodations and facilities existing in the Club. In this regard, Club Manager will use its best efforts, in good faith and based upon all reasonably available evidence under the

circumstances, to further the best interests of the Members as a whole with respect to their opportunity to use and enjoy the accommodations and facilities of the Club.

**b. Club Rules Governing the Operation of the Reservation System.** The special restrictions and priority provisions governing the use of the Club are set forth in the Club Documents, and specifically in the Club Rules.

**c. Club Points.**

(1) **Club Points.** For administrative convenience in the operation of the Club and in the determination of the respective rights of Members to enjoy the benefits of membership in the Club, each Timeshare Interest will be eligible to receive a specific number of Club Points during each Reservation Year (or during every other Reservation Year regarding a Biennial Ownership Interest) in accordance with the Club Point Chart. The assigned number of Club Points represents the reservation power of the Member's Timeshare Interest in relation to other Timeshare Interests then currently existing in the Club. The Club Points will be allocated in the event one of the following occurs:

(i) the Member does not timely exercise the available Home Resort Advantage with respect to an Assigned Week during the Owners Exclusive Reservation Window of a given Reservation Year;

(ii) the Member only exercises the available Home Resort Advantage with respect to an Assigned Week during the Owners Exclusive Reservation Window of a given Reservation Year as to a portion of a Lock-off Unit;

(iii) when permitted by the Club, the Member only exercises the Member's Home Resort Advantage with respect to an Assigned Week during the Owners Exclusive Reservation Window of a given Reservation Year as to a Split Week; or

(iv) the Member voluntarily elects to access the Reservation System during the Owners Exclusive Reservation Window to reserve a Week at the same or another Club Resort or to access the Club Benefits Program.

The number of Club Points assigned to represent the reservation power of a Member's Timeshare Interest is based upon such factors as relative Member demand for use of the respective Club Resorts, seasonality, and Unit type. Club Manager reserves the right to reasonably revise these Club Point assignments from time to time without Member consent in the best interests of Members as a whole.

Club Manager reserves the right to revise the Club Point assignments for reservations made within the Club annually and without Member consent; however, in making any amendments, Club Manager will use its best efforts, in good faith and based upon all reasonably available evidence under the circumstances, to further the best interests of the Members as a whole with respect to their opportunity to use and enjoy the accommodations and facilities of the Club.

(2) **Week 53.** In those calendar years when Week 53 occurs, as defined in the Resort Documents for each Club Resort, Week 53 may be reserved for use by the person to who such use is assigned pursuant to the Resort Documents; however, Week 53 may not be deposited with the Club, and Club Points will not be assigned to Week 53.

(3) **Use of Club Points.** Members may use Club Points to reserve available Weeks or Split Weeks at Club Resorts, to arrange for an external exchange, or to access the Club Benefits Program (described in section 13 below). Reservations for a Use Period consisting of a Split Week may be made only at Club Resorts permitting such usage and during the Reservation Windows permitting such reservations. Club Points are valid for immediate use as soon as the Club Points are assigned to the Member. In the event that a Member fails to make a reservation with all of the Member's Club Points allocated during a given Reservation Year, the Club Points expire and the Member may not use such Club Points during succeeding Reservation Years. Accordingly, it is always in the best interests of a Member to make a reservation with the available Club Points as early in the Reservation Year as possible.

Although a reservation may be requested during one of the Reservation Windows described below and in the Club Rules, a reservation may be confirmed only if the requesting Member has sufficient Club Points available in the Club Points Account.

Club Points are always associated with a specific Reservation Year and unused Club Points will expire at the end of that Reservation Year if not used to make a reservation during that Reservation Year even though the Use Period reserved may occur after the end of the Reservation Year.

Use of the Reservation System is restricted by Club Manager to Member's in good standing and will not be available to a Member who is not current in the payment of the Resort Fees at the Home Resort, and Club Dues if billed separately, and mortgage payments regarding the Timeshare Interest.

If a Member desires to use the Member's Club Points to reserve a Week or Split Week, such Week or Split Week must be available in the Inventory Pool. If the requested Use Period is available, Reservation Services will confirm the reservation. Members are encouraged to submit requests as early as possible with the respective Reservation Windows in order to obtain the best choice of accommodations.

WITH THE EXCEPTION OF THE PRIORITY RIGHTS THE MEMBER HAS WITH RESPECT TO RESERVING HIS ASSIGNED WEEK DURING THE OWNERS EXCLUSIVE RESERVATION WINDOW, RESERVATION REQUESTS FOR USE PERIODS WILL BE TAKEN ON A FIRST COME, FIRST SERVED BASIS.

WITH THE EXCEPTION OF THE PRIORITY RIGHTS THE CLUB MEMBER HAS WITH RESPECT TO RESERVING HIS ASSIGNED WEEK DURING THE OWNERS EXCLUSIVE RESERVATION WINDOW, CLUB MANAGER CANNOT ENSURE CONFIRMATION OF A RESERVATION OF ANY SPECIFIC WEEK OR SPLIT WEEK IN ANY SPECIFIC UNIT AT ANY SPECIFIC CLUB RESORT AT ANY TIME SINCE AVAILABILITY WILL VARY.

THE EARLIER A RESERVATION REQUEST IS SUBMITTED, THE BETTER THE CHANCE THAT A RESERVATION CONFIRMATION CAN BE SECURED.

All inquiries or requests for reservations must be made by the Member in writing or by telephone, or such other method as may be advised by Club Manager from time to time, to Reservations Services as more specifically described in the Club Rules.

#### **4. Priority Reservation Features.**

**Component sites contained in the vacation club are subject to priority reservation features which may affect your ability to obtain a reservation.**

The special restrictions and priority provisions governing the use of the Club are set forth in the Club Rules, a copy of which is attached to this Public Offering Statement. Reference to the Club Rules should be made in order to have access to all provisions and procedures governing this aspect of the Club. Members must make reservations during the Reservation Windows. The Reservation Windows of the Reservation System are:

**a. Owners Exclusive Reservation Window.** The Owners Exclusive Reservation Window is the period for the Member to exercise such Member's Home Resort Advantage and is open only for owners of Timeshare Interest at a Component Resort. This Reservation Window begins one year prior to the first day of the Assigned Week and lasts until the earlier of i) the voluntary decision of the Member to relinquish the reservation rights of this Reservation Window or ii) the expiration of two months. In other words, the Owners Exclusive Reservation Window must close no later than ten months prior to the first day of the Assigned Week.

**b. Members Priority Reservation Window.** Each Member who has failed or has elected not to reserve any or all of their Assigned Week will automatically be assigned Club Points that will be deposited into their Club Point Account at the beginning of this Reservation Window. During this Reservation Window, a Member owning a Timeshare Interest at a Club Resort will use Club Points to compete with other Members owning a Timeshare Interest at all other Club Resorts on a first come, first served basis for a reservation for any available Week or Split Week in such Accommodations available in the Inventory Pool. The Members Priority Reservation Window for each Member begins on the day after the expiration of the Owners Exclusive Reservation Window for that Member or upon earlier relinquishment by that Member of rights under the Home Resort Advantage of the Owners Exclusive Reservation Window for that Member, and will close on the day which is three (3) months prior to the first day of the Members' Assigned Week.

**c. Club Priority Reservation Window.** The Club Priority Reservation Window begins three (3) months prior to the first day of the Members Assigned Week and lasts until the day before the first day of the Assigned Week. During this Reservation Window, a Member may only use such Members' Club Points to reserve available Use Periods in Accommodations of the Inventory Pool which will commence no later than 60 days following the day that the reservation is made even if such occupancy would occur after the last day of the Member's Assigned Week and therefore in the next Reservation Year for such Member. In this Reservation Window, a

Member will compete on a first come first served basis with all Members with Club Points to utilize at the same time for any available Use Period in Accommodations of the Inventory Pool.

**d. Additional Reservation Restrictions.** Reservation requests are also subject to additional restrictions and priorities set forth in the Club Rules, including, but not limited to, the following:

- (i) The procedures by which a reservation must be made and confirmed;
- (ii) The procedures for borrowing;
- (iii) Rules and regulations pertaining to the External Exchange Program;
- (iv) Procedures for and limitations upon canceling confirmed reservations;
- (v) Procedures for and limitations upon the Request Lists and Wait Lists; and
- (vi) Any other rules and regulations or amendments to existing rules and regulations which Club Manager in its sole discretion determines are necessary or desirable from time to time in order to enforce the provisions of the Club Documents.

Club Manager may amend the Club Rules without Member consent; however, in making any amendments, Club Manager will use its best efforts, in good faith and based upon all reasonably available evidence under the circumstances, to further the best interests of the Members as a whole with respect to their opportunity to use and enjoy the accommodations and facilities of the Club.

**THE TERMS AND CONDITIONS OF THE CLUB RULES ARE SUBJECT TO CHANGE BY CLUB MANAGER WITHOUT ADVANCE NOTICE, INCLUDING, BUT NOT LIMITED TO, FEES, BENEFITS AND RESERVATION PROCEDURES.**

A Member's ability to make a reservation for a Use Period during the Members Priority Reservation Window and the Club Priority Reservation Window is subject to the right of the Club Manager to confirm a reservation for a Use Period of a Week or less for purposes including periodic maintenance by the Resort Manager, fulfilling exchange obligations to the External Exchange Company, and for promotional and other purposes as the Club Manager determines in its sole discretion.

e. **External Exchange Opportunities.** At any time during any of the Reservation Windows of the applicable Reservation Year, a Member may elect to make an external exchange request by contacting the Reservation Services of the Club. The procedures and processes associated with making an external exchange are provided in the disclosure documents of the External Exchange Company which have been provided Members upon the purchase of a Timeshare Interest at a Component Resort or may be obtained from Club Manager or the External Exchange Company upon request.

5. **Summary of Rules and Regulations, Other than the Club Rules, Affecting each Component Site.** For a complete description of the rules and regulations, other than the Club Rules, affecting each Club Resort, refer to the Resort Documents.

6. **Additions, Substitutions and Deletions.** Club Manager has reserved the right to associate additional resorts with the Club or delete existing Club Resorts from the Club from time to time.

a. **Additions.**

**Accommodations and facilities may be added to this vacation club without the consent of the purchasers. The addition of accommodations and facilities of the plan may result in the addition of new purchasers who will compete with existing purchasers in making reservations for the use of available accommodations and facilities within the plan, and may also result in an increase in the annual assessment against purchasers for common expenses.**

Club Manager may decide to affiliate additional resorts with the Club from time to time. The affiliation of additional Club Resorts is not subject to the approval of the Members, and any decision to affiliate additional Club Resorts, including the terms and conditions under which the such resorts are to be affiliated with the Club, will be made in Club Manager's sole discretion. In making a decision to affiliate additional Club Resorts, Club Manager will consider such factors as size, capacity, furnishings, maintenance impact, location (including geographic, topographic and scenic considerations), recreational capabilities, and demand and availability for Member use and enjoyment.

Club Manager reserves the right to impose a cap on the annual increases in multisite timeshare plan common expenses referred to herein as the Club Dues resulting from the affiliation of additional resorts with the Club. However, Club Manager is not obligated to impose such a cap.

In the event that an additional Club Resort is associated with the Club, the Owners at the additional resort will compete with Owners at existing Club Resorts for reservations at all Club Resorts through the Reservation System. If other Club Resorts are associated with the Club, demand for use may vary among the various Club Resorts and the level of Member demand for the use of a particular Club Resort may increase over the level of use demand that existed at the time of purchase by a particular Member such that the ability of the Member to reserve use at a high demand Club Resort may be diminished. Therefore, a Member should not expect to be able to reserve the use of accommodations at a particular Club Resort for

a particular period of time. However, increased competition will be subject to the priority reservation rights of the Home Resort Advantage provided Members through the Owners Exclusive Reservation Window. Furthermore, the addition of any resort as a Club Resort will not result in a greater than one-to-one purchaser to accommodation ratio. The inclusion of new resorts in the Club should afford Owners with more vacationing opportunities and options.

Club Manager does not anticipate that the Club Rules governing reservations among the Club Resorts will be affected by adding additional Club Resorts to the Club unless to accommodate particular circumstance at such additional Club Resort. However, Club Manager reserves the right to amend the Club Rules to take into account the location and anticipated relative use demand of each additional Club Resort as may be necessary and as it deems necessary and, in this regard, Club Manager will use its best efforts, in good faith and based upon all reasonably available evidence under the circumstances, to further the best interests of the Members as a whole with respect to their opportunity to use and enjoy the accommodations and facilities of the Club.

The Club Rules contain regulations governing the use and occupancy of the accommodations and facilities at the Club Resorts. The Members should expect that each Club Resort may promulgate additional rules and regulations. The restrictions on the use of the accommodations and facilities of Calypso Cay Vacation Villas are set forth in the Rules and Regulations promulgated by the board of directors of its Resort Association.

b. **Substitutions.** Unless the provisions of the Act are modified, Club Manager will not substitute new resort properties for existing Club Resorts. However, the Club Manager has reserved the right to make any such substitutions allowed by any amendments to the Act, but in so doing would act in accordance with such new provisions.

c. **Deletions.** Existing Club Resorts may be deleted from the Club as follows:

(i) **Deletion by Casualty.** Club Manager, as the managing entity for the multisite timeshare plan, will require that the managing entity of each Club Resort obtain and maintain casualty insurance as to all accommodations, facilities and furnishings located upon each Club Resort in an amount equal to the replacement cost of such accommodations, facilities and furnishings as required by Florida law and specifically by Sections 721.165 and 721.552(3)(a), Florida Statutes.

In the event of a casualty that results in accommodations or facilities of a Club Resort being unavailable for use by Members, Club Manager shall notify all affected Members of such unavailability of use within 30 days from the occurrence of such casualty. If available, Club Manager may attempt to acquire, or require that the managing entity of each Club Resort attempt to acquire, business interruption insurance for securing replacement accommodations or facilities during any reconstruction, replacement or acquisition period. Any insurance proceeds resulting from a casualty shall be applied to either the replacement or acquisition of additional similar accommodations or facilities or to the removal of Members from the Club so that Purchasers will not be competing for available accommodations on a greater than one-to-one purchaser to accommodation ratio.

If permitted under the Resort Documents for a Club Resort, the managing entity for that Club Resort or the Owners in that Club Resort may elect not to reconstruct that Club Resort after casualty under certain circumstances or may elect to secure replacement accommodations or facilities in lieu of reconstruction. During such reconstruction, replacement or acquisition period, or as a result of a decision not to reconstruct (if permitted under the Resort Documents), Members may temporarily compete for available accommodations on a greater than one-to-one purchaser to accommodation ratio. The decision whether or not to reconstruct shall be made as promptly as possible under the circumstances.

Any replacement of accommodations or facilities at a Club Resort due to casualty shall be made so as to provide Members with an opportunity to enjoy a substantially similar vacation experience as was available with the deleted accommodations or facilities. In determining whether the replacement accommodations and facilities will provide a substantially similar vacation experience, all relevant factors will be considered, including, but not limited to, some or all of the following: size, capacity, furnishings, maintenance costs, location (geographic, topographic and scenic), demand and availability for Purchaser use, and recreational capabilities.

(ii) Deletion by Eminent Domain. In the event of a taking of all or a portion of the accommodations and facilities of a Club Resort by eminent domain, the component site managing entity in coordination with Club Manager shall apply any proceeds arising from such taking to either the replacement or acquisition of additional similar accommodations or facilities or to the removal of Members from the Club so that Purchasers will not be competing for available accommodations on a greater than one-to-one purchaser to accommodation ratio. Any replacement of accommodations or 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.

(iii) Automatic Deletion. A Club Resort will be automatically deleted from the Club upon the expiration or earlier termination of the term of its component site timeshare plan in accordance with the Resort Documents for that Club Resort or the termination of the Resort Affiliation Agreement or other instrument affiliating the Club Resort with the Club. In the event that a Club Resort is deleted from the Club, all Members who have Timeshare Interests at the deleted Club Resort will also be deleted from the Club so as to maintain no greater than a one-to-one purchaser to accommodation ratio. An Owner at a deleted Club Resort will not be able to make reservations at other Club Resorts; however, such Owner will continue to have reservation rights in the resort where such Owner owns a Timeshare Interest in accordance with the terms of the Resort Documents for that resort.

**7. Description of Developer and Managing Entity of the Club.** Timescape Resorts, LLC, a Florida limited liability company, is the developer and managing entity for the Club and is referred to in this multisite public offering statement as the Club Manager. The business address of Timescape Resorts, LLC is 359 Carolina Avenue, Winter Park, Florida 32789. Timescape Resorts, LLC is also the Resort Developer of Calypso Cay Vacation Villas. The Club is the only multisite timeshare plan which Club Manager operates. The principal directing the operations of Timescape Resorts, LLC is Stephen W. Bradley as the managing member thereof. Calypso Cay Vacation Villas and the Club are the first timeshare plan and vacation club

developed and managed by Timescape Resorts, LLC or Mr. Bradley, although Mr. Bradley has 20 years of residential and commercial real estate development and management experience. There are no judgments or pending litigation against Club Manager or any of its affiliates which are material to the multisite timeshare plan.

**8. Description of Purchaser's Liability for Common Expenses of the Multisite Timeshare Plan.**

**a. Description of Allocation and Assessment of Common Expenses of the Multisite Timeshare Plan.** In connection with the operation of the Club, including, but not limited to, the Reservation System and the delivery of other Club services and benefits, Club Manager shall annually determine its costs and expenses for such services plus any additional expenditures for insurance, reserves, a reasonable profit and other items necessary or reasonably connected to the conduct of the Club. Such amount as determined annually by the Club Manager shall be allocated as Club Dues amongst the Component Resorts in accordance with the applicable Resort Affiliation Agreements and the Members at Affiliate Resorts pursuant to the applicable Club Membership Agreements. The Resort Manager of each Component Resort shall have the responsibility for promulgating an annual Component Resort Operating Budget each fiscal year in the manner required by applicable law and the Resort Documents. Such budget shall include the Club Dues which that Component Resorts is charged by Club Manager as a common expense. Accordingly, in addition to having to share in the multisite timeshare plan common expenses through the payment of Club Dues, Members will also be responsible for paying other common expenses associated with their respective Club Resorts as a part of the Resort Association Fees as described in their Resort Documents.

Costs and expenses specially or disproportionately incurred by the Club with respect to a given Club Resort may be charged by the Club only to the affected Club Resort as an additional portion of their Club Dues.

All Club Dues owed to Club Manager from a Resort Association of the Component Resort shall be assessed by the Resort Manager of that Component Resort to the owners at such resort not less frequently than annually and remitted to Club Manager as required by the Resort Affiliation Agreement. A Club Member's failure to pay the Member's share of the Resort Association Fees which include the Club Dues shall not relieve the Resort Manager of that Component Resort from its obligation to pay the entire amount of the Club Dues to Club Manager..

**b. Description of Any Limits Imposed Upon the Level of Common Expenses of the Multisite Timeshare Plan Payable by Purchasers.** Although increases in Club operating expenses are not subject to Members' approval, in no event shall the total amount of multisite timeshare plan common expenses assessed as Club Dues against a Member in a given calendar year exceed one hundred twenty-five percent (125%) of the total multisite timeshare plan common expenses assessed to such Member in the previous calendar year.

**c. Description of the Entity Responsible for Determination of and/or the Increase of the Common Expenses of the Multisite Timeshare Plan.** Club Manager is the entity solely responsible for the determination of and/or the increase of the Club Dues.

**d. Description of the Method Used for Collection of the Common Expenses of the Multisite Timeshare Plan.** As set forth above, Club Manager shall assess Club Dues to the Resort Association for each Club Resort, which shall in turn assess and collect such Club Dues from Members as part of the common expenses.

As set forth in the Resort Documents for each Club Resort, the Resort Association has a lien right against each Timeshare Interest for any unpaid common expenses which include Club Dues. The lien continues in effect until all sums secured by the lien have been fully paid or until such time as is otherwise permitted by law. All such liens may be foreclosed in the manner provided by Florida law. The Resort Association may also sue to recover a money damages judgment against any Member for unpaid common expenses, including multisite timeshare plan common expenses, without waiving any claim of lien.

**e. Description of the Developer Guarantee of the Level of Assessments.** There is no developer guarantee regarding the level of annual Club Dues assessment. However, Club Resort assessment levels may be guaranteed, as set forth in the Resort Documents.

**f. Additional Financial Disclosures for Each Component Site.** In accordance with the Club Rules, Club Manager requires a Member to be current in the payment of all Resort Association Fees, and Club Dues if billed separately, attributable to the Member's Timeshare Interest before a reservation for a Use Period can be confirmed. In addition, if the Use Period to be reserved exists in the next fiscal year, then as a condition to confirming the reservation request Club Manager will require that the Member deposit with Resort Manager the full estimated Resort Fees which have not yet been assessed by the Resort Association for such upcoming year, and deposit with Club Manager the full estimated Club Dues which have not yet been assessed by the Club Manager for such upcoming year if the Club Dues for such Member is billed separately. Any interest earned on such funds will be kept by the either the Resort Manager or Club Manager respectively as compensation for collecting, holding and disbursing the funds to the Resort Association.

#### **9. Restrictions Upon the Sale, Transfer, Conveyance or Lease of an Interest In a Multisite Timeshare Plan.**

The sale, lease, or transfer of interests in this Multisite Timeshare Plan is restricted or controlled.

Membership in the Club is an appurtenance to the Timeshare Interests in a Component Resort. Therefore, membership in the Club cannot be severed from a Timeshare Interest in a Component Resort or rented, leased, sold or otherwise transferred separate from any Timeshare Interest in a Component Resort.

(1) With regard to the Use Period reserved through the Reservation System, Members from a Component Resort may reserve their own Assigned Week through the Club during the Owners Exclusive Reservation Window and then rent their Timeshare Interest on their own behalf. However, rental by Members of accommodations reserved through the Club (other than their own Assigned Unit Week reserved during the Owners Exclusive Reservation Window) is prohibited. All renters, occupiers and users of the accommodations and

facilities associated with the Club must comply with the terms, conditions, rules and regulations of the applicable Resort Documents, and Members who permit non-Members to use Club Resort accommodations and facilities shall be responsible for the acts or omissions of such person or persons. If a Member chooses to designate that the reservation in the Assigned Week is to be used by a guest or for rental purposes, Member will be required to pay a guest administrative fee in an amount established from time to time by the Club Manager.

The expectation of deriving any rental or other revenue, profit or gain should not be a consideration in the decision to purchase a Timeshare Interest in a Club Resort.

GENERALLY, AN OWNER SHOULD EXPECT SUBSTANTIAL COMPETITION FROM THE RESORT DEVELOPER AND NO ESTABLISHED RESALE MARKET IN THE EVENT AN OWNER DESIRES TO RESELL A TIMESHARE INTEREST. FURTHERMORE, ANY MEMBER WHO ATTEMPTS TO RENT THE MEMBER'S UNIT WILL EXPERIENCE CONSIDERABLE COMPETITION FROM RESORT HOTELS NEAR CLUB RESORTS AND FROM THE RESORT DEVELOPER WHO WILL BE RENTING ITS UNSOLD INVENTORY OF TIMESHARE INTERESTS. TIMESHARE INTERESTS IN CLUB RESORTS ARE OFFERED FOR SALE FOR PERSONAL USE AND ENJOYMENT ONLY, AND THE EXPECTATION OF ACHIEVING RENTAL INCOME, CAPITAL APPRECIATION, OR ANY OTHER FINANCIAL RETURN OR VALUABLE BENEFIT, INCLUDING, BUT NOT LIMITED TO, ANY TAX BENEFIT, SHOULD NOT BE A CONSIDERATION IN THE DECISION TO PURCHASE.

In addition to the Club restrictions, the Resort Documents for each of the Club Resorts restrict the sale, transfer, conveyance and lease of Timeshare Interests. Such restrictions may include the Resort Developer's right to purchase from Members Units or Timeshare Interests at their Club Resort under the same terms and conditions as are offered by Members to bona fide third parties, including, financing, and the Resort Developer's right to regulate the rental or lease of Units or Timeshare Interests at their Club Resort.

Please refer to your Component Site Public Offering Statement for a detailed description of all of these restrictions and controls.

#### **10. Basis for Purchase of an Interest in a Multisite Timeshare Plan.**

The purchase of an interest in a vacation club should be based upon its value as a vacation experience or for spending leisure time, and not considered for purposes of acquiring an appreciating investment or with an expectation that the interest may be rented or resold.

#### **11. Exchange Program Opportunities.**

a. **External Exchange Program.** In order to increase the range of options available to Members, the Resort Manager or Resort Association of each Club Resort may arrange for an External Exchange Program. An External Exchange Program affiliated with such Club Resort would enable Owners at such Club Resort to exchange to resorts that participate in the External Exchange Program network. A prospective purchaser should review the public

offering circular for the Component Site where such purchaser will be an Owner for a description of any arrangement with an External Exchange Program.

**b. External Exchange Reservations.** All external exchange requests will be handled by Reservation Services pursuant to the rules of exchange established by the External Exchange Company and the Club Manager. Participation in an External Exchange Program may require that the Member first obtain a reservation for an Use Period through the Reservation System of the Club.

**c. Special Exchange Programs.** Members who do not choose to make a reservation for a Timeshare Interest at a Club Resort may have the option of using their Club Points to make a Special Exchange through Special Exchange Programs established by Club Manager from time to time. Currently, there are no Special Exchange Programs available for Member use, although any Special Exchange Programs developed by Club Manager will be governed by reservation rules and regulations similar to those governing the External Exchange Program.

**d. Club Benefits Program.** Club Manager may offer special benefits to Members, from time to time, through its Club Benefits Program. Club Manager reserves the right to establish such rules and regulations as it deems necessary to adequately govern Member access to the Club Benefits Program. Benefits offered through the Club Benefits Program may be of limited duration and are subject to change in accordance with their terms. Therefore, the expectation of Club Manager providing any particular benefits or maintaining any long-term Club Benefits Program should not be a consideration in the decision to purchase a Timeshare Interest.

**12. Description of Each Component Site.** The only Component Site of the Club at the present time is Calypso Cay Vacation Villas, a Timeshare Plan. All of the accommodations and facilities of Calypso Cay Vacation Villas are located at 4951 Calypso Cay Way, Kissimmee, Florida 34747. The accommodations and facilities of Calypso Cay Vacation Villas shall consist of a minimum of one phase containing a total of 25 Units together with certain common areas. Phase I will have a total of 1300 periods of 7-day use availability referred to as Timeshare Interests in the timeshare plan for Calypso Cay Vacation Villas and committed to the Club. Phase II will have a total of 1560 periods of 7-day use availability referred to as Timeshare Interests in the timeshare plan for Calypso Cay Vacation Villas and committed to the Club. Phase V will have a total of 1664 periods of 7-day use availability referred to as Timeshare Interests in the timeshare plan for Calypso Cay Vacation Villas and committed to the Club. Phase VI will have a total of 1664 periods of 7-day use availability referred to as Timeshare Interests in the timeshare plan for Calypso Cay Vacation Villas and committed to the Club. Phase VII will have a total of 1,664 periods of 7-day use availability referred to as Timeshare Interests in the timeshare plan for Calypso Cay Vacation Villas and committed to the Club. Resort Developer may add additional phases to Calypso Cay Vacation Villas through amendments to the Resort Declaration, but Resort Developer is not obligated to add any additional Units or phases at all or to add any specific number of Units or phases.

Phase I shall consist of one building in which the 25 Units are of two (2) types:

- 10 Units are three bedroom-three bathroom Units capable of being divided by a lockable door into separate private dwelling areas consisting of a one bedroom-one bathroom lock-off section (sleeping capacity of approximately 4 individuals) and a two bedroom-two bathroom lock-off section (sleeping capacity of approximately 6 individuals).
- 15 Units are two bedroom-two bathroom Units capable of being divided by a lockable door into separate private dwelling areas consisting of a one bedroom-one bathroom lock-off section (sleeping capacity of approximately 4 individuals) and a one bedroom-one bathroom lock-off section (sleeping capacity of approximately 4 individuals).

Each three bedroom-three bathroom Unit and each two bedroom-two bathroom Unit has two full kitchens each consisting at a minimum of a dishwasher, range, sink, oven and refrigerator.

Phase II shall consist of one building in which the 30 Units are of two (2) types:

- 10 Units are three bedroom-three bathroom Units capable of being divided by a lockable door into separate private dwelling areas consisting of a one bedroom-one bathroom lock-off section (sleeping capacity of approximately 4 individuals) and a two bedroom-two bathroom lock-off section (sleeping capacity of approximately 6 individuals).
- 20 Units are two bedroom-two bathroom Units capable of being divided by a lockable door into separate private dwelling areas consisting of a one bedroom-one bathroom lock-off section (sleeping capacity of approximately 4 individuals) and a one bedroom-one bathroom lock-off section (sleeping capacity of approximately 4 individuals).

Each three bedroom-three bathroom Unit and each two bedroom-two bathroom Unit has two full kitchens each consisting at a minimum of a dishwasher, range, sink, oven and refrigerator.

Phase V shall consist of one building in which the 32 Units are of three (3) types:

- 6 Units are three bedroom/three bathroom Units which are not capable of being divided similar to lock-off units ("Three Bedroom Units").
- 16 Units are two bedroom/two bathroom Units which are not capable of being divided similar to lock-off units ("Two Bedroom Units").
- 10 Units are one bedroom/one bathroom Units ("One Bedroom Units").

Phase VI shall consist of one building in which the 32 Units are of three (3) types:

- 6 Units are Three Bedroom Units.

- ♦ 16 Units are Two Bedroom Units.
- ♦ 10 Units are One Bedroom Units.

Phase VII shall consist of one building in which the 32 Units are of three (3) types:

- ♦ 6 Units are Three Bedroom Units.
- ♦ 16 Units are Two Bedroom Units.
- ♦ 16 Units are One Bedroom Units.

As of the effective date of this Public Offering Statement, the Resort Developer's intent is to create two additional phases for a total of seven phases. The Developer's intention is also that each such phase will contain thirty (30) Units and thus for all seven phases may have a total of 211 Units, more or less. If there are 211 Units, then the timeshare plan for Calypso Cay Vacation Villas would consist of 10,972 periods of 7-day use availability or Timeshare interests committed to the Club. However, Developer is not obligated to add any future phases, and Developer reserves the right to vary the phasing plan.

The Resort Developer of Calypso Cay Vacation Villas has provided for a swimming pool facility in conjunction with Phases I, II, V, VI and VII and may provide for an additional swimming pool facility in conjunction with future phases of that Club Resort. The property on which these pool facilities are located will not be owned by the Owners at Calypso Cay Vacation Villas but the Resort Developer may elect to convey such facilities to the Resort Association. The use of these facilities will be shared with other users from adjacent land and will also be shared with users from the two adjacent hotels pursuant to reciprocal arrangements. There are no user fees associated with these pool facilities but the share of the cost of operating, maintaining, managing and repairing these facilities allocated to Calypso Cay Vacation Villas will be common expenses of the timeshare plan. Occupants of the accommodations at Calypso Cay Vacation Villas will also have use rights in the swimming pools of the two adjacent hotels and a fishing dock at a nearby apartment complex (other than Occupants of Phases V, VI and VII). The users of such hotel swimming pools and fishing dock are not obligated to pay any user fees or other charges for the privilege of such use. The use rights described in this paragraph are described in more detail in the Public Offering Statement of Calypso Cay Vacation Villas.

Pursuant to the Revocable License as described in the Public Offering Statement of Calypso Cay Vacation Villas, the Owners of Phases V, VI and VII Units only shall also share the clubhouse and pool facilities located within the apartment complex known as Runaway Bay Luxury Apartment and Villas ("Runaway Bay Clubhouse Amenities") for a limited period of time with the owners and occupants of the Runaway Bay Luxury Apartments and Villas. The owners and occupants of the Runaway Bay Luxury Apartments and Villas have rights to use the Runaway Bay Clubhouse Amenities. The Runaway Bay Clubhouse Amenities are not a part of the Calypso Cay Vacation Villas common areas. The Owners of Phases V, VI and VII Units only shall pay a specific assessment as part of their overall Resort Assessments, in order to pay the Revocable License Fee required under the Revocable License. The use rights granted to the Owners of Phases V, VI and VII shall terminate upon the earlier to occur of (i) ninety (90) days

after notice from Epoch Development, L.L.C., a Florida limited liability company ("Epoch") or the Resort Association to the other party or (ii) at the option of the Resort Association, upon assignment by Epoch of the Revocable License. Neither the Developer nor the Resort Association is responsible for providing or operating the Runaway Bay Clubhouse Amenities and neither Developer nor the Resort Association shall be liable for any accident or injury of operational difficulty or interruption with regard to the Runaway Bay Clubhouse Amenities. The use rights described in this paragraph are described in more detail in the Public Offering Statement of Calypso Cay Vacation Villas.

### 13. Single Component Site Disclosure

**This timeshare plan has been filed as a Multisite Timeshare Plan; however, this plan currently contains only one component site. The Developer is not required to add any additional component sites to the plan. Do not purchase an interest in this plan in reliance upon the addition of any other component sites.**

Calypso Cay Vacation Villas is currently the only resort associated with the Club and thus has the only accommodations and facilities currently available for use. The expectation of Club Manager adding any other resort to the Club should not be a consideration in the purchase of a Timeshare Interest at Calypso Cay Vacation Villas.

XXXXXXXXXXXX

PUBLIC OFFERING STATEMENT

FOR

**CALYPSO CAY VACATION VILLAS, A TIMESHARE  
PLAN**

**This Public Offering Statement contains important matters to be considered in acquiring a timeshare interest. The statements contained in this Public Offering Statement are only summary in nature. A prospective purchaser should refer to all references, accompanying exhibits, contract documents, and sales materials. You should not rely on oral representations as being correct. Refer to this document and accompanying exhibits for correct representations. The seller is prohibited from making any representations other than those contained in the contract and this Public Offering Statement.**

Effective Date: \_\_\_\_\_

TABLE OF CONTENTS TO PUBLIC OFFERING STATEMENT

EXHIBIT/TAB #

0	Public Offering Statement Text
1	Declaration of Covenants and Restrictions First Amendment to Declaration of Covenants and Restrictions Second Amendment to Declaration of Covenants and Restrictions Third Amendment to Declaration of Covenants and Restrictions Fourth Amendment to Declaration of Covenants and Restrictions Fifth Amendment to Declaration of Covenants and Restrictions
2	Estimated Operating Budget
3	Survey and Plot Plan and Floor Plans
4	Form Purchase Contract
5	Revocable Access and Use License First Amendment to Revocable Access and Use License Second Amendment to Revocable Access and Use License
6	Descriptive List of Component Site Public Offering Statement Exhibits Not Delivered to Purchasers

**INDEX TO SINGLE-SITE/COMPONENT SITE  
PUBLIC OFFERING STATEMENT TEXT**

TABLE OF CONTENTS TO PUBLIC OFFERING STATEMENT.....	I
I. DEFINITIONS.....	III
II. REQUIRED DISCLOSURES .....	XI
IIA. DEVELOPER DISCLOSURES .....	XIII
III. PUBLIC OFFERING STATEMENT TEXT.....	1
1. THE TIMESHARE PLAN .....	1
a. The Plan .....	1
b. Common Expenses and Common Surplus.....	8
2. CLUB MEMBERSHIPS AND RECREATIONAL LEASES.....	8
3. TERM OF PLAN.....	9
4. SITE ENTITIES AND OPERATIONS, JUDGMENTS AND LAWSUITS .....	9
a. Site Entities and Operations.....	9
b. Judgments and Pending Lawsuits .....	11
5. RESORT.....	11
a. Accommodations and Facilities and Restrictions on Use.....	11
b. Completion of Construction.....	14
c. Recreational Facilities.....	14
d. Financial Arrangements for Promised Improvements .....	19
e. Insurance .....	19
f. Disclosures Regarding Real Property .....	19
g. Description of Developer Financing.....	20
h. Control of Association.....	20
6. BUDGETS, DUES AND FEES.....	20
7. PURCHASE OF AN OWNERSHIP INTEREST.....	21
a. Purchaser's Right of Cancellation .....	21
b. Total Financial Obligation of the Purchaser .....	22
c. Status of Title Underlying Each Resort/Component Site .....	23
d. Restrictions Upon Rental or Resale.....	23
8. EXCHANGE PROGRAM OPPORTUNITIES .....	24
a. External Exchange Program .....	24
b. External Exchange Reservations.....	24

I. DEFINITIONS

The following words and phrases when used in the Plan are defined in accordance with the Act and as follows unless the context should clearly reflect another meaning:

A. "Access and Use Declaration" means the Access and Use Declaration and Grant of Easements, as may be amended from time to time, recorded in the public records of Osceola County, Florida by the owner of the Phases submitted to the Resort Facility and the Future Development Area which governs the shared use and expenses of the Shared Pool Facility and the Proposed Additional Shared Pool Facility if constructed.

B. "Accommodation" means the physical space in a Unit of a Club Resort which is available for the use and occupancy of a Member through the reservation of a Use Period pursuant to the Club Rules.

C. "Act" means Chapter 721, Florida Statutes, as such statute shall exist as of the date the Declaration is recorded.

D. "Annual Assessment" means the amount levied in a fiscal year against each Owner as such Owner's share of the Common Expenses established in the Annual Budget.

E. "Annual Budget" means estimated operating budget prepared and adopted for each Fiscal year by the Board setting forth the Common Expenses for the operation, management and maintenance of the Resort and the Timeshare Plan including all appropriate reserves required by the Act or the Board.

F. "Annual Owner" is an Owner who owns an Annual Ownership Interest.

G. "Annual Ownership Interest" means a Timeshare Interest regarding which the Owner receives annually on a recurring basis during the Reservation Year the right to request a reservation for the occupancy in Accommodations of the Club in accordance with the Club Rules.

H. "Articles" means the Articles of Incorporation of the Association, as may be amended from time to time, a copy of which is attached to the Declaration as an exhibit.

I. "Assessment" means the amount levied from time to time against the Owners by the Association to fund the payment of Common Expenses whether as an Annual Assessment or a Special Assessment, including the Phases V, VI and VII Specific Assessment levied only against the Owners of Phases V, VI and VII Units.

J. "Assigned Week" means the Week to which a Timeshare Interest at a Club Resort is assigned either at the time of sale or is assigned pursuant to the Resort Documents and to which the Owner owning such Timeshare Interest will have occupancy rights on a priority basis if a reservation is timely made pursuant to the Home Resort Advantage of the Owners Exclusive Reservation Window. For a Biennial Ownership Interest, the Assigned Week will occur either in Odd Numbered Years or Even Numbered Years.

K. "Association" means Calypso Cay Vacation Villas Owners Association, Inc., a Florida not-for-profit corporation.

L. "Association Property" means that property real and personal, which is owned or leased by the Association for the use and benefit of its members.

M. "Biennial Owner" means an Owner who owns a Biennial Ownership Interest.

N. "Biennial Ownership Interest" means a Timeshare Interest regarding which the Owner receives on a recurring basis during the Reservation Year occurring every other year the right to request a reservation for occupancy in Accommodations of the Club in accordance with the Club Rules.

O. "Board" or "Board of Directors" means the Board of Directors of the Association.

P. "By-Laws" means the By-Laws of the Association, as may be amended from time to time, a copy of which is attached hereto to the Declaration as an exhibit.

Q. "Check-In Time" and "Check-Out Time" respectively means the time on the day that begins the reserved Use Period when the Occupant may begin occupying the Accommodations and the time on the day that ends the reserved Use Period when the Occupant must cease occupying the Accommodations.

R. "Club" means the Calypso Vacation Club, which is the service name given to the variety of exchange and reservation services provided to the Members of the Club and the other vacation, travel and leisure benefits which may be offered to the Members from time to time pursuant to the priorities, restrictions and limitations set forth in the Club Documents. The Calypso Vacation Club is not a legal entity or association of any kind. Calypso Cay Vacation Villas, a Timeshare Plan, is a component resort of the Club by being a component site of the multisite timeshare plan of the Calypso Vacation Club.

S. "Club Member" or "Member" means the owner of record of a Timeshare Interest at any Component Resort or an owner of record of a Timeshare Interest at an Affiliate Resort who has complied with all of the terms and conditions for membership in the Club as determined by Club Manager for that Affiliate Resort. Club Manager may establish from time to time different classifications of Members.

T. "Club Points" means the units of symbolic value utilized by the Club Manager to quantify the trading power assigned to a Member's Timeshare Interest by Club Manager which enables the Member to access the Reservation System and other Club services and benefits. Each Club Member shall annually or biennially, if applicable, be assigned an allocation of Club Points to represent the Use Rights in each Week or Split Week which is related to that Member's Timeshare Interest.

U. "Club Resort" means Component Resorts and also means Affiliate Resorts to the extent that owners of Timeshare Interests at such Affiliate Resorts have become Members

V. "Club Rules" means the Calypso Vacation Club Rules and Regulations which may be modified from time to time by the Club Manager and which contain the rules and regulations governing a Member's use of the Club. In this regard, Club Manager will use its best efforts, in good faith and based upon all reasonably available evidence under the circumstances to further the best interests of the Members as a whole with respect to their opportunity to use and enjoy the Accommodations, services and benefits of the Club.

W. "Common Areas" means the Association Property and those portions of the Resort Facility which are not included in the Units, and those areas for which the Association shall have maintenance responsibility such as the Recreational Facilities, but specifically excluding the Runaway Bay Clubhouse Amenities.

X. "Common Expenses" means costs incurred in the operation of the Resort Facility and includes those expenses incurred for the maintenance, operation and repair of the Units, Common Areas and Common Furnishings, for reserves as required by the Act or the Board, other expenses to fulfill obligations of the Association, including but not limited to the operation of the Timeshare Plan and payment of the Revocable License Fees pursuant to the Revocable License and the Developer's Cross Easement Fees pursuant to the Developer's Cross Easement Agreement.

Y. "Common Furnishings" means all personal property owned or leased by the Association, including, but not limited to, all furniture, furnishings, appliances, carpeting, lighting fixtures, utensils and kitchenware and bather and other fixtures located within the Units and in the Common Areas.

Z. "Common Surplus" means the excess of all receipts of the Association collected on behalf of the Timeshare Plan over the Common Expenses.

AA. "Component Site" means a specific geographic site where a portion of the accommodations and facilities of the Calypso Vacation Club are located.

BB. "Cross Easement Agreement" means the Cross Easement Agreement dated November 23, 1999 and recorded in Official Records Book 1677, Page 633 of the Public Records of Osceola County, Florida, and as amended from time to time, which establishes the easements and use rights for some of the Owners and Occupants of the Resort Facility at the swimming pools and certain other amenities of the Hotel Properties and easements and use rights for the users and other occupants of the Hotel Properties to use the swimming pools within the Common Areas of the Resort Facility and also establishes the easements for Developer, some of the Owners and Occupants of the Resort Facility for ingress and egress across and upon the Hotel Properties as well as the easements for the users and other occupants of the Hotel Properties for ingress and egress across and upon the Resort Facility and the Common Areas.

CC. "Declaration" means the Declaration of Covenants, Conditions and Restrictions for Calypso Cay Vacation Villas, a Timeshare Plan, as amended from time to time, which constitutes the timeshare instrument creating and governing the Timeshare Plan at the Resort Facility.

DD. "Developer" means the creator of the Timeshare Plan by and through the Declaration which is Timescape Resorts, LLC, a Florida limited liability company, its grantees, successors and assigns. An Owner of one or more Timeshare Interests shall not solely by reason of such purchase be deemed a grantee, successor or assignee of Developer's rights or obligations under the Plan unless such Owner is specifically so designated as a successor or assign of Developer's rights or obligations in the respective instrument of conveyance or other instruments executed by Developer.

EE. "Developer's Cross Easement Agreement" means, collectively, the one or more Developer's Cross Easements recorded in the public records of Osceola County, Florida by the owner of the Runaway Bay Entranceway and the Shared Parking Area and Developer as the owner of Phases V, VI and VII, and each as amended from time to time, which establish easements for the benefit of the Owners and permitted users of Phases V, VI and VII in the Runaway Bay Clubhouse Amenities and for the benefit of the Owners and users of Phases V, VI and VII in the Shared Parking Area, the Runaway Bay Entranceway and the remaining property currently known as the Runaway Bay Luxury Apartments and Villas.

FF. "Developer's Cross Easement Fees" means the pro rata fees charged to the Developer and its assigns under the Developer's Cross Easement Agreement for maintenance and repair costs

associated with the Runaway Bay Entranceway, the Shared Parking Area and all common facilities located on the remaining property currently known as the Runaway Bay Luxury Apartments and Villas.

GG. "Division" as used herein shall be deemed to mean and refer to the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulation.

HH. "East Hotel Property" means the adjacent real property situated on the eastern side of the property to the south of the Resort Facility upon which is or will be located a hotel or condominium hotel and other improvements including the East Hotel Property Shared Amenities.

II. "East Hotel Property Shared Amenities" means the swimming pool and other amenities on the East Hotel Property which are to be shared with the Occupants of Units in the Resort Facility (except for the Owners or Occupants of Phases V, VI and VII) pursuant to the Cross Easement Agreement.

JJ. "Even Numbered Years" means those years ending in the numbers 2, 4, 6, 8 and 0.

KK. "Future Development Area" means that area depicted on the Survey, Plot Plan and Floor Plans as the Future Development Area within which the Developer may add Phases II-IV of the Resort Facility.

LL. "Home Resort Advantage" means the priority which a Member enjoys pursuant to the Club Rules to reserve a Use Period at the Member's Home Resort pursuant to these Club Rules. The Owners Exclusive Reservation Window provides the period pursuant to the Club Rules for Members to exercise the Home Resort Advantage.

MM. "Hotel Properties" means the East Hotel Property and the West Hotel Property.

NN. "Management Company" means Timescape Management, LLC, a Florida limited liability company, or any other entity with which the Association has entered into a management agreement to provide some or all of the management services for the Timeshare Plan.

OO. "Member" or "Club Member" means the owner of record of a Timeshare Interest at any Component Resort or an owner of record of a Timeshare Interest at an Affiliate Resort who has complied with all of the terms and conditions for membership in the Club as determined by Club Manager for that Affiliate Resort. Club Manager may establish from time to time different classifications of Members.

PP. "Occupant" means any person occupying or permitted to occupy a Unit, including, but not limited to, the Owner, members of the Owner's family, members of the Club, the Owner's or Member's guests, tenants, licensees, invitees, together with any renters or exchange program participants and their respective family members, guests, tenants, licensees and invitees.

QQ. "Odd Numbered Years" means those years ending in the numbers 1, 3, 5, 7 and 9.

RR. "Owner" means a person to whom Developer has conveyed of record a Timeshare Interest, his successors or assigns, and shall also include Developer as to Timeshare Interests it may own from time to time.

SS. "Phase I of the Resort Facility" or "Phase I" or "Phase I" means the property described on Exhibit A of the Declaration and depicted as "Phase I" on the Survey, Plot Plan and Floor Plans and all

improvements thereon and all easements and rights appurtenant thereto intended for use in connection therewith.

TT. "Phase II of the Resort Facility" or "Phase II" or "Phase 2" means the property described on Exhibit A of the Declaration and depicted as "Phase II" on the Survey, Plot Plan and Floor Plans and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection therewith.

UU. "Phase V of the Resort Facility" or "Phase V" or "Phase 5" means the property described on Exhibit A of the Declaration and depicted as "Phase V" on the Survey, Plot Plan and Floor Plans and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection therewith.

VV. "Phase V Specific Assessment" means the amount levied from time to time against the Owners of Phase V Units by the Association as a part of the Assessments to fund the payment of the Revocable License Fees and the Developer's Cross Easement Fees.

WW. "Phase VI of the Resort Facility" or "Phase VI" or "Phase 6" means the property described on Exhibit A of the Declaration and depicted as "Phase VI" on the Survey, Plot Plan and Floor Plans and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection therewith.

XX. "Phase VI Specific Assessment" means the amount levied from time to time against the Owners of Phase VI Units by the Association as a part of the Assessments to fund the payment of the Revocable License Fees and the Developer's Cross Easement Fees.

YY. "Phase VII of the Resort Facility" or "Phase VII" or "Phase 7" means the property described on Exhibit A of the Declaration and depicted as "Phase VII" on the Survey, Plot Plan and Floor Plans and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection therewith.

ZZ. "Phase VII Specific Assessment" means the amount levied from time to time against the Owners of Phase VII Units by the Association as a part of the Assessments to fund the payment of the Revocable License Fees and the Developer's Cross Easement Fees.

AAA. "Plan" or "Timeshare Plan" means the component site timeshare plan established for the Resort Facility by the Declaration pursuant to the Act and which consists exclusively of Timeshare Estates. The term "Plan" also is synonymous with the Declaration.

BBB. "Preferred Mortgagee" means a bank, a federal or state savings and loan association, an insurance company, a mortgage company, a real estate investment or business trust, a pension fund, an agency of the United States government, any other lender generally recognized as an institutional type lender owning and holding a mortgage encumbering a Timeshare Interest and also includes Developer or its assigns with respect to mortgages which it creates encumbering a Timeshare Interest.

CCC. "Proposed Additional Shared Pool Facility" means the proposed swimming pool and other amenities which may be constructed on the land depicted as the "Proposed Additional Shared Pool Facility" on the Survey, Plot Plan and Floor Plans attached as Exhibit B to the Declaration. To the extent the Proposed Additional Shared Pool Facility is constructed in conjunction with a future phase of the Resort Facility, it shall be a part of the Recreational Facilities, and shall become Association Property if and when title thereto is conveyed to the Association.

DDD. "Purchase Contract" means the purchase and sale agreement between a purchaser and Developer whereby purchaser agrees to buy and Developer agrees to sell a Timeshare Interest pursuant to the terms contained therein.

EEE. "Recreational Facilities" means the land and improvements of the Shared Pool Facility and may include the Proposed Additional Shared Pool Facility if constructed by Developer in conjunction with a future phase of the Resort Facility. Such recreational and commonly used facilities will be initially owned by Developer. If and when Developer conveys such facilities to the Association, then the Recreational Facilities that are conveyed shall also be Association Property. The Runaway Bay Clubhouse Amenities are not a part of the Recreational Facilities.

FFF. "Reservation System" shall mean the method provided by the Club to enable each Owner to utilize such Owner's right to reserve a Use Period in Accommodations of the Resort Facility or another Club Resort in accordance with the Club Rules.

GGG. "Reservation Year" means that period of time commencing one year prior to the first day of the Assigned Week and terminating on the day prior to the first day of such Assigned Week.

HHH. "Resort" means the Calypso Cay Vacation Villas, a Timeshare Plan, consisting of the Resort Facility and the Common Areas and Common Furnishings thereof and also the Association Property and the Recreational Facilities together with the other easements and use rights benefiting the Resort Facility and the Owners and Occupants thereof as established with regard to the Resort Facility.

III. "Resort Affiliation Agreement" means the agreement among Club Manager and the Developer and the Association and Management Company pursuant to which the accommodations and facilities of the Resort are included as a Component Resort of the Calypso Vacation Club.

JJJ. "Resort Documents" means the Declaration and all other documents which create and govern the rights and relationships of the Members who own a Timeshare Interest in a given Club Resort and which also govern the use and operation of that Club Resort. Resort Documents do not include the Club Documents.

KKK. "Resort Facility" means the real property developed by Developer as a phased timeshare property and committed to the Timeshare Plan by the Declaration.

LLL. "Resort Year" means the fiscal year of the Association which shall begin on April 1 of a year and shall end on March 31 of the next year until changed by action of the Board.

MMM. "Revocable License" means the Revocable Access and Use License executed by the owner of the Runaway Bay Clubhouse Amenities and the Association, and as amended from time to time, which establishes the revocable use rights of the Owners of Phases V, VI and VII in the Runaway Bay Clubhouse Amenities.

NNN. "Revocable License Fees" means the fees charged to the Association under the Revocable License for use of the Runaway Bay Clubhouse Amenities by the Phases V, VI and VII Owners. The Revocable License Fees consist of the Phases V, VI and VII Owners' pro rata share of (i) certain repair, replacement, maintenance and utility costs of the Runaway Bay Clubhouse Amenities; (ii) the License Fee; and (iii) real estate taxes and insurance, all as further described in the Revocable License.

OOO. "Rules and Regulations" means the rules and regulations as may be promulgated from time to time by the Association.

PPP. "Runaway Bay Dock Amenities" means the fishing dock located on the lake within the apartment complex known as Runaway Bay Luxury Apartments and Villas which is to be shared with some of the Occupants of Units in the Resort Facility pursuant to the Cross Easement Agreement.

QQQ. "Runaway Bay Clubhouse Amenities" means the Clubhouse and Pool located within the apartment complex known as Runaway Bay Luxury Apartment and Villas which is to be shared for a limited period of time with the Owners of Units in Phases V, VI and VII of the Resort Facility pursuant to the Revocable License.

RRR. "Runaway Bay Entranceway" means the adjacent parcel of real property currently being used as an entranceway, together with all improvements from time to time erected or installed thereon, on the western side of Phases V, VI and VII upon which is or will be located a security gate.

SSS. "Service Period" means that period of time, commencing at Check-Out Time at the end of each Use Period and ending at Check-In Time at the beginning of the next Use Period to be used by the Association to clean, service and maintain a Unit and the Common Furnishings.

TTT. "Shared Pool Facility" means the facility depicted as the "Shared Pool Facility" on the Survey, Plot Plan and Floor Plans attached as Exhibit B to the Declaration. The Shared Pool Facility is a part of the Recreational Facilities of the Resort, and shall become Association Property if and when title thereto is conveyed to the Association.

UUU. "Shared Parking Area" means the adjacent parcel of real property on the southern side of Phase V and upon which is or will be located paved parking areas, subject to the provisions of the Developer's Cross Easement Agreement.

VVV. "Special Assessment" means a share of funds required for the payment of Common Expenses which from time to time is assessed against an Owner in addition to the Annual Assessment.

WWW. "Split Week" means a Week of which the use is divided into periods of less than seven (7) consecutive days. The Club Manager reserves the right to change the combination, or allow a different combination of days at certain Club Resorts and otherwise to limit the reservation of Split Weeks in the best interests of Members as a whole.

XXX. "Survey, Plot Plan and Floor Plans" means the drawings relating to the development of the Resort attached as an exhibit to the Declaration.

YYY. "Timeshare Interest" means an undivided fractional tenant in common fee simple interest in a phase of the Resort Facility. A Timeshare Interest is a "timeshare estate" as defined by the Act.

ZZZ. "Timeshare Plan" – see "Plan."

AAAA. "Turnover Day" means the day of the week when the Assigned Week begins and ends which may be different for different phases of the Resort Facility.

BBBB. "Unit" means a part of the Resort Facility which is designated for occupancy by persons of a single family or living group, provided, however, that a Unit may contain a Lock-off feature to

enable occupation of such Unit as two or more private dwelling spaces. Each Unit of the Resort Facility will be numbered or lettered for identification.

CCCC. "Use Period" means the period of time consisting of a Week or Split Week during which a Member can or has reserved use and occupancy of an Accommodation from the Inventory Pool pursuant to the Club Rules

DDDD. "Week" means a Use Period of seven (7) consecutive days during the calendar year. In each calendar year there shall be fifty-two (52) seven (7) consecutive day Use Periods and an additional seven (7) consecutive day period of time which will occur only during certain years and shall be known as the "53<sup>rd</sup> Week" defined hereinbelow. Each Week shall commence at Check-In Time on the Turnover Day and shall terminate at Check-Out Time on the Turnover Day seven (7) days later. In other words, Week No. 1 is the seven (7) day period commencing at Check-In Time on the first applicable Turnover Day in each calendar year and terminating at Check-Out Time on the next Turnover Day; Week No. 2 is the seven (7) day period commencing at Check-In Time on the Turnover Day next following the first Turnover Day in each year and terminating at Check-Out Time on the next Turnover Day. Additional Weeks up to and including Week No. 52 are computed in like manner. The 53<sup>rd</sup> Week shall be the seven (7) day period commencing at Check-In Time on the Turnover Day ending Week No. 52 and terminating at Check-Out Time on the first applicable Turnover Day of the next calendar year, but shall only exist and following Week No. 52 if Week No. 52 ends in the same calendar year in which the preceding Week No. 1 began.

EEEE. "West Hotel Property" means the adjacent real property situated on the western side of the property to the south of the Resort Facility upon which is or will be located a hotel or condominium hotel and other improvements including the West Hotel Property Shared Amenities.

FFFF. "West Hotel Property Shared Amenities" means the swimming pool and other amenities on the West Hotel Property which are to be shared with the Occupants of Units in the Resort Facility (except for the Owners or Occupants of Phases V, VI and VII) pursuant to the Cross Easement Agreement.

II. REQUIRED DISCLOSURES

1. This Public Offering Statement contains important matters to be considered in acquiring a timeshare interest. The statements contained in this Public Offering Statement are only summary in nature. A prospective purchaser should refer to all references, accompanying exhibits, contract documents, and sales materials. You should not rely on oral representations as being correct. Refer to this document and accompanying exhibits for correct representations. The seller is prohibited from making any representations other than those contained in the contract and this Public Offering Statement.
2. The Developer has the right to retain control of the Association after a majority of the Timeshare Interests have been sold.  
  
For a more complete description of the Developer's right of control, please refer to Article XVII of the Declaration attached as an Exhibit to this Public Offering Statement.
3. For the purpose of ad valorem assessment, taxation and special assessments, the Managing Entity will be considered the taxpayer as your agent pursuant to Section 192.037, Florida Statutes.
4. You may cancel the Purchase Contract without any penalty or obligation within 10 calendar days after the date you sign the contract.
5. If you decide to cancel the Purchase Contract, you must notify the Developer in writing of your intent to cancel. Your notice of cancellation shall be effective upon the date sent and shall be sent to: Timescape Resorts, LLC., 4951 Calypso Cay Way, Kissimmee, Florida 34746 -- Facsimile (407) 997-1550. Any attempt to obtain a waiver of your cancellation right is void and of no effect. While you may execute all closing documents in advance, the closing, as evidenced by delivery of the deed or other document, before expiration of your 10-day cancellation period, is prohibited.
6. Facilities may be expanded or added without the consent of the purchasers or the Association.
7. The sale, lease, or transfer of Timeshare Interests is restricted or controlled.
8. The purchase of a Timeshare Interest should be based upon its value as a vacation experience or for spending leisure time, and not considered for purposes of acquiring an appreciating investment or with an expectation that the Timeshare Interest may be resold.

**9. The Association must pay use fees for one or more facilities.**

See the Revocable License and Section 5 below for a more complete description of the Runaway Bay Clubhouse Amenities which will be available for use for a limited time period by the Owners of Phases V, VI and VII only and which use shall be paid for by the Revocable License Fees.

See the Developer's Cross Easement Agreement and Section 5 below for a more complete description of the shared parking and access provided in the Runaway Bay Entranceway and the Shared Parking Area.

**10. There is a contract for the management of the Resort Facility with Timescape Management, LLC, a Florida limited liability company.**

See Section 4(2) of this Public Offering Statement.

**11. Any resale of this Timeshare Interest must be accompanied by certain disclosures in accordance with Section 721.065, Florida Statutes.**

See Purchase Contract.

IIA. DEVELOPER DISCLOSURES

1. OWNERS MAY BE DENIED ACCESS TO THE RESORT FACILITY UPON FAILURE TO PAY ASSESSMENTS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 721.13(6)(A), FLORIDA STATUTES.
2. IF THE NAME OF THE EAST HOTEL PROPERTY IS THE AMERISUITES HOTEL, THERE IS A LICENSE AGREEMENT BY AND BETWEEN AN AFFILIATE OF DEVELOPER AND PRIME HOSPITALITY CORPORATION ("LICENSOR") TO OPERATE THE EAST HOTEL PROPERTY AS AN AMERISUITES HOTEL. THE LICENSE AGREEMENT MAY BE TERMINATED AT ANY TIME AND AS SUCH THE NAME OF THE HOTEL MAY CHANGE AT ANY TIME. ANY TERMINATION OF THE LICENSE AGREEMENT OR A NAME CHANGE OF THE HOTEL DOES NOT REQUIRE CONSENT OF OR NOTICE TO ANY OWNER. THEREFORE, YOU SHOULD NOT PURCHASE A TIMESHARE INTEREST WITH THE EXPECTATION THAT THE HOTEL WILL OPERATE OR REMAIN OPERATING UNDER THE AMERISUITES NAME OR THE LICENSE AGREEMENT.
3. THE LICENSOR IS NOT A PARTNER, JOINT VENTURER OR OTHERWISE A PARTICIPANT IN THE FORMATION OF THIS TIMESHARE PLAN OR IN THE SOLICITATION, PROMOTION, OFFERING, MARKETING AND SALE OF TIMESHARE INTERESTS AT THE RESORT FACILITY. FURTHER, LICENSOR HAS NOT, AND WILL NOT, HAVE ANY INVOLVEMENT IN, OR CONTROL WITH RESPECT TO, THE SOLICITATION, PROMOTION, MARKETING OR OTHER SALES ACTIVITIES IN CONNECTION WITH THE OFFERING OF TIMESHARE INTERESTS. LICENSOR HAS NO RESPONSIBILITY AS TO THE ADEQUACY AND SUFFICIENCY OF ANY DOCUMENTS PERTAINING TO THIS TIMESHARE PLAN OR THE COMPLIANCE OF DEVELOPER WITH ALL APPLICABLE REQUIREMENTS, LAWS AND REGULATIONS.
4. THE DEVELOPER AND THE TIMESHARE INTERESTS ARE IN NO WAY AFFILIATED WITH OR RELATED TO LICENSOR. THE DEVELOPER IS A SEPARATE AND DISTINCT ENTITY FROM LICENSOR AND LICENSOR HAS NOT AGREED, AND WILL NOT AGREE, TO ASSUME, GUARANTEE OR OTHERWISE BE RESPONSIBLE FOR ANY OF THE OBLIGATIONS, ACTS OR OMISSIONS OF THE DEVELOPER IN CONNECTION WITH THE OFFERING OF TIMESHARE INTERESTS. LICENSOR'S SOLE RELATIONSHIP TO THE DEVELOPMENT IS THAT OF BEING A LICENSOR UNDER THE LICENSE AGREEMENT, IF NOT PREVIOUSLY TERMINATED. FOR THE OPERATION OF THE HOTEL UNDER THE AMERISUITES NAME.
5. EACH OWNER WILL BE PROHIBITED FROM REFERRING TO OR IN ANY WAY UTILIZING THE NAME, TRADEMARKS OR SERVICE MARKS OF LICENSOR IN ANY RESALE OR RENTAL OF THEIR PROPERTY. NO OWNER, AS THE OWNER OF A TIMESHARE INTEREST, WILL OWN ANY INTEREST IN THE

HOTEL OR ANY RIGHT PROVIDED UNDER THE LICENSE AGREEMENT NOR WILL ANY OWNER OF A TIMESHARE INTEREST, THROUGH ITS OWNERSHIP OF SUCH TIMESHARE INTEREST, OBTAIN ANY RIGHT, TITLE OR INTEREST IN THE LICENSE AGREEMENT OR ANY TRADEMARKS OR SERVICE MARKS OF LICENSOR.

6. IF THE NAME OF THE WEST HOTEL PROPERTY IS COUNTRY INNS & SUITES HOTEL, THERE IS A LICENSE AGREEMENT BY AND BETWEEN AN AFFILIATE OF DEVELOPER AND COUNTRY INNS & SUITES BY CARLSON, INC. ("LICENSOR") TO OPERATE THE WEST HOTEL PROPERTY AS A COUNTRY INNS AND SUITES HOTEL. THE LICENSE AGREEMENT MAY BE TERMINATED AT ANY TIME AND AS SUCH THE NAME OF THE HOTEL MAY CHANGE AT ANY TIME. ANY TERMINATION OF THE LICENSE AGREEMENT OR A NAME CHANGE OF THE HOTEL DOES NOT REQUIRE CONSENT OF OR NOTICE TO ANY OWNER. THEREFORE, YOU SHOULD NOT PURCHASE A TIMESHARE INTEREST WITH THE EXPECTATION THAT THE HOTEL WILL OPERATE OR REMAIN OPERATING UNDER THE COUNTRY INN & SUITES NAME OR LICENSE AGREEMENT. LICENSOR DOES NOT ASSUME OR GUARANTEE, AND IS NOT OTHERWISE RESPONSIBLE FOR, ANY OF THE OBLIGATIONS, ACTS OR OMISSIONS OF THE DEVELOPER OR ANY OTHER PERSON WITH RESPECT TO TIMESHARE INTEREST SALES OR MARKETING ACTIVITIES.
7. LICENSOR DOES NOT ENDORSE OR PARTICIPATE IN THE SALE OF THE TIMESHARE INTERESTS OR ANY TIMESHARE INTEREST DISCLOSURE OR SALES DOCUMENTS. LICENSOR IS NOT A PARTNER, CO-DEVELOPER, SPONSOR, OWNER OR OPERATOR OF THE UNITS OR BUILDINGS OF THE CALYPSO CAY VACATION VILLAS. LICENSOR'S ONLY INVOLVEMENT IS THE FACT THAT IT ALLOWS DEVELOPER TO ARRANGE FOR TOURS OF PROSPECTIVE PURCHASERS OF TIMESHARE INTERESTS FROM THE TIMESHARE INFORMATION BOOTH IN THE LOBBY OF THE COUNTRY INNS & SUITES HOTEL. LICENSOR FORBIDS DEVELOPER FROM USING ANY HOTEL CUSTOMER INFORMATION IN THE MARKETING OR SALES OF TIMESHARE INTERESTS.
8. NO PERSON HAVING THE RIGHT TO OCCUPY AT THE CALYPSO CAY VACATION VILLAS BY VIRTUE OF OWNERSHIP OF A TIMESHARE INTEREST OBTAINS ANY RIGHT IN THE LICENSE AGREEMENT WITH LICENSOR OR ANY RIGHTS IN THE BUSINESS SYSTEM OR MARKS EARNED BY SUCH LICENSE AGREEMENT.
9. DURING THE FIRST YEAR AFTER THE FIRST SALE OF A TIMESHARE INTEREST IN A UNIT OF PHASE VII, THE COMMON FURNISHINGS IN THE PHASE VII UNITS MAY NOT BE SIMILAR IN NATURE AND QUALITY TO THOSE IN THE OTHER PHASES OF THE RESORT FACILITY. PROVIDED A PHASE VII UNIT OWNER RESERVES ITS USE RIGHTS, THAT OWNER SHALL

BE ALLOWED AT ITS ADDITIONAL COST, TO RESERVE THEIR COMPARABLE TIME IN PHASE I, II, V OR VI BASED UPON AVAILABILITY.

10. THE OWNERS AND OCCUPANTS OF THE UNITS OF PHASES V, VI AND VII DO NOT HAVE USE RIGHTS IN THE AMENITIES OF EITHER OF THE HOTEL PROPERTIES OR THE RUNAWAY BAY DOCK AMENITIES.

### III. PUBLIC OFFERING STATEMENT TEXT

#### 1. THE TIMESHARE PLAN

##### a. The Plan

The name of the Timeshare Plan is Calypso Cay Vacation Villas, a Timeshare Plan, and all accommodations and facilities are located at 5000 Jollymon Drive, Kissimmee, Florida 34746.

(1) Description of the Timeshare Plan The accommodations and facilities of the Timeshare Plan are located in the Resort Facility, which shall consist of a minimum of five (5) phases containing a total of 151 Units together with certain Common Areas. Developer may add additional phases to the Timeshare Plan through amendments to the Declaration, but Developer is not obligated to add any additional Units or phases at all or to add any specific number of Units or phases.

Phase I consists of one building in which the 25 Units are of two types:

- 10 Units are three bedroom/three bathroom Units ("Three Bedroom Lock-Off Units") capable of being divided by a lockable door into separate private dwelling areas consisting of a one bedroom/one bathroom lock-off section and a two bedroom/two bathroom lock-off section.
- 15 Units are two bedroom/two bathroom Units ("Two Bedroom Lock-Off Units") capable of being divided by a lockable door into separate private dwelling areas consisting of a one bedroom/one bathroom lock-off section and a one bedroom/one bathroom lock-off section.

Each of the Units in Phase I utilizes an interior doorway to accomplish the lock-off of one unit section to another. When opened, such lock-off feature allows the Occupants to circulate between both sections and utilize a single entry from the corridor. When such interior door is closed, each constituent section can be used as a separate living area with a separate entry from the corridor. Floor plans for the Units are among the graphic depictions constituting the Survey, Plot Plan and Floor Plans exhibit attached as Exhibit B to the Declaration which is included as an exhibit to this Public Offering Statement. The Survey, Plot Plan and Floor Plans exhibit shall sometime herein be called the "Drawings" for convenience.

Phase II consists of one building in which there are 30 Units are of the following:

- 10 Units are Three Bedroom Lock-Off Units.
- 20 Units are Two Bedroom Lock-Off Units.

Each of the Units in Phase II utilizes an interior doorway to accomplish the lock-off of one unit section to another. When opened, such lock-off feature allows the Occupants to circulate between both sections and utilize a single entry from the corridor. When such