

This instrument prepared by
and return to:

✓ Carl L. Avery
Perennial Vacation Club, Inc.
1625 Hwy 88
Suite 203
Minden, Nevada 89423
(775) 782-9100

**SUBORDINATION AND NOTICE TO CREDITORS INSTRUMENT BY
WORLD CLASS RESORTS INTERNATIONAL, INC.,
(NAMED CHANGED TO PERENNIAL VACATION CLUB, INC.) IN FAVOR OF
PURCHASERS OF MEMBERSHIPS IN PERENNIAL VACATION CLUB, INC.**

THIS INSTRUMENT is made this 30 of Aug, 1999 by WORLD CLASS RESORTS INTERNATIONAL, INC. (named changed to: Perennial Vacation Club, Inc.), a Nevada not-for-profit corporation, whose address is 1625 hwy 88, Suite 203, Minden, Nevada 89423 ("Perennial")

WITNESSETH:

WHEREAS, Perennial is the owner of certain timeshare units more particularly described on the attached Exhibit "A" (the "units"):

WHEREAS, Perennial is the developer of that certain nonspecific multisite timeshare plan known as Perennial Vacation Club, Inc. (the "club"), as contemplated by Part II of chapter 721, Florida Statutes:

WHEREAS, Perennial has entered into Club Membership Purchase Agreements (the "Agreements") with purchasers of memberships in the Club ("Purchasers") for the purpose of granting non-exclusive use of rights in the Units to the Purchasers; and

WHEREAS, pursuant to Section 721.53(1)(b), Florida Statutes, Perennial is required to execute and record this instrument among the Public Records of each county where a component site of the Club is situated in order to subordinate its interest in the Units to the rights of the Purchasers as those rights are defined in the Agreements, and to give third parties constructive notice of such subordination and Purchaser rights.

NOW, THEREFORE, notice of the following matters is hereby given:

1. So long as the party seeking enforcement of this instrument is not in default of its obligations under the multisite timeshare plan instrument, this instrument may be enforced by Perennial or any Purchaser.
2. This instrument shall be effective as between Perennial and each Purchaser despite any rejection or cancellation of the Agreements as of result of any bankruptcy proceedings of the Perennial or the Club.
3. So long as a Purchaser remains in good standing with respect to such Purchaser's obligations under the Agreements, including all assessments with respect to the annual common expenses of the Club, then Perennial will fully honor all rights of such Purchaser relating to the Units as those rights are reflected in the Agreements.

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4. All creditors of Perennial with claims arising subsequent to the date of this instrument; all parties of any nature whatsoever claiming any interest in the Units by, through, under or against Perennial and all successors and assigns of Perennial, are hereby given notice of the existence of the Agreements, and of the rights of the Purchasers in and to the Units, and the rights and claims of each and all of such creditors with respect to the Units are hereby expressly made junior, inferior and subordinate to the rights of the Purchasers as set forth herein.

5. This instrument shall automatically terminate upon the termination of all outstanding Agreements or the termination of the Club. Perennial shall give notice of the occurrence of such termination by recording an affidavit regarding same among the Public Records of each county where a component site of the Club is situated.

PLEASE BE GOVERNED ACCORDINGLY.

IN WITNESS WHEREOF, Perennial has executed these presents on the date first above mentioned.

WITNESSES:

PERENNIAL VACATION CLUB, INC.
A Nevada not-for-profit corporation

Carl L. Avery
Print Name: Carl L. Avery

By Laurence H. Wayne
Print Name: Laurence H. Wayne

Stephanie Fitch
Print Name: Stephanie Fitch

As Its: _____ President

STATE OF NEVADA)
) SS.
COUNTY OF DOUGLAS)

BEFORE ME, the undersigned authority authorized to take acknowledgments in the state and county aforesaid, appeared Laurence H. Wayne, the President, of PERENNIAL VACATION CLUB, INC., a Nevada not-for-profit corporation, and he acknowledged that he executed the foregoing instrument on behalf of the corporation pursuant to due authority therefrom. He is personally known to me or has produced N/A as identification.

WITNESS my hand and seal this 30th day of 8, 1999.



(NOTARY SEAL)

Melissa Bisera
(Notary Signature)

Melissa Bisera
(Notary Name Printed)
NOTARY PUBLIC
Commission No. 98-49762-5

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EXHIBIT "A"

**LEGAL DESCRIPTION OF CLUB OWNED UNITS
AND UNIT WEEKS**

ADDED TO PERENNIAL VACATION CLUB, INC. SINCE MAY 14, 1998

**TAHOE VILLAGE
7 Additional Units**

Unit 4 as set forth on the Condominium Map of Lot 1, Tahoe Village Unit No. 3, filed for record February 6, 1981, as document no. 53365, Official Record of Douglas County, Nevada.

Also, the Eagles' Nest containing six (6) additional units described as:

LEGAL DESCRIPTION

All that certain lot, piece of parcel of land situate in the County of DOUGLAS, State of Nevada, described as follows:

Portion of the Northeast ¼ of the Northeast ¼ of the Southwest ¼ of Section 30, Township 13 North, Range 19 East, M.D.B.&M., being fully described as follows:

Commencing at the center of said Section 30, thence South 00°23'2" East, along the center line of said Section 70.90 feet to the True Point of Beginning, thence continuing South 00°23'2" East, 582.66 feet; thence North 89°48'14" West, 651.58 feet; thence North 00°20'53" West, 114.84 feet, thence North 45°52'6" East, 502.33 feet to the beginning of a tangent curve to the right with a radius of 320 feet and a central angle of 28°38'09"; thence along said curve 159.93 feet; thence tangent to said curve North 74°30'15" East, 101.76 feet to the beginning of a tangent curve to the right, a radius of 320 feet and a central angle of 09°34'02"; thence along said curve 53.43 feet to the point of Beginning.

A.P.N. 42-010-08

REQUESTED BY
Carl L. Avery
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

1999 AUG 31 PM 1:52

LINDA SLATER
RECORDER

\$ 9.00 PAID *AL* DEPUTY

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