

This Notice of Lien was prepared by,
and when recorded should be returned to:

Gregory E. Spitzer, Esq.
Kirkland & Ellis
200 East Randolph Drive
Chicago, Illinois 60601
(312) 861-2000

APN: 40-050-460

NOTICE OF LIEN
(Douglas County, Nevada)

The undersigned, being first duly sworn upon Oath, deposes and states as follows:

1. Pursuant to that certain Order of the United States Bankruptcy Court for the District of Maryland (Baltimore Division) (the "Bankruptcy Court") dated April 3, 2001, Final Order pursuant to U.S.C. §§105, 362 and 364 and Bankruptcy Rules 2002, 4001 and 9014 (a) approving Replacement Debtor-in-Possession Financing with Administrative Expense Superpriority and Secured by Senior Liens, (b) Granting Senior Liens and Superpriority Administrative Expense status and (c) Granting Other Relief (the "Order"), in the case of In re Sunterra Corporation, et al., Debtors, Case No. 00-5-6931-JS through 00-5-6967-JS, 00-5-8313-JS, and 00-6-3718-JS. (Chapter 11) (jointly administered under Case No. 00-5-6931-JS.), Greenwich Capital Markets, Inc., a Delaware corporation, ("Greenwich"), as Agent for the Lenders (as defined in Financing Agreement (defined below)), has provided financing to the Debtors pursuant to Sections 105, 362 and 364 of the Bankruptcy Code and Bankruptcy Rule 2002, 4001 and 9014, pursuant to that certain Financing Agreement dated as of April 10, 2001 (the "Financing Agreement") by and among Sunterra Corporation, as Debtor and Debtor-in-Possession, a Maryland corporation, and the Subsidiaries (as defined in the Financing Agreement) of Sunterra listed on Schedule 1.01(A) of the Financing Agreement, each as Debtor and Debtor-in-Possession and Greenwich.
2. A copy of the Order is attached hereto as Exhibit A and by this reference is incorporated herein.
3. Pursuant to the Financing Agreement, the Loan Documents (as defined in the Financing Agreement) and the Order, Greenwich and the Lenders have been granted a lien and security interest in all the property of the Debtors and Guarantors (as defined in the Financing Agreement), including but not limited to the Real Property (defined below).

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4. The undersigned is a Debtor or Guarantor under the Financing Agreement and the Loan Documents and has an ownership or other interest in all or part of the real property described on Exhibit B attached hereto and made a party hereof (the "Real Property") in addition to other properties, and pursuant to the Financing Agreement, the Loan Documents, and the Order, a lien and security interest has been granted and conveyed to Greenwich in all the property of undersigned including but not limited to the undersigned's interest in the Real Property.
5. This document is being recorded to give notice to the public and to all persons holding or claiming any interest in any property of the undersigned, including but not limited to the Real Property, of the lien and security interest of Greenwich and the Lenders under the Financing Agreement, the Loan Documents and the Order.

[Remainder of page intentionally left blank; signatures on following page]

COOPER

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IN WITNESS WHEREOF, the parties have executed this Notice as of this 20th day of April, 2001.

SUNTERRA CORPORATION,
a Maryland corporation

By: _____
Name: Lawrence E. Yang
Its: Vice president

RIDGE POINTE LIMITED PARTNERSHIP,
a Nevada limited partnership,
d/b/a Sunterra Resorts-The Ridge Pointe

By: POINTE PARTNERS, LIMITED PARTNERSHIP,
a Nevada limited partnership,
Its: General Partner

By: HARICH TAHOE DEVELOPMENTS,
a Nevada general partnership,
Its: General Partner

By: LAKEWOOD DEVELOPMENT, INC.,
a Nevada corporation,
Its: Managing General Partner

By: _____
Name: Lawrence E. Yang
Its: Vice president

By: RIDGEWOOD DEVELOPMENT, INC.,
a Nevada corporation,
Its: General Partner

By: _____
Name: Lawrence E. Yang
Its: Vice president

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STATE OF New York)
)SS
COUNTY OF New York)

I, DIANE C. SKUDIN, a notary public in and for the said State and County aforesaid, do certify that Laurence E. Young, whose name, as Vice President of SUNTERRA CORPORATION, a Maryland corporation, is signed to the writing above, bearing the date on the 20th day of April, 2001, has acknowledged the same before me in the county aforesaid.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 13 day of April, 2001.

My term of office expires on the 30 day of April, 2001.

Diane C Skudin
Notary Public in and for _____
County, _____ **SEAL**

DIANE C. SKUDIN
Notary Public, State of New York
No. 01SK4828725
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires April 30, 2001

STATE OF New York)
)SS
COUNTY OF New York)

I, DIANE C. SKUDIN, a notary public in and for the said State and County aforesaid, do certify that Laurence E. Young, whose name, as Vice President of LAKEWOOD DEVELOPMENT, INC., a Nevada corporation, the managing general partner of HARICH TAHOE DEVELOPMENTS, a Nevada general partnership, the general partner of POINTE PARTNERS, LIMITED PARTNERSHIP, a Nevada limited partnership, the general partner of RIDGE POINTE LIMITED PARTNERSHIP, a Nevada limited partnership, d/b/a Sunterra Resorts-The Ridge Pointe, is signed to the writing above, bearing the date on the 20th day of April, 2001, has acknowledged the same before me in the county aforesaid.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 13 day of April, 2001.

My term of office expires on the 30 day of April, 2001.

Diane C Skudin
Notary Public in and for _____
County, _____ **SEAL**

DIANE C. SKUDIN
Notary Public, State of New York
No. 01SK4828725
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires April 30, 2001

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STATE OF New York)
)SS
COUNTY OF New York)

I, DIANE C. SKUDIN, a notary public in and for the said State and County aforesaid, do certify that Laurence E. Young, whose name, as Vice President of RIDGEWOOD DEVELOPMENT, INC., a Nevada corporation, the general partner of HARICH TAHOE DEVELOPMENTS, a Nevada general partnership, the general partner of POINTE PARTNERS, LIMITED PARTNERSHIP, a Nevada limited partnership, the general partner of RIDGE POINTE LIMITED PARTNERSHIP, a Nevada limited partnership, d/b/a Sunterra Resorts-The Ridge Pointe, is signed to the writing above, bearing the date on the 20th day of April, 2001, has acknowledged the same before me in the county aforesaid.

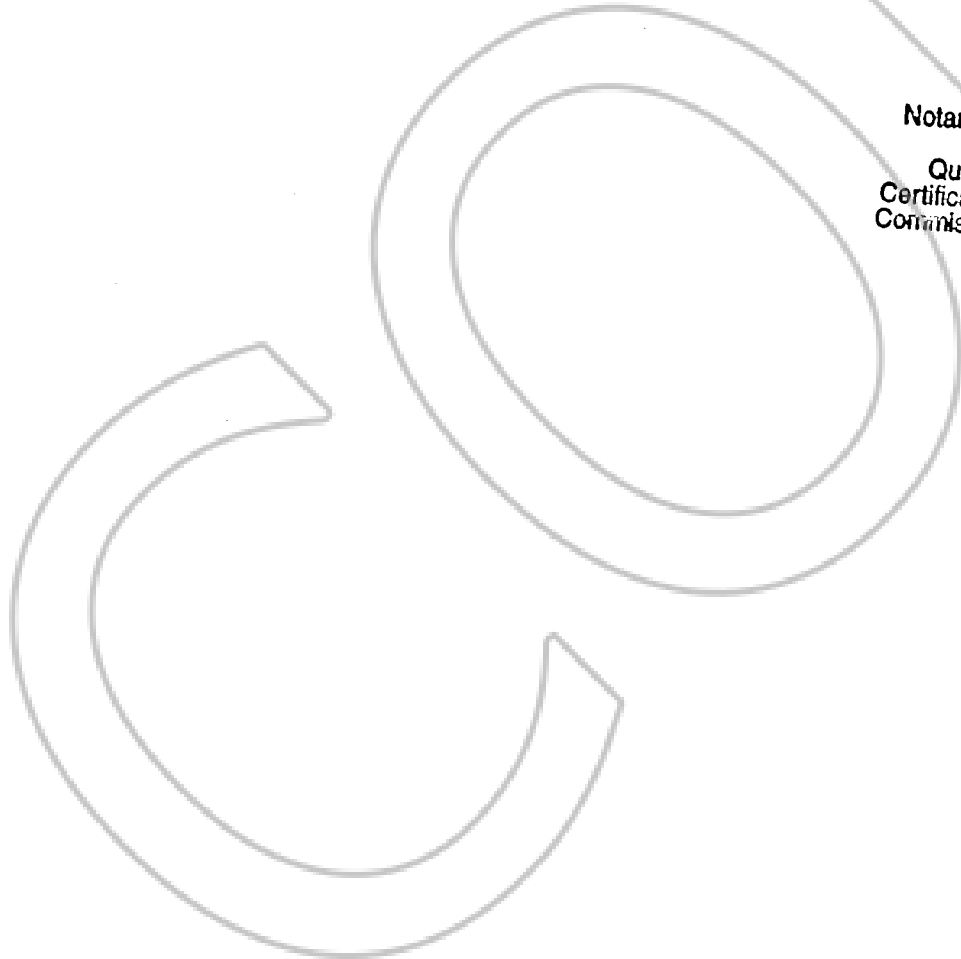
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 13 day of April, 2001.

My term of office expires on the 30 day of April, 2001.

Diane C. Skudin
Notary Public in and for _____
County, _____

SEAL

DIANE C. SKUDIN
Notary Public, State of New York
No. 01SK4828725
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires April 30, 2001



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EXHIBIT A

Bankruptcy Order

See following page for Bankruptcy Order.

COPY

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UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(BALTIMORE DIVISION)

ENTERED

APR 03 2001

CLERK'S OFFICE
U.S. BANKRUPTCY COURT
DISTRICT OF MARYLAND
BALTIMORE

In re : Case Nos. 00-5-6931 through
SUNTERRA, *et al.*, : 00-5-6967 (JS); and 00-5-8313-JS; and
: 00-6-3718-JS
Debtors. : Chapter 11
: Jointly Administered under Case
: No. 00-5-6931

**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105, 362 AND 364, AND
BANKRUPTCY RULES 2002, 4001 AND 9014 (a) APPROVING
REPLACEMENT DEBTOR-IN-POSSESSION FINANCING WITH
ADMINISTRATIVE EXPENSE SUPERPRIORITY AND SECURED BY
SENIOR LIENS, (b) GRANTING SENIOR LIENS AND SUPERPRIORITY
ADMINISTRATIVE EXPENSE STATUS AND (c) GRANTING OTHER RELIEF**

THIS MATTER having come before the Court upon the motion dated February 27, 2001 (the "Motion") of Sunterra Corporation ("Sunterra") and the other debtors and debtors in possession in the above-captioned Chapter 11 cases (collectively, the "Debtors"), jointly and severally seeking authority to, inter alia:

- (i) Obtain secured replacement credit and incur secured replacement postpetition indebtedness pursuant to sections 364(c)(1), 364(c)(2) and 364(c)(3) of title 11, U.S.C., as amended (the "Bankruptcy Code"), on the terms and conditions set forth in that certain Postpetition Financing Agreement (as amended, the "Greenwich Loan Agreement"), among the Debtors, Greenwich Capital Markets, Inc. ("Greenwich" or the "Agent") and the other financial institutions identified in the Greenwich Loan Agreement as "Lenders", substantially in the form which is

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annexed hereto as Exhibit A, and the related agreements among the Debtors, Greenwich and other parties (together with the Greenwich Loan Agreement, the “**Greenwich Loan Documents**”), which are made a part hereof, in the aggregate principal amount outstanding from time to time of up to \$160,000,000 (the “**Greenwich DIP Facility**”);

(ii) Provide Greenwich assurances for the full and timely payment and performance of (a) the Debtors’ obligations and indebtedness under the Greenwich Loan Documents,¹ including, without limitation, all principal, interest, costs, fees, expenses and indemnity obligations (collectively, the “**Greenwich DIP Obligations**”) by granting to Greenwich, (i) pursuant to Section 364(c)(1) of the Bankruptcy Code, a superpriority administrative expense claim with respect to the Greenwich DIP Obligations, (ii) pursuant to section 364(c)(2) of the Bankruptcy Code, first priority liens (as defined in section 101(37) of the Bankruptcy Code and referred to herein as the “**Liens**”) on and security interests in all of the Debtors’ now owned or after-acquired unencumbered assets, and (iii) pursuant to section 364(c)(3) of the Bankruptcy Code, junior Liens on and security interests in all of the Debtors’ encumbered assets, which Liens shall be junior only to those Permitted Liens (all of the Debtors’ assets including without limitation and by way of general description only, all of the capital stock of each domestic subsidiary of each of the Debtors, all of the capital stock of Sunterra Europe (Group Holdings), plc, and all Intercompany Notes and Collateral (as defined in the Greenwich Loan Documents) payable to the Debtors, but excluding any claims or other property recovered by or on behalf of the Debtors or the estates of the Debtors pursuant to sections 542, 544,

¹

All capitalized terms not otherwise defined, have the respective meanings ascribed to them in the Greenwich Loan Documents.

545, 547, 548, 550, 551, 553(b) or 724(a) of the Bankruptcy Code (such claims, the “**Avoidance Actions**”), the “**Collateral**”);

(iii) Pay off the existing Amended and Restated Financing Agreement dated August 9, 2000 (the “**Existing DIP Loan Facility**”) with Ableco Finance LLC (“**Ableco**”), as lender and agent for a syndicate of lenders (collectively, the “**Existing DIP Lenders**”), which was approved by this Court on a final basis on August 3, 2000, pursuant to that certain Final Order, Pursuant to Sections 105 and 364(c) of the Bankruptcy Code and Bankruptcy Rules 2002, 4001 and 9014, (I) Approving Debtors’ Motion for Order Authorizing Debtors to Incur Post-Petition Secured Indebtedness on an Interim and Final Basis, and (II) Granting Security Interests and Superpriority Claims (the “**Existing Final DIP Order**”), a copy of which is attached hereto as Exhibit B, in the approximate outstanding amount of \$46,000,000, plus accrued and unpaid interest, fees and costs, if any, as provided under the Existing DIP Loan Facility; and

(iv) Pay off the existing Finova Loans, as well as any other secured prepetition indebtedness of the Debtors, pursuant to the terms and conditions of the Greenwich Loan Documents and subject to notice and hearing as hereinafter provided.

A final hearing (the “**Final Hearing**”) having been held before this Court on April 3, 2001, to consider the Greenwich Loan Documents pursuant to sections 105, 362 and 364 of the Bankruptcy Code and Rules 2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure, at which time the Court heard arguments of counsel to the Debtors and of such other parties as are reflected on the record of the Final Hearing; and appropriate notice of the Final Hearing having been given to (a) the United States Trustee, (b) counsel to the official committee of creditors (the “**Creditors**”

Committee”), (c) the Internal Revenue Service, (d) the Securities and Exchange Commission, and (e) all other parties, which the Debtors believe to have Liens on or security interests in any of the Collateral; and it appearing that, under all of the attendant circumstances, such appropriate notice was provided under the authority of Rules 2002(a), 4001(c) and 9006(c) of the Federal Rules of Bankruptcy Procedure; and Greenwich having agreed to provide the Greenwich DIP Facility on the terms and conditions set forth in the Greenwich Loan Documents and as authorized by this Order;

Now, based upon the record in these Chapter 11 Cases, after due deliberation and for good cause shown, the Court hereby makes the following findings of fact and conclusions of law:

FINDINGS OF FACT AND CONCLUSIONS OF LAW²

A. The Motion is granted in its entirety, and any objections thereto that have not previously been withdrawn are hereby overruled. Moreover, specifically the objection of Finova Capital Corporation (“Finova”) is overruled. The Greenwich Loan Documents are hereby approved. Subject to the terms hereof, this Final Order is valid immediately and is fully effective upon its entry.

B. On May 31, 2000 (the “**Petition Date**”), certain of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Pursuant to the Order of this Court, dated May 31, 2001, the Debtors’ chapter 11 cases (collectively, the “**Chapter 11 Cases**”) are being jointly administered for procedural purposes.

² Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact, pursuant to Bankruptcy Rule 7052.

C. This Court has jurisdiction to consider the Motion and the relief requested therein, pursuant to 28 U.S.C. §§157(b) and 1334, and over the persons and property affected hereby. This Order is entered in a “core” proceeding as defined in 28 U.S.C. §§ 157(b)(2)(D) and (M).

D. The Debtors have continued in the management and operation of their respective businesses and property as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

E. Subject to the occurrence of certain conditions as set forth in the Greenwich Loan Agreement for the availability of the Greenwich DIP Facility, and subject to the Final Hearing and the entry of this order (the “**Greenwich Final DIP Order**”), which Greenwich Final DIP Order shall not have been stayed, Greenwich has agreed to extend the post-Petition Date loans and advances to the Debtors, not to exceed the aggregate amount of \$160,000,000.

F. The Debtors submit the proposed financing pursuant to the Greenwich Loan Documents will allow them to continue the operations of their businesses and administer, preserve and increase the value of their estates. The ability of the Debtors to finance their operations requires the additional availability of working capital, the absence of which would immediately and irreparably harm the Debtors, their estates and their creditors and the possibility for the Debtors’ successful reorganization. Entry of this Greenwich Final DIP Order approving the Greenwich DIP Loan Documents will benefit the Debtors and their estates and creditors.

G. Greenwich is willing to make the Greenwich DIP Facility available and to make the loans and advances thereunder pursuant to the terms of the Greenwich Loan Documents, only upon the condition that (a) the Existing DIP Loan Facility has been repaid in full and all Liens on and security

interests in the Collateral granted by and under the Existing DIP Loan Facility are released; and (b) Greenwich is granted with respect to the Greenwich DIP Obligations as provided herein, (i) pursuant to section 364(c)(1) of the Bankruptcy Code, a superpriority administrative expense claim in each Chapter 11 Case pursuant to the terms herein, (ii) first priority Liens on and security interests in all of the Debtors' now owned or after-acquired unencumbered assets pursuant to section 364(c)(2) of the Bankruptcy Code, and (iii) junior Liens on and security interests in all of the Debtors' encumbered assets pursuant to section 364(c)(3) of the Bankruptcy Code.

H. The Debtors are unable to obtain replacement unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code or pursuant to sections 364(a) and 364(b) of the Bankruptcy Code.

I. The Debtors are also unable to obtain replacement secured credit, allowable under section 364(c)(2) or section 364(c)(3) of the Bankruptcy Code, except under the terms and conditions provided in this Order.

J. Based on the record, the Court finds that the terms of the Greenwich Loan Documents have been negotiated in good faith, at arm's-length and without collusion among the Debtors and Greenwich, are fair and reasonable under the circumstances and are fully enforceable against the Debtors. Greenwich is not an "insider" or "affiliate" of any of the Debtors (as each such term is defined in the Bankruptcy Code).

K. Any credit extended to the Debtors by Greenwich under the terms of this Greenwich Final DIP Order shall be deemed extended in good faith as such term is used in section 364(e) of the Bankruptcy Code. Greenwich shall be given all the protections provided by section 364(e) of the Bankruptcy Code to entities that have extended credit in good faith.

L.Greenwich also will be acting in good faith within the meaning of section 364(e) of the Bankruptcy Code in closing the transactions contemplated in the Greenwich Loan Documents at any time after the entry of this Greenwich Final DIP Order.

M.Each item of the Collateral constitutes property of the estate of at least one Debtor, and, except with respect to an entity which may possess cash collateral, the Debtors represent that to their current knowledge no party exists that would require the Debtors to provide such party with adequate protection of each such party's interest in the Collateral.

N.The relief requested in the Motion is necessary, essential, beneficial and appropriate for the continued operation of the Debtors' businesses and the management and preservation of their property. It is in the best interest of the Debtors' estates to be allowed to replace the Existing DIP Loan Facility with the Greenwich DIP Facility.

O. Based on the record, a review of the Greenwich Loan Documents and this Greenwich Final DIP Order, the Court finds that Finova's existing rights and obligations are not impaired by the Greenwich Loan Documents or this Greenwich Final DIP Order.

P.Based on the record, the Court finds that appropriate notice of the Final Hearing has been given with respect to the Greenwich DIP Facility, in accordance with Rules 4001(c)(2) and 9006(c) of Federal Rules of Bankruptcy Procedure.

Based upon the foregoing, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

APPROVAL OF AND AUTHORIZATION AS TO TRANSACTIONS

1. The Debtors are immediately authorized and, pursuant to the terms of this Greenwich Final DIP Order and the terms and conditions of the Greenwich Loan Documents, empowered to borrow funds under the Greenwich Loan Documents in such amount or amounts as may be available to or for the benefit of the Debtors from Greenwich, which shall not exceed the aggregate amount of \$160,000,000 for the purposes permitted under the Greenwich Loan Documents and this Greenwich Final DIP Order.

2. Notwithstanding any provision of the Bankruptcy Code and the Bankruptcy Rules that would prevent the immediate closing of the transactions herein (including without limitation Bankruptcy Rule 7062), the terms and conditions of the Greenwich Loan Documents are hereby approved in all respects and are made fully enforceable against the Debtors and Greenwich, and the Debtors are authorized to close the transactions contemplated herein immediately after entry of this Greenwich Final DIP Order. The Debtors and Greenwich with respect to the Greenwich Loan Documents may finalize, amend, modify, supplement or waive any provision of the Greenwich Loan Documents if such amendment, modification, supplement or waiver is permitted under the terms of the Greenwich Loan Documents and is not material (in the good faith judgment of Greenwich and the Debtors) without any need to apply to, or receive further approval from, the Court; provided, however, that the Debtors shall give written notice to the Creditors' Committee of any such non-material amendments, waivers, supplements or modifications and the Office of the United States

Trustee at least four (4) business days prior to the effectiveness of any such amendment, unless the Creditors' Committee and the United States Trustee agree to shorten said time period.

3. Because various controversies exist with respect to the claims of the Debtors' prepetition purportedly secured lenders, the Debtors may compromise and settle the Finova Loans and certain other obligations as may be agreed by the Debtors and Greenwich, on terms and conditions provided for under the Greenwich Loan Documents, only upon and subject to further order of the Court after notice and hearing as provided by Bankruptcy Rule 9019 or as otherwise provided by the Court. Notwithstanding any provisions of this Greenwich Final DIP Order to the contrary, until entry of such further order as described above, the Debtors may not use the proceeds of the Greenwich DIP Facility to repay all or any portion of the Finova Loans or claims of any prepetition secured lenders.

4. The provisions of Guaranties by certain of the Debtors' Subsidiaries that have not to date filed for protection under Chapter 11 of the Bankruptcy Code, including, but not limited to, any security, pledge or assignment to Greenwich thereunder, as set forth in the Greenwich Loan Agreement is supported by a sound business purpose in as much as Greenwich has conditioned the extension of credit under the Greenwich DIP Loan Documents on the receipt and provisions of such Guaranties. Absent the extension of credit, the Debtors and the parties providing the Guaranties may be forced to liquidate immediately, which would result in disruption and/or harm to the Debtors and the Guarantors.

5. To the extent a Guarantor pays on a Guaranty, such Guarantor shall have an administrative claim against the Debtors' estates subordinate to the claims and liens of Greenwich,

and such Guarantor shall not be paid on such administrative claim unless and until Greenwich is paid in full on account of all Greenwich DIP Obligations under the Greenwich Loan Documents. Any such administrative claim of a Guarantor will be allocated among the Debtors pursuant to a future determination by this Court.

6. The Debtors are hereby authorized to (a) do and perform all acts and to make, execute, and deliver all instruments and documents which may be requisite or necessary for the performance by the Debtors under the Greenwich Loan Documents, and (b) pay all principal, interest, reasonable fees and other expenses which may be required or necessary for the Debtors to perform all of their obligations under this Greenwich Final DIP Order and the Greenwich Loan Documents. Each officer of each Debtor, and each such other individual as may be so authorized by the Board of Directors of such Debtor, acting singly, is hereby authorized to execute and deliver any and all of the Greenwich Loan Documents, such execution and delivery to be conclusive of their respective authority to act in the name and on behalf of the Debtors.

7. In consideration of the financial accommodations to be made by Greenwich under this Greenwich Final DIP Order and the Greenwich Loan Documents, the Debtors are hereby authorized, without further orders from this Court, as provided in the Greenwich Loan Documents and the Order of this Court, entered on March 9, 2001, granting the Debtors' Expedited Motion for an Order (i) Approving Break-Up Fees and Expenses in Connection With Proposed Secured Replacement Financing With Greenwich Capital Financial Products, Inc.; (ii) Approving Form and Manner of Notice in Connection With Same; and (iii) Providing Related Relief, to reimburse Greenwich for all reasonable out of pocket expenses and reasonable attorneys' and other reasonable

professionals' fees and charges incurred and to be incurred by Greenwich payable pursuant to the terms of the Greenwich Loan Documents in connection with the Chapter 11 Cases, including, without limitation, with respect to the preparation and negotiation of this Greenwich Final DIP Order and the Greenwich Loan Documents.

8. In providing for the advancement of post-petition financing under the Greenwich Loan Agreement, each of the Debtors and Greenwich acknowledge, stipulate and agree that, in entering the Greenwich Loan Documents:

- (a) all of the Debtors have obtained all authorizations, consents and approvals necessary from, and have made all filings with and given all notices (if any such notice was required) to, all federal, state and local governmental agencies, authorities and instrumentalities required to be obtained, made or given by the Debtors in connection with the execution, delivery, performance, validity and enforceability of the Greenwich Loan Documents to which each Debtor is a party; and
- (b) in entering into the Greenwich Loan Documents, and as consideration therefor, the Debtors hereby agree that until such time as all Greenwich DIP Obligations are indefeasibly paid in full in cash and the commitments thereunder are terminated in accordance with the Greenwich Loan Agreement, the Debtors shall not in any way prime or otherwise adversely affect the Liens provided to Greenwich under this Greenwich Final DIP Order by offering a subsequent lender or a party-in-interest a superior or pari

passu lien or claim pursuant to sections 364(d) or 507(b) of the Bankruptcy Code or otherwise.

RELEASE OF LIENS UNDER EXISTING FACILITY

9. Upon payment in full of the outstanding debt under the Existing DIP Facility, all Liens on and security interests in the collateral granted in connection with the Existing DIP Facility will be deemed released, extinguished, discharged, fully satisfied and of no further force and effect as of the date of such payment. Upon such payment in full, Ableco is hereby directed to file, or consent to the filing of, any and all termination statements or other similar instruments with respect to any financing statements or other documents with respect to the Existing DIP Facility. All recording officers designated to file financing statements and all registries of deeds or similar offices in any jurisdiction in which the Debtors have real or personal property, are hereby directed to accept for filing a copy of this Greenwich Final DIP Order as a termination statement with respect to any financing statements or similar instruments filed in connection with the Existing DIP Facility.

10. To the extent that Ableco has not already done so, Ableco is directed upon such payment in full to deliver any collateral, certificates or other instruments in respect of the Existing DIP Facility to the Agent.

COLLATERAL SECURITY

11. Pursuant to section 364(c)(2) of the Bankruptcy Code, and as protection to Greenwich and to secure the repayment of the Greenwich DIP Obligations, Greenwich shall have and is hereby granted valid, binding, enforceable and perfected first priority Liens on and security interests in all

currently owned or hereafter acquired Collateral, other than those items of Collateral that are subject to Permitted Liens.

12. Pursuant to section 364(c)(3) of the Bankruptcy Code, and as protection to Greenwich and to secure the repayment of the Greenwich DIP Obligations, Greenwich shall have and is hereby granted, effective on and after the date of this Greenwich Final DIP Order, valid, binding, enforceable and perfected Liens on and security interests in all currently owned or hereafter acquired items of the Collateral that are subject to Permitted Liens, which Liens shall be junior and subject only to Permitted Liens; provided, however, that should any Permitted Lien be voided, extinguished or determined not to be valid, the Liens granted to Greenwich hereunder shall be deemed perfected first priority liens without any further action by Greenwich.

13. Except as specifically provided in paragraph 21 of this Greenwich Final DIP Order, the Liens and security interests granted to Greenwich hereunder and pursuant to the Greenwich Loan Documents shall not be subordinate or pari passu with any other Lien or security interest or right of setoff, and no Lien or security interest shall be permitted which shall be senior to or pari passu with the Liens and security interests granted to Greenwich hereby or under the Greenwich Loan Documents. The above-described Liens and security interests granted to Greenwich herein shall not (i) be subject to any lien or security interest that is avoided and preserved for the benefit of the Debtors' estates as a result of any Avoidance Actions, or (ii) be subordinated to or made pari passu with any other lien or security interest under section 364(d) of the Bankruptcy Code or otherwise.

14. This Greenwich Final DIP Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of Greenwich's Liens upon the Collateral, without the necessity of

filing or recording any financing statement or other instrument or document which may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect Greenwich's Liens on and its security interests in the Collateral or to entitle Greenwich to the priorities granted herein. Greenwich shall not be required to file any financing statements, mortgages, notices of lien or similar instruments in any jurisdiction or filing office, or to take any other action in order to perfect the Liens and security interests granted by or pursuant to this Greenwich Final DIP Order or the Greenwich Loan Documents.

15. Pursuant to sections 364(c)(2) and (3) of the Bankruptcy Code, any provision of any lease or other license, contract or other agreement that requires the consent or approval of one or more landlords or other parties, or requires the payment of any fees or obligations to any governmental entity, in order for any of the Debtors to pledge, grant, sell, or otherwise transfer any such leasehold interest or the proceeds thereof or other Collateral, is and shall be deemed to be inconsistent with the provisions of the Bankruptcy Code and shall have no force and effect with respect to the transactions granting Greenwich a senior security interest in such leasehold interest or the proceeds of any assignment and/or sale thereof by any of the Debtors in favor of Greenwich in accordance with the terms of the Greenwich Loan Agreement.

16. Should Greenwich, in its sole discretion (but not as a requirement hereunder), from time to time choose to file such financing statements, mortgages, notices of lien or similar instruments, take possession of any Collateral, or take any other action to validate or perfect any such security interests or Liens, the Debtors and their officers are hereby directed to execute any such documents or instruments as Greenwich may reasonably request, and all such documents and

instruments shall be deemed to have been filed or recorded at the time and on the date of the entry of this Greenwich Final DIP Order.

17. Greenwich, in its discretion, may file a copy of this Greenwich Final DIP Order as a financing statement with any recording officer designated to file financing statements or with any registry of deeds or similar office in any jurisdiction in which the Debtors have real or personal property, and, in such event, the applicable filing or recording officer is authorized and directed to file or record such copy of this Greenwich Final DIP Order.

18. The Greenwich Loan Documents and the Liens granted therein shall constitute and evidence the valid and binding obligations of the Debtors, which obligations shall be enforceable against the Debtors in accordance with their terms.

LIFTING OF THE AUTOMATIC STAY

19. The automatic stay imposed under section 362(a)(4) of the Bankruptcy Code (a) is hereby lifted solely to grant the Liens and security interests to Greenwich contemplated by the Greenwich Loan Documents, and (b) upon expiration of the four (4) business days' notice period, shall be further lifted to the extent of the exercise by Greenwich of any rights or remedies under the Greenwich Loan Documents.

ADMINISTRATIVE CLAIM

20. As further protection to Greenwich and to secure the repayment of the Greenwich DIP Obligations, all of the Greenwich DIP Obligations shall have the status of allowed superpriority administrative expense claims, in accordance with section 364(c)(1) of the Bankruptcy Code, and shall have priority over all administrative expense claims and unsecured claims against the Debtors,

now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation (except as otherwise provided in paragraph 21 of this Greenwich Final DIP Order), any adequate protection-related claims and any administrative expenses of the kinds specified in or ordered pursuant to sections 105, 326, 330, 331, 503(a), 506(c), 507(a), 507(b), 546(c), and 726 of the Bankruptcy Code to the extent permitted by applicable law.

21. Notwithstanding the foregoing provisions of this Greenwich Final DIP Order, the following amounts shall be payable from and chargeable against the Collateral in the following order of priority (and prior to the Liens and claims of Greenwich):

- (a) amounts payable pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the clerk of the Court (collectively, the “**UST/Clerk Fees**”); and
- (b) allowed fees and expenses of attorneys, accountants, and other professionals retained in the Chapter 11 Cases pursuant to sections 327 and 1103 of the Bankruptcy Code (except to the extent such fees and expenses incurred for services rendered in connection with the prosecution of actions, claims or causes of action against Greenwich) (“**Priority Professional Expenses**”), but the amount entitled to priority under this sub-clause shall not exceed \$4,000,000 outstanding in the aggregate at any time (inclusive of any holdbacks required by the Court) (the “**Professional Expense Cap**”); provided, however, that: (A) after the Agent has provided fax or hand-delivered notice to the Administrative Borrower of the occurrence of an

Event of Default or a default hereunder by the Borrowers in any of their obligations under this Greenwich Final DIP Order, any payments actually made to such professionals after the occurrence and during such continuance of such Event of Default or default hereunder, under sections 330 and 331 of the Bankruptcy Code or otherwise, to the extent allowed by final order of the Court, shall reduce the Professional Expense Cap on a dollar-for-dollar basis; and (B) for the avoidance of doubt, any payment actually made to such professionals prior to the notice described in clause (A) above may be retained by such professionals and shall not reduce the Professional Expense Cap.

Nothing contained herein shall be read to exempt those persons hereafter receiving interim compensation payments or reimbursement of expenses pursuant to any such Court approved procedure for monthly or other payment of administrative expenses from applicable provisions of bankruptcy law, including but not limited to requirements that such compensation or reimbursement be allowed on a final basis after the filing of appropriate fee applications, and when applicable, any subsequent order of this Court requiring that such payments be disgorged; provided further that nothing contained herein shall be construed as consent to the allowance of any fees and expenses referred to above and shall not affect any right of Greenwich to object to the reasonableness of such amounts.

22. No other liens or priority status, other than (i) the Permitted Liens, (ii) Priority Professional Expenses, and (iii) the UST/Clerk Fees having a lien or administrative priority superior to or pari passu with that granted by this Greenwich Final DIP Order to Greenwich, shall be granted while any portion of the Greenwich DIP Obligations under the Greenwich Loan Agreement remains outstanding, absent the express written consent of Greenwich.

23. Except as limited by paragraph 21 above, the Debtors shall be permitted to pay consistent with the Greenwich Loan Documents, as the same may become due and payable (i) administrative expenses of the kind specified in section 503(b)(1)(A) of the Bankruptcy Code incurred in the ordinary course of the Debtors' business (or as otherwise approved by the Court) and (ii) the professional expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code (except to the extent such fees and expenses were incurred for services rendered in connection with the prosecution of actions, claims or causes of action against Greenwich.

24. Except to the extent Greenwich agrees in writing otherwise, neither the Collateral nor Greenwich shall be subject to surcharge, pursuant to sections 506(c) or 105 of the Bankruptcy Code or otherwise, by any of the Debtors or any other party in interest, until all Greenwich DIP Obligations are indefeasibly paid in full to Greenwich in cash, without the prior written consent of Greenwich, and no such consent shall be implied from any other action, inaction, or acquiescence by Greenwich in this proceeding, including but not limited to funding of the Debtors' ongoing operations by Greenwich. In no event shall Greenwich be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to the Collateral.

REMEDIES

25. Notwithstanding the provisions of section 362 of the Bankruptcy Code and without any further order of, or application or motion to, this Court, in the event of the occurrence and continuation of an Event of Default, and at all times thereafter, and without any restriction or restraint by any stay under section 362 of the Bankruptcy Code against the enforcement of the Liens and security interests or any other rights granted to Greenwich pursuant to the Greenwich Loan Documents, Greenwich may, by written notice to the Debtors, (i) terminate forthwith all or any portion of the Greenwich DIP Facility and Greenwich's obligation to make any further loans or advances, (ii) declare the Greenwich DIP Obligations to be immediately due and payable, and (iii) take any and all actions and exercise any and all rights and remedies allowed under the Greenwich Loan Documents, which Greenwich may deem appropriate. Notwithstanding the foregoing, but without limiting any of Greenwich's rights or remedies, Greenwich shall not be permitted to initiate any remedy in the nature of a liquidation of, or foreclosure on the Collateral (other than the receipt and application of the cash proceeds of the Collateral) except upon four (4) business days' prior written notice to the Debtors or their counsel, the Creditors' Committee, or its counsel and the United States Trustee, which notice Greenwich shall file with the Court upon service thereof.

26. Notwithstanding anything contained hereto to the contrary, if Greenwich chooses to exercise rights and remedies under this Greenwich Final DIP Order or the Greenwich Loan Documents, then to the extent such exercise of rights and remedies encompasses Collateral subject to the existing Permitted Liens of Bank of America, N.A., Union Bank of California and/or Finova

Capital Corporation that purport to be senior to the Liens of Greenwich, Greenwich shall not commence enforcement proceedings against Collateral purportedly encumbered by the Permitted Liens of Bank of America, N.A., Union Bank of California or Finova Capital Corporation, as the case may be, without either (a) the consent of Bank of America, N.A., Union Bank of California or Finova Capital Corporation, as the case may be, which consent shall not be unreasonably withheld, or (b) obtaining an order of this Court providing for the same; provided, however, that nothing in this Greenwich Final DIP Order shall be deemed to grant Bank of America, N.A., Union Bank of California or Finova Capital Corporation relief from the automatic stay to similarly exercise rights or remedies with respect to such purportedly senior liens in the Collateral without obtaining an order of this Court granting relief from stay, which relief Greenwich will not unreasonably oppose. Nothing herein is hereby deemed to be an admission on the validity or enforceability of the liens of any of the Debtors' purportedly prepetition secured lenders.

27. Notwithstanding any provision of applicable nonbankruptcy law that may limit Greenwich's right to credit bid for the Collateral in any sale of the Collateral conducted upon the occurrence of an Event of Default, Greenwich is authorized to credit bid its claim with respect to the Greenwich DIP Obligations.

28. Greenwich's failure to exercise any of their rights under this Greenwich Final DIP Order or the Greenwich Loan Documents with respect to an Event of Default shall not constitute a waiver of any of such rights.

29. The obligations of the Debtors with respect to the Greenwich DIP Facility and the rights, claims and priorities of Greenwich granted hereby shall continue beyond and remain

unimpaired and unaffected by any such termination of the Greenwich DIP Facility, subject to the payment terms under paragraph 31 of this Greenwich Final DIP Order.

MISCELLANEOUS PROVISIONS

30. The Liens, security interests, administrative priorities and other rights and remedies granted to Greenwich by the provisions of this Greenwich Final DIP Order and any actions taken pursuant hereto, as well as the Debtors' obligations to allow access to Greenwich's representatives, provide information and otherwise comply with its undertakings and agreements set forth in the Greenwich Loan Documents and this Greenwich Final DIP Order, shall continue beyond and survive the expiration of this Greenwich Final DIP Order, and, to the extent permitted by applicable law, shall not be modified, altered or impaired in any manner by (a) any other financing or extension of credit or incurrence of indebtedness by any of the Debtors under section 364 of the Bankruptcy Code or otherwise (except as contemplated by the Greenwich Loan Documents), (b) the entry of an order or orders confirming any plan or plans of reorganization in the Chapter 11 Cases, or (c) an entry of an order converting these Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code or dismissing these Chapter 11 Cases.

31. The terms and provisions of this Greenwich Final DIP Order and the Greenwich Loan Documents, and the Liens and security interests granted to Greenwich and the superpriority status of the administrative claims and payment provisions contained in this Greenwich Final DIP Order and the Greenwich Loan Documents shall continue in full force and effect until the Greenwich DIP Obligations are indefeasibly paid in full in cash, and Greenwich's obligations under the Loan Documents are terminated.

32. None of the Debtors or any of their representatives shall request any order (i) dismissing or converting the Chapter 11 Cases under section 1112 of the Bankruptcy Code or otherwise, or (ii) seeking authority to incur any debt with priority superior to or pari passu with the Greenwich DIP Obligation unless each and every Greenwich DIP Obligation of the Debtors to Greenwich shall have been paid indefeasibly in full in cash and completely satisfied upon or prior to the entry thereof. No order providing for (i) the dismissal or conversion of any of the Chapter 11 Cases pursuant to section 1112 of the Bankruptcy Court or otherwise, or (ii) the sale of the ownership of the stock any of the Debtors or the sale of substantially all of the assets of any of the Debtors under section 363 of the Bankruptcy Code or otherwise, shall be entered by the Court unless either: (a) all Greenwich DIP Obligations shall have been paid indefeasibly in full in cash and completely satisfied, and the commitments under the Greenwich Loan Documents have been terminated, on or prior to such dismissal or conversion on the one hand, or as part of such sale transaction on the other, (b) Greenwich otherwise expressly consents in writing to such dismissal, conversion or sale, or (c) if such order is for conversion of the Chapter 11 Cases, such order also immediately vacates and modifies the automatic stay of section 362 of the Bankruptcy Code with respect to the Liens and security interests granted to Greenwich hereunder and permits, upon entry of such order, Greenwich to immediately exercise any and all remedies with respect to the Collateral in accordance with the Greenwich Loan Documents and this Greenwich Final DIP Order. The terms of this Greenwich Final DIP Order are without prejudice to the rights of the Debtors to use the cash collateral of parties holding Permitted Liens to the extent such use does not violate the terms of this Greenwich Final DIP Order, or other Greenwich Loan Documents.

33. To the extent of any conflict between or among the express terms or provisions of any of the Greenwich Loan Documents, the Motion, any other order of this Court, or any other agreements and the terms and provisions of this Greenwich Final DIP Order – unless such term or provisions herein is phrased in terms of “as defined in” or “as described in” – the terms and provisions of this Greenwich Final DIP Order shall govern.

34. Sunterra is hereby authorized to act on behalf of each other Debtor with respect to the Debtors’ rights and obligations under the Greenwich Loan Documents. Any notice given to, or demand made on, Sunterra by Greenwich, pursuant to this Greenwich Final DIP Order or the Greenwich Loan Documents shall constitute notice to, or demand on, all Debtors.

35. To the extent permitted by applicable law, this Greenwich Final DIP Order shall be binding upon and inure to the benefit of the Debtors, the Lenders, Greenwich and their respective successors and assigns, including, without limitation, any chapter 11 or chapter 7 trustee appointed as a representative of any of the Debtors’ estates; provided, however, that Greenwich shall have no obligation to extend any financing to any such chapter 11 or chapter 7 trustee or similar person.

36. By consenting to this Greenwich Final DIP Order, by making advances or extending financial accommodation of any type, kind or nature whatsoever under this Greenwich Final DIP Order, or by administering the loans made hereunder, Greenwich shall not be deemed to be in control of the operations of the Debtors or to be acting as a “responsible person,” or “managing agent” of any of the Debtors.

37. The Debtors are authorized and directed to maintain their cash management system in a manner consistent with the Greenwich Loan Documents and any order of the Court with respect to the same.

38. Subject to any applicable provision of the Bankruptcy Code, if any provision of this Greenwich Final DIP Order is hereafter modified, vacated, reversed or stayed by subsequent order of this or any other court for any reason, such modification, vacation, reversal or stay shall not affect the validity and priority of any Greenwich DIP Obligations incurred under this Greenwich Final DIP Order and the Greenwich Loan Documents, and prior to the effective date of any such modification, vacation, reversal or stay, the validity, enforceability or priority of the Greenwich DIP Obligations shall be governed in all respects by the original provisions of this Greenwich Final DIP Order, and Greenwich shall be entitled to all the rights, privileges and benefits granted herein.

39. The security interests and Liens granted to or for the benefit of Greenwich hereunder and the rights of Greenwich pursuant to this Final Greenwich DIP Order shall not be altered, modified, extended, impaired or affected by any plan of reorganization of the Debtors and shall continue after confirmation and consummation of any plan until the Greenwich DIP Obligations are indefeasibly paid in full.

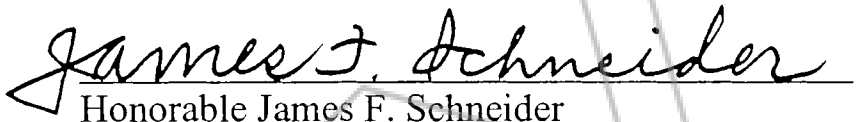
40. Except with respect to the right to receive notice pursuant to paragraph 25 of this Greenwich Final DIP Order, no rights are created hereunder for the benefit of any third party, any creditor (other than Greenwich and the Lenders) or any direct, indirect or incidental beneficiary.

41. Nothing contained herein is intended to implicate or affect the applicability, if any, of the automatic stay arising from the Chapter 11 Bankruptcy case of Finova (Case No. 01-000697

in the United States Bankruptcy Court for the District of Delaware) or any of its other rights under Finova's loan documents.

42. The Clerk of this Court is hereby directed to forthwith enter this Greenwich Final DIP Order on the docket of this Court maintained with regard to these Chapter 11 Cases.

Dated: April 3, 2001


Honorable James F. Schneider
United States Bankruptcy Judge

COOPER

cc: Marc Abrams, Esquire
Willkie Farr & Gallagher
787 Seventh Avenue
New York, New York 10019-6009

Paul M. Nussbaum, Esquire
Whiteford, Taylor & Preston, LLP
Seven Saint Paul Street, Suite 1400
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Anup Sathy, Esquire
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Brad E. Scheler, Esquire
Fried, Frank, Harris, Shriver & Jacobson
1 New York Plaza
New York, New York 10004

Joel I. Sher, Esquire
Shapiro Sher & Guinot
36 South Charles Street, 20th Floor
Baltimore, Maryland 21201-3147

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EXHIBIT A

INTENTIONALLY DELETED

PLEASE SEE Case Nos. 00-5-6931 through 00-5-6967 (JS);
and 00-5-8313-JS; and 00-6-3718-JS;
jointly administered under Case No. 00-5-6931 for Exhibit A.

COPY

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EXHIBIT B

COPY

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UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND, BALTIMORE DIVISION

ENTERED

AUG 03 2000

CLERK'S OFFICE
U. S. BANKRUPTCY COURT
DISTRICT OF MARYLAND
BALTIMORE

In re : Case Nos. 00-5-6931 through
: 00-5-6967 (JS)
:
SUNTERRA, *et al.*, : Chapter 11
:
Debtors. : Jointly Administered under Case
: No. 00-5-6931

FINAL ORDER, PURSUANT TO SECTIONS 105 AND 364(c) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002, 4001 AND 9014, (I) APPROVING DEBTORS' MOTION FOR ORDER AUTHORIZING DEBTORS TO INCUR POST-PETITION SECURED INDEBTEDNESS ON AN INTERIM AND FINAL BASIS, AND (II) GRANTING SECURITY INTERESTS AND SUPERPRIORITY CLAIMS

Upon the Motion for Orders Pursuant to Bankruptcy Code Sections 105 and 364 and Bankruptcy Rules 2002, 4001 and 9014 (a) Authorizing Debtors in Possession to Obtain Secured Superpriority Postpetition Financing on an Interim and Final Basis, (b) Approving Agreements Relating to Foregoing, (c) Scheduling a Hearing and Prescribing Form and Manner of Notice, and (d) Granting Related Relief, dated May 30, 2000 (the "Motion") of Sunterra Corporation and twenty-one (21) affiliated debtors and debtors-in-possession identified on Exhibit A hereto (collectively the "Debtors," and each being individually referred to as a "Debtor"), filed in the above-captioned chapter 11 cases (the "Cases"):

(a) jointly and severally seeking the Court's authorization, pursuant to sections 105 and 364(c) of title 11 of the United States Code (11 U.S.C. §101 *et seq.*, as amended, the "Bankruptcy Code") and rules 2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for the Debtors to obtain from Ableco Finance

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LLC ("Ableco"), as lender and agent for a syndicate of lenders (collectively, the "Lender")¹, cash advances (the "Loans") pursuant to that certain Financing Agreement, dated as of May 31, 2000, as later amended including, but not limited to, the Amended and Restated Financing Agreement dated August, 2000 (the "DIP Loan Agreement") by and among the Debtors and the Lender, to, inter alia: (i) fund payroll and other ongoing working capital and general corporate needs of the Debtors; (ii) to pay certain prepetition indebtedness as set forth in, and in accordance with, section 7.02(j) of the DIP Loan Agreement and to the extent authorized by the Court, including without limitation the payment of homeowner association dues; (iii) pay the fees, costs, expenses, and disbursements of professionals retained by the Debtors or any statutory committees subsequently appointed in the Cases pursuant to section 1102 of the Bankruptcy Code (hereinafter, collectively, the "Committees") and to pay the costs and expenses of the members of the Committees, as approved by the Court, and bankruptcy related charges all as allowed by the Court and as permitted by the DIP Loan Documents, including UST/Clerk Fees (as defined herein); and (iv) pay fees and expenses (including, without limitation, reasonable attorneys' fees and expenses) owed to the Lender under the DIP Loan Agreement and the other DIP Loan Documents (as such term is defined below);

(b) requesting, pursuant to sections 364(c)(1), (2) and (3) of the Bankruptcy Code as applicable, that the financing under the DIP Loan Agreement in each of the above-captioned cases: (i) be accorded superpriority status, have priority over any and all administrative expenses, including, without limitation, any adequate protection-related claims and any other claims of the kind specified in sections 105, 503(b) 507(a), 507(b), 706 and 1114 of the Bankruptcy Code, except for Priority Professional Expenses and UST/Clerk Fees; and (ii) be

¹ Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the DIP Loan Agreement.

secured by a first priority security interest in, and lien upon, all assets and property of the Debtors and the Debtors' estates, of whatever kind or nature, real or personal, whether acquired pre-petition or post-petition, including without limitation and by way of general description only, all of the capital stock of each domestic subsidiary of each of the Debtors, all of the capital stock of Sunterra Europe (Group Holdings), plc, and all Intercompany Notes (as defined in the DIP Loan Agreement) payable to the Debtors, but excluding any claims or other property recovered by or on behalf of the Debtors or the estates of the Debtors pursuant to sections 542, 544, 545, 547, 548, 550, 551, 553(b) or 724(a) of the Bankruptcy Code (the "Avoidance Actions") (all of the foregoing other than Avoidance Actions, collectively, the "Collateral"); provided that the Lender shall have a junior lien on (the "Junior Lien") and security interest in that portion of the Collateral which is already subject to properly perfected Permitted Liens; it being understood that the Lenders' liens granted herein and in the DIP Loan Documents shall be subject to the prior payment of the Priority Professional Expenses and UST/Clerk Fees, as more fully described in section 3.01(c) of the DIP Loan Agreement; and approving the Subsidiary Guaranties to be provided to Lender by the Debtors' wholly-owned Subsidiaries in accordance with section 7.01(b) of the DIP Loan Agreement;

(c) requesting, pursuant to Bankruptcy Rule 4001, that an interim hearing (the "Interim Hearing") be held before this Court on an emergency basis to consider entry of an interim order (this "Interim Order") authorizing the Debtors to obtain the financing contemplated in the DIP Loan Agreement on an interim basis, and further requesting that a final hearing (the "Final Hearing") thereafter be held before this Court to consider entry of a final order (the "Final Order") authorizing the financing contemplated by the DIP Loan Agreement on a final basis, as

set forth in the Motion and the DIP Loan Agreement and all other loan documents related thereto (collectively, with the DIP Loan Agreement, the "DIP Loan Documents");

(d) pursuant to Bankruptcy Rule 4001(c)(1), facsimile, hand-delivered, or overnight notice of the Interim Hearing having been given to: (i) the United States Trustee (the "U.S. Trustee"), (ii) counsel for the Lender, (iii) the thirty largest unsecured creditors of the Debtors on a consolidated basis, (iv) the indenture trustee for the holders of the Debtors' public debentures, (v) all known holders of existing Permitted Liens, and (vi) any other parties requesting such notice (collectively, the "Notice Parties"); and

(e) the Interim Hearing having been held on May 31, 2000; and upon all of the pleadings filed with the Court and all of the proceedings held before the Court; and upon the record of the Interim Hearing; and the Court having noted the appearances of all parties in interest in the record of this Court; and all objections to the relief requested in the Motion having been resolved or overruled by the Court; and the Court having entered the Interim Order at the conclusion of the Interim Hearing; and

(f) the Final Hearing having been held on August 3, 2000, and upon the notice of such Final Hearing provided by the Debtors in accordance with the Bankruptcy Rules and this Court's directive, and upon all of the pleadings filed with the Court and all of the proceeding held before the Court; and upon the record of the Final Hearing; and the Court having noted the appearances of all parties in interest before the Court; and all objections to the final relief requested in the Motion having been resolved or overruled by the Court; and it appearing to this Court that the relief requested in the Motion with respect to final relief is in the best interests of the Debtors and their creditors and is essential for the continued operations of the Debtors' business; and it further appearing that the Debtors are unable to obtain unsecured credit

for money borrowed allowable as an administrative expense under section 503(b)(1) of the Bankruptcy Code; and after due deliberation and consideration and sufficient cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED, FOUND, AND DECREED that^{*}:

1. Disposition. The Motion is granted in its entirety, and any objections thereto that have not previously been withdrawn are hereby overruled. The DIP Loan Documents hereby are approved. Subject to the terms hereof, this Final Order is valid immediately and is fully effective upon its entry.
2. Jurisdiction. This Court has jurisdiction over these Cases and the parties and property affected hereby pursuant to 28 U.S.C. §1334. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(d).
3. Purpose and Necessity of Financing. Good cause has been shown for entry of this Final Order. Each of the Debtors require debtor-in-possession financing from the Lender to, among other things, fund their ongoing cash requirements, including without limitation, payroll and other working capital needs, in accordance with the provisions of the DIP Loan Agreement. None of the Debtors are able to obtain adequate unsecured credit allowable under section 503(a),(b) or (c) of the Bankruptcy Code as an administrative expense and are unable to obtain other financing under section 364(c) of the Bankruptcy Code on equal or more favorable terms than the DIP Loan Agreement and the other DIP Loan Documents. A loan facility in the amount provided by the DIP Loan Agreement and the other DIP Loan Documents is unavailable to the Debtors generally without the Debtors' jointly and severally granting to the Lender, pursuant to sections 364(c)(1), (2) and (3) of the Bankruptcy Code, the following: (i)

^{*} Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact, pursuant to Bankruptcy Rule 7052.

superpriority administrative claims, with respect to all Loans advanced post-petition and all other obligations of the Debtors under the DIP Loan Agreement and the other DIP Loan Documents (collectively, the "Post-Petition Obligations"), having priority over any and all administrative expenses, including, without limitation, adequate protection-related claims and any other claims of the kind specified in sections 503(b) and 507(a) and (b) of the Bankruptcy Code (except as otherwise expressly provided for herein with respect to the Priority Professional Expenses and UST/Clerk Fees); and (ii) as security for all such Post-Petition Obligations, a first priority senior security interest in, and lien on, all Collateral; provided, however, that the Lender shall have a Junior Lien on all Collateral subject to Permitted Liens; it being understood that the liens granted to the Lender hereunder and in the DIP Loan Documents shall be subject to the prior payment of the Priority Professional Expenses and UST/Clerk Fees, as more fully described in, and in accordance with, section 3.01(c) of the DIP Loan Agreement. The Debtors and Lender further agree that the Lender's superpriority administrative expenses claim granted herein shall not apply to any Avoidance Actions. After considering all alternatives, each of the Debtors have concluded in the exercise of their prudent business judgment that this loan facility represents the best working capital financing available.

4. Exigency. The ability of each of the Debtors to obtain sufficient working capital and liquidity through the incurrence of new indebtedness for borrowed money and other financial accommodations is vital to each of the Debtors' estates and creditors thereof, so that the business need for the Debtors to be operating under normal business terms may be met. The preservation and maintenance of the going concern value of the Debtors generally, and jointly and severally, is integral to a successful reorganization of the Debtors pursuant to the provisions

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of Chapter 11 of the Bankruptcy Code. Absent entry of this Final Order, each of the Debtors' estates will be immediately and irreparably harmed.

5. Guaranties. The provision of Guaranties by certain of the Debtors' non-filed Subsidiaries as set forth in section 7.01(b) of the DIP Loan Agreement is supported by a sound business purpose in as much as the Lender has conditioned the extension of credit under the DIP Loan Documents on the receipt of such Guaranties. Absent the extension of credit, the Debtors would be forced to liquidate immediately, which would result in disruption and/or harm to the Guarantors. To the extent a Guarantor pays on a Guaranty, such Guarantor shall have an administrative claim against the Debtors' estates subordinate to the claims and liens of the DIP Lender, and such Guarantor shall not be paid on such administrative claim unless and until the DIP Lender is paid in full on account of all Post-Petition Obligations under the DIP Loan Documents. Any such administrative claim of a Guarantor will be allocated among the Debtors pursuant to a future determination by this Court.

6. Good Faith Bargaining. The DIP Loan Agreement and the other DIP Loan Documents have been negotiated in good faith and at arm's-length between each of the Debtors on the one hand, and the Lender on the other, and any Loans extended and other financial accommodations made to the Debtors jointly and severally by the Lender pursuant to the DIP Loan Agreement shall be deemed to have been extended by the Lender in good faith, as that term is used in section 364(e) of the Bankruptcy Code.

7. Final Borrowing Authorization. The Debtors jointly and severally are authorized to directly borrow on a final basis – pursuant and subject to the terms of the DIP Loan Agreement, the other DIP Loan Documents, and this Final Order – the principal amount of up to \$45,000,000, and to incur any other Obligations under the DIP Loan Documents. Such financing

is necessary to avoid irreparable harm to each of the Debtors' estates. As more fully described in precatory paragraph (a) hereof, available financing and advances under the DIP Loan Agreement will be made only to fund, among other things, the Debtors' ordinary working capital and general corporate needs, in accordance with this Final Order and the DIP Loan Agreement and other amounts required or allowed to be paid pursuant to the DIP Loan Agreement.

8. Acknowledgements. In providing for the advancement of post-petition financing under the DIP Loan Agreement, each of the Debtors and the Lender acknowledge, stipulate and agree that, in entering into the DIP Loan Documents:

(a) all of the Debtors have obtained all authorizations, consents and approvals necessary from, and have made all filings with and given all notices (if any such notice was required) to, all federal, state and local governmental agencies, authorities and instrumentalities required to be obtained, made or given by the Debtors in connection with the execution, delivery, performance, validity and enforceability of the DIP Loan Documents to which each Debtor is a party; and

(b) in entering into the DIP Loan Documents, and as consideration therefor, the Debtors hereby agree that until such time as all Post-Petition Obligations are indefeasibly paid in full in cash and the Total Revolving Credit Commitment is terminated in accordance with the DIP Loan Agreement, the Debtors shall not in any way prime or otherwise adversely affect the liens provided to the Lender under this Final Order by offering a subsequent lender or a party-in-interest a superior or pari passu lien or claim pursuant to sections 364(d) or 507(b) of the Bankruptcy Code or otherwise.

9. Fees. The fees paid and payable under the DIP Loan Documents by the Debtors to the Lender are hereby approved and, if not already paid, shall be promptly paid in full

in accordance herewith or as required by the DIP Loan Agreement, without the necessity of the Lender filing any further application with the Court.

10. Power to Execute Necessary Documents. The Debtors are expressly authorized and empowered to enter into and deliver, inter alia, the DIP Loan Agreement and the other attendant DIP Loan Documents in substantially the form presented at the Final Hearing. The Debtors also are authorized and empowered to perform all of their obligations under the DIP Loan Agreement and the other attendant DIP Loan Documents and such other agreements as may be required by the DIP Loan Documents to give effect to the terms of the financing provided for in this Final Order. The Debtors are authorized and directed to perform and do all acts that may be required in connection with the DIP Loan Agreement and the other DIP Loan Documents, including, without limitation, the payment of fees and the reimbursement of present and future reasonable costs and expenses, including but not limited to attorneys' fees and legal expenses paid or incurred by the Lender as provided in this Final Order, the DIP Loan Agreement and the other DIP Loan Documents, all of which unpaid fees, commissions, costs and expenses shall be included and constitute a part of the Post-Petition Obligations, and secured by a first priority lien and security interest in all of the Collateral, as and to the extent provided for in this Final Order, the DIP Loan Agreement and the other DIP Loan Documents. The DIP Loan Agreement and the other DIP Loan Documents shall constitute valid and binding obligations of each of the Debtors enforceable against each of the Debtors, and each of their successors and assigns, in accordance with their terms, subject to the terms of this Final Order. The Debtors, with the express written consent of the Lender, may enter into any non-material amendments or modifications to the DIP Loan Agreement and the other DIP Loan Documents without the need of further notice and hearing or Order of this Court; provided that, such modifications or

amendments do not materially and adversely affect the rights of any creditor, equity holder or party-in-interest. For purposes of this Final Order only, and subject to the preceding sentence, non-material amendments or modifications to the DIP Loan Agreement and the DIP Loan Documents shall include, without limitation, clarifications of procedures and reporting requirements, insertions of incomplete information, corrections of any errors, any waivers or consents that the Lender can exercise at its discretion, or any other amendments to the DIP Loan Agreement or the other DIP Loan Documents to the extent that such amendments or modifications do not cause an increase in the maximum amount available to be borrowed pursuant to the DIP Loan Agreement and the other DIP Loan Documents.

11. Lien Status and Priority. For all of the Post-Petition Obligations, the Lender is hereby granted -- pursuant to section 364(c)(1) of the Bankruptcy Code -- an allowed superpriority administrative expense claim (the "Superpriority Claim"), having priority over any and all administrative expenses, including, without limitation, any adequate protection-related claims and any other claims of the kind specified in sections 503(b) and 507(a) and 507(b) of the Bankruptcy Code, all as more fully set forth hereinbelow, subject and subordinate only to the Priority Professional Expenses and the UST/Clerk Fees. In addition, for all of the Post-Petition Obligations, to secure all of the Post-Petition Obligations, the Lender is hereby granted -- pursuant to sections 364(c)(2) and (3) of the Bankruptcy Code -- a first priority security interest in, and lien on, the Collateral; provided, however, that the Lender shall have a Junior Lien on that portion of the Collateral which is already subject to properly perfected Permitted Liens. Further, the liens of the Lender granted herein and in the DIP Loan Documents shall be subject to the prior payment of the Priority Professional Expenses and the UST/Clerk Fees as more fully described in section 3.01(c) of the DIP Loan Agreement, and shall otherwise have the priority

and be afforded superpriority senior secured status afforded by section 364(c) of the Bankruptcy Code, as applicable. The Debtors and Lender further agree that, to the extent provided for in the DIP Loan Agreement, the liens granted to the Lender hereunder shall be released upon a sale by the Debtors of Collateral in the ordinary course of their business, but only to the extent such sale is permitted in the DIP Loan Agreement.

12. Priority Professional Expenses & UST/Clerk Fees. Except as permitted herein or in the DIP Loan Documents, all of the Debtors' Post-Petition Obligations to the Lender are hereby authorized and granted superpriority administrative expense status in accordance with section 364(c)(1) of the Bankruptcy Code over any and all expenses of and claims against the Debtor (including, without limitation, adequate protection-related claims), whether heretofore or hereinafter occurred, of the kind specified in, among others, 11 U.S.C. §§ 105, 326, 328, 503, 506, 507(a), 507(b), 726 or 1114, subject and subordinate only to:

- (i) amounts payable pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the clerk of the Court (collectively, the "UST/Clerk Fees"); and
- (ii) allowed fees and expenses of attorneys, accountants, and other professionals retained in the Cases pursuant to sections 327 and 1103 of the Bankruptcy Code, but the amount entitled to priority under this sub-clause (ii) the ("Priority Professional Expenses") shall not exceed \$2,500,000 outstanding in the aggregate at any time (inclusive of any holdbacks required by the Court) (the "Professional Expense Cap"); provided, however, that: (A) after the Agent has provided fax or hand-delivered notice to the Administrative Borrower of the occurrence of an Event of Default or a default hereunder by the Borrowers in any of their obligations under this Interim Order or the Final Bankruptcy Court Order, any

payments actually made to such professionals after the occurrence and during such continuance of such Event of Default or default hereunder, under sections 330 and 331 of the Bankruptcy Code or otherwise, to the extent allowed by final order of the Court, shall reduce the Professional Expense Cap on a dollar-for-dollar basis; and (B) for the avoidance of doubt, any payment actually made to such professionals prior to the notice described in clause (A) above may be retained by such professionals and shall not reduce the Professional Expense Cap.

Nothing contained herein shall be read to exempt those persons hereafter receiving interim compensation payments or reimbursement of expenses pursuant to any such Court approved procedure for monthly or other payment of administrative expenses from otherwise applicable provisions of bankruptcy law, including but not limited to requirements that such compensation or reimbursement be allowed on a final basis after the filing of appropriate fee applications, and when applicable, any subsequent order of this Court requiring that such payments be disgorged; provided further that nothing contained herein shall be construed as consent to the allowance of any fees and expenses referred to above and shall not affect any right of the Lender to object to the reasonableness of such amounts. No other liens or priority status, other than (i) the Permitted Liens, (ii) Priority Professional Expenses, and (iii) the UST/Clerk Fees, having a lien or administrative priority superior to or pari passu with that granted by this Final Order to the Lender, shall be granted while any portion of the Post-Petition Obligations under the DIP Loan Agreement remains outstanding, absent the express written consent of the Lender.

13. Limitation Upon Additional Surcharges. With the exception of Priority Professional Expenses and the UST/Clerk Fees and except as otherwise permitted by the DIP Loan Agreement, neither the Collateral nor the Lender shall be subject to surcharge, pursuant to

sections 506(c) or 105 of the Bankruptcy Code or otherwise, by any of the Debtors or any other party in interest, until all Post-Petition Obligations are indefeasibly paid in full to the Lender in cash, without the prior written consent of the Lender, and no such consent shall be implied from any other action, inaction, or acquiescence by the Lender in this proceeding, including but not limited to funding of the Debtors' ongoing operations by the Lender. In no event shall the Lender be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to the Collateral.

14. Lien to Secure Post-Petition Obligations. As security for all of the Post-Petition Obligations, the Lenders are hereby granted (effective immediately and without the necessity of the execution or filing by the Debtors of a security agreement, financing statements, trademark, copyright, tradename or patent assignment filings with the United States Patent and Trademark Office or Copyright Office, mortgages, landlord lien waivers, licensee consents or otherwise), pursuant to sections 364(c) (2) and (3) of the Bankruptcy Code, as applicable: (i) a first priority security interest in and lien upon all of the Collateral unencumbered on the Filing Date, including without limitation the Unencumbered Assets of any of the Debtors, senior in all respects to any and all future liens or claims, if any, that may be asserted or otherwise encumber the assets; and (ii) a Junior Lien on that portion of the Collateral that is already subject to properly perfected Permitted Liens; it being understood that the liens granted to the Lender hereunder and in the DIP Loan Documents shall be subject to the prior payment of the Priority Professional Expenses and the UST/Clerk Fees, as more fully described in, and in accordance with, section 3.01 of the DIP Loan Agreement. The security interests and liens in the Collateral granted to the Lender hereunder include, but are not limited to: (i) those items and types of collateral in which security interests may be created under Article 9 of the Uniform Commercial

Code; (ii) those items and types of Collateral not governed by Article 9 of the Uniform Commercial Code, including without limitation, and any leasehold or other real property interests; and (iii) the products and proceeds of any of the foregoing. The above-described liens and security interests discussed herein shall not (i) be subject to any lien or security interest that is avoided and preserved for the benefit of the Debtors' estate under section 551 of the Bankruptcy Code, or (ii) be subordinated to or made pari passu with any other lien or security interest under section 364(d) of the Bankruptcy Code or otherwise. The liens and security interests arising hereunder shall be and hereby are fully perfected security interests, such that no additional steps need be taken by the Lender to perfect said interests. Pursuant to sections 364(c)(2) and (3) of the Bankruptcy Code, any provision of any lease or other license, contract or other agreement that requires the consent or approval of one or more landlords or other parties, or requires the payment of any fees or obligations to any governmental entity, in order for any of the Debtors to pledge, grant, sell, transfer or otherwise transfer any such leasehold interest or the proceeds thereof or other Collateral, is and shall be deemed to be inconsistent with the provisions of the Bankruptcy Code and shall have no force and effect with respect to the transactions granting the Lender a priority security interest in such leasehold interest or the proceeds of any assignment and/or sale thereof by any of the Debtors in favor of the Lender in accordance with the terms of the DIP Loan Agreement.

15. Additional Perfection Measures. The liens and priority granted to the Lender pursuant to this Final Order and the DIP Loan Agreement and the other DIP Loan Documents with respect to property of the Debtors' estates shall be perfected by operation of law upon entry of this Final Order by the Court. The Lender shall not be required to enter into or to obtain landlord waivers, mortgagee waivers, bailee waivers or warehouseman waivers or to file

or record financing statements, mortgages, deeds of trust, leasehold mortgages, notices of lien or similar instruments in any jurisdiction (including, trademark, copyright, tradename or patent assignment filings with the United State Patent and Trademark Office, Copyright Office or any similar agency with respect to intellectual property), or obtain consents from any licensor or similarly party-in-interest, or take any other action in order to validate and to perfect the security interest and lien granted to the Lender pursuant to this Final Order. If the Lender, in its sole discretion, chooses to obtain consents from any licensor or similarly situated party-in-interest, to file such financing statements, notices of lien or similar instruments, or to otherwise confirm perfection of such security interests and liens: (i) all such documents shall be deemed to have been recorded and filed as of the time and on the date of entry of this Final Order, and (ii) no defect in any such act shall affect or impair the validity, perfection and enforceability of the liens granted hereunder. In lieu of obtaining such consents or filing such financing statements, notices of lien or similar instruments, the Lender may, at its sole discretion, choose to file a true and complete copy of this Final Order in any place at which any such instruments would or could be filed, together with a description of Collateral located within the geographic area covered by such place of filing, and such filing by the Lender shall have the same effect as if such financing statements, notices of lien or similar instruments had been filed or recorded at the time and on the date of entry of this Final Order.

16. Access to Collateral. Notwithstanding anything contained herein to the contrary and without limiting any other rights or remedies of the Lender contained in this Final Order or the DIP Loan Documents, or otherwise available at law or in equity, and subject to the terms of the DIP Loan Agreement, and upon the Lender's compliance with the requirements of paragraph 19 hereof and section 8.01 of the DIP Loan Agreement, upon an Event of Default or

the failure of the Debtors to comply with any provision of this Final Order (an "Order Default"), the Lender may exercise any and all rights and remedies with respect to the Collateral (including without limitation, any mortgage notes or other Collateral held by any custodian), and the Lender shall be permitted to take possession thereof, and any such custodian shall be directed to turn over to the Lender the same.

17. No Responsible Person. In making the decision to make Loans and to extend other financial accommodations to the Debtors under the DIP Loan Agreement or to collect the indebtedness and obligations of the Debtors, the Lender shall not be deemed to be in control of the operations of the Debtors or to be acting as a responsible person or owner or operator with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation, and Liability Act, as amended, or any similar federal or state statute).

18. Enabling Clause. Each of the Debtors is authorized to perform all acts, to make, execute and deliver all instruments and documents, to retain all professionals, and to pay fees and all other amounts which may be required or necessary for their performance under the DIP Loan Agreement and the other DIP Loan Documents, including, without limitations, the execution and delivery of the DIP Loan Agreement and the other DIP Loan Documents.

19. Automatic Stay Modified. Subject only to the provisions of the DIP Loan Agreement, the automatic stay provisions of section 362 of the Bankruptcy Code are vacated and modified to the extent necessary so as to permit the Lender:

(a) upon the occurrence of an Event of Default or an Order Default, or any attempt by the Lender to set off in accordance with Section 10.05 of the DIP Loan Agreement, and subject to four (4) business days' fax or hand-delivery notice to Sunterra

Corporation, its counsel, counsel for any Committee appointed in the Cases, and the U.S.

Trustee, in the reasonable discretion of the Lender, to either (i) exercise all rights and remedies provided for in the DIP Loan Agreement and the other DIP Loan Documents or under other applicable bankruptcy and nonbankruptcy law, pursuant and subject to the provisions of the DIP Loan Agreement without requiring prior authorization of this Court in order to exercise such rights and remedies, (ii) require the Debtors to sell, pursuant to section 363 of the Bankruptcy Code, the Lender's Collateral under the auspices of this Court, or (iii) permit the Lender to proceed with foreclosure proceedings in this Court to the extent it has jurisdiction to do so. In the discretion of the Lender, the automatic stay shall be deemed terminated as provided herein without the necessity of any further action by the Court in the event that the Debtors, any Committee and/or the U.S. Trustee have not obtained an Order from this Court to the contrary within four (4) business days after receiving such notice from the Lender pursuant hereto. The Debtors, Committee and/or U.S. Trustee shall have the burden of proof at any hearing on any request by them to re-impose or continue the automatic stay as provided for herein;

(b) this Court shall retain exclusive jurisdiction to hear and resolve any disputes and enter any orders required by the provisions of this Final Order and relating to the application, re-imposition or continuance of the automatic stay as provided hereunder; and

(c) upon the occurrence of an Event of Default or an Order Default, the Lender shall have no further obligation to provide financing to the Debtors under the DIP Loan Documents or this Final Order without providing any prior notice to the Debtors of the Lender's decision to suspend such financing.

(d) Notwithstanding anything contained herein to the contrary, if the Lender chooses to exercise rights and remedies under this Order or the DIP Loan Documents,

then to the extent such exercise of rights and remedies encompasses Collateral subject to the existing Permitted Liens of Bank of America, N.A. and/or Finova Capital Corporation that purport to be senior to the liens of the Lender, the Lender shall not commence enforcement proceedings against Collateral encumbered by the Permitted Liens of Bank of America, N.A. or Finova Capital Corporation, as the case may be, without either (a) the consent of Bank of America, N.A. or Finova Capital Corporation, as the case may be, which consent shall not be unreasonably withheld, or (b) obtaining an order of this Court providing for the same; provided, however, that nothing in this Order shall be deemed to grant Bank of America, N.A. or Finova Capital Corporation relief from the automatic stay to similarly exercise rights or remedies with respect to such purportedly senior liens in the Collateral without obtaining an order of this Court granting relief from stay, which relief the Lender will not unreasonably oppose.

20. Successors and Assigns. The DIP Loan Agreement and the other DIP Loan Documents and the provisions of this Final Order shall be binding upon the Lender, the Debtors and their respective successors and assigns and the same shall inure to the benefit of the Lender and the Debtors and their respective successors and assigns.

21. Cash Management Systems. The Debtors are authorized and directed to maintain their cash management system in a manner consistent with the DIP Loan documents and any order of the Court with respect to the same.

22. Binding Nature of Agreement. Each of the DIP Loan Documents to which the Debtors are and will become a party shall constitute legal, valid and binding obligations of the Debtors, enforceable in accordance with their respective terms. The DIP Loan Documents have been duly executed and delivered to the Lender by the Debtors. The rights, remedies, powers, privileges, liens and priorities of the Lender provided for in this Final Order and in any

other DIP Loan Document shall not be modified, altered or impaired in any manner by any subsequent order (including a confirmation order) or by any plan of reorganization or liquidation in these Cases or in any subsequent case under the Bankruptcy Code unless and until the Post-Petition Obligations have first been paid in cash in full and completely satisfied, and the Total Revolving Credit Commitment is terminated in accordance with the DIP Loan Documents.

23. Subsequent Reversal or Modification. This Final Order is entered pursuant to section 364 of the Bankruptcy Code. The Lender is entitled to all protection afforded by section 364(e) of the Bankruptcy Code. If any or all of the provisions of this Final Order are hereafter reversed, modified, vacated or stayed, such reversal, stay, modification or vacation shall not affect: (i) the validity of any obligation, indebtedness or liability incurred post-petition hereunder by any of the Debtors to the Lender prior to the date of receipt of written notice to the Lender of the effective date of such reversal, stay, modification or vacation; or (ii) the validity and enforceability of any lien or priority authorized or created hereby or pursuant to the DIP Loan Agreement or the other DIP Loan Documents. Notwithstanding any such reversal, stay, modification or vacation, any indebtedness, obligation or liability incurred post-petition hereunder by any of the Debtors to the Lender prior to written notice to the Lender of the effective date of such reversal, stay, modification or vacation shall be governed in all respects by the original provisions of this Final Order, and Lender shall be entitled to all the rights, remedies, privileges and benefits granted herein and pursuant to the DIP Loan Agreement and the other DIP Loan Documents with respect to all such indebtedness, obligation or liability.

24. No Waiver. This Final Order shall not be construed in any way as a waiver or relinquishment of any rights that the Lender may have to bring or be heard on any matter brought before this Court.

25. Dismissal/Conversion/Sale. None of the Debtors or any of their representatives shall request any order dismissing or converting the Cases under section 1112 of the Bankruptcy Code or otherwise unless each and every Post-Petition Obligation of the Debtors to the Lender shall have been paid indefeasibly in full in cash and completely satisfied upon or prior to the entry thereof. No order providing for (i) the dismissal or conversion of any of the Cases pursuant to section 1112 of the Bankruptcy Court or otherwise, or (ii) the sale of the ownership of the stock any of the Debtors or the sale of substantially all of the assets of any of the Debtors under section 363 of the Bankruptcy Code or otherwise, shall be entered by the Court unless either: (i) all Post-Petition Obligations shall have been paid indefeasibly in full in cash and completely satisfied, and the Total Revolving Credit Commitment is terminated in accordance with the DIP Loan Documents, on or prior to such dismissal or conversion on the one hand, or as part of such sale transaction on the other; (ii) the Lender otherwise expressly consents in writing to such dismissal, conversion or sale, or (iii) if such order is for conversion of the Cases, such order also immediately vacates and modifies the automatic stay of section 362 of the Bankruptcy Code with respect to the liens and security interests granted to the Lender hereunder and permit, upon entry of such order, the Lender to immediately exercise any and all remedies with respect to the Collateral in accordance with the DIP Loan Documents and this Order. The terms of this Final Order are without prejudice to the rights of the Debtors to use the cash collateral of parties holding Permitted Liens to the extent such use does not violate the terms of this Final Order, the DIP Loan Agreement or other DIP Loan Documents.

26. Benefits. Each of the Debtors will receive postpetition loans and/or advances and credit, and other direct and indirect benefits from the Lender authorized by this Final Order.

27. Securitization. With respect to the following four transactions (the "Securitizations"),

(i) the sale of Mortgage Notes to Sunterra Finance L.L.C., a limited liability company organized and existing under the laws of the State of Georgia ("Finance L.L.C."), by (a) Signature Resorts, Inc., a Maryland corporation (now known as Sunterra Corporation), (b) All Seasons Resorts, Inc., an Arizona corporation, (c) All Seasons Resorts, Inc., a Texas corporation, (d) Port Royal Resort, L.P., a South Carolina limited partnership, (e) Lake Tahoe Resort Partners, LLC, a California limited liability company, and (f) Grand Beach Resort, L.P., a Georgia limited partnership, and/or the issuance of the Signature Resorts Vacation Ownership Receivables-Backed Notes 1998-A pursuant to the Indenture, dated as of May 1, 1998, among Finance L.L.C., Signature Resorts, Inc. (now known as Sunterra Corporation) and LaSalle National Bank (now known as LaSalle Bank, N.A.);

(ii) the sale of Mortgage Notes by TerraSun Holding, Inc., a Nevada corporation, to TerraSun, L.L.C., a limited liability company organized and existing under the laws of the State of Nevada ("TerraSun L.L.C."), and/or the issuance of the Vacation Ownership Receivables-Backed Notes 1999-A pursuant to the Indenture, dated as of March 31, 1999, among TerraSun L.L.C., Sunterra Financial Services, Inc. and LaSalle National Bank (now known as LaSalle Bank, N.A.);

(iii) the sale of Mortgage Notes by Dutch Elm Holdings, Inc., a Nevada corporation, to Dutch Elm, LLC, a limited liability company organized and existing under the laws of the State of Nevada ("Dutch Elm, LLC"), and/or the issuance of the Vacation Ownership Receivables-Backed Notes 1999-B pursuant to the Indenture dated as of December 1, 1999, along Dutch Elm, LLC, Sunterra Financial Services, Inc. and LaSalle Bank, National Association (now known as LaSalle Bank, N.A.); and

(iv) the sale of Mortgage Notes by Powhatan Associates, a joint venture, to Powhatan Associates Mortgage Trust I, a Delaware business trust ("Associates Mortgage Trust I"), and/or the issuance of the Timeshare Mortgage Loan Pay-Through Bonds Series 1993-A, due April 15, 2004, pursuant to the Indenture, dated as of April 1, 1993, between Associates Mortgage Trust I and First Trust National Association,

(i), (ii), (iii) and (iv) being collectively referred to as the Sunterra Securitizations (as also defined in the DIP Loan Agreement), nothing in this Order, or in any agreement or instrument approved by this Order or executed pursuant to the authority granted by this Order, shall be construed as affecting or altering the rights or obligations of any Person with respect to the Sunterra Securitizations or as granting to the DIP Lender any lien or security interest in, or claim on:

- i. any mortgage loans, mortgage notes or other installment obligations ("Mortgage Notes) that were transferred prior to the Filing Date as part of the Sunterra Securitizations, or any proceeds or profits of such Mortgage Notes; or
- ii. any funds or other assets that are held or received by the Debtors or any of the Debtors' subsidiaries or affiliates in their capacities as servicers or sub-servicers pursuant to the Sunterra Securitizations and in which the servicers or sub-servicers do not hold an equitable interest; or
- iii. any funds or other assets of Sunterra Finance L.L.C., TerraSun L.L.C., Dutch Elm L.L.C. or Powhatan Associates Mortgage Trust I, except to the extent, if any, that such funds or other assets are subject to recovery under Section 549 of the Bankruptcy Code or other applicable law or order.

28. Supremacy of Terms. To the extent of any conflict between or among the express terms or provisions of any of the DIP Loan Documents, the Motion, any other order of this Court, or any other agreements and the express written terms and provisions of this Final Order – unless such term or provision herein is phrased in terms of "as defined in" or "as described in" -- the terms and provisions of this Final Order shall govern.

29. Adequate Notice. The notice given by the Debtors of the Final Hearing was given in accordance with Bankruptcy Rules 2002 and 4001 and the local rules of this Court. Under the circumstances, no further notice of the request for the relief granted at the Final Hearing was required.

30. Clerk's Entry. The Clerk of this Court is hereby directed to forthwith enter this Order on the docket of this Court maintained with regard to these Cases.

Dated: Baltimore, Maryland
August 3, 2000

SO ORDERED:


JAMES F. SCHNEIDER
UNITED STATES BANKRUPTCY JUDGE

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1293946

I hereby certify that the
foregoing is a true copy of the
original thereof now on file in
this office.

Dated this 10th day of

April, 2001
Barbara Delle

Clerk, U.S. Bankruptcy Court
for the District of Maryland

EXHIBIT B

Legal Description - Ridge Point Tahoe

Lot 160 as designated on TAHOE VILLAGE UNIT No. 1 - 14th AMENDED MAP, recorded September 16, 1996, as Document No. 396458 in Book 996 at Page 2133, Official Records, Douglas County, Nevada, EXCEPTING THEREFROM that certain real property described as follows: Beginning at the Northeast corner of Lot 160; thence South 31 11'12" East 81.16 feet; thence South 58 48'39" West 57.52 feet; thence North 31 11'12" West 83.00 feet; thence along a curve concave to the Northwest with a radius of 180 feet, a central angle of 18 23'51", an arc length of 57.80 feet the chord of said curve bears North 60 39'00" East 57.55 feet to the Point of Beginning. Containing 4,633 square feet, more or less, as shown on that Boundary Line Adjustment Map recorded as Document No. 463765; together with those easements appurtenant thereto and such easements and use rights described in the Declaration of Timeshare Covenants, Conditions and Restrictions for THE RIDGE POINTE recorded November 5, 1997, as Document No. 0425591, and as amended on March 19, 1999 as Document No. 463766, and subject to said Declaration.

APN: 0000-40-050-460

EXCEPTING THEREFROM ALL THOSE TIMESHARE CONDOMINIUM ESTATES
PREVIOUSLY CONVEYED

REQUESTED BY
STEWART TITLE of DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

2001 APR 30 AM 11:46

LINDA SLATER
RECORDER

\$65⁰⁰ PAID *Kg* DEPUTY

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