

hearing the submissions of counsel for the Applicant, counsel for the Administrator, counsel for Lori Smith, Karen Levins and Bruce Fleming, Christopher Diana on behalf of himself, and counsel for David and Phyllis Lennox, no one else appearing for any other parties on the Service List, although duly served as appears from the affidavit of service of Derek Harland sworn October 14, 2020, filed.

SERVICE AND DEFINED TERMS

1. **THIS COURT ORDERS** that the time for service of the Motion Record is hereby validated so that this Motion is properly returnable today and further service thereof is hereby dispensed with.
2. **THIS COURT ORDERS** that all capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Second Report.

CLOSURE OF THE RESORT

3. **THIS COURT ORDERS** that the decision by the board of directors of the Applicant to close the Carriage Hills Resort effective January 6, 2021, or such other date as mutually agreed upon by the Administrator and the board of directors of the Applicant, including the minutes of the Board of Directors meeting dated September 22, 2020, is hereby authorized and approved.
4. **THIS COURT DIRECTS** the Administrator, in consultation with the Applicant, to develop a strategy for the closure and sale of the Carriage Hills Resort.

POWERS OF THE ADMINISTRATOR

5. **THIS COURT ORDERS** that in addition to the powers and duties as set out in the Order of Madam Justice Conway dated May 15, 2020 (the “**Administration Order**”), or any other Order of this Court in these proceedings, the Administrator is hereby expressly empowered and authorized to do any of the following where the Administrator considers it necessary or desirable:

- (a) direct the Applicant to engage consultants, appraisers, agents, experts, brokers and such other persons from time to time and on whatever basis,

including on a temporary basis, to assist the Administrator in developing a marketing and sales process in respect of the Carriage Hills Resort; and

- (b) investigate the availability and terms of possible third-party funding in the event that same is required to fund the ongoing costs of maintaining the Carriage Hill Resort.

6. **THIS COURT ORDERS** that the Administrator shall continue to have the benefit of all of the indemnities, charges, protections and priorities as set out in the Administration Order and any other Order of this Court and all such indemnities, charges, protections and priorities shall apply and extend to the Administrator and the fulfillment of its duties or the carrying out of the provisions of this Order.

7. **THIS COURT ORDERS** that the Applicant shall cooperate fully with the Administrator and any directions it may provide pursuant to this Order and shall provide such assistance as the Administrator may reasonably request from time to time to enable the Administrator to carry out its duties and powers as set out in the Administration Order, this Order, or any other Order of this Court.

APPROVAL OF FEES AND ACTIVITIES OF THE ADMINISTRATOR

8. **THIS COURT ORDERS** that the Second Report filed in these proceedings and the Administrator's activities as set out therein are hereby approved.

9. **THIS COURT ORDERS** that the professional fees and disbursements of the Administrator for (i) the period ending September 15, 2020 in the amount of \$273,476.00 plus HST of \$35,551.89 for a total of \$309,027.89, as set out in the Affidavit of Brad Newton sworn September 25, 2020 and attached as Appendix "U" to the Second Report, are hereby approved and the Association is authorized to pay its proportionate share of such fees in accordance with the terms of the Administration Order.

10. **THIS COURT ORDERS** that the professional fees and disbursements of Aird & Berlis, counsel to the Administrator, for (i) the period ending September 15, 2020 in the amount of \$57,023.25 plus HST of \$7,413.29 for a total of \$64,438.54 as set out in the Affidavit of Sam

Babe sworn September 30, 2020 and attached as Appendix "V" to the Second Report, are hereby approved and the Association is authorized to pay its proportionate share of such fees in accordance with the terms of the Administration Order.

GENERAL

11. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

A handwritten signature in blue ink, appearing to read "Conway J.", is written over a horizontal line.

IN THE MATTER OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED AND IN THE MATTER OF THE
ADMINISTRATION PROCEEDINGS OF **CARRIAGE HILLS VACATION OWNERS ASSOCIATION**

Court File No.: CV-20-00640265-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER

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