

**SUPERIOR COURT  
(Commercial Division)**

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No.: 500-11-041305-117

DATE: June 4, 2014

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**PRESIDING: THE HONOURABLE LOUIS J. GOUIN, J.S.C.**

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***IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:***  
**1810040 ALBERTA LTD. (formerly known as**  
**HOMBURG INVEST INC. AND HOMBURG SHARECO INC.)**  
**CHURCHILL ESTATES DEVELOPMENT LTD.**

Debtors / Petitioners

- and -

**HOMCO REALTY FUND (83) LIMITED PARTNERSHIP**  
Petitioner

- and -

**CP DEVELOPMENT LTD.**  
**NORTH CALGARY LAND LTD.**  
**HOMBURG MANAGEMENT (CANADA) INC.**  
Debtors

- and -

**HOMCO REALTY FUND (52) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (61) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (88) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (89) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (92) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (94) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (96) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (105) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (121) LIMITED PARTNERSHIP**  
**HOMCO REALTY FUND (142) LIMITED PARTNERSHIP**

Mises-en-cause

- and -

**THE ENTITIES LISTED IN ANNEX I**  
Mises-en-cause

- and -

**SAMSON BÉLAIR/DELOITTE & TOUCHE INC.**  
Monitor

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**ORDER APPROVING A SETTLEMENT AGREEMENT AND  
GRANTING ANCILLARY ORDERS**

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[1] The Petitioners present a *Motion for approval of a settlement agreement and ancillary orders* (the "**Motion**") pursuant to sections 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 (the "**CCAA**");

[2] **CONSIDERING** the Motion and affidavit in support thereof, and the representations of counsel;

[3] **CONSIDERING** the provisions of the CCAA;

**FOR THESE REASONS, THE COURT:**

[4] **GRANTS** the Motion;

[5] **DECLARES** that the service of the Motion constitutes good and sufficient service on all persons and further **DECLARES** that the Petitioners are relieved of any other requirements for service of the Motion;

[6] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion;

[7] **APPROVES** and **RATIFIES** the Full and Final Mutual Release and Settlement Agreement dated May 26, 2014 (the "**Settlement Agreement**");

[8] **AUTHORIZES** the HII Group to perform all of its obligations under the Settlement Agreement;

[9] **AUTHORIZES** the HII Group, subject to closing of the Settlement Agreement:

(a) To execute and deliver any documents and assurances governing or giving effect to the Settlement Agreement as the HII Group in its discretion, may deem to be reasonably necessary or advisable to conclude the transactions contemplated in the Settlement Agreement, including the execution of such deeds, contracts, or documents as may be contemplated in the Settlement Agreement and including any alterations, changes, amendments, deletions or additions to the Settlement Agreement, as may be agreed to with the consent of the Monitor and the Liquidation Advisory Committee; and

(b) To take steps, as are, in the opinion of the HII Group, necessary or incidental to the performance of their obligations pursuant to the Settlement Agreement;

[10] **AUTHORIZES** Samson Bélair/Deloitte & Touche Inc., in its capacity of Monitor to the Petitioners and without any personal or corporate liability, to take any and all actions necessary in connection with the Settlement Agreement;


[11] **AUTHORIZES** the HII Group and any affiliate thereof to enter into the Amended and Restated Purchase Agreement;

- [12] **AUTHORIZES** Samson Bélair/Deloitte & Touche Inc., in its capacity of Monitor to the Petitioners and without any personal or corporate liability, to take any and all actions necessary in connection with the Amended and Restated Purchase Agreement;
- [13] For greater certainty, **AUTHORIZES** Churchill Estates Development Ltd. ("**Churchill**") and Homco Realty Fund (83) Limited Partnership ("**Homco 83**") to transfer and assign all of their right, title and interest in the properties described in Schedule C-1 of the Purchase Agreement to the Vendor Group, any assignee thereof or any entity the Vendor Group designates, in accordance with the terms of the Purchase Agreement (as it may be amended or supplemented);
- [14] **AUTHORIZES** the HII Group and any affiliate thereof to execute any other document that is necessary or useful for the transfer and assignment of the Condominiums to the Vendor Group or any assignee thereof;
- [15] **ORDERS** and **DECLARES** that, notwithstanding:
- (a) the pendency of these proceedings;
  - (b) any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**") in respect of any HII Group member, including without limitation Churchill and Homco 83, and any bankruptcy order issued pursuant to any such application; and
  - (c) any assignment in bankruptcy made in respect of any HII Group member, including without limitation Churchill and Homco 83,

the transactions contemplated under the Settlement Agreement and the Amended and Restated Purchase Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of any HII Group member, including without limitation Churchill and Homco 83, and shall not be void or voidable and shall not be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA, article 1631 and following of the *Civil Code of Québec*, S.Q. 1991, c. 64 or any other applicable federal or provincial legislation;

- [16] **DECLARES** that, for Churchill and Homco 83 only, the Stay Period (as defined in the Initial Order rendered by the Court on September 9, 2011 and as extended from time to time) is terminated as and from the date of this Order;
- [17] **ORDERS** the provisional execution of this Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;

[18] **THE WHOLE** without costs.

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LOUIS J. GOUIN, J.S.C.

Hearing date :            June 4, 2014

**Me Sandra Abitan**  
**Me Julien Morissette**  
Osler, Hoskin & Harcourt LLP  
Counsel to Petitioners

**ANNEX I**  
**Additional Parties**

Citadel Holdings Inc. (formerly Homburg Canada Incorporated)	Homburg L.P. Management Incorporated
Homburg Services Group (Europe) B.V.	Homburg Real Estate Services B.V.
Castello Development Ltd.	Homburg LT LP1 GP1 Inc.
High River Development Ltd.	Homburg LT LP1 GP2 Inc.
Holland Garden Development Ltd.	Homburg LT LP2 GP1 Inc.
Homburg (185) L.P. Management Inc.	Homburg LT LP2 GP2 Inc.
Homburg (190) L.P. Management Inc.	Homburg LT LP3 GP1 Inc.
Homburg (191) L.P. Management Inc.	Homburg LT LP3 GP2 Inc.
Homburg Realty Funds Incorporated	Homburg Estonia Latvia GP Inc.
Homburg Holdings (U.S.) Inc.	Homburg Real Estate Trust
Richard Homburg	North Calgary Land Limited
Homburg International Limited	Homburg Realty Services (U.S.), Inc.
3258949 Nova Scotia Limited	Uni-Insurance Inc.