

CLERK OF THE COURT
NOV 29 2010
CALGARY, ALBERTA

Clerk's stamp:

COURT FILE NUMBER:

1001-03215

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE OF CALGARY

PLAINTIFF:

FIRST CALGARY SAVINGS & CREDIT UNION
LTD.

DEFENDANTS:

PERERA SHAWNEE LTD., PERERA
DEVELOPMENT CORPORATION, DON L.
PERERA and SHIRANIE M. PERERA

PLAINTIFFS BY COUNTERCLAIM

PERERA SHAWNEE LTD., DON L. PERERA and
SHIRANIE M. PERERA

DEFENDANTS BY COUNTERCLAIM

FIRST CALGARY SAVINGS & CREDIT UNION
LTD. and DELOITTE & TOUCHE LLP

DOCUMENT:

VESTING ORDER

(Re: Purchase by Sangera of Legal Unit 46)

OSLER, HOSKIN & HARCOURT LLP

Barristers & Solicitors
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Calgary, AB T2P 5H1
Solicitor: Christa Nicholson
Telephone: (403) 260-7025
Facsimile: (403) 260-7024
File Number: 1121689

DATE ON WHICH ORDER WAS PRONOUNCED: Monday, November 29, 2010

NAME OF JUDGE WHO MADE THIS ORDER: Honourable Madam Justice Streckaf

I hereby certify this to be a true copy of
the original _____
Dated this 29 day of Nov 2010
for Clerk of the Court

VESTING ORDER

(Re: Purchase by Sangera of Legal Unit 46)

UPON the application filed November 24, 2010 (the “**Application**”) of Deloitte & Touche Inc., in its capacity as Court-appointed receiver and manager of Perera Development Corporation (“**PDC**”) and Perera Shawnee Ltd. (“**PSL**”, or when reference is being made to PDC and PSL collectively, the “**Debtors**”), and not in its personal capacity (the “**Receiver**”); **AND UPON** noting the Order issued by Madam Justice A. Kent on March 3, 2010 (the “**Receivership Order**”); **AND UPON** noting the Affidavit of Service of Maureen Pohl, sworn November 26, 2010 (the “**Affidavit of Service**”); **AND UPON** noting that concurrent with the granting of this Order the PSL Closing Process Order granted by Justice Stevens on August 13, 2010 (the “**PSL Closing Process Order**”) was vacated by order of Madam Justice Streckaf on November 29, 2010; **AND UPON** reading the Confidential Second Report of the Receiver dated August 11, 2010 (the “**Confidential Second Receiver’s Report**”); **AND UPON** reading the Tenth Report of the Receiver dated November 24, 2010 (the “**Tenth Receiver’s Report**”); **AND UPON** reference being made to any other materials filed by the Receiver; **AND UPON** hearing from counsel for the Receiver; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the Application and the Tenth Receiver’s Report is abridged if necessary, the Application is properly returnable today, service of the Application and the Tenth Receiver’s Report on the persons listed in Schedule “A” to the Application (the “**Service List**”) in the manner described in the Affidavit of Service is good and sufficient and no persons other than the persons on the Service List are entitled to notice of the Application or service of the Tenth Receiver’s Report.

APPROVAL OF THE SALE

2. Without prejudice to any of the rights of Balraj Sangera (the “**Purchaser**”) as provided for in paragraph 19(d)(ii) of this Vesting Order, the sale contemplated by the purchase contract between PSL and the Purchaser, dated May 29, 2007, (the “**Purchase Contract**”) regarding the unit in Condominium Plan 0915321 (the “**Plan**”) legally described as follows:

Condominium Plan 0915321
Unit 46
And 24 undivided one ten thousandth shares in the
common property
Excepting thereout all mines and minerals

(the “**Unit**”).

for the Purchase Price (as that term is defined in the Purchase Contract) is hereby approved.

3. The Receiver is authorized and empowered, but not directed, to:
 - (a) make amendments to the Purchase Contract in accordance with the authorization provided in Schedule “3” to the Confidential Second Receiver’s Report, provided that the Purchaser agrees to such amendments being made to the Purchase Contract; and
 - (b) close the Purchase Contract and convey title to the Unit to the Purchaser (the “**Transaction**”) pursuant to and in accordance with this Vesting Order.

CLOSING OF THE TRANSACTION

4. In the event that the Purchaser intends to close the Transaction, the Purchaser shall provide the Receiver with written notice of the name and address of his/her solicitor for the Transaction (the “**Purchaser’s Solicitors**”) within 5 days of being served with a copy of this Vesting Order.
5. The closing of the Transaction shall be effected in accordance with the terms of the Purchase Contract and upon such trust conditions as may be agreed upon between the conveyancing solicitors for the Receiver, Kathleen S. Davis, (the “**Receiver’s Conveyancing Solicitors**”), and the Purchaser’s Solicitors.
6. The closing date for the Transaction shall be December 7, 2010, or such other dates as may be agreed upon by the Purchaser and the Receiver (the “**Closing Date**”). There shall be an adjustment of, *inter alia*, taxes on the Closing Date.

7. Upon the delivery of a certified copy of this Vesting Order to the Registrar of the South Alberta Land Titles Office (the “**Registrar**”) and a written request from the Receiver’s Conveyancing Solicitors to do so, the Registrar shall:
 - (a) cancel certificate of title number 091 368 709 +45 to the Unit;
 - (b) issue a new certificate of title to the Unit in the name of the Purchaser or his/her nominee (the “**New Title**”), which shall include only the encumbrances listed in Schedule “**A**” to this Vesting Order (collectively, the “**Permitted Encumbrances**”);
 - (c) discharge any and all of the encumbrances from the New Title that are listed in Schedule “**B**” to this Vesting Order (collectively, the “**Listed Encumbrances**”); and
 - (d) register a discharge, as it pertains to the Unit including the Purchaser’s share in the common property, on the condominium additional plan sheet certificate (the “**CAPSC**”) of the encumbrances that are listed in Schedule “**C**” to this Vesting Order (collectively, the “**CAPSC Encumbrances**”, which together with the Listed Encumbrances are collectively referred to as the “**Discharged Encumbrances**”).

8. The Registrar shall perform the steps specified in paragraph 7 of this Vesting Order:
 - (a) in the order specified in paragraph 7 of this Vesting Order; and,
 - (b) notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c. L – 4 (the “**LTA**”).

VESTING OF TITLE TO THE UNIT

9. Upon the Registrar issuing a certified copy of the New Title in accordance with paragraphs 7 and 8 of this Order all right, title, interest, estate and equity of redemption of PSL, if any, and any persons claiming by, through or under PSL, in and to the Unit shall vest absolutely in the Purchaser free and clear of and from all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed

trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Receivership Order or by any other Order(s) in these or any other proceedings and (b) the Discharged Encumbrances (all of which are collectively referred to as the “**Encumbrances**”, which term shall include the Claims but shall not include the Permitted Encumbrances) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Unit are hereby expunged and discharged as against the Unit.

10. Upon the Registrar completing the steps identified in paragraphs 7 and 8 of this Vesting Order, the Registrar shall forthwith make available to the Receiver’s Conveyancing Solicitors a certified copy of the New Title.

TRANSFER OF MC LLP DEPOSIT FUNDS

11. Pursuant to s. 14(3) of *Condominium Property Act*, R.S.A. 2000, c. C-22, (the “**CPA**”) upon receipt of a certified copy of the New Title from the Receiver’s Conveyancing Solicitors, the law firm of McLeod and Company LLP (“**MC LLP**”) (Attention: Robin Lokhorst) shall forthwith, and in any event within three days of receipt of the certified copy of the New Title from the Receiver’s Conveyancing Solicitors, provide the Receiver’s Conveyancing Solicitors with all deposit funds (the “**Deposit Funds**”) if any, that are currently held by MC LLP pursuant to the Purchase Contract.

AMENITIES HOLDBACK AMOUNT

12. The Receiver shall deduct from the Deposit Funds and all amounts paid by the Purchaser’s Solicitors to the Receiver’s Conveyancing Solicitors pursuant to the Purchase Contract as well as any Bond Funds (as hereinafter defined) (collectively, the “**Total Proceeds**”) the sum of \$2,592.00 (the “**Amenities Holdback Amount**”), in accordance with section 14(5) of the *CPA*.
13. The Amenities Holdback Amount shall not be disbursed by the Receiver unless an Order allowing for a disbursement of the Amenities Holdback Amount is issued by this Court.

HOLDING OF THE NET PROCEEDS

14. The Receiver shall hold the Total Proceeds, less the Amenities Holdback Amount less any holdback the Receiver may be required to make in order to obtain or verify (if necessary) Alberta New Home Warranty Program warranty coverage for the Unit, closing costs including real estate commissions, taxes, conveyancing costs of the Receiver and other usual closing costs (the “**Net Proceeds**”) pursuant to and in accordance with the terms of this Vesting Order.
15. The Net Proceeds shall stand in the place and stead of the Unit and any holder of the Encumbrances (“**Encumbrancers**”) may assert their Claims against the Net Proceeds with the same right and priority that the Encumbrancers had against the Unit immediately prior to the sale of the Unit, as if the Unit had not been sold and remained in the possession and control of PSL.
16. The Net Proceeds shall not be disbursed by the Receiver unless an Order allowing for a disbursement of the Net Proceeds is issued by this Court.

FEES ASSOCIATED WITH THE ISSUANCE OF THE NEW TITLE

17. All costs, fees and disbursements associated with the steps outlined in paragraph 7 of this Vesting Order, including the registration of any mortgage against the Unit in favour of the Purchaser’s lender, shall be for the Purchaser’s account.

FAILURE TO CLOSE ON THE CLOSING DATE

18. This Vesting Order is made for the purposes of allowing the Receiver and the Purchaser to close the Purchase Contract and convey title to the Unit to the Purchaser pursuant to and in accordance with the Purchase Contract. Nothing herein obligates the Purchaser to close the Purchase Contract or proceed with the Transaction.
19. In the event that the Transaction does not close on the Closing Date:
 - (a) all of the Purchaser’s right, title, interest, estate and equity of redemption, if any, and any persons claiming by, through or under the Purchaser, in and to the Unit are extinguished;

- (b) the Receiver is empowered and authorized, but not obligated, to sell, convey, transfer, lease or assign the Unit to a third-party;
- (c) MC LLP shall hold all of the Deposit Funds and shall not disburse the Deposit Funds unless on notice to the Purchaser an Order allowing for a disbursement of the Deposit Funds is issued by this Court;
- (d) except for as expressly set out in this Vesting Order, all of the other rights and liabilities of the Receiver (in its capacity as Court-appointed receiver and manager of PSL) and the Purchaser under and pursuant to the Purchase Contract are preserved including, without limiting the generality of the foregoing:
 - (i) the Receiver's right to claim (in its capacity as Court-appointed receiver and manager of PSL) that the Purchaser has breached the Purchase Contract, that all of the Deposit Funds and any other deposits paid by the Purchaser pursuant to the Purchase Contract are forfeited to the Receiver, that the Receiver is entitled to make a claim on any bond issued to secure the Purchaser's obligation under the Purchase Contract (the "**Bond**") and that the Purchaser is liable for all damages sustained, if any, by the Receiver (in its capacity as Court-appointed receiver and manager of PSL) for the Purchaser's breach of the Purchase Contract; and
 - (ii) the Purchaser's right to claim that PSL has breached the Purchase Contract, that the Purchaser was entitled to terminate or rescind the Purchase Contract, that any closing notices sent were improper or invalid, that the Purchaser is entitled to a return of the Deposit Funds and any other deposits paid by the Purchaser pursuant to the Purchase Contract and that PSL is liable for damages caused, including but not limited to damages caused by PSL's failure to complete amenities facilities and buildings associated with the Plan, to the Purchaser by PSL's breach of the Purchase Contract.

20. For greater certainty, in the event that a Bond has been issued to secure the Purchaser's obligations under the Purchase Contract and the Receiver receives any funds pursuant to

the Bond (the “**Bond Funds**”), the Receiver shall hold the Bond Funds and the Bond Funds shall not be disbursed by the Receiver unless on notice to the Purchaser an Order allowing for a disbursement of the Bond Funds is issued by this Court.

TENTH RECEIVER’S REPORT

21. The non-objection by parties to the use of and reliance by the Receiver on the Tenth Receiver’s Report on this Application is without prejudice to anyone’s ability to assert or claim in the future that the Receiver’s evidence must be filed in affidavit form, rather than in the form of a report.

SERVICE OF THIS ORDER

22. This Vesting Order shall be sufficiently served by serving the same on the Purchaser or on the person identified as counsel for the Purchaser on the Service List (the “**Purchaser’s Counsel of Record**”), or by posting a copy of the Vesting Order on the Receiver’s website at:

http://www.deloitte.com/view/en_CA/ca/specialsections/insolvencyandstructuringproceedings/perera/index.htm

and no other persons are entitled to be served with a copy of this Vesting Order. Service of this Vesting Order on the Purchaser or the Purchaser’s Counsel of Record shall be good and sufficient:

- (a) if being served on the Purchaser’s Counsel of Record, by delivery of this Vesting Order on the Purchaser’s Counsel of Record by PDF email, facsimile, rush courier or personal delivery to the office of the Purchaser’s Counsel of Record; or
- (b) if being served on the Purchaser directly, by delivery of this Vesting Order by PDF email, or by rush courier or personal delivery to the address provided by the Purchaser in the Purchase Contract or such other address as the Purchaser may provide to the Receiver.



J.C.Q.B.A.

SCHEDULE "A" TO THE VESTING ORDER
PERMITTED ENCUMBRANCES AS TO THE CONDOMINIUM UNIT

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
861 205 323	11/12/1986	UTILITY RIGHT OF WAY GRANTEE - THE CITY OF CALGARY. AS TO PORTION OR PLAN:8611330
871 142 214	10/08/1987	CAVEAT RE : SEE CAVEAT CAVEATOR - FRANCES LORRAINE REHMAN
071 476 257	24/09/2007	CAVEAT RE : RESTRICTIVE COVENANT
091 088 418	02/04/2009	UTILITY RIGHT OF WAY GRANTEE - ENMAX POWER CORPORATION.
091 368 708	07/12/2009	CAVEAT RE : RESTRICTIVE COVENANT
091 374 432	10/12/2009	RESTRICTIVE COVENANT
091 374 433	10/12/2009	RESTRICTIVE COVENANT

**PERMITTED ENCUMBRANCES AS TO THE CONDOMINIUM ADDITIONAL PLAN
SHEET CERTIFICATE FOR CONDOMINIUM CORPORATION NO. 0915321**

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
091 372 552	10/12/2009	CHANGE OF DIRECTORS
091 372 553	10/12/2009	CHANGE OF BY-LAWS
101 157 679	28/05/2010	INSTRUMENT PHASED DEVELOPMENT DISCLOSURE STATEMENT

SCHEDULE "B" TO THE VESTING ORDER
LISTED ENCUMBRANCES AS TO THE CONDOMINIUM UNIT

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
071 422 840	23/08/2007	MORTGAGE MORTGAGEE - FIRST CALGARY SAVINGS & CREDIT UNION LTD.
071 422 841	23/08/2007	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - FIRST CALGARY SAVINGS & CREDIT UNION LTD.
101 063 343	03/03/2010	BUILDER'S LIEN LIENOR - EMCO CORPORATION.
101 067 936	08/03/2010	BUILDER'S LIEN LIENOR - 759450 ALBERTA LTD. O/A INTERIOR FINISHING.
101 067 938	08/03/2010	BUILDER'S LIEN LIENOR - C. & T. REINFORCING STEEL CO. (ALBERTA) LTD..
101 069 174	09/03/2010	BUILDER'S LIEN LIENOR - ADLER FIRESTOPPING LTD..
101 071 142	10/03/2010	BUILDER'S LIEN LIENOR - COAST WHOLESALE APPLIANCES GP INC..
101 071 143	10/03/2010	BUILDER'S LIEN LIENOR - THE FINISHING CENTRE LTD..
101 072 838	11/03/2010	BUILDER'S LIEN LIENOR - MODERN INDUSTRIAL RENTALS (1978) LTD..
101 072 839	11/03/2010	BUILDER'S LIEN LIENOR - UNITED RENTALS OF CANADA, INC..
101 075 229	15/03/2010	BUILDER'S LIEN LIENOR - 1412705 ALBERTA LIMITED.
101 075 230	15/03/2010	BUILDER'S LIEN LIENOR - JMMK PLUMBING & HEATING INC..
101 075 235	15/03/2010	BUILDER'S LIEN LIENOR - GLOBAL STONE INC..
101 075 236	15/03/2010	BUILDER'S LIEN LIENOR - NOVASTONE INC..

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
101 081 785	22/03/2010	BUILDER'S LIEN LIENOR – CANNEX CONTRACTING 2000 INC..
101 085 868	24/03/2010	BUILDER'S LIEN LIENOR – NORDSTAR KITCHENS LTD..
101 088 872	26/03/2010	BUILDER'S LIEN LIENOR – DOMENICO FANELLI
101 099 720	08/04/2010	BUILDER'S LIEN LIENOR – DISTINCTIVE FLOORS LTD..
101 100 273	08/04/2010	BUILDER'S LIEN LIENOR – RIDGELINE SHEET METAL INC..
101 100 274	08/04/2010	ORDER IN FAVOUR OF – DELOITTE & TOUCHE INC..
101 210 310	15/07/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101069174
101 232 253	06/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101075229
101 232 254	06/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101063343
101 235 115	09/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101085868
101 243 277	17/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101099720
101 244 766	17/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101072839
101 250 899	23/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101067938
101 256 920	27/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101067936
101 261 640	01/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101081785
101 269 084	09/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101075230
101 269 130	09/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101075236
101 269 242	09/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101075235

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
101 281 039	21/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101088872
101 295 723	05/10/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101100273

SCHEDULE "C" TO THE VESTING ORDER

CAPSC ENCUMBRANCES

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
101 063 343	03/03/2010	BUILDER'S LIEN LIENOR - EMCO CORPORATION.
101 066 488	05/03/2010	BUILDER'S LIEN LIENOR - MIRCOM DISTRIBUTION (BC) INC.
101 067 936	08/03/2010	BUILDER'S LIEN LIENOR - 759450 ALBERTA LTD. O/A INTERIOR FINISHING.
101 067 937	08/03/2010	BUILDER'S LIEN LIENOR - FIRST CHOICE POST CONSTRUCTION CLEANING.
101 067 938	08/03/2010	BUILDER'S LIEN LIENOR - C. & T. REINFORCING STEEL CO. (ALBERTA) LTD..
101 069 579	09/03/2010	BUILDER'S LIEN LIENOR - ALCON ELECTRICAL CORP..
101 070 642	10/03/2010	BUILDER'S LIEN LIENOR - MORWEST CRANE & SERVICES LTD..
101 070 970	10/03/2010	BUILDER'S LIEN LIENOR - ALADEN PAINTING LTD..
101 072 838	11/03/2010	BUILDER'S LIEN LIENOR - MODERN INDUSTRIAL RENTALS (1978) LTD..
101 072 839	11/03/2010	BUILDER'S LIEN LIENOR - UNITED RENTALS OF CANADA, INC..
101 073 253	12/03/2010	BUILDER'S LIEN LIENOR - INLAND PIPE A DIVISION OF LEHIGH HANSON MATERIALS LTD.
101 073 697	12/03/2010	BUILDER'S LIEN LIENOR - WENDY BOHN
101 075 229	15/03/2010	BUILDER'S LIEN LIENOR - 1412705 ALBERTA LIMITED.
101 075 230	15/03/2010	BUILDER'S LIEN LIENOR - JMMK PLUMBING & HEATING INC..

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
101 075 235	15/03/2010	BUILDER'S LIEN LIENOR – GLOBAL STONE INC..
101 075 236	15/03/2010	BUILDER'S LIEN LIENOR – NOVASTONE INC..
101 076 432	16/03/2010	BUILDER'S LIEN LIENOR - KORDICK ENTERPRISES.
101 081 785	22/03/2010	BUILDER'S LIEN LIENOR – CANNEX CONTRACTING 2000 INC..
101 083 554	23/03/2010	BUILDER'S LIEN LIENOR – GREAT SHADES LTD..
101 083 849	23/03/2010	BUILDER'S LIEN LIENOR – COONEY'S TRUCKING LTD..
101 085 868	24/03/2010	BUILDER'S LIEN LIENOR – NORDSTAR KITCHENS LTD..
101 088 800	26/03/2010	BUILDER'S LIEN LIENOR – MACS LANDSCAPING & CONCRETE.
101 088 872	26/03/2010	BUILDER'S LIEN LIENOR – DOMENICO FANELLI
101 089 785	29/03/2010	BUILDER'S LIEN LIENOR – ALUMA SYSTEMS INC..
101 090 065	29/03/2010	BUILDER'S LIEN LIENOR – ON TRACK EXCAVATING LTD..
101 104 779	13/04/2010	BUILDER'S LIEN LIENOR – OMC RENOVATIONS.
101 230 491	04/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101070642
101 244 766	17/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101072839
101 256 920	27/08/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101067936
101 264 691	03/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101069579
101 276 374	16/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101083554
101 281 854	22/09/2010	BUILDER'S LIEN LIENOR – ALUMA SYSTEMS INC..

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
101 283 672	23/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101089785
101 283 673	23/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101281854
101 284 888	24/09/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101090065