

I hereby certify this to be a true copy of

the original Order

Dated this 30 day of Sept 2010

Action No. 1001-07852

IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE OF CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND *THE JUDICATURE ACT*, R.S.A. 2000, c. J-2, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772 ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755 QUEBEC INC., AXCESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXCESS (SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD., MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD., MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD., MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK) DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD., MEDICAN CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT LTD., MEDICAN FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD., MEDICAN GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG) DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.

the Petitioners

BEFORE THE HONOURABLE  
MADAM JUSTICE K.M. HORNER  
IN CHAMBERS

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)  
)  
)

At the Courts Centre in the City of Calgary,  
in the Province of Alberta, on Thursday, the  
30<sup>th</sup> day of September, 2010

**APPROVAL AND VESTING ORDER**  
**(R7 – 7<sup>th</sup> Street Property)**

UPON the application of the Petitioners in these proceedings (collectively, the “**Medican Group**”); AND UPON having read the Notice of Motion of the Petitioners, dated September 27, 2010, the Affidavit of Tyrone Schneider, dated September 27, 2010 (the “**Schneider Affidavit**”), the Affidavit of Ronica Cameron, dated September 30, 2010 (the “**Service Affidavit**”), to be filed, the Monitor's Sixth Report, dated September 27, 2010, and such other material in the

pleadings and proceedings as are deemed necessary; **AND UPON** the direction from the Honourable Madam Justice K.M. Horner on September 13, 2010 that the Medican Group and the Monitor conduct a closed bid procedure for the Property (as herein defined) wherein Memory Lane Computer Training Inc. and Dr. Schow were to submit an offer to purchase the Property to the Monitor by September 20, 2010 (the "**Tender Process**"); **AND UPON** the Monitor having received tenders pursuant to the Tender Process; **AND UPON** it appearing that the offer received from Memory Lane Computer Training Inc. is the superior bid; **AND UPON** hearing counsel for the Medican Group, the Monitor, and other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

*Service*

1. The time for service of notice of this application is abridged to the time actually given and service of the Notice of Motion and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.

2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Initial Order, and the following terms shall have the following meaning:

- (a) "**Beneficiaries of the Charges**" means the beneficiaries of the DIP Lending Charge, the Administration Charge, and the Directors' Charge;
- (b) "**Net Proceeds**" means the proceeds from the sale of the Property, less amounts required to pay all reasonable and ordinary closing costs, including without limitation goods and services and other applicable sales taxes, property taxes, commissions, applicable condominium fees and legal fees and disbursements;
- (c) "**Purchase and Sale Agreement**" means the agreement in writing respecting the sale of the Property (as herein defined) from the Medican Group to the Purchaser; and
- (d) "**Purchaser**" means Memory Lane Computer Training Inc. (operating as Cypress College).

***Approval of Sale and Vesting of the 7<sup>th</sup> Street Property***

3. The sale of the 7<sup>th</sup> Street Property, being the lands legally described as:

PLAN 1132M  
BLOCK 9  
LOTS 1 AND 2  
EXCEPTING THEREOUT ALL MINES AND MINERALS

and all personalty associated therewith (as further defined in the Schneider Affidavit) (the "**Property**") to the Purchaser, in accordance with the terms and conditions of the Purchase and Sale Agreement, be and is hereby authorized and approved.

4. The Medican Group and the Monitor are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to complete the sale of the Property and carry out the terms of this Order.

5. Upon the Monitor delivering a certificate (the "**Monitor's Certificate**") certifying that the sale of the Property has closed substantially in accordance with the terms of the Purchase and Sale Agreement and all purchase monies due and owing in respect of such sale have been tendered to the Medican Group then:

- (a) the Property shall be vested in the name of Memory Lane Computer Training Inc. free of all estate, right, title, interest, royalty, rental, and equity of redemption of the Medican Group and all persons who claim by, through or under the Medican Group in respect of the Property, other than permitted encumbrances expressly set forth in the Purchase and Sale Agreement;
- (b) the Medican Group and all persons who claim by, through or under the Medican Group shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental, and equity of redemption of the Property and, to the extent that any such person remains in possession or control of any of the Property, they shall forthwith deliver possession of same to the Purchaser or its nominee;
- (c) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Property for its own use and benefit without any interference of or by the Medican Group,

or any person claiming by or through or against the Medican Group and/or any of the Property; and

- (d) the Registrar of the Land Titles Office of Alberta shall discharge all encumbrances (except Permitted Encumbrances) listed in the Purchase and Sale Agreement in respect of the Property and shall register the Property in the name of Memory Lane Computer Training Inc.

6. The Medican Group is authorized and empowered, in respect of the Property, to execute and deliver: (a) such additional, related and ancillary documents and assurances governing or giving effect to the sale of the Property, which, in the Medican Group's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the purchase of the Property and/or this Order; and (b) any and all instruments and documents in respect of the Property as may be required by the Registrar of the Land Titles Office of Alberta or deemed necessary by the Medican Group, and the Registrar is hereby directed, notwithstanding section 191(1) of the *Land Titles Act* (Alberta) to effect registration of any such instrument or document so executed by the Medican Group or its solicitors.

7. Upon the filing of the Monitor's Certificate, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry of the province where the Property is located as may be required to properly convey clear title of the Property to the Purchaser.

8. The Net Proceeds shall be held in trust and stand in the place and stead of the Property, and all claims of whatsoever nature or kind, including without limitation, all liens, claims, encumbrances, mortgages, proprietary claims, trust claims, lease claims, royalty claims, and other interests (the "**Claims**") shall attach solely to the Net Proceeds with the same validity, priority and in the same amounts and subject to the same defences that were or may have been available when the Claims were attached to the property itself, until either further order of this Honourable Court or agreement among the Medican Group, the Monitor, and secured creditors with an interest in the Net Proceeds.

9. Notwithstanding paragraph 8 of this Order, the Monitor is authorized, in its sole discretion and as it deems necessary or appropriate, to direct that any or all of the Net Proceeds be paid to valid and enforceable claims that exist in respect of the Net Proceeds; provided however, that adequate provision has been made for the Beneficiaries of the Charges.

10. Any provision made for the Beneficiaries of the Charges by the Monitor pursuant to paragraph 9 hereof shall be done with the consent of the Beneficiaries of the Charges and shall be without prejudice to any subsequent application to allocate Charges pursuant to paragraph 43 of the Initial Order.

***Miscellaneous***

11. The Medican Group and the Monitor are hereby released and discharged from any further matters related to the Tender Process and the conveyance of the Property, except as expressly set forth in this Order.

12. The transfer of Property made pursuant to the provisions of this Order shall be valid and enforceable and not be rendered invalid or unenforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) in respect of any of the Petitioners; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Petitioners (a “**Third Party Agreement**”), and notwithstanding any provision to the contrary in any Third Party Agreement:

- (a) neither the Purchase and Sale Agreement nor any transaction contemplated hereby or coordinated therewith shall create or be deemed to constitute a breach by any of the Petitioners of any Third Party Agreement to which they are a party; and
- (b) the Purchaser shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation,

execution, delivery or performance of the Purchase and Sale Agreement or any transaction contemplated hereby or coordinated therewith.

13. Notwithstanding (i) the pendency of these proceedings and the declaration of insolvency made herein, (ii) any Bankruptcy Order sought or issued pursuant to the BIA in respect of any of the Petitioners, and (iii) the provisions under the BIA, or any other applicable federal or provincial legislation or common law, the Purchase and Sale Agreement or any transaction contemplated hereby or coordinated therewith shall constitute legal, valid and binding obligations of the Petitioners enforceable against them in accordance with the terms thereof, and neither the Purchase and Sale Agreement nor any transaction contemplated hereby or coordinated therewith will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to constitute settlements, fraudulent preferences, assignments, fraudulent conveyances, oppressive conduct, or other reviewable transactions under the BIA, or any other applicable federal or provincial legislation or common law.

14. The Medican Group, the Monitor, the Purchaser, or any interested party may apply to this Court for advice and direction on notice to any party likely to be affected by the Order sought or on such notice as this Court directs.

15. The Medican Group shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service affected as aforesaid shall be good and sufficient service.

*"K.M. Horner"*

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J.C.Q.B.A.

ENTERED this 30 day of  
September, 2010

*A. Lepetit* 

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CLERK OF THE COURT

Action No. 1001-07852

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**IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL DISTRICT OF CALGARY**

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**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.  
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AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS  
LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772  
ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755  
QUEBEC INC., AXCESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXCESS  
(SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS  
LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY  
KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN  
(EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE  
PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD.,  
MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD., MEDICAN  
(RED DEER – MICHENER HILL) DEVELOPMENTS LTD., MEDICAN (SYLVAN  
LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK) DEVELOPMENT LTD.,  
MEDICAN (WESTBANK) LAND LTD., MEDICAN CONCRETE FORMING LTD.,  
MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC., MEDICAN  
ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT  
LTD., MEDICAN FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD.,  
MEDICAN GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT)  
DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY)  
DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON)  
DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD.,  
SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF VALLEYDALE  
DEVELOPMENTS LTD., THE LEGEND (WINNIPEG) DEVELOPMENTS LTD., and  
WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.**

**The Petitioners**

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**APPROVAL AND VESTING ORDER  
(R7 – 7<sup>th</sup> Street Property)**

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CLERK OF THE COURT

SEP 30 2010

CALGARY, ALBERTA

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**FRASER MILNER CASGRAIN LLP**

Barristers and Solicitors  
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