Clerk's Stamp

COURT FILE NUMBER	1301-04682
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended
	AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, C. B-9
	AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HARBOUR VIEW LANDING INC. AND HARBOUR VIEW CAPITAL INC.
DOCUMENT	APPLICATION (Plan Sanction)
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean F. Collins/Walker W. MacLeod Suite 3300, 421 - 7th Avenue S.W. Calgary AB T2P 4K9 Phone: (403) 260-3531 / (403) 260-3710 Fax: (403) 260-3501 scollins@mccarthy.ca / wmacleod@mccarthy.ca

CLERK OF THE COURT
FILED
AUG 26 2013
CALGARY, ALBERTA

NOTICE TO RESPONDENT(S)

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date	August 29, 2013
Time	2:00 p.m.
Where	Calgary Courts Center
Before Whom	Justice A. D. Kent

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought: Ernst & Young Inc., in its capacity as court appointed receiver and manager of Harbour View Landing Inc. ("**Landing**") and Harbour View Capital Inc. ("**HVC**", and Landing and HVC collectively referred to as the "**Applicants**") pursuant to a consent receivership order issued on May 2, 2013 in Court File No. 1301 – 01319 (the "**Receivership Order**") applies for an order, substantially in the form attached as Schedule **"A"** hereto:

1. Sanctioning and approving the Plan of Compromise and Arrangement in respect of HVC (the "**Plan**").

2. Authorizing and directing HVC to implement the Plan in accordance with its terms.

3. Such further and other relief as counsel may advise.

Grounds for making this application: The grounds for the Application are as follows:

4. Ernst & Young Inc. was appointed as receiver and manager of the assets, properties and undertakings of the Applicants pursuant to the Receivership Order. The Receivership Order expressly authorized Ernst & Young Inc. to apply, for and on behalf of the Applicants, for an initial order under the CCAA.

5. The Applicants obtained an initial order under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") on May 8, 2013 (the "**Initial Order**"). The Initial Order authorized the Applicants to prepare a plan of compromise and arrangement and present same to their creditors.

6. HVC prepared the Plan pursuant to and in accordance with the Initial Order and the CCAA. The material terms of the Plan are as follows:

(a) HVC will foreclose against lands owned by HVL in British Columbia (the "**Lands**") and become the owner of the Lands;

(b) The debt obligations of HVC will be restructured so that:

(i) The obligations mature after the anticipated time of development and/or sale of the Lands; and

(ii) The existing creditors of HVC will become the voting shareholders of HVC;

(c) The existing directors of HVC will be removed and new director's will be appointed.

7. The Plan was approved by the requisite majority of HVC's Creditor's, as required by the CCAA, on August 21, 2013.

8. The Applicants are acting in good faith and with due diligence and the Monitor is of the view that the Plan is in the best interests of HVC and its stakeholders.

Material or Evidence to be relied on: The Applicants will rely on the following material:

9. The Third Monitor's Report.

10. Such further and other material as counsel may advise.

Applicable Rules:

11. Rule 6.3 of the Alberta *Rules of Court.*

12. Such further and other rules as counsel may advise and this Honourable Court may allow.

Applicable Acts and regulations:

13. The CCAA.

14. Such further and other acts and regulations as counsel may advise and this Honourable Court may allow.

Any irregularity complained of or objection relied on:

15. There are no irregularities complained of or objections relied on.

How the application is proposed to be heard or considered:

16. The Applicants propose that the Application be heard in person with one, some or all of the parties present.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

Clerk's Stamp

SCHEDULE "A"

COURT FILE NUMBER	1301-04682
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JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT,* R.S.A. 2000, C. B-9 AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HARBOUR VIEW LANDING INC. AND HARBOUR VIEW CAPITAL INC.
DOCUMENT	ORDER (Plan Sanction)
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DATE ON WHICH ORDER WAS PRONOUNCED:	**August 29, 2013**
NAME OF JUDGE WHO MADE THIS ORDER:	**Justice A. D. Kent**
LOCATION OF HEARING:	**Calgary, Alberta**

UPON THE application of Harbour View Capital Inc. ("**HVC**") and Harbour View Landing Inc. ("**Landing**", and HVC and Landing collectively referred to as "the **Applicants**"), by Ernst & Young Inc., in its capacity as court appointed receiver and manager of the Applicants; **AND UPON** having read the third report of the Monitor, dated August 26, 2013 (the "**Third Monitor's Report**"); **AND UPON** having read the pleadings and materials filed in this action; **AND UPON** noting the initial order issued in respect of the Applicants in the within proceedings on May 8, 2013 (the "**Initial Order**"); **AND UPON** hearing submissions of counsel in attendance; **AND UPON** this Court being satisfied that in the circumstances this Order should be granted and that the Applicants have acted and are acting in good faith and with due diligence;

IT IS HEREBY ORDERED AND DECLARED THAT:

Defined Terms

1. Unless otherwise defined herein, all capitalized terms used herein shall have the meaning ascribed to them in the Plan of Compromise and Arrangement dated July 19, 2013 and attached as Appendix "**A**" to the Third Report of the Monitor (the "**Plan**").

Sanction of the Plan

2. HVC has complied in all material respects with the provisions of the CCAA and all previous Orders issued in the CCAA Proceedings.

3. The Plan has been agreed to and approved by the Required Majority of Creditors in accordance with the requirements of the CCAA.

4. The Plan is found to be fair and reasonable to the Creditors, is in the best interests of HVC and all affected Persons and is hereby finally and absolutely sanctioned and approved pursuant to the provisions of the CCAA.

5. The Plan Implementation Dates, the Plan and all associated steps, compromises, transactions, arrangements, assignments, releases and reorganizations effected thereby are approved, binding and effective as herein set out upon HVC, all Creditors and all other Persons affected by the Plan.

6. The steps to be taken and the compromises and releases to be effected on the Plan Implementation Dates are deemed to occur and be effected in the sequential order contemplated by Article 8.3 of the Plan on the Plan Implementation Dates.

7. In order to give effect to and implement the Plan, it is hereby ordered that:

    (a) The Monitor is authorized and directed to perform all of its functions and fulfil all of its obligations under the Plan to facilitate the implementation of the Plan including, without limitation:

        (i) the making of all payments and deliveries as contemplated by this Plan;

        (ii) the delivery of all statements referenced in Article 4.5 of the Plan to all Creditors with Proven Claims;

(b) upon payment to the Monitor of sufficient amounts to pay all amounts outstanding under the Administration Charge, the Receiver's Charge and the Receiver's Borrowing Charge, all such charges are terminated and discharged; and

(c) upon implementation of and in accordance with the Plan, the fundamental changes described in Schedule "**C**" and Schedule "**D**" to the Plan shall become effective pursuant to section 192 of the *Business Corporations Act* (Alberta).

Distribution in Full and Final Sanction of Claims

8. All payments or distributions made by or on behalf of HVC in accordance with the Plan and any Order shall constitute full and final payment or distribution in satisfaction of the Claims in respect of which such payments or disbursements will be made.

9. Without limiting anything in the Claims Procedure Order, any Claims in respect of which a proof of claim has not been filed by the Claims Bar Date are forever barred and extinguished and HVC is discharged and released from any and all Claims (other than Disputed Claims) of any nature in accordance with the Plan. The ability of any Person to proceed against HVC in respect of or relating to any Claims is forever discharged and restrained and all proceedings with respect to, in connection with or relating to such Claims are permanently stayed, subject only to the right of Creditors to receive distributions of Class "A" Bonds and New HVC Shares pursuant to the Plan in respect of their Claims.

10. Until all Disputed Claims have either been finally dismissed or have become, in whole or in part, Proven Claims, HVC shall not:

(a) issue additional Class "**A**" Bonds except in connection with the resolution of Disputed Claims as contemplated by this Plan;

(b) make any distribution of cash or securities to holders of Class "**A**" Bonds or New HVC Shares.

Continuation of Agreements

11. Subject to the performance by HVC of its obligations under the Plan, all obligations, agreements or leases to which HVC is a party shall be and remain in full force and effect, unamended, as at the Plan Implementation Dates, unless repudiated or deemed to be repudiated by HVC pursuant to the CCAA, and no Person to any such obligation or agreement

shall on or following the Plan Implementation Dates, accelerate, terminate, refuse to renew, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right or remedy under or in respect of any such obligation or agreement, by reason:

(a) of any event which occurred prior to, and not continuing after, the Plan Implementation Dates or which is or continues to be suspended or waived under the Plan, which would have entitled any other party thereto to enforce those rights or remedies;

(b) of HVC having sought or obtained relief or having taken steps as part of the Plan or under the CCAA;

(c) of any default or event of default arising as a result of the financial condition or insolvency of HVC;

(d) of the effect upon HVC of the completion of any of the transactions contemplated under the Plan; or

(e) of any compromises, settlements, restructurings or reorganizations effected pursuant to the Plan.

Confirmation of Releases

12. The releases contained in Article 9.1 of the Plan are hereby declared to be binding and effective and (subject to Article 9.2 of the Pan) no Person shall commence, take, apply for, issue or continue any and all steps or proceedings against any Released Party including, without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any Released Party in respect of any matter released pursuant to Article 9.1 of the Plan, and any such proceedings be and are hereby permanently stayed and suspended.

Discharge of the Monitor

13. Upon completion by the Monitor of its duties in respect of HVC pursuant to the CCAA and the Orders, including, without limitation, the Monitor's duties in respect of the Claims Procedure and the distributions of the statements outlining the holdings of Class "A" Bonds and New HVC Shares to be made by the Monitor in accordance with the Plan, the Monitor shall file

with the Court a certificate of Plan implementation stating that all of its duties in respect of HVC pursuant to the CCAA and the Orders have been completed and thereafter the Monitor shall be deemed to be discharged from its duties as Monitor of HVC and Landing.

14. The Monitor has exercised all of its powers and performed all of its duties and functions honestly, in good faith and in compliance with the Code of Ethics referred to in section 13.5 of the BIA.

Discharge of the Receiver

15. Upon Plan Implementation, the Receiver is discharged as receiver and manager of the assets, properties and undertakings of HVC and Landing.

16. The Receiver has exercised all of its powers and performed all of its duties and functions honestly, in good faith and in compliance with the Code of Ethics referred to in section 13.5 of the BIA.

Discharge of the Management Committee

17. Upon Plan Implementation, the Management Committee shall be deemed to be discharged from any and all of its duties and obligations.

18. The Management Committee has exercised all of its powers and performed all of its duties and functions honestly and in good faith.

Shareholder Meeting

19. HVC is authorized and directed to hold a meeting of shareholders for the purpose of electing directors within four months following the last of the Plan Implementation Dates.

Investigation Holdback

20. An investigation holdback in the amount of $35,000 (the "**Holdback**") be and is hereby approved and the Monitor is authorized to pay any fees, costs or disbursements incurred by the Monitor or its counsel related to any investigation by any Person or Governmental Authority in respect of HVC or Landing from the Holdback.

21. The Holdback shall be held in trust by the Monitor for a period of two (2) years from the last of the Plan Implementation Dates after which time any unused portion of the Holdback shall be returned to HVC.

Termination of these Proceedings

22. The Initial Order shall have no further force or effect from and after 11:59 p.m. on last of the Plan Implementation Dates. These CCAA proceedings are declared completed and the Stay Period (as such term is defined in the Initial Order) shall be terminated as of 11:59 p.m. on the last of the Plan Implementation Dates.

Further Advice and Direction

23. Notwithstanding the foregoing, HVC, the Monitor and any other interested party are hereby granted leave to apply to this Court for such further advice, direction or assistance as may be necessary or give effect to the terms of this Order.

General

24. Notwithstanding:

(a) the pendency of these proceedings;

(b) a bankruptcy of HVC or Landing; and

(c) the provisions of any federal or provincial statute,

none of the transactions contemplated by this Order will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to be settlements, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the BIA or any other applicable federal or provincial legislations, and they do not constitute conduct meriting an oppression remedy and shall be binding on a trustee in bankruptcy in respect of HVC or Landing.

Service and Filing

25. This Order shall be filed in each of the CCAA Proceedings and the Receivership Proceedings.

26. Service of this Order by email, facsimile, courier, registered or ordinary mail or personal delivery to the persons attending this Application shall constitute good and sufficient service of this Order and no other person shall be entitled to be served with a copy of this Order.

J.C.Q.B.A.