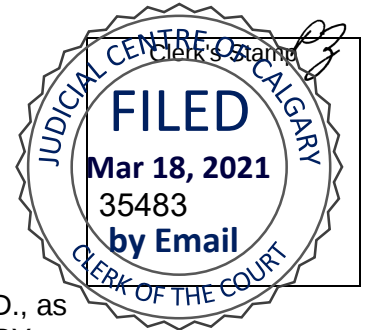


COURT FILE NUMBER 2001-05123

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANTS CONNECT FIRST CREDIT UNION LTD., as successor in interest to FIRST CALGARY SAVINGS & CREDIT UNION LTD., and FIRST CALGARY FINANCIAL CREDIT UNION LIMITED



RESPONDENTS WILLOW PARK LIMITED PARTNERSHIP, WILLOW PARK CAPITAL CORP., WESLEY CHURCH BUILDING LIMITED PARTNERSHIP, WESLEY CHURCH BUILDING INC., PARAMOUNT BUILDING LIMITED PARTNERSHIP and PARAMOUNT BUILDING LTD.

DOCUMENT **APPROVAL AND VESTING ORDER
(Sale by Receiver)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MLT AIKINS LLP
2100 – 222 3rd Avenue SW
Calgary, AB T2P 0B4
Attention: Ryan Zahara/Kaitlin Ward
Telephone: (403) 693-5420/4311
Email: rzahara@mltaikins.com/kward@mltaikins.com
File : 0107691.00006

DATE ON WHICH ORDER WAS PRONOUNCED: MARCH 17, 2021

LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE JEFFREY

UPON THE APPLICATION of Ernst & Young Inc., submitted for filing on March 8, 2021 (the “**Application**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) of the current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including the proceeds thereof, of Paramount Building Limited Partnership

(**"Paramount LP"**) and Paramount Building Ltd. (**"Paramount Ltd."**; together with Paramount LP, **"Paramount"** or the **"Debtor"**) for an Order approving the sale transaction (the **"Transaction"**) contemplated by an agreement of purchase and sale (the **"Sale Agreement"**) between the Receiver and Avenue Living Real Estate Opportunity GP Ltd., as general partner for Avenue Living Real Estate Opportunity Limited Partnership (the **"Purchaser"**) dated February 22, 2021 and appended to the Third Report of the Receiver dated March 8, 2021 (the **"Third Report"**), and vesting in the Purchaser or its assignee or nominee (the **"Assignee"**) the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the **"Purchased Assets"**);

AND UPON HAVING READ the Receivership Order dated April 14, 2020 (the **"Receivership Order"**), the Third Report, the confidential supplement (the **"Confidential Supplement"**) to the Third Report dated March 8, 2021 and the Affidavit of Service of Joy Mutuku; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, counsel for Connect First Credit Union Ltd. (**"Connect First"**), no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser or Assignee.

VESTING OF PROPERTY

3. Upon delivery of a Receiver's certificate to the Purchaser or Assignee substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser or Assignee, free and clear of, and from, any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
- (d) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")).

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such

Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or Assignee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

(a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

- (i) cancel existing Certificates of Title No. 061 204 932 for those lands and premises municipally described as 1011 – 1st Street SW, Calgary, Alberta, and legally described as:

PLAN "A"			
BLOCK 68			
LOTS 21 TO 24 INCLUSIVE			
EXCEPTING THEREOUT			
PLAN	NUMBER	HECTARES/ACRES (MORE OR LESS)	
ROAD WIDENING	8210057	0.015	0.04

(the "**Lands**");

- (ii) issue a new Certificate of Title for the Lands in the name of **Avenue Living Real Estate Opportunity GP Ltd., as general partner for Avenue Living Real Estate Opportunity Limited Partnership** or Assignee (the "**New Certificate of Title**");
- (iii) transfer to the New Certificate of Title the existing instruments listed in **Schedule "D"**, to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in **Schedule "D"**; and
- (iv) discharge and expunge the Encumbrances listed in **Schedule "C"** to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands; and

- (b) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
 6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
 7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
 8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may

be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Except as otherwise provided herein, unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the *Alberta Employment Standards Code*, the Purchaser or Assignee shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser or Assignee.
11. The Purchaser or Assignee shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.

12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser or Assignee.
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser or Assignee all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser or Assignee shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtor was entitled.
15. The Receiver is authorized and directed to make one or more distributions payable to Connect First in an aggregate amount not to exceed the amount of the Debtor's secured indebtedness to Connect First as set out in the Third Report at paragraph 50, which represents some of the funds in the Receiver's trust account ("**Distributions**"), with a holdback for any potential priority amounts and the expenses of the receivership estate for any priority charges and the legal and professional fees necessary to complete the administration of the Debtor's estate.

MISCELLANEOUS MATTERS

16. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtor; and

(d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser or Assignee and the Distributions pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. The Receiver, the Purchaser or Assignee and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
18. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
19. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser, or the Purchaser's solicitors; and

- (b) Posting a copy of this Order on the Receiver's website at:
www.ey.com/paramountbuilding.

and service on any other person is hereby dispensed with.

20. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.


Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Clerk's Stamp

Form of Receiver's Certificate

COURT FILE NUMBER	2001-05123
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	CONNECT FIRST CREDIT UNION LTD., as successor in interest to FIRST CALGARY SAVINGS & CREDIT UNION LTD., and FIRST CALGARY FINANCIAL CREDIT UNION LIMITED
RESPONDENTS	WILLOW PARK LIMITED PARTNERSHIP, WILLOW PARK CAPITAL CORP., WESLEY CHURCH BUILDING LIMITED PARTNERSHIP, WESLEY CHURCH BUILDING INC., PARAMOUNT BUILDING LIMITED PARTNERSHIP and PARAMOUNT BUILDING LTD.
DOCUMENT	RECEIVER'S CERTIFICATE
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT AIKINS LLP 2100 – 222 3 rd Avenue SW Calgary, AB T2P 0B4 Attention: Ryan Zahara/Kaitlin Ward Telephone: (403) 693-5420/4311 Email: rzahara@mltaikins.com/kward@mltaikins.com File : 0107691.00006

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated April 14, 2020, Ernst & Young Inc. was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of Paramount Building Limited Partnership ("**Paramount LP**") and Paramount Building Ltd. ("**Paramount Ltd.**"; together with Paramount LP, "**Paramount**" or the "**Debtor**").
- B. Pursuant to an Order of the Court dated March 17, 2021, the Court approved the agreement of purchase and sale made as of February 22, 2021 (the "**Sale Agreement**") between the Receiver and Avenue Living Real Estate Opportunity GP Ltd., as general partner for Avenue Living Real Estate Opportunity Limited Partnership (the "**Purchaser**")

and provided for the vesting in the Purchaser or its assignee or nominee ("**Assignee**"), all of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser or Assignee of a certificate confirming (i) the payment by the Purchaser or Assignee of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 12 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser or Assignee; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser or Assignee has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 12 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser or Assignee, as applicable; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

ERNST & YOUNG INC., in its capacity as Receiver of the undertakings, property and assets of PARAMOUNT BUILDING LIMITED PARTNERSHIP and PARAMOUNT BUILDING LTD., and not in its personal capacity.

Per:_____

Name:

Title:

Schedule "B" – Purchased Assets

Lands

Municipal Address: 1011 – 1st Street SW, Calgary, Alberta
Legal Description:

PLAN "A"
BLOCK 68
LOTS 21 TO 24 INCLUSIVE
EXCEPTING THEREOUT

PLAN	NUMBER	HECTARES/ACRES (MORE OR LESS)	
ROAD WIDENING	8210057	0.015	0.04

Other Assets

The Assumed Contracts as that term is defined in the Sale Agreement.

Schedule "C" – Encumbrances

<u>Registration Number</u>	<u>Description</u>
051 475 236	Caveat re: Lease interest in favor of Status Engineering Associates Ltd.
121 269 381	Mortgage in favour of First Calgary Financial Credit Union
121 269 382	Caveat re: Assignment of Rents and Leases in favour of First Calgary Financial Credit Union
121 283 754	Caveat re: Encroachment Agreement
191 258 741	Caveat re: Lease Interest in favour of Apex Judicata Solutions Corporation
191 260 226	Caveat re: Lease Interest in favour of Capsule Pharmacy Inc.
201 020 746	Order in favor of Alvarez & Marsal Canada Inc.

Schedule “D” – Permitted Encumbrances

Permitted Encumbrances

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in s. 61(1) of the *Land Titles Act* (Alberta) as amended, replaced or restated from time to time;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. All rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Purchased Assets in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority;
4. Rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Alberta or Canada;
5. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Purchased Assets;
6. Any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land and other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Purchased Assets (based on the current use of the Purchased Assets) affected thereby;
7. Encumbrances respecting minor encroachments by the Purchased Assets over neighbouring lands and/or permitted under agreements with the owners of such other lands and minor encroachments over the Purchased Assets by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Purchased Assets;
8. Any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby;

9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order;
10. Encumbrances permitted or created pursuant to the terms of the Sale Agreement;
11. The following specific Leases:
 - 100 1753825 Alberta Ltd., o/a Café Koi
 - 110 Capsule Pharmacy Inc. o/a Pharmacy IDA
 - 120 4N Concepts Restaurant o/a Foreign Concepts
 - 500 Apex Judicata Solutions Corporation
12. The following specific instruments registered against the title(s) to the Lands:

Encumbrances, Liens, and Interests

<u>Registration Number</u>	<u>Description</u>
051 475 236	Caveat re: Lease interest in favour of Status Engineering Associates Ltd.
121 283 754	Caveat re: Encroachment Agreement
191 258 741	Caveat re: Lease interest in favor of Apex Judicata Solutions Corporation
191 260 226	Caveat re: Lease interest in favor of Capsule Pharmacy Ltd.