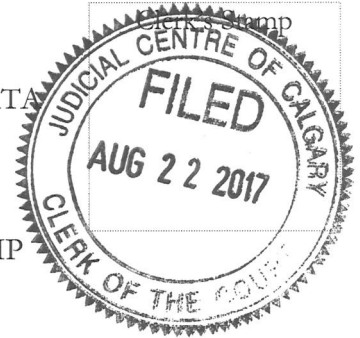


COURT FILE NO. 1701-04209
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE RECEIVERSHIP
OF DMD III MORTGAGE INVESTMENT
CORPORATION

PLAINTIFF ACCESS CAPITAL ADVISORS INC.
DEFENDANTS DMD MORTGAGE INVESTMENT
CORPORATION, DMD II MORTGAGE
INVESTMENT CORPORATION and DMD III
MORTGAGE INVESTMENT CORPORATION
APPLICANT MNP LTD. in its capacity as Court-appointed
Receiver and Manager of DMD III MORTGAGE
INVESTMENT CORPORATION

DOCUMENT **APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 34004-2004

I hereby certify this to be a true copy of
the original Vesting Order
Dated this 22 day of August, 2017
Rena Parent
for Clerk of the Court

DATE UPON WHICH ORDER WAS PRONOUNCED: Tuesday, August 22, 2017
NAME OF JUSTICE WHO MADE THIS ORDER: Mr. Justice C.M. Jones
LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION by, in its capacity as Court-appointed receiver and manager
(the “Receiver”) of the assets, undertakings and properties of DMD III Mortgage Investment

Corporation (“**DMD III**” or the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**PSA**”) between the Receiver on behalf of DMD III, and Rajvir Sran (the “**Purchaser**”), which is included and described in the First Confidential Report of the Receiver dated August 15, 2017 (the “**First Confidential Report**”) in respect of the property located at 379 Whitman Place NE, Calgary, AB (the “**Whitman Property**”), and vesting in the Purchaser (or its nominee) the right, title and interest in and to the real property described in the PSA (the “**Lands**”) of DMD III and DMD IV Mortgage Investment Corporation (together, the “**Owners**”); **AND UPON HAVING READ** the Application and the First Report of the Receiver, both filed August 15, 2017, and any other material and evidence filed to date in the within proceedings, and the First Confidential Report, to be filed; **AND UPON HEARING** the submissions of counsel for the Receiver, and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application;

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 the time for service of this Application is abridged to that actually given.

APPROVAL OF WHITMAN PROPERTY TRANSACTION

2. The Transaction relating to the Whitman Property, which is legally described as:

Plan 7810991

Block 5

Lot 164

Excepting thereout all mines and minerals

is hereby approved, and the execution of the PSA by the Receiver is hereby authorized and approved, and is deemed to be commercially reasonable and in the best interests of the receivership estate and the stakeholders affected thereby, with such minor amendments as the Receiver may deem necessary and as may be agreed upon by the Receiver and the Purchaser. The Receiver is hereby authorized and directed, subject to the terms and conditions of this Order and the PSA, to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Lands to the Purchaser (or its nominee).

VESTING OF WHITMAN PROPERTY

3. Upon the delivery by the Receiver of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**") confirming the closing of the Transaction contemplated by the PSA, all of the Debtor's right, title and interest in and to the Lands described in the PSA attached as Appendix E to the Confidential First Report hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, 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**", which term shall explicitly not include the Permitted Encumbrances (as defined below)) including, without limiting the generality of the foregoing:

- (a) all charges, security interests or claims evidenced by registration, filing, or publication pursuant to any or all of the following: (a) the *Personal Property Security Act* (Alberta); or (c) any other personal property, mineral, or real property registry system (collectively, the "**Registries**"),

for greater certainty, this Court orders that all of the Claims, other than the permitted encumbrances described in the PSA and listed on **Schedule "B"** hereto (the "**Permitted Encumbrances**"), affecting or relating to the Lands are hereby expunged and discharged as against the Lands.

4. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar under the *Land Titles Act* (Alberta), and all other applicable government ministries and authorities in Alberta, exercising jurisdiction with respect to or over the Lands (collectively, the "**Governmental Authorities**"), as applicable, are hereby authorized, requested and directed to (in each case as applicable):

- (a) enter the Purchaser as the owner, lessee, and/or licensee of the Lands:
- (b) cancel the existing Certificates of Title to the Lands and issue new Certificates of Title for the Lands, in the name of the Purchaser (or its nominee);

- (c) cancel, delete or expunge from the existing title documents concerning the Lands all applicable Claims, including all Encumbrances other than the Permitted Encumbrances; and
 - (d) register such transfers, discharge statements, or conveyances, as may be required to convey clear title to the Lands to the Purchaser, subject only to the Permitted Encumbrances.
5. This Order shall be registered and the steps set out in paragraph 4 shall be carried out by the applicable Registrar and/or Governmental Authorities notwithstanding the requirements of section 191(1) of the *Land Titles Act* (Alberta) and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

CLOSING OF THE SALE TRANSACTION

6. The closing of the Transaction shall be effected in accordance with the terms of the PSA and such amendments to the PSA as may be agreed to in writing between the Purchaser and the Receiver.
7. For the purposes of determining the nature and priority of Claims against DMD III, the net proceeds from the sale of the Lands shall stand in the place and stead of the Lands, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Lands, with the same priority as they had with respect to the Lands immediately prior to the sale, as if the Lands had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
8. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
9. The Debtor and all persons who claim by, through or under the Debtor in respect of the Lands, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Lands and, to the extent that any such persons remains in possession or control of any of the Lands, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
10. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Lands for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.

11. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
12. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
13. Notwithstanding:
 - (a) The pendency of these proceedings;
 - (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) Any assignment in bankruptcy made in respect of the Debtor,

the vesting of the Lands in the Purchaser (or its nominee) 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 settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

14. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions 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.

Handling of Sale Proceeds

15. The Receiver is hereby authorized and directed to make the following distributions following the closing of the Transaction contemplated by the PSA:
 - (a) first, by the Receiver for unpaid property taxes in respect of the Lands;
 - (b) second, 50% of the remaining net sale proceeds to DMD IV Mortgage Investment Corporation, and 50% of the said remaining net sale proceeds to the DMD III receivership estate, which shall be held by the Receiver and dealt with as approved by the inspectors of the Debtor's estate.

Miscellaneous Matters

16. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, 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 orders as to provide such assistance to the Receiver, as an officer of this 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.
17. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
18. Service of this Order on any party not attending this Application is hereby dispensed with.

"C. Jones"

Justice of the Alberta Court of Queen's Bench

Schedule "A"
Form of Receiver's Certificate

COURT/ESTATE FILE NUMBER 1701-04209

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE RECEIVERSHIP
OF DMD III MORTGAGE INVESTMENT
CORPORATION

PLAINTIFF ACCESS CAPITAL ADVISORS INC.

DEFENDANTS DMD MORTGAGE INVESTMENT
CORPORATION, DMD II MORTGAGE
INVESTMENT CORPORATION and DMD III
MORTGAGE INVESTMENT
CORPORATION

APPLICANT MNP LTD. in its capacity as Court-appointed
Receiver and Manager of the assets, undertakings
and properties of DMD III MORTGAGE
INVESTMENT CORPORATION

DOCUMENT **RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: + 1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 34004-2004

RECITALS

- A. On April 4, 2017, on Application by Access Capital Advisors Inc., the Court of Queen's Bench of Alberta appointed MNP Ltd. as receiver and manager (the "**Receiver**") over the assets, undertakings and properties of DMD III Mortgage Investment Corporation ("**DMD III**" or the "**Debtor**"), and the Receiver was tasked with amongst other things, identifying, securing, arranging for sale and monetizing the assets, undertakings and properties of DMD III.

- B. Pursuant to an Order of the Court dated August 22, 2017, the Court approved the agreement of purchase and sale made (the “PSA”) between the Receiver, and Rajvir Sran (the “Purchaser”), and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Lands; (ii) that the conditions to Closing as set out in Article 8 of the PSA have been satisfied or waived by the Receiver and the Purchaser, as applicable; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the PSA.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Lands payable on the Closing Date pursuant to the PSA;
2. The conditions to Closing as set out in Article 8 of the PSA have been satisfied or waived by the Receiver and the Purchaser (or its nominee), 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].

MNP Ltd., in its capacity as Court-appointed Receiver and Manager of the assets, undertakings and properties of DMD III Mortgage Investment Corporation, and not in its personal capacity.

Per: _____
Name:
Title:

Schedule "B"
Permitted Encumbrances

<u>Registration Number</u>	<u>Date</u>	<u>Particulars</u>
771 147 064	20/10/1977	ZONING REGULATIONS SUBJECT TO CALGARY INTERNATIONAL AIRPORT ZONING REGULATIONS
011 079 487	26/03/2001	CAVEAT RE : ENCROACHMENT AGREEMENT