

Court No. B-131552
Estate No. 11-820752
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF

0409725 B.C. LTD.

BEFORE THE HONOURABLE) 18/FEB/2014
MR. JUSTICE GRAUER)

ORDER

UPON THE WITHOUT NOTICE APPLICATION of the applicant, 0409725 B.C. Ltd., formerly known as and doing business as Odenza Homes Ltd., by its trustee in bankruptcy G. Powroznik Group Inc. of G-Force Group. (the “**Trustee**”), coming on for hearing at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on Tuesday, February 18, 2014, and on hearing Magnus Verbrugge and Matthew Swanson, counsel for the Trustee, and no one else appearing, AND UPON reading The First Report of the Claims Administrator dated February 16, 2014, and the pleadings and other materials filed herein:

THIS COURT ORDERS THAT:

1. The capitalized terms used in this Order and not otherwise defined herein are as set out in the Order pronounced on December 19, 2013 by the Honourable Mr. Justice Grauer (the “**December 19 Order**”) in this proceeding.
2. The December 19 Order in this proceeding is hereby varied as follows:
 - (a) Paragraph 2 of the December 19 Order is replaced with the following text:

2. *The program developed by the Claims Administrator, as an officer of This Honourable Court, to:*

(a) process trust claims relating specifically to work contracts of Odenza (the "Contracts") for which funds have already been paid or are payable to Odenza (collectively, the "Potential Trust Funds") that could, pursuant to Section 10 of the BLA, upon receipt by the Trustee or previously by Odenza be impressed with a trust in favour of certain statutory trust claimants (collectively, the "Trust Claimants"); and

(b) process, in the manner set out herein, any lien claims (collectively, the "Lien Claims") arising in connection with projects where Odenza performed work or supplied materials (the "Projects"), asserted by lien claimants in respect of individual Projects (the "Lien Claimants"),

as set out in this Order (the "Trust Claim Settlement Program"), is hereby authorized and approved, and shall govern the adjudication and payment of claims to the Potential Trust Funds and to any statutory holdback (each, a "Holdback", and collectively, the "Holdbacks") required under the BLA in respect of the Contracts.

(b) Paragraphs 6 and 7 of the December 19 Order are replaced with the following text:

6. The Claims Administrator shall not deal with the Potential Trust Funds or Holdbacks, other than to place them into the Consolidated Trust Account, or to purchase a suitable interest bearing contract with such amounts, except as provided in

and 34 CJS.

paragraphs 33 of this Order, or until and except as directed by further Order of This Honourable Court.

7. The sending by the Claims Administrator of the letters and package of materials attached as Schedule "A", Schedule "B", Schedule "C", Schedule "D" and Schedule "E" to this Order, to creditors, clients and customers of Odenza is hereby authorized and approved.

- (c) Paragraph 10 of the December 19 Order is replaced with the following text:

10. The Claims Administrator is authorized and directed to send to each potential Lien Claimants and Trust Claimant by regular mail or email to its last known address in Odenza's books and records, a notice of the Trust Claim Settlement Program (the "Initial Notice") which shall attach a Proof of Trust and Lien Claim Form, and/or Proof of Lien Claim (as appropriate) (each, a "Claim Form"). The Claims Administrator is hereby authorized and directed to send by registered mail a notice (the "Notice to Prove Claim") attached as Schedule "C" to this Order, attaching the appropriate Claim Form, to each potential Lien Claimant and Trust Claimant (each, a "Claimant") that does not respond to the Initial Notice of the Trust Claim Settlement Program by filing a Claim Form within 28 days of the date the Initial Notice was sent to it by the Claims Administrator.

- (d) Paragraph 16 of the December 19 Order is replaced with the following text:

16. If the Claims Administrator, as officer of the court and in consultation with the Trustee, makes a determination to disallow,

in whole or in part, a Claim of a Claimant to the Potential Trust Funds or any Holdback asserted pursuant to a completed Claim Form, the Claims Administrator shall send by registered mail to such Claimant, at the address of the Claimant as set out in the completed Claim Form, and in the manner provided for herein, a notice (a "Notice of Disallowance"), the form of which is attached as Schedule "D" to this Order, within 90 days after the Claims Administrator receives the completed and executed Claim Form of the Claimant (or Schedule A to the deemed Claim Form of a Claimant contemplated in paragraph 23 hereof),

*the later of CGJ-27
and completion of the applicable
Owner's construction project. CGJ-27*

- (e) The following new paragraphs are added to the December 19 Order as paragraphs 22 and 23, as follows:

22. *Notwithstanding paragraph 21 hereof, an Owner may bring an application to This Honourable Court to pay the full amount of the Holdback or other funds or security into Court pursuant to Section 23 or Section 24 of the BLA, and if an Owner does so, it shall give notice to the Claims Administrator of such payment into Court, and make the Claims Administrator a Respondent to such application.*

23. *If an Owner pays a Holdback into Court as contemplated in paragraph 22 hereof, each person with a valid lien registered against title to applicable Property before or after such date shall be deemed to be a Lien Claimant for purposes hereof, and such Lien Claimant's filed lien application materials shall constitute a Claim Form for purposes hereof; provided that within 20 days after written notice is sent to such Lien Claimant by the Claims Administrator, or such longer period as the Claims Administrator or This Honourable Court shall permit, such Lien Claimant shall be required to provide to the Claims Administrator the evidence of*

its claim required in Schedule A to the applicable Claim Form, failing which such Lien Claimant shall be deemed to have failed to provide a Claim Form to the Claims Administrator for purposes of paragraph 12 hereof.

- (f) The numbers of the existing paragraphs 22 and 23 of the December 19 Order is changed to 24 and 25, respectively, and the new paragraph 25 of the December 19 Order is modified as follows:

25 The Claims Administrator shall hold each Holdback paid to it as an officer of This Honourable Court, in trust for persons entitled to valid claims of lien against the improvements (as defined in the BLA) for which each such Holdback was maintained, or valid claims against each of such Holdbacks themselves, subject to further Order of This Honourable Court.

- (g) A new paragraph shall be added to the December 19 Order and labeled as paragraph 26, and reads as follows:

26 With respect to any money paid into Court by an Owner pursuant to paragraph 22 or 24 hereof, the Claims Administrator shall be entitled to make application to the Court for an Order paying out such money to the Claims Administrator in this proceeding, to be held by the Claims Administrator in accordance with paragraph 25 hereof.

- (h) The numbering of existing paragraphs 24 and 25 of the December 19 Order is changed to paragraphs 27 and 28, respectively, and the new paragraph 28 is modified as follows:

28 Any person claiming a lien against a Holdback held by the Claims Administrator may deliver notice of that lien in writing to the Claims Administrator by completing Part B of the Proof of Trust and Lien Claim or, as applicable, the Proof of Lien Claim.

Once delivered to the Claims Administrator, such notice shall have the same effect for purposes of Section 8(4) of the BLA as the filing of a claim of lien or the commencement of an action to enforce a lien against the Holdback. Following receipt by the Claims Administrator of such notice or notices, the Claims Administrator shall, on behalf of all persons who have claimed a lien, deliver written notice to the respective Owner or Contractor of such claim or claims of lien, provided that after the first delivery of notice to the Owner or Contractor of such a claim or claim of lien, the Claims Administrator shall not be required to send further notices of such claims or claims of lien more frequently than once every two weeks, unless specifically requested to do so by the Owner or Contractor.

- (i) The existing paragraph 26 of the December 19 Order is changed to paragraph 29.
- (j) The following new paragraph is added to the December 19 Order, labeled as paragraph 30, and reads as follows:

30 The Trustee shall be entitled to reasonable compensation for assistance provided by it to the Claims Administrator in the administration of the Trust Claims Settlement Program, and shall be entitled to be reimbursed for its reasonable fees and expenses (including fees and expenses of its counsel) from the Potential Trust Funds and Holdbacks, in an amount to be determined by further Order of This Honourable Court.

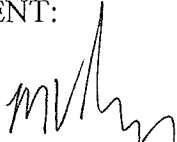
- (k) The existing paragraph 27 of the December 19 Order is changed to paragraph 31.
- (l) The new paragraph 31 is modified to read as follows:

31 The Claims Administrator, the Trustee and their legal counsel shall be entitled to and are hereby granted a charge (“Claims Administrator’s Charge”) on the Potential Trust Funds

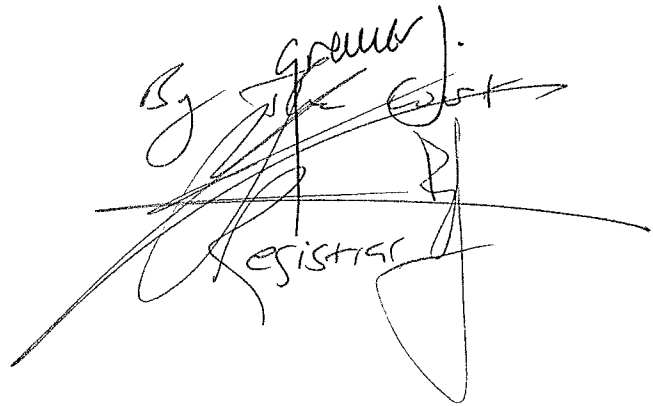
and the Holdback, as security for their reasonable legal fees and disbursements incurred, both before and after the making of this Order, in respect of the Trust Claim Settlement Program, and the Claims Administrator's Charge shall form a first charge on the Potential Trust Funds and Holdback in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any creditor of Odenza, Trust Claimant or Lien Claimant, but subject to Section 14.06(7) of the BIA.

- (m) The numbering of existing paragraphs 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 and 38 of the December 19 Order is changed to paragraphs 32, 33, 34, 35, 36, 37, 38, 39, 40, 41 and 42, respectively.
- 3. This Order may be set aside or varied, in whole or in part, by any creditor of Odenza or any Claimant or Owner, provided its application to set aside or vary this Order is served on the Trustee and the Claims Administrator within ten (10) days after the date upon which this Order is sent by email, facsimile or regular mail to such creditor by the Claims Administrator.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Magnus C. Verbrugge
 party lawyer for Trustee,
G. Powroznik Group Inc. of G-Force Group



By *G. Powroznik*
[Signature]
REGISTER

