



No. S137436
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA,
INC. NO. S36826, AND TLC THE LAND CONSERVANCY (ENTERPRISES) LTD.

PLAN OF COMPROMISE AND ARRANGEMENT

February 23, 2015

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ARTICLE 1
DEFINITIONS AND INTERPRETATIONS

1.1 Definitions and Interpretation

- (a) "**Additional Properties**" means those Properties listed on Schedule 2 hereto which require additional effort and analysis before they may be sold or transferred by TLC pursuant to this Plan;
- (b) "**Administration Charges**" has the meaning ascribed in the Initial Order, as amended;
- (c) "**Amended Claims Register**" means the register of Claims prepared by the Monitor in the Proceeding, as amended on February 23, 2015;
- (d) "**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;
- (e) "**Board**" means the Board of Directors of TLC;
- (f) "**Business Day**" means any day, other than a Saturday, a Sunday, or a statutory holiday in British Columbia;
- (g) "**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- (h) "**Certificate of Completion**" means the certificate issued by the Monitor and filed with the Court as provided in Section 10.6 of the Plan;
- (i) "**Chair**" means the chair of the Meeting as designated in the Meeting and Process Order;
- (j) "**Claim**" means any right or claim of any Person against TLC in connection with any indebtedness, liability or obligation of any kind whatsoever owed by TLC to any Person and any interest accrued thereon or costs, fees payable in respect thereof, whether reduced to judgment, liquidated, un-liquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim of contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts existing prior to the Filing Date and, any indebtedness, liability or obligation of any kind arising out of the repudiation, restructuring, or termination of any contract, lease, employment agreement or other agreement after the Filing Date. Without limiting the foregoing and for greater certainty, "Claim" means any indebtedness, liability or obligation of any kind that if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had TLC become bankrupt on the Filing Date;
- (k) "**Claims Bar Date**" means April 25, 2014, pursuant to the Claims Process Order;
- (l) "**Claims Process Order**" means the Order granted by the Court in the Proceeding on March 4, 2014, approving and directing the claims process in this Proceeding;
- (m) "**Class**" means any one or more of the groups of Creditors listed in Section 5.1 of the Plan;

- (n) "**Core Properties**" means those Properties listed on Schedule 1 hereto, which are in the process of being sold or otherwise transferred;
- (o) "**Court**" means the Supreme Court of British Columbia;
- (p) "**CPPA**" means the *Charitable Purposes Preservation Act* SBC 2004, c. 59, as amended;
- (q) "**CRD**" means Capital Regional District British Columbia;
- (r) "**Creditor**" means any Person having a Proven Claim and includes without limitation, the transferee of an assigned Proven Claim;
- (s) "**Date for any Action**" means that in the event that any date on which any action is required to be taken under this Plan by any of the parties is not a Business Day, that action shall be required to be taken on the next succeeding day that is a Business Day;
- (t) "**DIP Loan**" means the loan to TLC secured by the DIP Lender's Charge as defined in the Initial Order;
- (u) "**Employee Priority Claims**" mean the following Claims of employees and former employees of TLC:
 - (i) Claims equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(1)(d) of the BIA if TLC had become bankrupt on the Filing Date; and
 - (ii) Claims for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the Plan Implementation Date together with, in the case of travelling salespersons, disbursements properly incurred by them in and about TLC's business during the same period;
- (v) "**Excluded Claim**" means:
 - (i) any claim secured by charge created by an order in this Proceeding;
 - (ii) Post-Filing Claims;
 - (iii) that portion of a claim arising from a cause of action for which TLC is covered by insurance, but only to the extent of such coverage;
 - (iv) Employee Priority Claims;
 - (v) Government Priority Claims; and
 - (vi) any claims with respect to the reasonable fees and disbursements of counsel for TLC, the Monitor, or any financial advisor retained by the foregoing, as approved by the Court to the extent required;
- (w) "**Filing Date**" means October 7, 2013;
- (x) "**Government Priority Claims**" means any Claim owing to Her Majesty the Queen in right of Canada or any Province as described in Section 6(3) of the CCAA;
- (y) "**Impeded Properties**" means those properties listed on Schedule 3 hereto, which will be retained by TLC until arrangements can be made for them.

- (z) "**Initial Order**" means the Order granted by the Court in the Proceeding on October 7, 2013 ordering, among other things, a stay of proceedings in respect of TLC, as amended or extended from time to time;
- (aa) "**Land Trust Movement**" is used to describe non-profit conservation organizations that either buy land or hold conservation easements, or both, and work in partnership with landowners and communities to permanently conserve natural resources;
- (bb) "**Land Trust Transfer**" means the transfer of those Properties which will be transferred to NCC and TNTBC;
- (cc) "**Meeting**" means the meeting of the Creditors to be held pursuant to the Meeting and Process Order for the purpose of seeking approval of the Plan, including any adjournment thereof;
- (dd) "**Meeting and Process Order**" means the Order of the Court granted in British Columbia Supreme Court Action No.S137436, Vancouver Registry, on February 23, 2015 directing the holding of the Meeting, and providing such other directions as may be appropriate in the circumstances;
- (ee) "**Monitor**" means Wolrige Mahon Limited in its capacity as the Monitor appointed pursuant to the Initial Order or any successor thereto appointed in accordance with any further Order;
- (ff) "**NCC**" means the Nature Conservancy of Canada;
- (gg) "**Person**" means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, joint venture, governmental authority, or any agency, officer thereof or any other entity;
- (hh) "**Plan**" means this Plan of Arrangement between TLC and its Creditors, as from time to time amended, modified or supplemented pursuant to an Order of the Court, or pursuant to an agreement between TLC and any Creditor or Class, as provided for herein or pursuant to any Meeting of the Creditors;
- (ii) "**Plan Implementation Date**" means the date on which all of the conditions precedent to this Plan as set forth in Section 10.4 have been satisfied or waived;
- (jj) "**Post-Filing Claim**" means any right or claim of any Person that may be asserted or made in whole or in part against TLC in connection with any indebtedness, liability or obligation of any kind which arose in respect of obligations first incurred on or after the Filing Date (other than Restructuring Claims) and any interest thereon, including any obligation of TLC toward creditors who have supplied or shall supply services, utilities, goods or materials or who have or shall have advanced funds to TLC on or after the Filing Date, but only to the extent of their claims in respect of the supply of such services, utilities, goods, materials or funds on or after the Filing Date;
- (kk) "**Proceeding**" means the legal Proceeding under the CCAA commenced by TLC in the Court, under Vancouver Registry Action No. S137436;
- (ll) "**Properties**" means the real property under the care and administration of TLC;
- (mm) "**Proven Claim**" means a Claim that has been accepted or finally settled in accordance with the Claims Process Order;

- (nn) "**Released Party**" means a person who will be released by the Plan;
- (oo) "**Sanction Order**" means the Order made in the Proceeding sanctioning the Plan and the authorizing implementation of the transactions contemplated therein;
- (pp) "**Secured Creditor**" means any Person holding a perfected mortgage, pledge, charge or lien on or against the property TLC or any part as security for a Claim;
- (qq) "**Statutory References**" means that unless otherwise specified, any reference in this Plan to a statute includes all regulations made thereunder and all applicable amendments to such statute or regulations in force, from time to time, or any statute or regulations that supplement or supersede such statute or regulations;
- (rr) "**TLC**" means, collectively, TLC The Land Conservancy of British Columbia and TLC The Land Conservancy (Enterprises) Ltd.;
- (ss) "**TNTBC**" means the Nature Trust of British Columbia;
- (tt) "**Trustee**" means an individual person or member of a board given control or powers of administration of property held in trust with a legal obligation to administer it solely for the purposes specified;
- (uu) "**Unaffected Creditor**" means any Creditor that holds an Excluded Claim, in respect of and to the extent of such Excluded Claim;
- (vv) "**Unsecured Creditor**" means a Creditor other than a Secured Creditor.

1.2 Interpretation, etc.

For purposes of this Plan:

- (a) any reference in this Plan to a contract, instrument, release, order, agreement or other document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;
- (b) any reference in this Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be modified, amended, varied or supplemented;
- (c) all references to currency and to "\$" are to Canadian dollars, except as otherwise indicated;
- (d) unless otherwise specified, the words "hereof", "herein", "hereunder", and "hereto" refer to this Plan in its entirety rather than to any particular portion of this Plan;
- (e) the division of this Plan into Articles, Sections, and paragraphs and the insertion of captions and headings to Articles, Sections, and paragraphs are for convenience of reference only and are not intended to affect the interpretation of, or to be part of this Plan;
- (f) where the context requires, a word or words importing the singular shall include the plural and vice versa and a word or words importing one gender shall include all genders;
- (g) the deeming provisions are not rebuttable and are conclusive and irrevocable;

- (h) the words "includes" and "including" are not limiting; and
- (i) the word "or" is not exclusive.

ARTICLE 2 PURPOSE AND EFFECT OF THE PLAN

2.1 Purpose and Effect of the Plan

On October 7, 2013, TLC was granted creditor protection pursuant to the provisions of the CCAA. TLC's intention from the start has been to pay all of its creditors to the fullest extent possible, and to protect the Properties to the greatest extent possible. This intention has guided the Board in formulation of this Plan.

TLC is only the second not-for-profit charity to restructure under the CCAA. By way of this Plan and the transactions contemplated hereby, TLC will sell or otherwise transfer certain of the Properties in order to continue its operations and to serve the Land Trust Movement in a financially sustainable manner.

2.2 Objective of the Plan

TLC's objective is to pay its Creditors while perpetrating the least harm to the Land Trust Movement generally.

Specifically, the objective of this Plan is to restructure the financial obligations of TLC in order to make an equitable repayment to creditors through the sale and transfer of certain of the Properties while preserving the charitable purposes for which the Properties were protected. A secondary objective of the Plan is to reduce the financial obligations of TLC associated with ownership of the Properties in order that TLC can continue to operate with long term viability after the implementation of the Plan with a reduced property portfolio.

TLC believes that all of the interests espoused above will be best served by the Creditors accepting this Plan.

Unlike most companies and organizations in similar circumstances, TLC has an additional option for Creditors pursuant to the Plan. Creditors who have made a loan to TLC may opt to donate all or a portion of their Proven Claim, and receive a charitable tax receipt. The possibility of creatively converting the debt into a tax credit will have different consequences for each Creditor. If a Creditor is considering making a gift of its debt, the Creditor is advised to seek clarification of the benefit from the appropriate legal or financial consultant.

This Plan will facilitate the compromise, settlement, release and discharge of all Claims, except Excluded Claims, as of the Plan Implementation Date.

2.3 Persons Affected by the Plan

This Plan applies to every Claim other than Excluded Claims (whether or not the Creditor has proven a claim against TLC). This Plan will be binding on and enure to the benefit of TLC, the Released Parties, the Creditors, any trustee, agent or other Person acting on behalf of any Creditor and such other Persons who have received the benefit of, or are bound by, any compromises, waivers or releases hereunder.

ARTICLE 3 SUMMARY OF THE PLAN

3.1 Summary of the Plan

In order to meet the objectives listed in the previous section, the Plan detailed below is based on the strategy that TLC will reduce the number of Properties under its administration by:

- (a) selling or transferring Core Properties and Additional Properties in exchange for proceeds to fund the Plan. Notwithstanding such sale or transfer, TLC will continue to operate within its mandate and maintain its obligations for monitoring and upholding conservation covenants and in intervening in property disposition from private landowners to other conservation groups or government agencies where requested and appropriate, in connection with the Properties; and
- (b) transferring Core Properties and Additional Properties to other agencies or organizations which are better equipped to maintain those properties and fulfill the charitable purposes under which the properties were acquired.

3.2 Treatment of Creditors

- (a) Each Unsecured Creditor with a Proven Claim in the aggregate equal to or less than \$5,000.00 shall receive a cash distribution in an amount equal to the lesser of:
 - (i) the full amount of the aggregate of their Proven Claim; and
 - (ii) \$5,000.00.
- (b) Each Unsecured Creditor with Proven Claims the aggregate amount of which is greater than \$5,000.00 shall receive a cash distribution in an amount equal to:
 - (i) \$5,000.00; and
 - (ii) their *pro-rata* share of any subsequent distributions pursuant to the Plan;up to the full amount of their Proven Claim;
- (c) each Secured Creditor with a Proven Claim shall receive full payment of their Proven Claim at such time as the Property that is subject to their security is sold;
- (d) no payments under this Plan to Unsecured Creditors will bear interest in any circumstances; and
- (e) each Creditor with a Proven Claim which is in relation to a loan made to TLC may elect to receive a tax receipt in the amount of its Proven Claim in lieu of a payment under the Plan. Any Creditor may elect to donate the proceeds payable in relation to its Proven Claim pursuant to this Plan to TLC following payment.

3.3 Treatment of Excluded Claims

- (a) Unaffected Creditors will not be entitled to vote the amounts of their Excluded Claims at the Creditors' Meeting or receive any distributions pursuant to this Plan in respect of the portions of their Claims that are Excluded Claims. Nothing in this Plan shall affect the defences, both legal and equitable, with respect to any Excluded Claim including any

rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Excluded Claim;

- (b) Within six (6) months after the Sanction Order, TLC will pay in full all Employee Priority Claims and Government Priority Claims; and
- (c) Creditors having a Post-Filing Claim will be paid the full amount of such post-filing Claims in accordance with such arrangements as are negotiated between such creditors and TLC.

3.4 Total Amount of Debt

The amounts outstanding owing to Creditors is as follows:

Secured and Priority Claims

DIP Loan (including interest to December 16, 2014)	\$1,791,009.85
Administrative Charges incurred as of December 31, 2014 (including interest)	\$ 1,246,982.78
Municipal property taxes and utilities (including interest)	\$160,000.00
Claims of Secured Creditors	\$1,024,573.88
Accrued interest on Claims of Secured Creditors to December 31, 2014	<u>\$306,092.00</u>
Sub-Total	\$4,528,658.51
Claims of Unsecured Creditors	<u>\$3,592,524.51</u>
TOTAL	\$8,121,183.02

ARTICLE 4 PROPERTIES

4.1 Monks Point

Monk's Point in Tofino was bequeathed to TLC by the late Harold Monks. The property includes his former residence, a rental cottage, and other storage buildings. A benefactor has agreed in principle to forgive \$1 million of her registered claim in exchange for the transfer of the property to the District of Tofino. A second benefactor has also agreed in principle to forgive \$75,000 of their registered claim if the transfer is completed. The District of Tofino has also agreed in principle to contribute \$250,000 to TLC's restructuring in exchange for the transfer of the property.

A covenant will then be created and held by the Alberni Clayoquot Regional District on the property to protect the charitable purpose for which it was entrusted to TLC, with the possibility of a second holder being added to the covenant.

4.2 Maltby Lake

Maltby Lake is a family-owned property in Victoria consisting of a residence and small lake. An undivided 35% interest in the property was bequeathed to TLC by Catherine Homes who indicated in her will that it was her wish to have a park created in memory of her late husband. The appraised value of the entire Maltby Lake property was appraised at \$4,847,000, which would equate to TLC's straight interest share being \$1,696,450. However, the appraiser advised that due to the nature of the undivided interest

bequeathed to TLC, the value of the 35% interest would require substantial discounting. Accordingly, the discounted value of the 35% interest was estimated by TLC to be approximately \$1,000,000.

TLC has accepted an Offer to Purchase for an undivided 29% interest in the Maltby lake property from Woody and Carmel Thomson, who are members of the Holmes family. The purchase price is \$750,000, with the interest being sold being subject to a protected area designation upon partition or subdivision of the Maltby Lake property.

The Friends of Maltby Lake Watershed Society, a local conservation group supported by the community and various levels of government have expressed interest in principle in providing TLC with a contribution of \$250,000 for the remaining 6% interest to be similarly secured.

4.3 Abkhazi Garden

The Abkhazi Garden in Victoria is comprised of a residence (subsequently converted to a tea house and gift shop by TLC) and extensive private gardens on two legal lots, commonly known as Abkhazi Lot 1 and Abkhazi Lot 2.

Following the death of the Abkhazi's, the property was purchased by a developer who successfully rezoned the larger of the properties (known as Abkhazi Lot 1) for a 12 townhome development. TLC, backed by substantial community support, purchased both legal lots from the developer in 2000 with the intention of preserving the idyllic qualities of the property.

It was determined by an appraisal that the value of the densities associated with the townhouse zoning would be worth approximately \$1,500,000, while the smaller lot (known as Abkhazi Lot 2), was valued at approximately \$539,000. A generous benefactor has agreed in principle to contribute as a donation to TLC the appraised value of Abkhazi Lot 2 conditional upon both lots being designated as heritage by the City of Victoria.

The City of Victoria has agreed in principle to allow TLC to transfer the densities from Abakhazi Lot 1 to another property within the City of Victoria if both Abkhazi lots are municipally designated as heritage. TLC is actively marketing the transfer of the potential densities to the development community with the intention of generating approximately \$1,500,000 from the transfer of densities. The title for the two lots will remain with TLC after the transfer of densities is completed. It is TLC's opinion that a transfer of the densities could occur between 6 and 18 months from the approval of this Plan by the Creditors.

4.4 Historic Kogawa House

The family home of the author Joy Kogawa was purchased by TLC as a significant heritage property in Vancouver. With the assistance of the Joy Kogawa Society, TLC is pursuing the application for a Heritage Revitalization Agreement from the City of Vancouver. Under the terms of the agreement between the Joy Kogawa Society and TLC, the Joy Kogawa Society has agreed to provide TLC with the balance of the proceeds from the Community Amenity Contributions stemming from the Heritage Revitalization Agreement estimated to be in the order of \$1,000,000 after deductions for needed restoration of the house. The title to the property will be transferred to the Joy Kogawa Society upon payout of the mortgage.

A developer amenable to making the Community Amenity Contributions according to a Heritage Revitalization Agreement expressed interest to TLC in December 2014. It is anticipated that a successful transfer could happen between 6 and 18 months from the approval of this Plan by the Creditors.

4.5 NCC and TNTBC Purchase of Ecologically Sensitive Properties

NCC and TNTBC have entered into an agreement with TLC which will facilitate the purchase of 28 ecologically sensitive properties from TLC for \$1,500,000.

These lands, although assessed for property tax purposes at approximately \$12,000,000, are subject to a number of encumbrances and constraints which limited their viability for a sale on the open market. Namely:

- (a) open market sales of properties obtained through the Federal Ecological Gifts Program could be subject to a special tax penalty of 50% of the market value of the properties;
- (b) open market sales of properties that received funding support through grant subsidies from the Habitat Conservation Trust Foundation and other foundations require certain beneficial repayments from proceeds, severely restricting resultant revenue received by TLC from the transfer/sale of these properties;
- (c) most of these properties have been expressly donated for environmental conservation purposes, restricting the ability to sell them for other use purposes. A number of these properties are restricted by conservation covenant on title; and
- (d) most of these properties have been given the designation of inalienability under TLC's bylaws, which prohibits TLC from transferring the properties to anyone other than organizations with similar purposes within the Land Trust Movement.

4.6 Hardy Mountain Doukhobor Village

The Hardy Mountain Doukhobor Village in Grand Forks was acquired by TLC via a purchase from the previous owner who operated the heritage building as a museum and tourist attraction. This property is significant culturally as it represents the only remaining *in situ* Doukhobor "great house" in British Columbia and it is municipally designated as a heritage property (thereby restricting its use). The property also is within the Agricultural Land Reserve which further restricts the potential for development for other uses.

The Regional District of Kootenay Boundary has agreed in principle to accept the transfer of the title to the property and assumption of the mortgage indebtedness to Grand Forks Credit Union of approximately \$37,000 including interest. Although the property may be assessed at higher than the mortgage value, the municipal designation and Agricultural Land Reserve status of the property significantly devalue the property and precludes any repurposing of the building or lands for any other use, without significant cooperation of the Regional District.

4.7 Ross Bay Villa

Ross Bay Villa is a cottage that was built in 1865 and is a rare example of an 1860's house in the Capital Regional District. It is on Victoria's Heritage Registry. Acquired by TLC in 1999 in derelict condition, the house and gardens have been painstakingly restored to mint condition with the assistance of \$326,000 in grants, thousands of volunteer hours and significant donations of materials and furniture.

TLC believes it has limited value on the open market other than as a museum. Accordingly, TLC has accepted an Offer to Purchase the property from the Ross Bay Villa Society for the current value of the mortgage to Coast Capital Savings Credit Union (approximately \$125,000) to ensure the property continues to be preserved to the upmost heritage standard.

4.8 Total revenue/debt reduction anticipated from sales or transfers of Core Properties:

Monks Point transfer (total contributions)	\$1,325,000
Maltby Lake (29%) Offer to Purchase	\$750,000
Abkhazi transfer of densities	\$1,500,000
Abkhazi Lot 2	\$539,000
Kogawa House	\$1,000,000
Land Trust	\$1,500,000
Hardy Mountain Doukhobor Village	\$37,000
Ross Bay Villa	\$125,000
Total	\$6,776,000

Additional Properties

4.9 Binning House

The Binning House was acquired by TLC following the passing of B.C. Binning's widow, Jessie Binning who wished for the property to be maintained by a heritage organization. This West Vancouver property is comprised of a small lot and the Binning home, which is of significant architectural and heritage interest. The house is designated as a heritage building by the District of West Vancouver.

Initially upon entering the Proceeding, TLC received an unsolicited Offer to Purchase the property from an individual interested in preserving B.C. Binning's legacy. When TLC applied for court approval, the sale was contested by the University of British Columbia, who, pursuant to Jessie Binning's will, would be entitled to the proceeds of a sale of the property. Although the Court found in TLC's favour, the University of British Columbia won an appeal of this decision. The British Columbia Court of Appeal's decision was to reverse the initial transfer of the property from Jessie Binning's estate to TLC, and that TLC would recover Court costs from any subsequent property transfer by Ms. Binning's estate. TLC is awaiting instruction on how this transfer will proceed and when TLC's appeal costs (approximately \$500,000) will be received.

4.10 Wildwood

TLC acquired the Wildwood property in Nanaimo from Merv Wilkinson and his family prior to his death in 2011. The forestry practices undertaken on this land serve as an example of Merv's practice of sustainable eco-forestry.

An appraisal of the property estimated the property value, less improvements, at approximately \$1,145,000. This valuation, however, fails to reflect the ecological value of the property, considering only the highest and best use of the property as a rural residential lakefront estate.

While attempting to preserve Merv's legacy, TLC considered the transfer of Wildwood, with a covenant to maintain the eco-forestry operation, to a purchaser willing to do so for \$860,000. This offer was subsequently withdrawn by the purchaser, however, in January 2015, TLC was able to confirm that the purchaser is prepared to re-submit their offer in the near future.

4.11 Lohbrunner Farm

Norma Lohbrunner donated her property to TLC following her passing in 2007 as a bird sanctuary and for general nature conservation. The property consists of two legal lots comprising a total of 39 acres, one of which is 13.41 acres partially within the Agricultural Land Reserve and contains the late benefactor's residence. The second lot is 25.66 acres of undeveloped forested land, effectively without any road access except via the farm lot.

A covenant was in the process of being placed on the forested parcel with a local land trust organization just prior to the commencement of the Proceeding. The farm lot is being used as a community volunteer run farming operation.

In 2014, TLC obtained an Opinion of Value from a realtor that concluded that the value of the farm lot if sold separately is approximately \$500,000, or if sold with the forested lot encumbered by a covenant, could be sold together for \$750,000.

For the purposes of protecting the forested lot, TLC has agreed to include this lot in the Land Trust Transfer. TLC is considering protecting the farm lot with a covenant and selling it for \$500,000 towards payout of the creditors.

4.12 Qualicum Bat House

The Qualicum Bat House near Qualicum Beach was purchased by TLC in 1999. This small property has a derelict house which is inhabited by endangered Townsend bats. The property has 2 mortgages totalling \$145,321. The smaller, first-priority mortgage of approximately \$37,000 will be paid through the proceeds of the Land Trust Transfer.

As the expected net return to TLC on a sale of this property would not likely exceed the value of the second mortgage, the owners of the second mortgage of approximately \$105,000 will be asked to accept the property in full consideration of their secured debt. A trust evaluation and appraisal may be required to complete this transaction.

The existing bat colony is protected under the *Wildlife Act* and plans have been prepared by the British Columbia Wildlife Branch to create an alternative structure as the house is in very poor condition.

4.13 Potential revenue or debt reduction anticipated from Additional Properties

Maltby Lake (6%) transfer	\$250,000
Binning House legal fees recovery	\$500,000
Wildwood transfer	\$860,000
Lohbrunner Farm lot transfer	\$500,000
<u>Qualicum Bat House transfer to mortgagor</u>	<u>\$105,000</u>
Total	\$2,215,000

There is considerable uncertainty regarding the possibility, timing, and status of final disposition of the Additional Properties, but they have the potential to generate further additional funds to distribute to Creditors.

4.14 Total Potential Repayment Commitments from Core Properties and Additional Properties

The total revenue and debt forgiveness/transfer proposed under this Plan for Core Properties represents approximately \$6,776,000 and Additional Properties represents a further \$2,215,000, for a total possible reduction in indebtedness of approximately \$9,000,000.

4.15 Impeded Properties

The following properties are not considered part of the Plan as there are significant impediments to deriving value from potential sale or transfer within the timeframe considered given the protection afforded to the properties, and there has been little or no interest received from organizations in the Land Trust Movement.

Property	Impairment/Difficulty
Chemainus River (50/100)	Donated half interest in a property with the specific intention of donation to the Cowichan Valley Regional District as protected parkland upon subdivision of the property.
Clearwater (Kurta)	Donated under Federal Ecogift program (approval pending) specifically for conservation purposes.
Fort Shepherd	Donated under Federal Ecogift program specifically for conservation purposes.
Madrone Farm	Encumbered by 29 year lease with family; significant donations for acquisition for conservation as family farm.
Nimpo Lake	Small property in isolated region specifically for use as a vacation cabin.
Sooke Potholes	Three properties acquired in partnership with the Capital Regional District within the Sooke Potholes Regional Park, including the Sooke Potholes Campground operated by TLC.
Todd Road	Small property in Kamloops area donated for conservation purposes.

Upon finalizing the repayment of Creditors and the restructuring of TLC, these properties will either be retained or be transferred to suitable charitable organizations if possible and if the opportunity arises.

4.16 **Potential revenue from debt forgiveness**

There is a distinct possibility that certain Creditors who made a loan to TLC may elect to take an income tax receipt in return for forgiving a Proven Claim. An estimate of the number of Creditors who may choose this option is not possible, however, every dollar of debt forgiven increases the distribution to the remaining Creditors.

4.17 **Proceeds from Poole Estate**

TLC has recently been notified that it will receive approximately \$500,000 (subject to taxes) from the Estate of Charles Poole. Although this funding will be put towards operational costs, there is potential for the balance of the funds to be contributed towards the payment of Proven Claims.

4.18 **Distribution Under the Plan**

There will be two classes of Creditors voting at the Meeting:

- (a) Secured Creditors; and
- (b) Unsecured Creditors.

4.19 **Secured Creditors**

Secured Creditors can have their claims satisfied in one of three ways:

- (a) paid in full; or
- (b) consent to having the Property over which they hold security transferred to a third party and the assumption of the associated mortgage; or
- (c) accepting the Property over which they have security as payment in full.

(a) Payment in Full

All Secured Creditors who do not agree to make alternative arrangements with TLC as set out in 4.19 (b) or (c) above will receive full payment of their Proven Claim when the Property that is subject to their security is sold, unless otherwise provided herein.

Except where the Administration Charge and the DIP Loan have been expressly subordinated to other registered security, the proceeds from any particular property will be applied to the payment of the Administration Charge and the DIP Loan in full prior to the payout of other registered security. Property taxes must be paid in full prior to the payment of any registered security.

Therefore, the Secured Creditors will be paid from the following sources:

Surplus Cash on Hand for Plan Contribution	\$150,000.00
Funds in Possession of Davis LLP re: DIP Proceeds	\$125,000.00
Recovery of Binning House legal costs	\$500,000.00
Maltby Lake sale (29%)	\$750,000.00
Poole Estate	\$500,000.00
Carlyon Debt Forgiveness and purchase price (see Monks Point)	\$1,250,000.00
Total	\$3,275,000.00

Any shortfall for payment to the beneficiaries of the Administration Charge or the lender of the DIP Loan after the above revenue will be funded by the proceeds from the Land Trust Transfer. TLC anticipates approximately \$500,000 of the \$1,500,000 from the Land Trust Transfer may be necessary to satisfy the amounts outstanding pursuant to the Administration Charge, the DIP Loan, and taxes owing.

(b) Transfer of Land/Mortgage

The Secured Creditors holding security against the respective Properties below will be paid after the above charges in whole or in part through specific strategies on particular properties as follows:

Property/Debtor	Debt Amount Retired (Rounded)	Payment Methodology
Abkhazi	\$539,000	Donation from private donor to reduce mortgage indebtedness. Note full mortgage amount is \$947,000.
Hardy Mountain Doukhobor Village	\$38,000	Property to be transferred to the Regional District of Kootenay Boundary, and mortgage assumed.
Ross Bay Villa	\$125,000	Property transfer to Ross Bay Villa Society in exchange for the mortgage being paid in full.
Qualicum Bat House	\$105,000	Creditor accepting forgiveness of loan in exchange for transfer of the property to creditor.
Horsefly/Luke Ck./Cowichan River	\$182,000	Properties included in the Land Trust Transfer.
Total Retired	\$989,000	

The remaining secured debt on Horsefly River/Luke Creek/Cowichan River (\$182,000), Abkhazi (\$410,000), Qualicum Bat House (\$38,000) and Kogawa House (\$111,000) for a total of \$741,000 will be paid from the \$1,000,000 remaining from the proceeds from the Land Trust Transfer.

4.20 Summary of Distribution for Unsecured Creditors

It is anticipated that the distributions to Unsecured Creditors will be made in two or more tranches depending upon the progress of transfers of Additional Properties and the density transfers for the Gardens and Kogawa House.

Tranche 1

After payout of Secured Creditors, the remaining proceeds from the Land Trust Transfer (approximately \$250,000) will be distributed to the Unsecured Creditors, *pro rata*. In addition, one Unsecured Creditor has also committed to the forgiveness of their claim (\$75,000). The amount of the Proven Claims of Unsecured Creditors remaining after the payout of Tranche 1 will be approximately \$3,270,000.

Tranche 2

The remaining Proven Claims of Unsecured Creditors after the payments of Tranche 1 will be paid *pro rata* from proceeds from sale of Additional Properties (figures are rounded for convenience) as transfers and sales are finalized:

Lohbrunner Farm	\$500,000
Maltby Lake (6%)	\$250,000
Wildwood	\$860,000
Total	\$1,610,000

We anticipate the proceeds from the transfer of the Additional Properties will be received within 6 to 12 months from the approval of this Plan by the Creditors. After the payout of Tranche 2, it is estimated that the claims of the Unsecured Creditors will be approximately \$1,700,000.

Tranche 3

The remainder of the Proven Claims of the Unsecured Creditors will be paid from the proceeds of the transfer of densities for the Gardens and/or Kogawa House as detailed in paragraph 4.8 above. TLC anticipates that proceeds from the density transfer will be received within 12 to 18 months from the approval of this Plan by the Creditors.

The Monitor, with Court approval, may distribute Tranche 1, 2 and 3 proceeds as it determines appropriate.

4.21 Revised Plan

In the event that the transfer of densities are not completed by June 30, 2016, TLC shall, with the assistance of the Monitor, seek input from the Unsecured Creditors and the Court and will file a revised Plan on or before July 30, 2016.

**ARTICLE 5
PROOF OF CLAIMS**

5.1 Claims Process

Pursuant to the Claims Process Order, the Monitor has overseen a Claims Process and maintained a Claims Register, as amended by Court Order on February 23, 2015.

5.2 Disputed Proofs of Claims

There were two disputed claims, both have now been settled; and there are no remaining disputed Proofs of Claim.

**ARTICLE 6
PROCESS OF PLAN AND MEETING**

In accordance with the Meeting and Process order, there shall be two (2) classes of creditors for the purposes of considering and voting on this Plan:

- (a) Secured Creditors having Proven Claims; and
- (b) Unsecured Creditors having Proven Claims.

A vote on the Plan will take place at a meeting to be held on Monday, March 30, 2015 at 11:00 a.m. at the Laurel Point Inn, Victoria, BC.

Creditors may vote by proxy before the meeting according to the process outlined in the Meeting and Process Order. If the Plan does not receive the necessary votes to be approved, motions to amend the Plan that are approved by the majority of those attending and voting, will be entertained at the meeting and a vote on the amended Plan will take place at the meeting by those in attendance.

**ARTICLE 7
MEETING**

7.1 Meeting

The Meeting shall be conducted in accordance with the terms of this Plan and the Meeting and Process Order.

7.2 Persons

Persons entitled to attend the Meetings are:

- (a) the Monitor and any Person designated by the Monitor;
- (b) officers, directors and other advisors of TLC;
- (c) Unsecured Creditors with Proven Claims (including the holders of proxies);
- (d) Secured Creditors with Proven Claims (including the holders of proxies);
- (e) legal counsel to any Person entitled to attend the Meeting; and
- (f) any Person admitted to the Meeting on the invitation of the Chair.

7.3 Procedure

In order for the Plan to be accepted, it must be approved by:

- (a) a majority in number of each class of Creditors who actually vote upon the Plan (in person or by proxy) at the Meeting; and
- (b) a two-thirds majority in value of the Proven Claims in each class of Creditors who actually vote upon the Plan (in person or by proxy) at the Meeting.

7.4 Voting

For the purposes of voting as a member of a Class, each Creditor of each Class shall have one vote for the purposes of determining a majority in number and each Creditor shall be entitled to one vote for each \$1.00 of its Proven Claim for the purposes of determining a two-thirds majority in value.

7.5 Adjournment of Meeting

The Chairperson of the Meeting may in its complete discretion and with the consent of TLC, adjourn the Meeting from time to time.

ARTICLE 8 AMENDMENTS AND MODIFICATIONS

8.1 Amendment of the Plan

TLC reserves the right, at any time, to amend this Plan. Any amendment will only be re-submitted to the Creditors if the amendment, in the opinion of the Monitor, has a negative or detrimental effect on the Creditors or the Plan. This Plan may also be amended between TLC and any Class of Creditor at any Meeting, with the consent of the Monitor.

8.2 Modification of the Plan

After the Meeting, the Plan may be modified:

- (a) by TLC with the consent of the Monitor, provided that any amendment to the Plan made subsequent to the Meeting is not, in the opinion of the Monitor, material to one or more Creditors or other Person (i.e. is merely of a technical or administrative nature); and
- (b) if the proposed amendment is material to one or more Creditors or other Persons, by the Court at any time on application of TLC or the Monitor and upon notice to those determined by TLC or the Monitor to be directly affected by the proposed modification, on which application the Plan may be modified as may be reasonably necessary to ensure the successful reorganization of TLC in accordance with the purpose of the Plan.

8.3 Effect of Amendments and Modification

Any amendment or modifications to the Plan, in accordance with this Article will, for all purposes, be deemed to be part of, and incorporated into, this Plan.

8.4 Severability

In the event that any provision of the Plan is determined to be unenforceable, at TLC's sole option, such determination shall in no way limit or effect the enforceability and operative effect of any other provision of the Plan.

8.5 Waivers

Any provision of this Plan may be waived by a Creditor or Class directly affected by the provision.

ARTICLE 9 EFFECT OF PLAN

9.1 Effect of Plan Generally

Subject to the performance of the Plan, on the Plan Implementation Date, the treatment of Claims under this Plan will be final and binding on the TLC and all Creditors (and their respective heirs, executors, administrators, legal personal representatives, successors and assigns) irrespective of the jurisdiction in which such Creditor resides or the Claims arise, and this Plan shall constitute a full, final and absolute settlement of all rights of the Creditors in consideration of the distributions to such Creditors contemplated by this Plan in accordance with the terms of the Plan.

9.2 Waiver of Defaults and Permanent Injunction

From and after the Plan Implementation Date:

- (a) all Creditors and other Persons shall be deemed to have waived any and all defaults of TLC then existing or previously committed by TLC or caused by TLC, or non-compliance with any covenant, warranty, representation, term, provisions, condition, obligation, express or implied in any contract, credit document, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereof, existing between such Person and TLC, and any and all notices of default and demands for payment under any instrument, including any guarantee, shall be deemed to have been rescinded; and
- (b) all Creditors and other Persons shall be permanently and forever barred, stopped, stayed and enjoined with respect to Claims from:
 - (i) commencing, conducting or continuing in any manner, directly, or indirectly, any action, suits or demands, including without limitation by way of contribution or indemnity or other relief, in common law, or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against TLC;
 - (ii) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind other than as expressly permitted hereunder; and
 - (iii) taking any actions to interfere with the implementation or consummation of this Plan.

9.3 Release

On the Plan Implementation Date, the following Persons (being herein referred individually as "**Released Party**" and collectively as the "**Released Parties**"):

- (a) TLC and its legal counsel in the Proceeding;
- (b) the Monitor and its legal counsel in the Proceeding;

- (c) present and former directors, officer and employees of TLC; and
- (d) any Person claimed to be liable derivatively through any and all of the foregoing Persons;

shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert including, without limitation, any claims in respect of potential statutory liabilities of the present and former directors, officers and employees of TLC, and any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Plan Implementation Date in any way relating to, arising out of or in connection with Claims, the business and affairs of TLC, this Plan and the Proceeding to the full extent permitted by law, and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce TLC's obligations under the Plan or any related document) provided that nothing herein:

- (a) shall affect the rights of any Person:
 - (i) to recover indemnity from any insurance coverage under which that Person is an insured; or
 - (ii) to obtain recovery on a Claim against a Released Party from any insurance coverage pursuant to which that Released party is uninsured,

but, for certainty, any Claim to which an insurer is or would otherwise be subrogated is released hereunder and the recovery to which such Person shall be entitled to the proceeds of insurance actually paid by the insurer with respect to the Claim; or

- (b) shall release or discharge present or former directors of TLC with respect to matters set out in Section 5.1(2) of the CCAA;

and provided further, however, that notwithstanding the forgoing release under the Plan, any Claim asserted against TLC shall remain subject to any right of set-off that otherwise would be available to TLC in the absence of such release.

ARTICLE 10 APPLICATION FOR SANCTION ORDER AND CONDITIONS PRECEDENT

10.1 Application for Sanction Order

Should the Plan be approved by each Class at the Meeting by the requisite majorities as established under the CCAA, TLC will immediately apply to the Court for the Sanction Order.

10.2 Continuation of the Stay of Proceedings

The stay of proceedings granted by the Court in the Initial Order will be continued in full force and effect save as is expressly provided herein and as may be amended by the Sanction Order until the Monitor files a Certificate of Completion with the Court.

10.3 Terms of Sanction Order

In addition to sanctioning the Plan, the Sanction Order shall, among other things:

- (a) declare that the arrangements effected by the Plan are approved, binding and effective upon all Creditors and other Persons affected by the Plan, and release and discharge TLC from any and all indebtedness, obligations and liabilities, as and to the extent provided in the Plan;
- (b) release and discharge TLC from any and all Claims subject to and in accordance with the Plan and stay any and all steps or proceedings, including, without limitation, administrative orders, declarations or assessment commenced, taken or proceeded with against any and all past, present and future directors, officers and employees of TLC (in those capacities) in respect of all Claims and discharge all past and present directors, officers and employees of TLC from any liability with respect to all Claims, all to the extent provided for in this Plan;
- (c) confirm and give effect to the releases, waivers, permanent injunctions and other provisions contemplated by this Plan;
- (d) declare that the stay of proceedings under the Initial Order (as extended and amended by Order made in the Proceeding) continues generally until the Monitor files a Certificate of Completion with the Court;
- (e) order the TLC shall be released from the Proceeding upon the filing of the Certificate of Completion by the Monitor; and
- (f) order that the Monitor be discharged and released in relation to TLC except as provided for in this Plan.

10.4 Conditions Precedent to Implementation

This Plan is expressly subject to the fulfillment of all of the following conditions:

- (a) the approval of the Plan by the requisite majorities of each of the Classes of Creditors pursuant to the CCAA;
- (b) the granting of the Sanction Order on the terms contemplated by this Plan or such other terms as are satisfactory to TLC; and
- (c) such other Orders as may be required in order to completely implement the Plan.

10.5 Monitor's Certificate of Condition Removal

Upon the satisfaction of the conditions precedent set out in Section 10.4, the Monitor shall issue and file with the Court a certificate with states that all conditions precedent set out in this Plan have been satisfied (or, where applicable, waived) and that the Plan Implementation Date has occurred. In so certifying that the conditions precedent set out in this Plan have been satisfied (or where applicable, waived) the Monitor shall be entitled to rely upon certificates, representations and confirmations from TLC. Following the issuance of the certificate contemplated in this paragraph, the Monitor's role shall be solely to:

- (a) review and report as set out in paragraph 10.6; and
- (b) make such reviews as are necessary to issue the certificate in paragraph 10.7.

10.6 Report on Progress

Following the filing of the certificate in paragraph 10.5, and prior to the Monitor issuing the certificate in paragraph 10.7, TLC shall prepare a report of its progress and all payments made by filing a report in the

Proceeding every six months and serving the same on the service list maintained in the Proceeding. Following the service of any such report, any Creditor may bring an application before the Court on ten clear days' notice to TLC, the Monitor, and the Service List in the Proceeding and require the Monitor to review TLC's Report.

10.7 Monitor's Certificate of Completion

Upon TLC fulfilling the payment obligations set out in this Plan, the Monitor shall issue and file with the Court a certificate confirming the same. In so certifying, the Monitor shall be entitled to rely upon the representations and confirmations from TLC.

10.8 Emergence from Proceeding

Upon the filing of the Certificate of Completion by the Monitor, TLC shall be released from the Proceeding.

ARTICLE 11 GENERAL

11.1 Further Assurances

Notwithstanding that the transactions and events set out in the Plan shall be deemed to occur without any additional act or formality other than as set out herein, each of the Persons affected hereby, including TLC, shall make, do and execute or cause to be made, done or executed all such further acts, deeds, agreements, transfers, assurances, instruments, documents or discharges as may be reasonable required by TLC or the Monitor in order to better implement the Plan.

11.2 Paramountcy

Except as otherwise provided in the Plan, from and after the Plan Implementation Date, any conflict between this Plan and the terms, conditions, covenants, representations, warranties, provisions or obligations, expressed or implied, of any contract, creditor document, agreement for sale, arrangement, constating or organizational documents of TLC, lease or other agreement, written or oral and any and all amendments or supplements thereto existing among one or more of the Creditors and TLC as of the Plan Implementation Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order which will take precedence and priority in respect thereof.

11.3 Different Capacities

Persons who are affected by the Plan may be affected in more than one capacity. Unless expressly provided herein by the contrary, a Person will be entitled to participate hereunder in each such capacity, unless expressly agreed by the Person in writing or provided for in the Plan or unless its Claims overlap or are otherwise duplicative.

11.4 Notices

All notices and correspondence required or permitted or desired to be made pursuant to this Plan shall be in writing and shall be delivered personally, by fax, by registered or certified mail, return receipt requested, or by email to TLC at the following address:

The Land Conservancy of BC
PO Box 50054 Fairfield Plaza
Victoria, BC V8S 5L8
Fax: 250.744.2251
Email: admin@conservancy.bc.ca

With a copy being sent to:

Davis LLP
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Attention: Mary I.A. Buttery
Fax: 604.687.1612
Email: mbuttery@davis.ca

And if to a Creditor or Claimant, at its address set forth in the last Proof of Claim deposited with TLC or such other address of which notice may be given as herein provided.

11.5 **Date and Reference**

This Plan may be referred to as being the Reorganization Plan of TLC dated for reference February ____, 2015.

TLC may assign its rights and obligations under this Plan.

11.6 **Successors and Assigns**

This Plan is binding upon TLC, the Creditors, and their respective heirs, executors, administrators, successors and assigns.

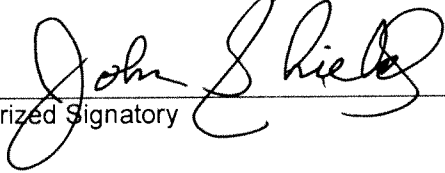
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Dated at the City of Victoria, Province of British Columbia this 23 day of February, 2015.

TLC The Land Conservancy of British Columbia

Per:

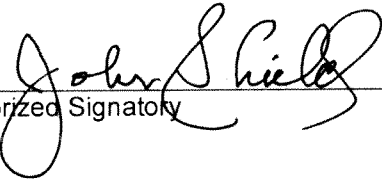
Authorized Signatory

A handwritten signature in cursive script, appearing to read "John Shields", written over a horizontal line.

TLC The Land Conservancy (Enterprises) Ltd.

Per:

Authorized Signatory

A handwritten signature in cursive script, appearing to read "John Shields", written over a horizontal line.

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

Schedule 1 - Core Properties

#	Property	PID	Category	Size (Acres)	Address	Regional District
1	Abkhazi #1 (Gardens)	005-896-444	Heritage	1.81	1964 Fairfield Road, Victoria B.C.	Capital Regional District
2	Abkhazi #2 (extension, vacant lot)	001-039-857	Heritage	0.197	507 Foul Bay Road, Victoria, B.C.	Capital Regional District
3	Avola Creek Properties	3 Parcels; 013-170-953; 099-257-730; 009-257-748	Ecological	7.41	3742 - 3746 Diamond Drive, Avola	Thompson-Nicola Regional District
4	Center Creek	4 Parcels; 001-131-591; 001-131-621; 018-699-065; 024-842-966	Ecological	19.77	17055 106th Ave, Surrey	Metro Vancouver
5	Copeland (Clare Winnett) Shawnigan	3 Parcels; 009-250-956; 009-250-981; 009-251-022	Ecological	2.31	1878 Flicker Road, Shawnigan Lake	Cowichan Valley Regional District
6	Cowichan River Cabin - Pearson College Lot 27	000-304-425	Ecological	4.77	6097 West Riverbottom Road, Duncan	Cowichan Valley Regional District
7	Cowichan River Lot 31	006-775-608	Ecological	4.65	Lot 31, Riverbottom Road, Duncan	Cowichan Valley Regional District
8	Creekside Rainforest	004-138-040	Ecological	19.46	Lot 23, Creekside Drive, Salt Spring Island	Capital Regional District
9	Cusheon Cove (Lot 4)	017-046-351	Ecological	8.09	Dana Farms Road, Salt Spring Island	Capital Regional District

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

Schedule 1 - Core Properties

#	Property	PID	Category	Size (Acres)	Address	Regional District
10	Elizabeth Lake	019-208-260	Ecological	1.52	Lot 13, 15th Street South, Cranbrook	Regional District of East Kootenay
11	Goodall (Raymond M.) Ecological Land Reserve	026-560-402	Ecological	9.91	Goodall Road, Salt Spring Island	Capital Regional District
12	Hardy Mountain Doukhobour Village	009-824-081	Heritage	18.53	3655 Hardy Mountain Road, Grand Forks	Central Kootenay Regional District
13	Horsefly River Riparian Conservation Area	8 Parcels; 026-998-157; 015-038-343; 015-285-847; 015-285-855; 015-038-351; 015-038-343; 015-279-731; 015-279-723	Ecological	961.2	Black Creek Road, Horsefly	Cariboo Regional District
14	Kindwood (60/100 interest)	008-695-105	Ecological	72.05	Munn Road, Victoria	Capital Regional District
15	Kogawa House	006-743-935	Heritage	0.11	1450 West 64th Avenue, Vancouver, B.C.	Metro Vancouver
16	Laux Property	3 Parcels; 014-747-324; 014-746-590; 014-747-375	Ecological	100	Lot 3 and 5 Applegrove Road & 504 Fauquier Upper Road, Fauquier	Central Kootenay Regional District
17	Lehman Springs Conservation Area	025-678-663	Ecological	59.3	Wagon Wheel Road, Bridesville	Kootenay Boundary Regional District
18	Lohbrunner Bird Sanctuary	007-848-277	Ecological	25.66	1152 Lippincott Road, Langford	Capital Regional District

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

Schedule 1 - Core Properties

#	Property	PID	Category	Size (Acres)	Address	Regional District
19	Luke Creek Wildlife Corridor	2 Parcels; 016-471-164; 016-471-156	Ecological	160	Wycliffe Road, Kimberly	Regional District of East Kootenay
20	Maltby Lake - (83% of 7/20)	5 Parcels; 009-818-979; 009-818-987; 009-818-995; 009-819-029; 009-819-053	Ecological	188.35	Prospect Lake Road, Saanich	Capital Regional District
21	Monks Point	025-426-036	Heritage	2.5	174 Grice Road, Tofino	Alberni-Clayquot Regional District
22	Nanaimo River #1 MacMillan Blodel	008-996-369	Ecological	40	Fry Road	Nanaimo Regional District
23	Nanaimo River #2 Tree Island	008-996-318	Ecological	100	Emblem Road, Nanaimo	Nanaimo Regional District
24	Natasha Boyd Wetland Conservation Area	015-319-075	Ecological	155	Holliday (Baker) Creek, Dunster	Fraser-Fort George Regional District
25	Peach Cliff	025-845-110	Ecological	39.54	Peachcliff Drive, Okanagan Falls	Regional District of Okanagan- Similkameen
26	Ross Bay Villa	2 parcels: 006-309-291; 006-309-330	Heritage	0.27	1490 Fairfield Road, Victoria	Capital Regional District
27	Second Lake	000-063-738	Ecological	183	367-377 Millstream Lake Road, Victoria	Capital Regional District

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

Schedule 1 - Core Properties

#	Property	PID	Category	Size (Acres)	Address	Regional District
28	Similkameen River Pines	002-677-300	Ecological	113.17	900 Sumac Road, Cawston	Regional District of Okanagan- Similkameen
29	South Winchelsea Island	004-326-661;	Ecological	21	South Winchelsea Island	Nanaimo Regional District
30	Squitty Bay (4% Ownership)	000-330-353	Ecological	95.14	Main Road, Lasqueti Island	Powell River Regional District
31	Talking Mountain Ranch	16 Parcels; 008-803-901; 013-268-112; 013-199-081; 008-803-960; 008-803-978; 008-803-986; 008-803-994; 008-804-001; 008-804-010; 008-804-036; 008-804-044; 008-803-862; 008-803-790; 008-803-731; 008-803-803; 008-803-749	Ecological/ Agricultural	938.98	9180 West Pavillion Road, Lillooet	Squamish-Lillooet Regional District
32	Turtle Valley Farm	3 Parcels; 012-685-186; 014-131-251; 024-921-041	Agricultural/ Ecological	244.62	7781 Skimikin Road, Chase	Thompson-Nicola Regional District
33	West Twin	015-296-474	Ecological	155.67	DL 11967, Ryder/McBride	Fraser-Fort George Regional District
34	Woods Family Property	016-486-447	Ecological	55	5400 Broadwater Road, Robson	Central Kootenay Regional District
35	Wycliffe Wildlife Corridor	7 Parcels; 016-923-979; 016-761-871; 016-471-181; 016-749-022; 016-471-016; 017-085-721; 016-925-092	Ecological	902	Highway 95A (DL2968)	Central Kootenay Regional District

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

Schedule 2 - Additional Properties

#	Property	PID	Category	Size (Acres)	Address	Regional District
1	Binning House Legal Fee Recovery	011-263-610	Heritage	0.3	2978 Mathers Crescent, West Vancouver, BC	Metro Vancouver
2	Lohbrunner Farm	007-848-285	Agricultural	13.41	1152 Lippincott Road, Langford	Capital Regional District
3	Maltby Lake - (17% of 7/20)	5 Parcels; 009-818-979; 009-818-987; 009-818-995; 009-819-029; 009-819-053	Ecological	188.35	Prospect Lake Road, Saanich	Capital Regional District
4	Qualicum Bat House	005-509-378	Ecological	1.5	4040 Island Highway West, Qualicum	Nanaimo Regional District
5	Wildwood	009-712-593	Ecological/ EcoForestry	78	2929 Crane Road, Cedar	Nanaimo Regional District

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

Schedule 3 - Impeded Properties

#	Property	PID	Category	Size (Acres)	Address	Regional District
1	Chemainus River (50/100 Interest)	009-863-427	Ecological	80	8790 Cranko Road, Chemainus	Cowichan Valley Regional District
2	Clearwater (Kurta)	028-763-386	Ecological	76	Clearwater River Road, Clearwater, BC	Thompson-Nicola Regional District
3	Fort Shepherd Conservancy Area	6 Parcels; 024-300-365; 017-046-866; 017-046-858; 016-683-510; 016-718-488; 017-022-959	Ecological	2172	Trail, BC	Kootenay Boundary Regional District
4	Madrona Farm	2 Parcels; 003-408-400; 003-400-263	Agricultural	23	4317 Blenkinsop Road, Victoria	Capital Regional District
5	Nimpo Lake	012-938-769	Ecological	9.88	1357 Nimpo Lake Road North	Cariboo Regional District
6	Sooke Potholes (Deertrails)	3 Parcels; 026-898-683; 026-236-788; 026-236-770	Ecological	19.75	Sooke River Road, Sooke	Capital Regional District
7	Todd Road	005-896-347	Ecological	6.45	501 Todd Road, Kamloops	Thompson-Nicola Regional District

No. S137436
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF TLC THE LAND CONSERVANCY OF
BRITISH COLUMBIA, INC. NO. S36826 and
THE TLC LAND CONSERVANCY (ENTERPRISES) LTD.

PETITIONERS

PLAN OF COMPROMISE AND ARRANGEMENT

DAVIS LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

Client Matter No. 12864-00001

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