June 5, 2014

IN THE MATTER OF THE SECURITIES LEGISLATION OF ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUéBEC, NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND, NEWFOUNDLAND AND LABRADOR, YUKON TERRITORY, NORTHWEST TERRITORIES AND NUNAVUT (the "Jurisdictions")

AND

IN THE MATTER OF THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF 1810040 ALBERTA LTD. (the "Filer")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Makers**") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the Filer is not a reporting issuer in the Jurisdictions (the "**Exemptive Relief Sought**").

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

(a) the *Autorité des marchés financiers* is the principal regulator for this application; and

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer, a corporation resulting from the amalgamation of Homburg Invest Inc. ("**HII**"), Homburg Shareco Inc., Holland Garden Development Ltd., Homburg Invest USA Limited and Swiss Bondco Inc. on March 24, 2014 (the "**Amalgamation**"), is a real estate company based in Canada and existing under the *Business Corporations Act* (Alberta).

2. The Filer's head office is located in Dartmouth, Nova Scotia, its registered office is located in Calgary, Alberta and the Filer has executive offices in Montréal, Québec.

3. The Filer indirectly owns a diversified portfolio of real estate, including office, retail, industrial and hospitality properties.

4. Prior to November 23, 2011, HII was licensed in the Netherlands to operate as an investment institution.

5. Prior to the Plan Implementation Date (as defined below), the authorized capital of HII consisted of an unlimited number of Class A Subordinate Voting Shares, Class B Multiple Voting Shares, Class A Preferred Shares and Class B Preferred Shares of which 17,034,489 Class A Subordinate Voting Shares, 3,104,838 Class B Multiple Voting Shares, no Class A Preferred Shares and no Class B Preferred Shares were issued and outstanding.

6. The authorized capital of the Filer consists of an unlimited number of common shares of which 100 common shares are issued and outstanding.

7. Throughout the past years, deteriorating conditions in European markets, particularly in the Netherlands, affected HII's ability to maintain revenue streams and sufficient cash flow to service its obligations. Given its considerable debt obligations, its decreasing revenue and cash flow generation, as well as expectations that values of properties would continue to deteriorate, HII could no longer continue to conduct business in the normal course and meet its obligations as they became due.

8. On September 9, 2011, HII and certain of its affiliates and related entities (collectively, the "**HII Group Entities**") obtained an order (the "**Initial Order**") from the Superior Court of Québec (Commercial Division) (the "**Court**") granting the HII Group Entities protection from their respective creditors under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and appointing Samson Bélair/Deloitte & Touche Inc. as the monitor (the "**Monitor**") for the proceedings (the "**CCAA Proceedings**").

9. Two plans of compromise and reorganization were developed (collectively, the "**Plan**"), as described in the management information circular of HII dated May 3, 2013 filed on SEDAR which contemplated, among other things, the following transactions:

(a) all of HII's outstanding shares (other than common shares of HII issued to Geneba Properties N.V. ("**Geneba**") under the Plan) were cancelled without consideration;

(b) holders of debt securities and trade creditors of HII (collectively, the "**Affected Creditors**") holding proven claims (as defined in the Plan) had the option to elect to receive cash payments payable by The Catalyst Capital Group Inc. (the "**Cash-out Option**") and a cash distribution from the Monitor in full payment of their claim;

(c) Affected Creditors holding proven claims that had not elected the Cash-Out Option received, or will receive, a certain number of shares in Geneba and a cash distribution from the Monitor in full payment of their claims; and

(d) HII transferred to Geneba its core business assets, all of which are located in Europe (i.e., Germany, the Netherlands and the Baltic States).

10. On May 30, 2013, the Plan was approved by 99% of the votes cast, representing 90% of the value of proven claims.

11. The Plan was sanctioned by the Court on June 5, 2013 (the "**Sanction Order**").

12. Based on the CCAA and applicable case law, HII was required to establish the following in order to obtain the Sanction Order evidencing the Court's approval of the Plan:

(a) there has been strict compliance with all statutory requirements of the CCAA and adherence to previous orders of the Court, including the Initial Order;

(b) nothing has been done or purported to be done that is not authorized by the CCAA; and

(c) the Plan is fair and reasonable.

13. The third criterion, the "fairness test", provides the Court with broad discretion to assess the terms of the Plan. When considering whether a plan is fair and reasonable, the Court must consider the equities and balance the relative degrees of prejudice that would flow to various stakeholders from approving or refusing to approve the Plan. HII was required to demonstrate to the Court that the Plan fairly balances the interests of all stakeholders generally. The hearing for the Sanction Order provided the HII's stakeholders (including the Affected Creditors) with an opportunity to object to the Plan if they believed the Plan treated them unfairly, having regard to their legal rights and interests.

14. The CCAA specifically provides that persons or entities with Equity Claims (as defined in the Plan), such as the claims of the persons who were shareholders of HII prior to the Plan Implementation Date, may not receive any recovery under a CCAA plan until all other creditors have been paid in full. In HII's circumstances, the recovery of other creditors will be impaired, so it is not possible under the CCAA to provide a recovery for Equity Claims (as defined in the Plan).

15. No leave to appeal the Sanction Order was sought and no extension was granted to seek one.

16. The required creditor approval of the Plan has been obtained and the Sanction Order has been granted. All conditions precedent to implementation of the Plan have been satisfied or waived and the Monitor delivered a certificate indicating that implementation has occurred and the Plan became binding in accordance with its terms on March 27, 2014 (the "**Plan Implementation Date**").

17. On March 28, 2014, the Filer published a press release stating that it will apply to cease to be a reporting issuer in each of the provinces and territories of Canada.

18. On the Plan Implementation Date, Geneba became the owner of 100 common shares of the Filer, which represents 100% of all the issued and outstanding common shares of the Filer. The Filer has no other securityholders than Geneba. However, the Filer will remain a distinct entity from Geneba under the administration of the Monitor for the sole purpose of selling the Filer's remaining assets in order to repay creditors, as set out in the Plan. Therefore, despite owning shares of the Filer, Geneba will have no control of the Filer and no entitlement to any proceeds from the disposition of the Filer's assets.

19. The Filer is a reporting issuer in all the Jurisdictions.

20. The Filer ceased to be a reporting issuer in British Columbia on April 17, 2014.

21. The Filer is seeking a decision that it is not a reporting issuer in each of the Jurisdictions in which it is a reporting issuer.

22. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions in Canada and fewer than 51 securityholders worldwide.

23. The securities of the Filer, including debt securities, are not traded in Canada or another country on a marketplace as defined in *Regulation 21-101 respecting Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.

24. As the resulting issuer of HII pursuant to the amalgamation, the Filer, is in default of its obligations under the Legislation as a reporting issuer for the failure to file, in respect of the periods subsequent to the interim period ended September 30, 2012 and until the interim period ended on March 31, 2014, its annual and interim financial statements and management's discussion and analysis related thereto as well as an annual information form as required by *Regulation 51-102 respecting continuous disclosure obligations* and the certificates of such filings as required by *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*.

25. As a result of the defaults described in paragraph 24, an application under the "simplified procedure" of CSA Staff Notice 12-307 -- *Application for a Decision that an Issuer is not a Reporting Issuer* is not available to the Filer.

26. Since HII was focused on preserving cash during the CCAA Proceedings, it was considered to be in the best interests of HII not to proceed with the preparation of the required filings under the Legislation. Management of HII was therefore able to fully focus on HII's and the HII Group Entities' restructuring process and the CCAA Proceedings. Since the Plan Implementation Date, the Filer has been subject to the administration of the Monitor for the sole purpose of selling the Filer's assets in order to repay creditors, as set out in the Plan. In order to maximise creditor

recovery under the Plan, it was determined in the best interests of the Filer not to prepare and file interim public disclosure documents for the interim period ended on March 31, 2014.

27. The Filer does not intend to seek public financing by way of an offering of its securities in Canada or to list its securities on any marketplace in Canada.

28. Upon the granting of the Exemptive Relief Sought, the Filer will not be a reporting issuer in the Jurisdictions.

29. The Filer acknowledges that, in granting the Exemptive Relief Sought, the Decision Makers are not expressing any opinion or approval as to the terms of the Plan.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Makers to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

"Martin Latulippe"
Director, Continuous Disclosure
Autorité des marchés financiers