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ACTION NO.

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF LETHBRIDGE/MACLEOD

BETWEEN:

1ST CHOICE SAVINGS AND CREDIT UNION LTD.

Plaintiff

- and -

A C LTD.,
BRIAN PAUL JOSEPH McCAUGHAN,
SHARON IRENE McCAUGHAN,
STEVEN PATRICK BUTT,
A-MEN SIDING & ROOFING
CONTRACTORS LTD.,
BOSS INCORPORATED,
ROCKY MOUNTAIN RACEWAY PARK INC., and
897552 ALBERTA LTD.

Defendants

BEFORE THE HONOURABLE JUSTICE
JAMES H. LANGSTON IN CHAMBERS

AT THE COURT HOUSE
IN THE CITY OF LETHBRIDGE
IN THE PROVINCE OF ALBERTA
ON FRIDAY THE 4TH DAY OF
DECEMBER 2009

ORDER

UPON THE APPLICATION of the Plaintiff *EX PARTE*, AND UPON HEARING read the Statement of Claim herein and the Affidavit of Victor M. Zenert, both filed; AND UPON IT APPEARING that Meyers Norris Penny Limited has consented to its appointment as Receiver and Manager of the personal property and undertaking of the Defendant, A C Ltd.; AND UPON HEARING what was alleged by Counsel for the Plaintiff; IT IS HEREBY ORDERED THAT:

1. Service of the Notice of Motion and Affidavit in these proceedings is dispensed with.
2. The Defendant, A C Ltd. is in default of its obligations to the Plaintiff.
3. Meyers Norris Penny Limited be and is hereby appointed Receiver and Manager (hereinafter referred to as the "Receiver"), without posting a bond or giving security, of all the present and future personal property and undertaking of the Defendant A C Ltd.

I hereby certify this to be a true copy of
the original of the above
Dated this 4th day of December 2009
for Clerk of this Court

with authority (but not the obligation) to manage and operate and realize upon the business and undertaking of A C Ltd.

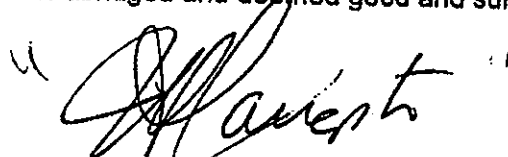
4. A C LTD., its directors, officers, servants, agents, contractors, and all persons having notice of this Order forthwith deliver to the Receiver, or to such agents or assistants as it may appoint, have all the present and future personal property and undertaking of A C LTD. and of all the books, documents, papers and records of every kind relating thereto.
5. The Receiver be and is hereby authorized and empowered to institute and prosecute all such suits, proceedings and actions in law as may, in its judgement, be necessary for the proper protection and realization of the undertaking and personal property of A C LTD., and also in its capacity as Receiver and Manager it is hereby authorized and empowered (but shall not be obligated) to defend any proceedings and actions instituted against A C LTD. which in the judgement of the Receiver shall require prosecuting or defending and the authority hereby conveyed shall extend to such appeals as the Receiver shall deem proper and advisable.
6. No legal actions, administrative proceedings, self-help remedies, or any other acts or proceedings including, without limitation, the issuance of requirements to pay, any lessor rights to distrain or terminate any lease and any proceedings under the *Employment Standards Act* or any Federal, provincial, or municipal statute, regulation or by-law concerning the environment shall be taken or commenced or continued against the Receiver, A C Ltd. or the property, business or undertaking of A C Ltd. without leave of this Court.
7. The Receiver is fully authorized and empowered to disaffirm or terminate any agreements between A C LTD. and any other party or parties which the Receiver, in its sole discretion, considers appropriate to disaffirm or terminate for the preservation, protection or optimization of the undertaking, property and assets of A C Ltd.
8. Without limiting the generality of any other provision of this Order, all persons, firms, and corporations are hereby restrained and enjoined from disturbing or interfering with utilities or services, including without limitation the furnishing of gas, heat, electricity, water, telephone or any other utilities of like kind, furnished up to the present date to A C Ltd., and such parties are hereby restrained and enjoined from cutting off, disconnecting or altering any such utilities or services to the Receiver except with the consent of the Receiver or upon further Order of this Honourable Court.

9. The Receiver shall be at liberty to employ such assistants, agents, employees, auditors, advisors and counsel, including legal counsel, on such terms as it may in its discretion deem appropriate for the purpose of preserving, carrying on or closing the business of A C Ltd. or realizing the undertaking, property and assets of A C Ltd., and any expense which may properly be made or incurred by the Receiver in so doing shall, together with its proper fees and disbursements, be allowed to it in the passing of its accounts and shall form a charge on the undertaking, property and assets of A C Ltd. in priority to the charge of all creditors including any secured creditor of A C Ltd.. Such employment shall not constitute the Receiver or the Plaintiff a successor employer, and shall be without prejudice to the rights of the Receiver or the parties so employed as to the effect of this Order on their contracts of employment.
10. The Receiver be and it is hereby granted leave to take such steps as in its judgment are necessary or desirable for the preservation and protection of the business of A C Ltd. and the preservation, protection and realization of the undertaking, property an assets of A C Ltd. which may come into its custody.
11. The Receiver is authorized to sell, on credit or otherwise, the undertaking, assets and property of A C Ltd. or any part or parts thereof out of the ordinary course of business, at public auction, by public tender or by private sale on such terms and conditions as it deems appropriate.
12. The Receiver is hereby empowered to receive and collect all money now or hereafter owing to A C Ltd. and to execute, assign, issue and endorse cheques, leases, bills of sale, contracts, bills of lading or exchange and other documents necessary or convenient for any purpose pursuant to this Order and to enter into arrangements or comprise any claims.
13. The Receiver is hereby empowered to pay out of the monies coming into its hands such debts of A C Ltd. that have priority over the claims of secured creditors of A C Ltd., including payments in respect of the Receiver's proper fees and disbursements including interim accounts, and such debts as in its judgment may be required to be paid in order to properly maintain or carry on the business and undertaking, property and assets of A C Ltd..
14. That any expenditure or borrowing which shall be properly made or incurred by the Receiver shall be allowed to it in passing its accounts and, together with its



remuneration, shall form a first charge on the property, assets and undertaking of the said A C Ltd. in priority to all security on the property, assets and undertaking of A C Ltd. presently held by the Plaintiff or any other secured creditor, provided that such expenses, remuneration or borrowings are of benefit to any creditor having security equal to or in priority to the Plaintiff, and subject to the right of such creditors to apply for a variation of this term.

15. As security for such borrowings, and for every part thereof, the whole of the undertaking, property and assets of A C Ltd. shall stand by way of fixed and specific charge for payment of the money so borrowed, together with interest thereon, and in priority to all creditors of A C Ltd. including all secured creditors of A C Ltd., subject, however, to the right of the Receiver to indemnify itself out of the property, assets, business and undertaking of A C Ltd. in respect to its costs, charges, expenses and such remuneration as this Court may from time to time allow.
16. The Receiver be and it is here by empowered to issue Receiver's certificates and receipts for the purpose of evidencing any money borrowed by it and security thereby constituted.
17. The Receiver be and it is hereby empowered, without in any way restricting or limiting the fixed charge herein contained in respect of such borrowings, to execute and grant such further or other security interests, documentary assurances or grants in or over the assets, present or future, of A C Ltd. by way of security to any lender of such money to it.
18. The Receiver is hereby authorized to enter into and to the use and occupation of the land and premises used by A C Ltd. in the conduct of its business, and all persons, firms, and corporations are hereby restrained and enjoined from disturbing or interfering with the Receiver's use and occupation of the lands aforesaid.
19. The Receiver shall from time to time make application to pass its accounts. The Receiver shall be at liberty before passing its accounts and the fixings of its remuneration to pay itself in respect of its accounts, as well as the accounts of its solicitors and agents, a reasonable amount either monthly or at such longer intervals as it deems appropriate subject to such amounts being taxed by this Honourable Court as a subsequent date, and such amounts shall constitute advances against its remuneration when fixed.

20. The Receiver is at liberty from time to time to apply to this Honourable Court for the directions and guidance in discharge of its duties hereunder.
21. The Receiver shall be at liberty and is hereby authorized and empowered to apply upon such notice as it may consider necessary or desirable, to any other Courts in any other jurisdictions, whether in Canada or elsewhere, for orders recognizing the appointment of the Receiver by this Court and confirming the powers of the Receiver in such other jurisdictions and all Courts of all other jurisdictions are hereby respectfully requested to make such order and provide such other assistance to the Receiver, as an officer of this Court, as they may deem necessary or appropriate in furtherance of such purposes.
22. The Receiver shall not be required to give notice of its intention to dispose of any of the undertaking, property and assets of A C Ltd. Without limiting the generality of the foregoing, the Receiver shall not be required to give notice pursuant to s. 60 of the *Personal Property Security Act* of Alberta.
23. The costs of the Plaintiff up to and including this Order, including all disbursements, are hereby allowed on a solicitor and his own client basis, with no limiting rule to apply, and shall be paid by the Receiver as part of the expenses of the receivership and out of the monies coming into its hands from that portion of the undertaking, property and assets to which the Plaintiff has priority.
24. Service of this application upon A C Ltd. is abridged and deemed good and sufficient.


J.C.Q.B.A.

ENTERED this 4th day of
December, 2009


CLERK OF THE COURT 

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Action Number: _____

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OF ALBERTA IN THE JUDICIAL DISTRICT
OF LETHBRIDGE/MACLEOD

Between:

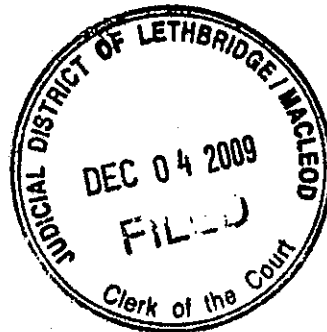
1ST CHOICE SAVINGS AND CREDIT
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Plaintiff

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Defendants



ORDER

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File No. 1225-1241