

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL DISTRICT OF MIRAMICHI

IN THE MATTER OF THE RECEIVERSHIP OF:

ATCON GROUP INC., ATCON HOLDINGS INC., ATCON PROPERTY HOLDINGS INC., ATCON VENEER PRODUCTS INC, ATCON LOGISICS INC., ATCON CONSTRUCTION INC., ATCON MANAGEMENT SERVICES INC., ATCON CIVIL LTD., DYCON CONSTRUCTION LTD. ATCON STRUCTURES INC. AND ENVIREM TECHNOLOGIES INC.

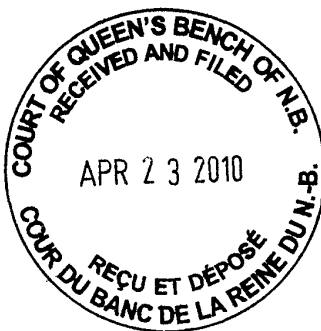
PURSUANT TO Section 33 of The *Judicature Act*, R.S.N.B. 1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3

BETWEEN:

THE BANK OF NOVA SCOTIA, a Canadian chartered bank
with a registered office in the City of Saint John, Province of
New Brunswick

APPLICANT

- and -



ATCON GROUP INC., ATCON HOLDINGS INC., ATCON PROPERTY HOLDINGS INC., ATCON VENEER PRODUCTS INC, ATCON LOGISICS INC., ATCON CONSTRUCTION INC., ATCON MANAGEMENT SERVICES INC., ATCON CIVIL LTD., DYCON CONSTRUCTION LTD. ATCON STRUCTURES INC. AND ENVIREM TECHNOLOGIES INC., all of which are carrying on business in the Province of New Brunswick

RESPONDENTS

ORDER

23 April 2010

THIS MOTION, made by Ernst & Young Inc. in its capacity as Court-appointed receiver and receiver and manager (the “**Receiver**”) of the property, assets and undertakings (the “**Property**”) of the Respondents, was heard this day at 673 King George Highway, Miramichi, New Brunswick.

ON READING the Receiver’s Notice of Motion dated April 21, 2010 and the First Report of the Receiver dated April 21, 2010 and the appendices attached thereto (the “**First Report**”), and on hearing the submissions of counsel for the Receiver, The Bank of Nova Scotia (“**BNS**”) and such other counsel in attendance,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the First Report and the Record of Motion be and is hereby abridged so that the Receiver’s motion is properly returnable today and that any requirement for further service of the Notice of Motion, the First Report and the Record of Motion be and is hereby dispensed with.

PAYMENT

2. **THIS COURT ORDERS** that the Bank is hereby authorized to pay to the Receiver an amount equal to a portion of the accounts receivable of Atcon Construction Inc. (“**Atcon Construction**”) received by Atcon Construction between March 1, 2010 and March 30, 2010 and deposited into an account in the name of Atcon Construction at the Bank, in the sum of approximately \$2,226,504, for payment by the Receiver of the obligations that this Honourable Court has authorized and empowered the Receiver to pay, for and on behalf of Atcon Construction, Atcon Industrial Services Inc., Atcon Management Services Inc., Atcon Civil Ltd., Dycon Construction Ltd. Atcon Structures Inc. and Envirem Technologies Inc. (collectively, the “**Companies**”), pursuant to paragraph 5 of the Order dated March 30, 2010 and paragraphs 3, 4, 5 and 6 of the Order dated April 1, 2010 granted in these proceedings (the “**CCAA Obligations**”).

3. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to pay, from the amounts received from the Bank pursuant to paragraph 2 of this Order, any unpaid CCAA Obligations and to repay funds used by the Receiver to pay for CCAA Obligations prior

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to the date of this Order that were advanced to the Receiver pursuant to paragraph 26 of the Receivership Order dated March 2, 2010, as amended by the Order dated March 30, 2010 (the "**Receivership Order**").

4. **THIS COURT ORDERS** that notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Companies, and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the Companies;

payments made by the Receiver pursuant to paragraph 2 of this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Companies and shall not be void or voidable by creditors of the Companies, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

RECEIVER'S BORROWING POWER

5. **THIS COURT ORDERS** that the outstanding principal amount that the Receiver is at liberty and empowered to borrow by way of a revolving credit or otherwise pursuant to paragraph 26 of the Receivership Order be is hereby increased from \$500,000 to \$1,200,000.

Dated at Miramichi, New Brunswick, this 23rd day of April 2010.



Thomas W. Riordon
Judge of the Court of Queen's Bench of
New Brunswick