Court File No. N/M/17/10

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 LOGISTICS 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 –

COURT OF QUEEN'S BENCH OF N.B.
RECEIVED AND FILED
JUL 3 1 2012
REÇU ET DÉPOSÉ
COUR DU BANC DE LA REINE DU N.-B.

ATCON GROUP INC., ATCON HOLDINGS INC., ATCON PROPERTY HOLDINGS INC., ATCON VENEER PRODUCTS INC., ATCON LOGISTICS 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

(Approval of Proposed Distributions to Secured Creditors and Activities of the Receiver)

31 July 2012

THIS MOTION, made by Ernst & Young Inc. in its capacity as Court-appointed receiver and receiver manager of the property, assets and undertakings of the Respondents (the "**Receiver**") for an order, *inter alia*:

(a) authorizing, empowering and directing the Receiver to distribute certain amounts to the Secured Creditors (as defined below), which have been agreed to and accepted by the Secured Creditors; and

(b) approving the conduct, actions and activities of the Receiver in administering this receivership proceeding to date, including the conduct, actions and activities of the Receiver set out in this Twenty-Third Report and all other reports previously filed by the Receiver in this receivership proceeding to date,

was heard this day at 673 King George Highway, Miramichi, New Brunswick.

ON READING the Receiver's Notice of Motion dated July 25, 2012, the Twenty-Third Report of the Receiver dated July 25, 2012 and the appendices attached thereto (the "**Twenty-Third Report**"), and on hearing the submissions of counsel for the Receiver, The Bank of Nova Scotia (the "**Bank**"), the Province of New Brunswick (the "**Province**"), Caterpillar Financial Services Limited ("**Caterpillar**"), GE Canada Equipment Financing G.P. and affiliated entities (collectively, "**G.E.**"), and Aviva Insurance Company of Canada and its affiliated entities (collectively, "**Aviva**" and the "**Secured Creditors**" respectively), no other party on the service list appearing although duly served as appears from the affidavit of service of Marie Pacheco sworn July 30, 2012, and on reading the consent of the Secured Creditors to this Order,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion, the Twenty-Third Report and the Record on Motion shall be and is hereby abridged and validated so that the motion is properly returnable today, and that any further service thereof is hereby dispensed with.

[illegible] 31 July 2012

APPROVAL OF ACTIVITIES OF THE RECEIVER

2. **THIS COURT ORDERS** that the conduct, actions and activities of the Receiver in administering this receivership proceeding to date, including the conduct, actions and activities of the Receiver set out in the Twenty-Third Report and all other reports previously filed by the Receiver in this receivership proceeding to date, be and are hereby approved.

DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Receiver is hereby authorized, empowered and directed to:

(a) distribute the sum of $808,629.63, to Caterpillar on account of its security in the Caterpillar Collateral (as defined in the Twenty-Third Report);

(b) distribute the sum of $416,074.87 to G.E. on account of its security in the G.E. Collateral (as defined in the Twenty-Third Report);

(c) distribute the sum of $174,076.42 to Aviva on account of its security in the Aviva Collateral (as defined in the Twenty-Third Report);

(d) distribute the sum of $340,879.90 to the Province on account of its security in the Province Collateral (as defined in the Twenty-Third Report); and

(e) distribute the sum of $7,314,321.14 to the Bank on account of its security in the Bank Collateral (as defined in the Twenty-Third Report).

Dated at Miramichi, New Brunswick, this 31st day of July, 2012.

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

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