

Court File No. N/C/___/___

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, and ATCON LOGISTICS 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, and ATCON LOGISTICS INC., all of which are carrying
on business in the Province of New Brunswick

RESPONDENTS

AND

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MIRAMICHI

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

- and -

IN THE MATTER OF ATCON CONSTRUCTION INC., ATCON
INDUSTRIAL SERVICES INC., ATCON MANAGEMENT
SERVICES INC., ATCON CIVIL LTD., DYCON
CONTSTRUCTION LTD., ATCON STRUCTURES INC. and

ENVIREM TECHNOLOGIES INC., all of which are carrying
on business in the Province of New Brunswick

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 CONSTRUCTION INC., ATCON INDUSTRIAL
SERVICES INC., ATCON MANAGEMENT SERVICES INC.,
ATCON CIVIL LTD., DYCON CONTSTRUCTION LTD., ATCON
STRUCTURES INC. and ENVIREM TECHNOLOGIES INC.,
all of which are carrying on business in the Province of
New Brunswick

RESPONDENTS

AFFIDAVIT OF JANE MACEACHERN

I, Jane MacEachern, of the City of Saint John, Province of New Brunswick,
MAKE OATH AND SAY:

1. I am a Barrister and Solicitor with the law firm Cox & Palmer, counsel to The Bank of Nova Scotia (the **"Bank"**).
2. As such, I have personal knowledge of the matters to which I herein depose, except where stated to be on information and belief and in such cases I do verily believe the truth of same.
3. Security documents were provided to Cox & Palmer by the Bank in relation to the following financing transactions, which are more particularly set out in the affidavit of Mr. Fabiano:
 - (a) financing on or about April 4, 2006 to Atcon Holdings Inc. by MG Stratum Fund III, Limited Partnership and Roynat Capital Inc. (the **"MG and Roynat Financing"**);
 - (b) financing on or about May 29, 2006 to Atcon Holdings Inc. by the Bank (the **"2006 BNS Financing"**) and amended as of May 29, 2007 resulting in the Amended and Restated Credit Agreement dated as of May 29, 2007 (the **"Amended and Restated Credit Agreement"**).
 - (c) financing on or about June 30, 2009 to Atcon Holdings Inc. by the Bank (the **"2009 BNS Financing"**). The financing provided by MG Stratum Fund III, Limited Partnership and Roynat Capital Inc. was assigned to the Bank as of June 30, 2009.
4. Copies of the documents related to each of the MG and Roynat Financing, the 2006 BNS Financing, the Amended and Restated Credit Agreement, and the 2009 BNS Financing have been copied to a CD which is attached hereto and marked as **Exhibit "A"**.
5. Attached hereto and marked as **Exhibit "B"** is a copy of a Personal Property Security Act Summary of Search Results. I reviewed the following search results:
 - (a) New Brunswick results obtained February 22, 2010;
 - (b) Alberta results obtained January 20, 2010;
 - (c) Newfoundland and Labrador results obtained February 22, 2010;

6. Exhibit B accurately reflects the Search Results.

Rebecca M. Atkinson
A Commissioner of Oaths
Being a Solicitor

Jane E. MacEachern