

**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 -

**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

RECORD ON MOTION

dated December 1, 2010

**ON BEHALF OF THE MOVING PARTY,
ERNST & YOUNG INC., for the motion returnable
December 3, 2010 at 9:30 a.m. AST**

INDEX

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BETWEEN:

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Brunswick**

RESPONDENTS

INDEX

TAB**DOCUMENT**

1. Notice of Motion dated December 1, 2010 and returnable December 3, 2010
 - Schedule "A" Service List
 - Schedule "B" Draft Order
2. Fifteenth Report of the Receiver dated December 1, 2010
 - Appendix "A" Listing Agreement (Authority to Sell) dated October 29, 2010
 - Appendix "B" Agreement of Purchase and Sale dated November 12, 2010

TAB 1

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

COUR DU BANC DE LA REINE
DU NOUVEAU-BRUNSWICK

DIVISION DE PREMIERE
INSTANCE

CIRCONSCRIPTION
JUDICIAIRE DE MIRAMICH

**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
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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)

ENTRE:

-and-

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)

- and -

IN THE MATTER OF THE APPLICATION OF ERNST & YOUNG INC. in its capacity as Court-appointed receiver and receiver and manager of the property, assets and undertakings of the Respondents.

**NOTICE OF MOTION
(FORM 37A)**

**AVIS DE MOTION
(FORMULE 37A)**

TO:

DESTINAIRE:

The Persons on the Service List attached hereto as **Schedule "A"** to this Notice of Motion

Ernst & Young Inc. in its capacity as receiver and receiver and manager of the property, assets and undertakings of the Respondents (the "**Receiver**") will apply to the Court of Queen's Bench at 673 King George Highway, Miramichi, New Brunswick via teleconference call on Friday, December 3, 2010 at 9:30 am AST for the following relief:

demandera à la Cour à

le , à :

- (a) an Order, substantially in the form of draft Order attached as **Schedule “B”** to this Notice of Motion, *inter alia*:
 - i) abridging and validating the timing and method of service of the Notice of Motion, the Receiver’s Fifteenth Report to the Court dated December 1, 2010 (the “**Fifteenth Report**”), and the Record on Motion, if necessary, so that this Motion is properly returnable and further service is dispensed with;
 - ii) authorizing the Receiver to sell the Airport Hanger (as defined below),
 - iii) authorizing and approving the execution of the APS (as defined below) by the Receiver;
 - iv) authorizing and directing the Receiver to take such steps and execute such additional documents as may be necessary or desirable for the completion of the Airport Hanger sale transaction;
 - v) vesting the Airport Hanger in and to the Purchaser (as defined below) free and clear of any liens or encumbrances,
 - vi) authorizing and empowering the Receiver to utilize the net sale proceeds of the Airport Hanger for the purpose of making payments (including interim payments) required or permitted by the Receivership Order; and
- (b) such further and other relief as may be just.

The grounds upon which the Receiver relies are as follows:

1. The relief sought by the Receiver is appropriate in the circumstances and is in accordance with the provisions of the Receivership Order granted in these proceedings, the jurisdiction of the Court under the *Bankruptcy and Insolvency Act* and the inherent jurisdiction of the Court.
2. The Property of Atcon Logistics Inc. (“**Atcon Logistics**”) includes an airport hanger (the “**Airport Hanger**”) situated on land leased by Atcon Logistics from the Miramichi Airport Commission (1993) Inc. (“**MAC**”) municipally known as 50 Airport Road, Miramichi, New Brunswick and identified as Parcel 2 on Airport Apron, West side of Plan of Survey 92-14-2 (“**50 Airport Road**”).
3. The Receiver understands that: (i) Atcon Logistics purchased the Airport Hanger in December 2005 for a purchase price of \$150,000; (ii) Atcon Logistics made improvements to the Airport Hanger following the purchase, bringing the total cost incurred by Atcon Logistics for the Airport Hanger to approximately \$224,976; (iii) the Airport Hanger had a net book value of \$191,572.28 on the

books and records of Atcon Logistics; and (iv) the Airport Hanger had an assessed tax value in 2010 of approximately \$143,700.

4. During the summer months of 2010, the Receiver was presented with three unsolicited offers to purchase the Airport Hanger in the amounts of \$1.00, \$25,000 and \$95,000. The Receiver rejected the unsolicited offers, on the basis that they were of insufficient value, and informed the offerors of its intentions to offer the Airport Hanger for sale through a public sales process at a later point in time.
5. On October 29, 2010, the Receiver, pursuant to the powers contained in paragraphs 3(e) and (m) of the Receivership Order, entered into a listing agreement with a licensed real estate agent, RE/MAX 3000 Ltd./Ltee ("**Re/Max**"), for the marketing and sale of the Airport Hanger.
6. Based on the unsolicited offers previously received and the advice received from Re/Max, the Receiver agreed to have the Airport Hanger listed at \$199,000 on the Multiple Listing Service ("**MLS**").
7. The Receiver received an offer from Bryce Holdings Inc. (the "**Purchaser**") in the amount of \$160,000. The Receiver discussed the Purchaser's offer with Re/Max, who indicated that the \$160,000 offer represented, in its opinion, a reasonable value for the Airport Hanger. The only other offer received by the Receiver subsequent to the listing of the Airport Hanger on MLS was in the amount of \$112,500, and that offeror was not prepared to submit an offer in a higher amount.
8. On November 12, 2010 the Purchaser's offer was accepted by the Receiver, subject to the approval of this Honourable Court, pursuant to an agreement of purchase and sale dated November 12, 2010 (the "**APS**").
9. The APS provides that the Airport Hanger is being sold to the Purchaser on an "as is, where is" basis. The APS is subject to the Purchaser securing a satisfactory lease agreement with MAC for 50 Airport Road on or before November 19, 2010, which date was subsequently extended on consent of both parties to November 30, 2010. The Receiver received written confirmation from the Purchaser on November 30, 2010 that the Purchaser had secured a satisfactory lease agreement with MAC, satisfying the condition contained in the APS.
10. After reviewing the APS and obtaining the view of Re/Max as to the reasonableness of the purchase price, the Receiver believes that the APS is the superior offer received for the Airport Hanger and recommends that the APS be approved by this Honourable Court. The only reasonable alternative to a sale of the Airport Hanger under the APS would be the continued listing of the Airport Hanger on MLS, which does not guarantee a sale will be successfully completed at the same or higher price as contained in the APS, which is approximately

eighty per cent (80%) of the listing price and eighty-four percent (84%) of the net book value of the Airport Hanger.

11. The Receiver believes it has conducted an appropriate market test for the Airport Hanger and recommends that this Honourable Court authorize the Receiver to enter into the APS and approve the sale of the Airport Hanger pursuant to the APS.

12. The Receiver relies on:

- a) the *Rules of Court*, as amended, including but not limited to Rules 1.03, 2.01, 2.02 and 3.02;
- b) the *Judicature Act*, R.S.N.B. 1973, c. J-2, as amended, and

13. Such further and other grounds as counsel for the Receiver may advise and this Honourable Court may permit.

UPON the hearing of the motion the following affidavit or other documentary evidence will be presented:

A l'audition de la motion, les affidavits ou les autres preuves littérales suivantes seront présentées:

- (1) The Fifteenth Report; and
- (2) Such further and other affidavits or documentary evidence as counsel for the Receiver may advise and this Honourable Court may permit.

You are advised that:

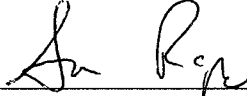
Sachez que:

- (a) you are entitled to issue documents and present evidence at the hearing in English or French or both;

- (a) vous avez le droit d'émettre des documents et de présenter votre preuve à l'audience en français, en anglais ou dans les deux langues;

- | | |
|--|--|
| (b) the applicant intends to proceed in the English language; and | (b) le demandeur à l'intention d'utiliser la langue anglais; et |
| (c) if you intend to proceed in the other official language, an interpreter may be required and you must so advise the Clerk at least 5 days before the hearing. | (c) si vous avez l'intention d'utiliser l'autre langue officielle, les services d'un interprète pourront être requis et vous devrez un aviser le greffier au moins 5 jours avant l'audience. |

DATED at Toronto, Ontario, this 1st day of December, 2010



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SCHEDULE “A”

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 CONSTRUCTION LTD., ATCON STRUCTURES
INC., ENVIREM TECHNOLOGIES INC. all of which are
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Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985,
c. B-3**

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(as of November 30, 2010)**

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Jean Gougen

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**Court-appointed Receiver of Atcon Industrial
Services Inc. and Atcon Plywood Inc.**

SCHEDULE “B”

**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 -

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

APPROVAL AND VESTING ORDER

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*, authorizing the Receiver to sell the Airport Hanger (as defined below), authorizing and approving the execution of the APS (as defined below) by the Receiver; authorizing and directing the Receiver to take such steps and execute such additional documents as may be necessary or desirable for the completion of the Airport Hanger sale transaction; vesting the Airport Hanger in and to the Purchaser (as defined below) free and clear of any liens or encumbrances, and authorizing and empowering the Receiver to utilize the net sale proceeds of the Airport Hanger for the purpose of making payments (including interim payments) required or permitted by the Receivership Order, was heard this day at 673 King George Highway, Miramichi, New Brunswick.

ON READING the Fifteen Report of the Receiver dated December 1, 2010 and the appendices attached thereto (the "**Fifteenth Report**"), and on hearing the submissions of counsel for the Receiver and such other counsel in attendance,

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion, the Fifteenth 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.

2. **THIS COURT ORDERS AND DECLARES** that the sale of the airport hanger owned by Atcon Logistics Inc. ("**Atcon Logistics**") and situated on land leased by Atcon Logistics from the Miramichi Airport Commission (1993) Inc. municipally known as 50 Airport Road, Miramichi, New Brunswick and identified as Parcel 2 on Airport Apron, West side of Plan of Survey 92-14-2 (the "**Airport Hanger**") pursuant to the agreement of purchase and sale between the Receiver and Bryce Holdings Inc. (the "**Purchaser**") dated November 12, 2010 (the "**APS**") is hereby approved.

3. **THIS COURT ORDERS AND DECLARES** that the execution of the APS by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the conveyance of to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of Atcon Logistics' right, title and interest in and to the Airport Hanger shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by Order of The Honourable Mr. Justice Riordon granted in these proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (New Brunswick), the *Land Titles Act* (New Brunswick), or any other registry system (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Airport Hanger are hereby expunged and discharged as against the Airport Hanger.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims and Encumbrances, the net proceeds from the sale of the Airport Hanger shall stand in the place and stead of the Airport Hanger, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Airport Hanger with the same priority as they had with respect to the Airport Hanger, as if the Airport Hanger had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **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 Atcon Logistics and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of Atcon Logistics;

the vesting of the Airport Hanger in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy appointed in respect of Atcon Logistics and shall not be void or voidable by creditors of Atcon Logistics, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance 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.

8. **THIS COURT ORDERS** that the Receiver is authorized and empowered, upon receipt of the net sale proceeds under the APS (the “**Net Sale Proceeds**”), to utilize the Net Sale Proceeds for the purpose of making payments (including interim payments) required or permitted by the Receivership Order dated March 2, 2010 granted in these proceedings as amended by the Order dated March 30, 2010 granted in these proceedings.

Dated at Miramichi, New Brunswick, this 1st day of December, 2010.

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

Schedule A – Form of Receiver’s Certificate

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 -

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

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of The Honourable Mr. Justice Riordon of The Court of Queen's Bench of New Brunswick (the "**Court**") dated March 2, 2010, as amended, Ernst & Young Inc. was appointed as receiver and receiver manager in respect of the property, assets and undertakings of the Respondents (the "**Receiver**").

B. Pursuant to an Order of the Court dated December 3, 2010 (the "**Approval and Vesting Order**"), the Court approved the agreement for purchase and sale made as of November 12, 2010 (the "**APS**") between the Receiver and Bryce Holdings Inc. (the "**Purchaser**"), and provided for the vesting in the Purchaser of the right, title and interest of Atcon Logistics Inc. in and to the Airport Hanger, which vesting is to be effective with respect to the Airport Hanger upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Airport Hanger; (ii) that the conditions to closing as set out in the APS have been satisfied or waived by the appropriate party; and (iii) the transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the APS or the Approval and Vesting Order.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the purchase price for the Airport Hanger payable on the closing date pursuant to the APS;
2. The conditions to closing as set out in the APS have been satisfied or waived by the Receiver or the appropriate party; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**ERNST & YOUNG INC. in its capacity as the
Receiver of the Respondents and not in its
personal or corporate capacity**

By: _____

Name:

Title:

TAB 2

**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 -

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

**FIFTEENTH REPORT OF THE RECEIVER
(Approval of Sale of Airport Hanger)
December 1, 2010**

INTRODUCTION AND PURPOSE

1. In connection with the applications of The Bank of Nova Scotia pursuant to section 33 of the *Judicature Act* (New Brunswick), Rule 41 of the Rules of Court of New Brunswick, and section 243 of the *Bankruptcy and Insolvency Act* (Canada) that were heard by The Honourable Mr. Justice Riordon of the Court of Queen's Bench of New Brunswick on March 1, 2010 and March 30, 2010, Ernst & Young Inc. ("**EYI**") was respectively appointed as receiver and receiver manager (the "**Receiver**") of the property, assets and undertakings of:
 - (a) Atcon Group Inc., Atcon Holdings Inc., Atcon Property Holdings Inc., Atcon Veneer Products Inc. and Atcon Logistics Inc. ("**Atcon Logistics**") pursuant to the Receivership Order dated March 2, 2010 (the "**March 2 Order**"); and
 - (b) Atcon Construction Inc., Atcon Management Services Inc., Atcon Civil Ltd., Dycon Construction Ltd., Atcon Structures Inc. and Envirem Technologies Inc. (now known as 058545 N.B. Inc.) pursuant to an Order dated March 30, 2010 granted in these proceedings (the "**March 30 Order**", and the March 30 Order together with the March 2 Order, the "**Receivership Order**").
2. The Receivership Order authorized the Receiver to, among other things:
 - (a) take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) receive, preserve and protect the Property, or any parts thereof;
 - (c) engage consultants, appraisers, agents and experts, among other persons, to assist with the exercise of the Receiver's powers and duties;
 - (d) market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (e) sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court in respect of any transaction in which the purchase price exceeds \$100,000 or the aggregate purchase price of all transactions less than \$100,000 exceeds \$1,000,000; and
 - (f) apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property.
3. The purpose of this Fifteenth Report is to report to this Honourable Court on the status of matters relating to the Airport Hanger (as defined below) and recommend that this Honourable Court grant an Order authorizing the Receiver to sell the Airport Hanger, authorizing and approving the execution of the APS (as defined below) by the Receiver, authorizing and directing the Receiver to take such steps and execute such additional documents as may be necessary or desirable for the completion of the Airport Hanger sale transaction, vesting the Airport Hanger in and to the Purchaser (as defined below) free and clear of any liens or encumbrances, and authorizing and empowering the Receiver to utilize the net sale proceeds of the Airport Hanger for the purpose of making payments (including interim payments) required or permitted by the Receivership Order.

TERMS OF REFERENCE

4. In preparing this Fifteenth Report, the Receiver has been provided with, and has relied upon unaudited historical financial statements, other unaudited financial information and projections prepared by the Respondents, the books and records of the Respondents, discussions with the management and employees of the Respondents, and other information from various sources. The Receiver has assumed that the information it has been provided is accurate and complete. The Receiver did not audit, review or otherwise attempt to verify the accuracy or completeness of the information. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to the information presented in this Fifteenth Report or relied upon by the Receiver in preparing this Fifteenth Report. Further, the nature of the Receiver's work completed in these proceedings will not necessarily disclose errors, misstatements, irregularities or illegal

acts, if such exist, on the part of the Respondents, or its officers or employees or in the information.

5. All references to monetary amounts in this Fifteenth Report are in Canadian dollars unless otherwise noted.
6. Capitalized terms not defined in this Fifteenth Report are as defined in the Receivership Order.
7. Copies of court materials in these proceedings may be obtained from the Receiver's website established in connection with the Respondents (www.ey.com/ca/atcon).

AIRPORT HANGER

8. EYI was appointed as Receiver of the Property of Atcon Logistics pursuant to the March 2 Order. Following its appointment, and in accordance with the provisions of the Receivership Order, the Receiver performed a review of the books, records and asset listings of Atcon Logistics.
9. The Property of Atcon Logistics includes an airport hanger (the "**Airport Hanger**") situated on land leased by Atcon Logistics from the Miramichi Airport Commission (1993) Inc. ("**MAC**") municipally known as 50 Airport Road, Miramichi, New Brunswick and identified as Parcel 2 on Airport Apron, West side of Plan of Survey 92-14-2 ("**50 Airport Road**").
10. The Receiver understands that Atcon Logistics entered into a lease with MAC with respect to 50 Airport Road, which was effective on December 1, 2005 and had a twenty (20) year term. The Receiver also understands that: (i) Atcon Logistics purchased the Airport Hanger in December 2005 for a purchase price of \$150,000; (ii) Atcon Logistics made improvements to the Airport Hanger following the purchase, bringing the total cost incurred by Atcon Logistics for the Airport Hanger to approximately \$224,976; (iii) the Airport Hanger had a net book value of \$191,572.28 on the books and records of Atcon Logistics; and (iv) the Airport Hanger had an assessed tax value in 2010 of approximately \$143,700.

11. During the summer months of 2010, the Receiver was presented with three unsolicited offers to purchase the Airport Hanger in the amounts of \$1.00, \$25,000 and \$95,000. The Receiver rejected the two lowest unsolicited offers, each presented by MAC, on the basis that they were of insufficient value. The third unsolicited offer for \$95,000, which was from Bryce Holdings Inc. (the “**Purchaser**”), was also rejected on the basis that the offer was of insufficient value. The Receiver advised both parties of its intentions to offer the Airport Hanger for sale through a public sales process at a later point in time.
12. On October 29, 2010, the Receiver, pursuant to the powers contained in paragraphs 3(e) and (m) of the Receivership Order, entered into a listing agreement with a licensed real estate agent, RE/MAX 3000 Ltd./Ltee (“**Re/Max**”), for the marketing and sale of the Airport Hanger. Attached hereto and marked as **Appendix “A”** is a copy of the Listing Agreement (Authority to Sell) dated October 29, 2010.
13. Re/Max discussed with the Receiver the estimated value of the Airport Hanger, as it was Re/Max’s view that the Airport Hanger is a unique type of property in Miramichi, New Brunswick. Re/Max informed the Receiver that, in its opinion, an appropriate listing price for the Airport Hanger at that time was \$199,000.
14. Accordingly, based on the unsolicited offers previously received and the advice received from Re/Max, the Receiver agreed to have the Airport Hanger listed at \$199,000 on the Multiple Listing Service (“**MLS**”).
15. Subsequent to the Airport Hanger being listed on the MLS, the Purchaser contacted the Receiver and verbally offered to purchase the Airport Hanger for \$150,000. The Receiver advised the Purchaser that \$150,000 was not acceptable, and that all future communications with respect to the Airport Hanger should be made through Re/Max, acting as the Receiver’s real estate agent.
16. On November 10, 2010, the Purchaser contacted Re/Max and submitted a formal offer to purchase the Airport Hanger for \$160,000. On November 12, 2010, a second interested buyer contacted Re/Max and submitted an offer to purchase the Airport Hanger for \$112,500.

17. The Receiver sent a counter-offer to the Purchaser in the amount of \$170,000, which was rejected by the Purchaser. The Purchaser confirmed that it was not prepared to increase its offer above \$160,000. The Receiver instructed Re/Max to contact the second offering party and determine if it was prepared to increase its offer to \$170,000. The second party confirmed that it was not prepared to increase its offer above \$112,500.
18. The Receiver reviewed the Purchaser's offer with Re/Max, who indicated that the \$160,000 offer represented, in its opinion, a reasonable value for the Airport Hanger. As such, on November 12, 2010 the Purchaser's offer was accepted by the Receiver, subject to the approval of this Honourable Court. Attached hereto and marked as **Appendix "B"** is a copy of the agreement of purchase and sale dated November 12, 2010 (the "**APS**").
19. The APS provides that the Airport Hanger is being sold to the Purchaser on an "as is, where is" basis. However, as detailed in paragraph 15 of the APS, the agreement is subject to the Purchaser securing a satisfactory lease agreement with MAC for 50 Airport Road on or before November 19, 2010. If a satisfactory lease agreement cannot be reached, the agreement will become null and void.
20. The Receiver reports that the Purchaser and the Receiver agreed to an extension of the deadline for the Purchaser to secure a satisfactory lease agreement with MAC to November 30, 2010. The Receiver further reports that it received written confirmation from the Purchaser on November 30, 2010 that the Purchaser has secured a satisfactory lease agreement with MAC, satisfying the condition contained in the APS.
21. After reviewing the APS and obtaining the view of Re/Max as to the reasonableness of the purchase price, the Receiver believes that the APS is the superior offer received for the Airport Hanger and recommends that the APS be approved by this Honourable Court. The only reasonable alternative to a sale of the Airport Hanger under the APS would be the continued listing of the Airport Hanger on MLS, which does not guarantee a sale will be successfully completed at the same or higher price as contained in the APS, which is approximately eighty per cent (80%) of the listing price and eighty-four percent (84%) of the net book value of the Airport Hanger.

22. Accordingly, the Receiver believes it has conducted an appropriate market test for the Airport Hanger and recommends that this Honourable Court authorize the Receiver to enter into the APS and approve the sale of the Airport Hanger pursuant to the APS.

RELIEF SOUGHT BY THE RECEIVER

23. The Receiver respectfully requests that this Court grant an order authorizing the Receiver to sell the Airport Hanger, authorizing and approving the execution of the APS by the Receiver, authorizing and directing the Receiver to take such steps and execute such additional documents as may be necessary or desirable for the completion of the Airport Hanger sale transaction, vesting the Airport Hanger in and to the Purchaser free and clear of any liens or encumbrances, and authorizing and empowering the Receiver to utilize the net sale proceeds of the Airport Hanger for the purpose of making payments (including interim payments) required or permitted by the Receivership Order.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 1st day of December 2010

ERNST & YOUNG INC.
in its capacity as the Court-appointed
Receiver of the Respondents and not in its
personal or corporate capacity

By:



Paul D. Hickey, CA•CIRP
Senior Vice President

APPENDIX “A”



THE NORTHERN NEW BRUNSWICK REAL ESTATE BOARD INC.
L'ASSOCIATION IMMOBILIERE DU NORD DU NOUVEAU-BRUNSWICK INC.



LISTING AGREEMENT (AUTHORITY TO SELL)

INITIAL: MLS® ☒ Exclusive ☐

1. I (name) Ernst & Young Inc in its capacity as Receiver Manager for Atcon Group Inc. et. al. as the Seller agree to list the property bearing PID(s) N/A and civic address Airport Road (Parcel 2 on Airport Apron, Survey 92-14-2) Mir E1N 4B3 with RE/MAX 3000 Ltd/Ltée the Listing Agent, a member of The Northern New Brunswick Real Estate Board Inc. on the following terms and conditions:
 - (a) I give you exclusive authority, irrevocable until the expiration of this Agreement, to offer the property for sale at a price of \$ \$199,000.00 plus taxes, if applicable.
 - (b) I give you authorization to obtain verification of details with respect to mortgages or other security against the property.
2. This Agreement is further subject to the following terms, conditions or limitations _____
3. I hereby request Multiple Listing (MLS®) SM; or Exclusive _____ Services. If MLS® I authorize you to distribute this listing through the MLS® to all members in good standing of the Real Estate Boards in New Brunswick that the Listing Agent selects.
4. (a) The Seller authorizes the Listing Agent to use, disclose and retain all personal information provided for all purposes relating to the listing and marketing of the property including;
 - (i) advertising the property in any medium including the Internet;
 - (ii) disclosing property information to prospective Buyers and other salespersons;
 - (iii) such other use of the Seller's personal information as is consistent with listing and marketing of the property.(b) The seller authorizes the Agent to place the listing information and any sale information into the database(s) of the appropriate MLS® system(s). The Seller further acknowledges that the Board(s) may;
 - (i) distribute the information to any persons authorized to use such service which may include other agents, government departments, appraisers, municipal organizations and other;
 - (ii) market the property, at its option in any medium, including electronic media;
 - (iii) compile, retain and publish any statistics including historical MLS® data;
 - (iv) make such other use of the information as the board deems appropriate.
5. (a) Immediately on closing of the sale, or exchange, or lease, I agree to pay you a transaction fee or commission equal to \$ _____ or 6.0 % of the sale price plus applicable taxes. I acknowledge that the Listing Agent, upon receipt of commission will pay to the Sub Agent or Buyer Agent \$ _____ or 2.0 % plus applicable taxes.
(b) I agree to instruct my solicitor, immediately on closing, to pay the Listing Agent any balance of the transaction fee or commission owing from the proceeds of the sale.
6. I agree to pay you the transaction fee or commission after the expiry of this Listing Agreement if the property is sold, exchanged or leased to any person introduced by you, or one of your co-operating Agents, to me or the property during the currency of this Listing Agreement, provided however that no such transaction fee or commission is payable if my property is listed with another real estate Agent after this Agreement expires.

◆ PAN # _____

◆ Acknowledgement of completion of Page 1 - Seller's Initials SM

7. I agree to immediately advise you of all inquiries or offers from any source whatsoever during the listing period.
8. I give you the exclusive right to advertise and place a sign upon my property.
9. This Agreement shall only be assignable with the express written consent of all parties (Seller and Listing Agent).
10. I warrant that I own the property, or that I have the legal power to execute this authority on behalf of the owner(s), and further that the property is not currently listed with another Agent.
11. If authorized to install an MLS® lockbox on my property, I am aware that this lockbox allows co-operating Agents and their representatives to gain access to my property.
12. You agree to act only as my Agent except where I have consented to Limited Dual Agency.
13. If you are also the agent for a Buyer who becomes interested in my property, you will require my written consent to act as a Limited Dual Agent to facilitate a sale of the property.
14. I agree that if I am a non-resident of Canada I will comply with the Income Tax Act of Canada before the sale of my property can be completed.
15. This Agreement (Authority to Sell) includes the Addendum to Listing Agreement, signed by me, and attached hereto.
☐ Residential ☐ Multi-Family ☐ Commercial ☐ Farm
16. This Agreement (Authority to Sell) includes the Property Condition Disclosure Statement, signed by me, and attached hereto.
17. Any representations made in this Agreement including property information sheets (i.e. fact sheet, computer input sheets, Property Condition Disclosure Statement, etc.) respecting the property are true to the best of my knowledge, information and belief and I agree to indemnify and save you or any co-operating Agent harmless from any claims arising against you, or such co-operating Agent acting in good faith, upon the representation of fact which I have made in this Agreement.
18. By signing this contract, I acknowledge having read and understood the brochure published by The New Brunswick Real Estate Association entitled Working With A REALTOR®.
19. Notwithstanding the foregoing, should you obtain and present to me an offer in accordance with the terms of this Listing Agreement which I should refuse to accept for any reason, I hereby agree to pay you the said commission.
20. This Agreement is to be read with all changes of gender or number required of the context.
21. This Agreement shall be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns and time shall in all respects be of the essence hereof.
22. This Listing Agreement shall expire at one minute before midnight on the 20²⁸ day of April^{February}, year 2011

Dated at Miramichi this 20²⁹ day of October, year 2010

Signed, Sealed and delivered in the presence of

I have hereunto set my hand and seal

Laura McCastay
Witness

Seller _____ SEAL

Witness

Seller _____ SEAL

Seller's Address: _____

◆ PAN # _____

◆ Acknowledgement of completion of Page 1 - Seller's Initials SM

Ernst & Young Inc. in its capacity as Receiver & Receiver Manager of Atcan Group Inc. et al. and not in its personal capacity.

PER: Steve McLaughlin
Steven McLaughlin



THE NORTHERN NEW BRUNSWICK REAL ESTATE BOARD INC.
L'ASSOCIATION IMMOBILIÈRE DU NORD DU NOUVEAU-BRUNSWICK INC.



WORKING WITH A REALTOR®

AN EXPLANATION OF THE RELATIONSHIP BETWEEN YOU AND A REALTOR®

AGENCY DISCLOSURE

Members of The Canadian Real Estate Association abide by a strict Code of Ethics and Standards of Business Practice, which serves to protect the buying and selling public alike.

One of the ethical obligations embodied in the Code requires that the REALTOR® disclose who they are representing in a real estate transaction.

ARTICLE 2

A REALTOR® shall fully disclose in writing to, and is advised to seek written acknowledgement from, his or her Clients and those Customers who are not represented by other Registrants regarding the role and nature of the service the REALTOR® will be providing. This disclosure shall be made at the earliest possible opportunity and in any event prior to the REALTOR® providing professional services which go beyond providing information as a result of incidental contact by a consumer.

If you have any questions about the contents of this form, contact your local real estate board/association or talk to the REALTOR with whom you are dealing.

When working with a real estate agent in buying or selling real estate, it is important that you understand who the agent is representing in the transaction.

Is the agent representing the seller, the buyer, or both? Who is the agent's client? Who is the customer?

The difference between RECEIVING INFORMATION AND SERVICES FROM AN AGENT and BEING REPRESENTED BY AN AGENT is the difference between a CUSTOMER and being a CLIENT.

The person who is represented by an agent is a CLIENT. The agent owes the client the duties of utmost care, integrity, confidentiality and loyalty. A CUSTOMER, on the other hand can also receive valuable information and assistance from an agent, but is not represented by that agent.

Regardless of who the agent represents, however, the agent is obliged to treat all parties to a transaction honestly and fairly. The agent must:

- respond honestly and accurately to questions concerning the property;
- disclose material facts which the agent knows or reasonably ought to know about the property;
- promptly present all offers to the seller;
- market the property without regard to race, creed, sex, handicap, religion or national origin.

SELLER'S AGENT

A SELLER'S AGENT represents the seller - either as a LISTING AGENT under a listing agreement with the seller OR by cooperating as a SUB-AGENT, typically through the Multiple Listing Service®.

In dealing with prospective buyers (customers), a SELLER'S AGENT can provide a variety of information and services to assist the buyer in his/her decision making, but the SELLER'S AGENT is not the agent for the buyer.

♦ Seller's Initials SM / Buyer's Initials _____

Working with a REALTOR®

Page 1 of 2

WEBForms™ Mar2008

BUYER'S AGENT

A BUYER'S AGENT represents the buyer, preferably pursuant to a Buyer Agreement. A BUYER'S AGENT'S primary allegiance is to the buyer.

DUAL AGENT

DUAL AGENCY occurs when a real estate agent is representing both buyer and seller in the same transaction. Since the agent has promised a duty of confidentiality, loyalty, and full disclosure to both parties simultaneously, it is necessary to limit these duties in this situation, if both parties consent.

A DUAL AGENT may not represent both parties without their informed consent, and must ensure that the parties understand the possible effects of the dual representation including, for example, that no information received in connection with the transaction can be treated as confidential unless an agreement in writing limiting the transfer of information exists.

ACKNOWLEDGEMENT

This form does not create an agency relationship. Its purpose is to ensure that all parties understand who is representing whom and to acknowledge that disclosure of this representation has occurred.

I have read and understood this form and acknowledge that LISA MCCORMACK
(name of salesperson)
of RE/MAX 3000 Ltd/Ltée disclosed he/she is representing:
(name of company)

☒ **Seller**, as listing agent or sub-agent ☐ **Buyer**, as buyer's agent ☐ **Both**, Seller and Buyer, with the full knowledge and consent of all parties

Seller _____ Date _____

Buyer _____ Date _____

Seller _____ Date _____

Buyer _____ Date _____

→ Ernst & Young Inc. in its capacity as
Receiver & Receiver Manager of Alcon Group
Inc. et al. and not in its personal capacity.

PER: Steven McLaughlin
Steven McLaughlin



REALTOR, REALTORS and the REALTOR logo are trademarks that identify real estate professionals in Canada who are members of The Canadian Real Estate Association and as such, subscribe to a high standard of professional service and to a strict Code of Ethics.

(February 2008)

◆ Seller's Initials SM / Buyer's Initials _____

Working with a REALTOR® Page 2 of 2
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APPENDIX “B”



THE NORTHERN NEW BRUNSWICK REAL ESTATE BOARD INC.
L'ASSOCIATION IMMOBILIERE DU NORD DU NOUVEAU-BRUNSWICK INC.



AGREEMENT OF PURCHASE AND SALE

The Buyer Brycc Holdings Inc.

offers to buy from the Seller Ernst & Young Inc. in its capacity as Receiver Manager for Atcon Group Inc.et.al. through
Listing Agent RE/MAX 3000 Ltd/Ltée and Selling Agent RE/MAX 3000 Ltd/Ltée

the property bearing PID(s) -
and civic address 50 AIRPORT ROAD (PARCEL 2 Survey 92-14-2) MIRAMICHI E1N 4B3 with land size
measurements of No land being sold - hanger only (all measurements being more or less)
at a purchase price of One Hundred and Fifty Thousand only ~~150,000~~ Dollars (\$cdn. ~~\$150,000.00~~ 160,000)

The parties agree that, if this transaction is subject to HST, any such HST applicable to the transaction is is not ✓ included in the amount of the purchase price on the following terms:

1. FINANCING:

FINANCING:
(a) The Buyer submits with this offer One Thousand Dollars (\$ 1,000.00)
cash/ ☒ cheque payable to the Listing Agent as a deposit to be held in trust, pending completion or other termination of this
Agreement and to be credited towards the purchase price on completion. Balance of purchase price to be paid on closing or as otherwise
stated in this Agreement.

(b) This Agreement is subject to the Buyer or the Buyer's Agent delivering written approval for a mortgage in the amount of approximately \$_____ (or Cash _____ % of purchase price) at the current interest rate on or before (day/month/year) ____/____/____ to the Seller or Seller's Agent; failing which the Agreement becomes null and void and all deposit money paid under this Agreement to be returned to Buyer without interest or penalty.

2. **CLOSING DATE :** This Agreement shall be completed on or before the 30 day of, November, year 2010 (hereinafter called the closing date). Upon completion, vacant possession of the property shall be given to the Buyer, unless the property is rented in which event the Buyer shall accept any present tenancy and be entitled to the rents and profits thereafter.

3. CHATTELS AND FIXTURES

CHATELS AND FIXTURES
 (a) The following chattels as viewed on (day/month/year) _____ / _____ / _____ are to remain with the property and shall be included in the purchase price and are to be in good working order free and clear of encumbrances at the time of closing:
 Not viewed with agent. Property being sold as is where is.

(b) All permanent fixtures attached to the property are to remain and shall be included in the purchase price.

(c) The Seller advises the Buyer of the following leases for equipment or fixtures located on the property, and the Buyer agrees to assume said leases on closing. Hot Water Tank _____ Furnace & Heating System _____ Propane Tank _____ Other _____

Seller **Buyer**

Initials required

4. **TITLE SEARCH:** The Seller shall furnish to the Buyer a legal description of the property, which is the subject of this Agreement. The Buyer shall have until (month/day/year) 11 / 30 / 2010 to investigate the title to the property, at his own expense. If within that time any valid objection to title is made in writing to the Seller, which the Seller is unable or unwilling to remove prior to closing, and which the Buyer will not waive, this Agreement shall be null and void and the deposit shall be returned to the Buyer, without interest, and the Seller shall not be liable for any costs or damages.

5. **TRANSFER:** The conveyance (of the property which is the subject of this Agreement) shall be drawn and executed in a registerable form at the expense of the Seller, and be delivered on payment of the purchase price on the closing date. It is understood that if any survey work or permits are required to put the conveyance in registerable form, the cost of this shall be the responsibility of the Seller. The property is to be conveyed free from encumbrances, except as to any easements, registered restrictions or covenants that affect the property and do not materially affect the enjoyment and/or marketability of the property subject to the provisions set out in paragraph 15 of this Agreement, if any.

◆ PAN# 201025853

◆ Acknowledgment of completion of Page 1 - Seller's Initials SW / _____ Buyer's Initials _____

6. **RISK:** All lands, buildings, fixtures and all other property being purchased, shall be and remain at the risk of the Seller. Pending completion of the sale, the Seller will hold all insurance policies and the proceeds thereof in trust for the parties as their interests may appear and in the event of damage to the said property, the Buyer may either have the proceeds of the insurance and complete the purchase, or may cancel the Agreement and have all monies theretofore paid returned without interest.
7. **ADJUSTMENTS:**
 (a) Interest, rentals, taxes, rates, fuel on the premises and assessments are to be adjusted to the date of closing. The cost of municipal improvements, (including, but without limiting the generality of the phrase "municipal improvements", betterment charges and capital charges for utility or municipal services) completed as of the date of this Agreement, are to be paid by the Seller on or before the closing date unless otherwise stated.
 (b) Unless as otherwise provided in this Agreement, if this transaction is subject to any applicable taxes imposed by government legislation, said taxes shall be in addition to and not included in the purchase price.
8. **PAYMENT:** Any tender of documents to be delivered or money payable hereunder may be made upon the Seller or the Buyer or any party acting on their behalf. Money paid, subsequent to the deposit, shall be by Solicitor's trust cheque, cash, certified cheque (or their equivalent) drawn on a chartered Canadian Bank, Trust Company or Credit Union.
9. **PRE-CLOSING INSPECTION:** The Buyer shall have the right, upon providing the Seller with reasonable notice, to conduct a pre-closing viewing of the property to ensure that the property is in the same state of repair as viewed on the date of this Agreement.
10. **UFFI CLAUSE:** The Seller warrants to the best of his knowledge that the property does not contain Urea Formaldehyde Foam Insulation and this warranty shall survive the completion of this Agreement.
11. **SURVEYOR'S REAL PROPERTY REPORT:** The cost of a Surveyor's Real Property Report shall be the responsibility of the Buyer. Notwithstanding the foregoing, the Seller is to supply to the Buyer any Surveyor's Real Property Report that may be in his possession without any warranty whatsoever.
12. **INSPECTION:** The Buyer shall be entitled to have a property inspection conducted at his own expense. If the results of the Property Inspection Report are not satisfactory to the Buyer, the Buyer may terminate this Agreement by delivering written notice to the Seller, or his Agent, by (day/month/year) 20/11/2010 in which case the deposit shall be returned to the Buyer, without interest, and the Seller shall not be liable for any costs or damages. The Buyer does ☒ or does not ☐ (Initials) require a property inspection.
13. **PROPERTY CONDITION DISCLOSURE:** The Seller shall provide a Property Condition Disclosure Statement which shall be acceptable to the Buyer as a condition of this offer.
14. **WATER TEST:** This Agreement is subject to the Buyer, at his expense, satisfying himself that the water supply of the property meets the acceptable quantity and bacteriological standards, notice of which is to be delivered to the Seller, or the Seller's Agent, within N/A days of the acceptance of this offer. If the results of water testing do not meet acceptable standards, the Buyer may terminate this Agreement by delivering written notice to the Seller, or the Seller's Agent, in which case, the deposit shall be returned to the Buyer without interest, and the Seller shall not be liable for any costs or damages.
15. **TERMS AND CONDITIONS:**
 This Agreement is further subject to the following terms and conditions:
 No PCDS. Property sold "as is where is". Conditional upon purchaser(s) securing satisfactory lease agreement with Miramichi Airport Commission Inc. on or before November 24, 2010. Failing which offer is null and void.
16. **DEFAULT:** If the Buyer defaults in the completion of the sale under the terms of this Agreement, any money, not exceeding 10% of the purchase price, paid hereunder shall be forfeited to the Seller by way of liquidated damages, or the Seller may (at his option), compel the Buyer to complete the sale.
17. **BINDING AGREEMENT:** Time shall in all respects be of the essence in this Agreement. In the event of a written Agreement of extension, time shall continue to be of the essence. This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns. *This Agreement is to be read with all changes of gender or number required by the context.*
18. **FAX TRANSMISSION:** The parties hereto agree that this Agreement may be transmitted by facsimile or such similar device and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals and each party hereto undertakes to provide each and every other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.

◆ PAN # 201025853

◆ Acknowledgement of completion of Page 2 - Seller's Initials [Signature]

Buyer's Initials [Signature]

Agreement Purchase and Sale Page 2 of 3
 WEBForms™ Mar12008

19. AGENCY: The Seller and Buyer acknowledge having received, read and understood the brochure published by the New Brunswick Real Estate Association entitled Working With A REALTOR®.

(a) The Seller has an agency relationship with _____ as represented by _____
 _____ Agent _____ Salesperson
 _____ as represented by _____
 _____ Agent _____ Salesperson

(b) The Buyer has an agency relationship with _____ as represented by _____
 _____ Agent _____ Salesperson

(c) The Buyer and the Seller have consented to a Limited Dual Agency relationship with RE/MAX 3000 Ltd/Ltée
 _____ Agent
 as represented by LISA MCCORMACK and LISA MCCORMACK
 _____ Salesperson _____ Salesperson

Having signed a Limited Dual Agency Agreement dated (day/month/year) 10 / 11 / 2010

NB If only (a) has been completed, the Buyer is acknowledging no agency relationship. If only (b) has been completed the Seller is acknowledging no agency relationship.

20. OFFER:
 This offer shall be open for acceptance by the Seller until noon am/pm of the (day/month/year) 12 / 11 / 2010, after which time, if not accepted by the Seller and a copy delivered to the Buyer or his/her agent, this offer shall be null and void and all deposit monies shall be returned to the Buyer, without interest, and the Buyer shall not be liable for any costs or damages.

Dated at Miramichi, N.B., this 10 day of November, year 2010

Signed, sealed and delivered in the presence of

Witness

Witness

I have hereunto set my hand and seal

Buyer

Buyer

SEAL

SEAL

21. ACCEPTANCE:

(a) I accept the above offer and agree to sell on the terms and conditions, as therein set forth. (SUBJECT TO COURT APPROVAL)

Dated at Halifax, N.B., this 12 day of November, year 2010

Signed, sealed and delivered in the presence of

Witness

Witness

I have hereunto set my hand and seal

Seller

Seller

SEAL

SEAL

(b) I confirm this offer was presented and not accepted day/month/year _____ Seller _____ Seller.

22. COUNTER OFFER:

a) I confirm having read and understood this Agreement and have modified the price to _____ Dollars (\$ _____) along with the following amendments _____

_____ on the _____ day of _____, year _____

b) The counter offer shall be open for acceptance by the Buyer until _____ am/pm of the (day/month/year) _____, after which time, if not accepted by the Buyer and a copy delivered to the Seller or his agent, this counter offer shall be null and void and all deposit monies shall be returned to the Buyer, without interest, and the Seller shall not be liable for any costs or damages.

Dated at _____ N.B., this _____ day of _____, year _____

Signed, sealed and delivered in the presence of

Witness

Witness

I have hereunto set my hand and seal

Seller

Seller

SEAL

SEAL

c) The Buyer hereby agrees to the above changed price of \$ _____ and all other amendments contained in this counter offer.

Dated at _____ N.B., this _____ day of _____, year _____

Signed, sealed and delivered in the presence of

Witness

Witness

I have hereunto set my hand and seal

Buyer

Buyer

SEAL

SEAL

Seller's Solicitor _____

◆ PAN # 201025853

◆ Acknowledgement of completion of Page 3 - Seller's Initials (80)

Buyer's Solicitor _____

(February 2008)

Agreement Purchase and Sale Page 3 of 3

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Ernest Young Inc. in its capacity as Receiver & Receiver Manager of Atken Group Inc. et al. and not in its personal capacity



THE NORTHERN NEW BRUNSWICK REAL ESTATE BOARD INC.
L'ASSOCIATION IMMOBILIERE DU NORD DU NOUVEAU-BRUNSWICK INC.



LIMITED DUAL AGENCY AGREEMENT

(consent to agent acting for both Buyer and Seller and to limiting the scope of the agency)

BETWEEN: RE/MAX 3000 Ltd/Ltée

(Agent)

AND: Bryco Holdings Inc.

(Buyer)

AND: Ernst & Young Inc. in its capacity as Receiver Manager for Atoon Group Inc.et.al.

(Seller)

RE: 50 AIRPORT ROAD (PARCEL 2 Survey 92-14-2)

MIRAMICHI

EIN 4B3

(Property)

In order to facilitate the purchase and sale of the property, the Buyer, the Seller, and Agent agree as follows:

1. The Buyer and the Seller acknowledge and agree that it is not a breach of duty to either of them for the Agent to act as agent for both the Buyer and the Seller and they consent to the Agent acting for both the Buyer and the Seller as a limited dual agent with respect to the purchase and sale of the property.
2. Any previous agreements between the Agent and either the Buyer or the Seller modified shall continue in full force and effect except as modified by this Agreement. In the event of conflict, the provisions of this Agreement shall apply.
3. The Buyer and the Seller acknowledge and agree that with respect to the purchase and sale of the property, the Agent and its salespersons will be the agent for both the Buyer and the Seller and will represent both parties as a limited dual agent with the following changes and limitations to its duties as agent:
 - a) the Agent will deal with the Buyer and the Seller impartially;
 - b) the Agent will have a duty of disclosure to both the Buyer and the Seller except that:
 - i) the Agent will not disclose that the Buyer is willing to pay a price or agree to terms other than those contained in the Agreement of Purchase and Sale, or that the Seller is willing to accept a price or terms other than those contained in the Listing Agreement;
 - ii) the Agent will not disclose the motivation of the Buyer to buy or the Seller to sell unless authorized by the Buyer or the Seller;
 - iii) the Agent will not disclose personal information about either the Buyer or the Seller unless authorized in writing.
 - c) without limiting 3(b) the Agent will disclose to the Buyer defects about the physical condition of the property known to the Agent.
4. By signing this contract, the Buyer and the Seller acknowledge having read and understood the attached form entitled Working With A REALTOR®.

Signed, sealed and delivered this 10 day of November, year 2010

LISA MCCORMACK

Agent's Salesperson

Agent's Salesperson

Witness to Buyer

Witness to Buyer

Witness to Seller

Witness to Seller

Buyer

Buyer

Seller

Seller

→ Ernst & Young Inc. in its capacity as Receiver & Receiver Manager of Atoon Group Inc. et al. and not in its personal capacity.

(February 2008)
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PER: Steve M'Loughlin
Steve M'Loughlin



THE NORTHERN NEW BRUNSWICK REAL ESTATE BOARD INC.
L'ASSOCIATION IMMOBILIÈRE DU NORD DU NOUVEAU-BRUNSWICK INC.



WORKING WITH A REALTOR®

AN EXPLANATION OF THE RELATIONSHIP BETWEEN YOU AND A REALTOR®

AGENCY DISCLOSURE

Members of The Canadian Real Estate Association abide by a strict Code of Ethics and Standards of Business Practice, which serves to protect the buying and selling public alike.

One of the ethical obligations embodied in the Code requires that the REALTOR® disclose who they are representing in a real estate transaction.

ARTICLE 2

A REALTOR® shall fully disclose in writing to, and is advised to seek written acknowledgement from, his or her Clients and those Customers who are not represented by other Registrants regarding the role and nature of the service the REALTOR® will be providing. This disclosure shall be made at the earliest possible opportunity and in any event prior to the REALTOR® providing professional services which go beyond providing information as a result of incidental contact by a consumer.

If you have any questions about the contents of this form, contact your local real estate board/association or talk to the REALTOR with whom you are dealing.

When working with a real estate agent in buying or selling real estate, it is important that you understand who the agent is representing in the transaction.

Is the agent representing the seller, the buyer, or both? Who is the agent's client? Who is the customer?

The difference between RECEIVING INFORMATION AND SERVICES FROM AN AGENT and BEING REPRESENTED BY AN AGENT is the difference between a CUSTOMER and being a CLIENT.

The person who is represented by an agent is a CLIENT. The agent owes the client the duties of utmost care, integrity, confidentiality and loyalty. A CUSTOMER, on the other hand can also receive valuable information and assistance from an agent, but is not represented by that agent.

Regardless of who the agent represents, however, the agent is obliged to treat all parties to a transaction honestly and fairly. The agent must:

- respond honestly and accurately to questions concerning the property;
- disclose material facts which the agent knows or reasonably ought to know about the property;
- promptly present all offers to the seller;
- market the property without regard to race, creed, sex, handicap, religion or national origin.

SELLER'S AGENT

A SELLER'S AGENT represents the seller - either as a LISTING AGENT under a listing agreement with the seller OR by cooperating as a SUB-AGENT, typically through the Multiple Listing Service®.

In dealing with prospective buyers (customers), a SELLER'S AGENT can provide a variety of information and services to assist the buyer in his/her decision making, but the SELLER'S AGENT is not the agent for the buyer.

• Seller's Initials

Buyer's Initials

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BUYER'S AGENT

A BUYER'S AGENT represents the buyer, preferably pursuant to a Buyer Agreement. A BUYER'S AGENT'S primary allegiance is to the buyer.

DUAL AGENT

DUAL AGENCY occurs when a real estate agent is representing both buyer and seller in the same transaction. Since the agent has promised a duty of confidentiality, loyalty, and full disclosure to both parties simultaneously, it is necessary to limit these duties in this situation, if both parties consent.

A DUAL AGENT may not represent both parties without their informed consent, and must ensure that the parties understand the possible effects of the dual representation including, for example, that no information received in connection with the transaction can be treated as confidential unless an agreement in writing limiting the transfer of information exists.

ACKNOWLEDGEMENT

This form does not create an agency relationship. Its purpose is to ensure that all parties understand who is representing whom and to acknowledge that disclosure of this representation has occurred.

I have read and understood this form and acknowledge that LISA MCCORMACK (name of salesperson)
of RE/MAX 3000 Ltd/Ltée (name of company) disclosed he/she is representing:

☐ Seller, as listing agent or sub-agent ☐ Buyer, as buyer's agent ☒ Both, Seller and Buyer, with the full knowledge and consent of all parties

Seller 12 November 2010
Date

Buyer Nov-10/28/10
Date

Seller _____ Date _____

Buyer _____ Date _____

Ernst & Young Inc. in its capacity as Receiver & Receiver Manager of Atron Group Inc. et al. and not in its personal capacity.

PER: Steve McLoughlin
Steve McLoughlin



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(February 2008)

♦ Seller's Initials SM Buyer's Initials [Signature]

Working with a REALTOR® Page 2 of 2
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THE NORTHERN NEW BRUNSWICK REAL ESTATE BOARD INC.
L'ASSOCIATION IMMOBILIERE DU NORD DU NOUVEAU-BRUNSWICK INC.



ADDENDUM TO LISTING AGREEMENT – COMMERCIAL

♦ MANDATORY INFORMATION

♦ PID NUMBER N/A ♦ PAN NUMBER N/A
♦ LOT/HOUSE/UNIT # 50 ♦ ADDRESS Airport Road (Parcel 2 on Airport Apron, Survey 92-14-2)
♦ MUNICIPALITY Mir ♦ DISTRICT North ♦ SUB-DISTRICT Mir ♦ POSTAL CODE E1N 4B3
PROPERTY KNOWN AS _____
♦ LOT SIZE No land - Building only ZONING _____
♦ SELLER 1 NAME Ernst & Young Inc in its capacity as Receiver Manager for Atcon Group Inc. et. al.
HOME PHONE _____ Last name First name BUSINESS PHONE _____
SELLER 2 NAME _____
HOME PHONE _____ Last name First name BUSINESS PHONE _____
♦ PROPERTY OVERVIEW (Please Print)
See remarks.

SHOWING INSTRUCTIONS - KEYS AT OFFICE ☐ YES ☐ NO Through Lisa McCormack at Remax 3000 Ltd./Ltée

♦ LISTING AGENT 1 RE/MAX 3000 Ltd/Ltée
♦ SALESPERSON 1 LISA MCCORMACK SALESPERSON 2 _____
LISTING AGENT 2 _____
SALESPERSON 1 _____ SALESPERSON 2 _____
♦ LIST PRICE \$199,000.00 POSSESSION DATE _____ ASSESSMENT _____
♦ TAXES _____ ♦ TAXATION YEAR 2010 ♦ CO-OPERATING AGENT COMMISSION 2.0
UFFI ☐ YES ☐ NO ☐ REMOVED ☐ UNKNOWN RENTAL INCOME ☐ YES ☐ NO ☐ POTENTIAL ☐ UNKNOWN
SIGN ☒ YES ☐ NO LEASE TYPE ☐ ESCALATING ☐ GROSS ☐ NET LOCK BOX ☐ YES ☒ NO
♦ PCDS ☐ YES ☒ NO GARAGE ☐ YES ☐ NO PARKING ☐ YES ☐ NO
NUMBER OF FLOORS 1 APPROXIMATE AGE +/- _____
OUTSIDE DIMENSIONS _____ TOTAL SQUARE FOOTAGE _____
WATER ACCESS ☐ YES ☒ NO WATER TYPE _____ BUILDING COLOR _____
GARAGE DETAILS

PARKING DETAILS

♦ PAN # _____

♦ Acknowledgement of completion of Page 1 – Seller's initials SM / _____

Addendum to Listing Agreement – Commercial

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LEASING INFORMATION

TYPE	NET RENTAL	AREA (SQ. FT/M)	RENTAL RATE	OCCUPANT	LEASE EXPIRY
INDUSTRIAL					
OFFICE					
RETAIL					
#RESIDENTIAL UNITS					
WAREHOUSE					
OTHER					

WHO PAYS	OWNER	TENANT	UNKNOWN	GROSS REVENUE
HEATING	☐	☐	☐	
PROPERTY TAXES	☐	☐	☐	TOTAL EXPENSES
BUSINESS TAXES	☐	☐	☐	
ELECTRICITY	☐	☐	☐	NET OPERATING INCOME
WATER	☐	☐	☐	
INSURANCE	☐	☐	☐	
INTERIOR MAINTENANCE	☐	☐	☐	
EXTERIOR MAINTENANCE	☐	☐	☐	
STRUCTURAL MAINTENANCE	☐	☐	☐	

◆ TITLE TO LAND (1) ☐ FREEHOLD ☐ LEASEHOLD ☒ POWER OF SALE ☐ ESTATE SALE ☐ OTHER ◆ DRIVEWAY (4) ☐ CONCRETE ☐ GRAVEL ☐ PAVED ☐ MUTUAL ☐ MULTI ☐ TRANSPORT ☐ UNDERGROUND ☒ OTHER ☐ NONE ◆ FOR SALE / LEASE (2) ☒ FOR SALE ONLY ☐ FOR LEASE ONLY ☐ FOR SALE OR LEASE ☐ LAND ONLY ☐ BUSINESS ONLY ☐ BUILDING AND LAND ☐ BUILDING ONLY ☐ OTHER FOR SALE / LEASE ◆ FLOOR (2) ☐ CONCRETE ☐ HEAVY LOADING ☐ STEEL ☐ WOOD ☐ OTHER ☐ SEE REMARKS	◆ ROOF (1) ☐ ASPHALT SHINGLE ☐ CONCRETE ☐ METAL ☐ SHAKES ☐ TAR AND GRAVEL ☐ TILE ☐ OTHER ☐ NONE ◆ TYPES (3) ☐ COMMERCIAL RETAIL ☐ WAREHOUSE ☐ BUSINESS ONLY ☐ INDUSTRIAL ☐ MOTEL / HOTEL ☐ SHOPPING CENTRE ☐ MARINA / RESORT ☐ INSTITUTIONAL ☐ RECREATIONAL ☐ VACANT LAND & LOTS ☐ RESIDENTIAL UNITS ☐ OFFICE ☒ OTHER ◆ PROPERTY SIZE (2) ☐ UNDER 0.5 ACRES ☐ 0.5 TO 0.99 ACRES ☐ 1 TO 2.99 ACRES ☐ 3 TO 9.99 ACRES ☐ 10 TO 49.99 ACRES ☐ 50 TO 100 ACRES ☐ OVER 100 ACRES ☐ ADDITIONAL LAND ☒ UNKNOWN	◆ ACCESS (4) ☐ WATER FRONTAGE ☐ ISLAND ☐ DEEDED WATER ACCESS ☐ RESTRICTED WATERFRONT ☐ RIGHT OF WAY ☐ BOAT ACCESS ☐ YEAR ROUND ROAD ACCESS ☐ OTHER ◆ SITE INFLUENCES (6) ☐ HIGHWAY ACCESS ☒ VISUAL EXPOSURE ☐ PUBLIC TRANSPORTATION ☐ SHOPPING NEARBY ☐ RAIL ACCESS ☐ SLOPING ☐ TREED ☐ CLEARED ☐ WATERFRONT ☐ CORNER SITE ☐ HIGH TRAFFIC LOCATION ☐ INDUSTRIAL PARK ☐ FENCED ☐ PUBLIC PARKING ☒ OTHER	◆ HEATING (4) ☐ ELECTRIC ☐ OIL ☐ WOOD ☐ NATURAL GAS ☐ PROPANE ☐ BASEBOARD ☐ FORCED AIR ☐ HOT WATER ☐ HEAT PUMP ☐ SOLAR ☐ SPACE HEATER ☐ RADIATOR ☐ RADIANT ☐ OTHER ☐ NONE ◆ CONSTRUCTION (3) ☐ CONCRETE ☐ BLOCK ☐ STONE ☐ STEEL FRAME ☐ WOOD FRAME ☐ BRICK ☐ OTHER
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◆ PAN # _____

◆ Acknowledgement of completion of Page 2 - Seller's Initials *SM* / _____

Addendum to Listing Agreement - Commercial

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EXTERIOR FEATURES (8) ☐ FULLY FENCED ☐ PARTIALLY FENCED ☐ SECURITY GATE ☐ STORAGE BUILDING ☐ OUTSIDE STORAGE ☐ GRADE LOADING ☐ DOCK HEIGHT LOADING ☐ RAIL HEIGHT LOADING ☐ WATERFRONT LOADING ☐ LEVELLERS ☐ CRANE ☐ CONVEYOR ☐ DOORS UNDER 10 FT. ☐ DOORS 10 - 15 FT. ☐ DOORS 15 - 20 FT. ☐ LIGHTING ☐ CANOPY ☐ OUTDOOR POOL ☐ TENNIS COURT ☐ RECREATIONAL AREA ☐ WHEELCHAIR ACCESSIBLE ☐ DOCK / MOORING ☐ BEACH ☐ FISHING ☒ OTHER	DOCUMENTS ON FILE (12) ☐ LEGAL DESCRIPTION ☐ DEED ☐ SUBDIVISION PLAN ☐ BLDG LOCATION CERTIFICATE ☐ LAND SURVEY ☐ AERIAL PHOTOS ☐ TOPOGRAPHICAL PLAN ☐ SOIL SURVEY ☐ ENVIRONMENTAL ASSESSMENT ☐ BLUEPRINT ☐ FLOOR PLAN ☐ APPRAISAL ☐ LEASES ☐ FINANCIAL STATEMENTS ☐ CHATTEL / EQUIPMENT ☐ RESTRICTIVE COVENANTS ☐ WELL CERTIFICATE / DRAWING ☐ SEPTIC CERTIFICATE / DRAWING ☐ CONTRACTS ☐ OTHER ☐ SEE DIRECTIONS / DOCUMENTS ON FILE	UTILITIES (5) ☐ SEWER ☐ SEPTIC ☐ MUNICIPAL WATER ☐ WELL ☐ ELECTRICITY (Fuses) ☐ ELECTRICITY (Breakers) ☐ 200 AMPS ☐ 400 AMPS ☐ 1 2 3 PHASE ☐ CABLE ☐ TELEPHONE ☐ UNDERGROUND WIRING ☐ NATURAL GAS ☐ OTHER ☒ SEE REMARKS FIRE PROTECTION (5) ☐ ALARM ☐ HYDRANT ☐ MONITORED ALARM SYSTEM ☐ SPRINKLER ☐ SMOKE DETECTOR ☐ OTHER FIRE PROTECTION	INTERNAL FEATURES (5) ☐ LIVING ACCOMMODATIONS ☐ FREIGHT ELEVATOR ☐ PUBLIC WASHROOMS ☐ WINDOW DISPLAY ☐ ELEVATOR / ESCALATOR ☐ HOISTS ☐ VENTILATION ☐ INDOOR POOL ☐ RECREATIONAL FACILITIES ☐ LAUNDRY FACILITIES ☐ SECURITY SYSTEM ☐ AIR CONDITIONING ☐ INTERCOM ☒ SEE REMARKS RENTAL EQUIPMENT (5) ☐ WATER HEATER ☐ WATER SOFTENER ☐ FURNACE ☐ PROPANE TANK ☐ BURNER ☒ OTHER ☐ NONE
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DIRECTIONS / DOCUMENTATIONS ON FILE _____

INCLUSIONS _____

EXCLUSIONS _____

REMARKS (Please Print)

Airplane hanger for sale located at the Airport in Miramichi East (former air base in Chatham). This property being sold is the building only and will have a lease agreement with the airport to utilize the land. Must be used as hanger (other use not permitted). Call now for more information. Property is priced to sell.

◆ LIST DATE October 29, 2010 EXPIRY DATE February 28, 2010

◆ DATED AT Miramichi THIS 29 DAY OF October, YEAR 2010

◆ WITNESS Laura McCaskey SELLER _____

◆ WITNESS _____ SELLER _____

◆ PAN # _____

◆ Acknowledgement of completion of Page 3 - Seller's initials SM / _____

(March 2008)
 Ernst & Young Inc. in its capacity as Receiver & Receiver
 Manager of Arden Group Inc. et. al. and not in its personal
 capacity.

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PER: Steven McLaughlin
 Steven McLaughlin