

**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

SIXTH REPORT OF THE RECEIVER

July 23, 2010

INTRODUCTION AND PURPOSE

1. In connection with the applications of The Bank of Nova Scotia (the “**Bank**”) 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. 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. pursuant to the Receivership Order dated March 2, 2010 (the “**March 2 Order**”); and
 - (b) Atcon Management Services Inc., Atcon Civil Inc., Dycon Construction Ltd., Atcon Structures Inc., Atcon Construction Inc. (“**Atcon Construction**”) and Envirem Technologies Inc. pursuant to an Order dated March 30, 2010 (the “**March 30 Order**”, and together with the March 2 Order, the “**Receivership Order**”).
2. The Receivership Order, among other things, authorizes and empowers the Receiver to:
 - (a) take possession and control of the Property;
 - (b) receive, preserve and protect the Property, or any parts thereof;
 - (c) 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;
 - (d) 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 such transactions exceeds \$1,000,000;

- (e) 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;
 - (f) engage consultants, appraisers, agents, experts and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by the Receivership Order; and
 - (g) take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.
3. The purpose of this Sixth Report is to report to this Honourable Court on matters relating to the activities of the Receiver relating to the General Manson Way Property (as defined herein) and request that this Honourable Court grant an Order vesting the General Manson Way Property in and to the Purchaser (as defined herein) free and clear of any liens or encumbrances.

TERMS OF REFERENCE

4. In preparing this Sixth 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 and PwC (as defined herein), the books and records of the Respondents, discussions with the management and employees of the Respondents and PwC, 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 Sixth Report or relied upon by the Receiver in preparing this Sixth 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 Sixth Report are in Canadian dollars unless otherwise noted.
6. Capitalized terms not defined in this Sixth 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).

GENERAL MANSON WAY PROPERTY

Proposed Sale of General Manson Way Property

8. Atcon Construction is the registered owner of the real property and commercial office building municipally known as 67-69 General Manson Way, Miramichi, New Brunswick (the "**General Manson Way Property**"). Attached hereto as **Appendix "A"** are copies of the Certificates of Registered Ownership for the General Manson Way Property, PIDs 40489577 and 40450785 dated July 12, 2010.
9. The General Manson Way Property was leased by Atcon Construction to an affiliated company, Atcon Industrial Services Inc. ("**Atcon Industrial**"), which previously conducted business at the General Manson Way Property. On March 30, 2010, PricewaterhouseCoopers Inc. was appointed by this Honourable Court as receiver and receiver manager of the property, assets and undertakings of Atcon Industrial ("**PwC**").
10. The Receiver understands that Atcon Industrial operated its business in New Brunswick from the General Manson Way Property and adjacent and interconnected real properties owned by Atcon Industrial. As a result, the Receiver understands that there are significant amounts of Atcon Industrial owned and leased equipment, inventory, work-in-progress and supplies in the possession and control of PwC and located at the General Manson Way Property and the adjacent interconnected real properties.
11. The Receiver has reviewed a copy of the Second Report of PwC dated as of July 6, 2010 in the Atcon Industrial receivership proceeding bearing Court File No. N/M/26/10 (the "**PwC Report**"). Based on its review of the PwC Report, the Receiver understands that PwC, in an effort to achieve an *en bloc* sale of the assets of Atcon Industrial, solicited

offers for and negotiated the sale of the Atcon Industrial property located at the General Manson Way Property and adjacent interconnected real properties, along with the sale of the land and buildings situated at General Manson Way Property (the “**PwC Sales Process**”). The Receiver understands that PwC solicited offers for the General Manson Way Property in its capacity as agent for General Electric Canada Real Estate Finance Inc. (“**GE**”), which holds collateral mortgages registered against the General Manson Way Property.

12. The Receiver has reviewed the Offer with Terms and Conditions dated June 25, 2010 of M.J. Investments Inc. (the “**Purchaser**”) with respect to the proposed sale of, among other things, the General Manson Way Property (the “**Sale Documents**”). The Receiver understands that the Sale Documents have been included as Appendix H to the PwC Report, which the Receiver understands will be before this Honourable Court at the hearing of the Receiver’s motion with respect to the Sixth Report scheduled for July 28, 2010.
13. Based on the Receiver’s review of the Sale Documents, the Receiver understands that the Purchaser has allocated \$870,000 to its proposed purchase of the General Manson Way Property. The Receiver has discussed the proposed sale of the General Manson Way Property with PwC, and has reviewed the appraisal PwC obtained with respect to the General Manson Way Property. The Receiver is of the view that the price to be paid by the Purchaser for the General Manson Way Property is supported by the appraised value of the General Manson Way Property.
14. Additionally, the Receiver has discussed the terms of the Sale Documents with the Bank, GE and the Province of New Brunswick (the “**Province**”), which are parties that have an interest in debentures and collateral mortgages registered against the General Manson Way Property. Based on these discussions, the Receiver understands that GE, the Bank and the Province all either support, or do not oppose, the proposed sale of the General Manson Way Property for \$870,000 to the Purchaser.
15. The Receiver understands that PwC will be seeking the approval of the Sale Documents by this Honourable Court at a motion scheduled on July 28, 2010. To the extent that this Honourable Court approves the Sale Documents and the sale of the General Manson Way

Property to the Purchaser provided for therein, the Receiver respectfully requests that this Honourable Court grant an Order in these proceedings vesting the General Manson Way Property to the Purchaser free and clear of all claims and encumbrances against the General Manson Way Property.

16. As discussed in the Fifth Report of the Receiver dated July 23, 2010 (the “**Fifth Report**”), the majority of the Atcon Eastern Assets (as defined in the Fifth Report) that are the subject of the Tender Process (as defined in the Fifth Report) are located at the General Manson Way Property and cannot be easily stored in an alternate site, due to the size of certain of the assets and the costs that would be incurred by the Atcon Construction estate to move and store such assets elsewhere. As a result, the Receiver requires continued access to the General Manson Way Property to:
 - (a) complete the Tender Process and any resultant sale or sales of the Atcon Eastern Assets; and
 - (b) complete any public auction or private sales of any of the Atcon Eastern Assets that remain unsold after completion of the Tender Process.
17. The Receiver has discussed this issue with PwC. The Receiver understands, based on its discussions with PwC, that the Purchaser is prepared, notwithstanding its purchase of the General Manson Way Property, to permit the Receiver and its agents, on a cost-free basis to have unfettered and exclusive access to and possession and control over the portion or portions of the General Manson Way Property where the Atcon Eastern Assets are located until the later of (i) the date the Receiver determines, in its sole discretion, that it has completed all of the sale or sales of the Atcon Eastern Assets by or on behalf of the Receiver by tender, public auction or otherwise and that all of the Atcon Eastern Assets have been removed from the General Manson Way Property by purchasers or the Receiver; and (ii) November 30 2010.

Proceeds of Sale

18. As discussed above, the Purchaser has allocated \$870,000 to its proposed purchase of the General Manson Way Property. In the event that the proposed sale of the General Manson Way Property is completed, the \$870,000 represents the proceeds of sale of the

General Manson Way Property and constitutes Property of Atcon Construction that is subject to the terms of the Receivership Order (the “**Sale Proceeds**”).

19. In connection with the PwC Sales Process, and as set out in PwC’s pro forma statement of receipts and disbursements attached as Appendix “K” to the PwC Report, the Receiver understands that PwC has determined that approximately \$134,510 of its fees and disbursements (the “**PwC Fees and Disbursements**”) are properly allocated to the sale of the General Manson Way Property. PwC has informed the Receiver of its view that only the net proceeds from the sale of the General Manson Way Property, being \$870,000 less \$134,510 for the fees and expenses of PwC and the Tax Arrears (as defined below), should be paid to the Receiver.
20. The Receiver has discussed this matter with the Bank, the Province and GE. Based on these discussions, the Receiver understands that GE, the Bank and the Province are supportive of, or do not oppose payment to PwC of the PwC Fees and Disbursements from the Sale Proceeds.
21. The Receiver understands that, as of July 14, 2010, there were tax arrears of \$135,485.32 owed to the New Brunswick Department of Finance under the *Real Property Tax Act (New Brunswick)* with respect to the General Manson Way Property. Attached hereto as Appendix “B” is a copy of a Real Property Tax Certificate with respect to the General Manson Way Property dated July 14, 2010 (the “**Tax Certificate**”).
22. The Receiver understands, based on advice received from its legal counsel, that the amount of \$72,726.91 set out on the Tax Certificate (the “**Tax Arrears**”) constitutes a first charge against the Sale Proceeds under the *Real Property Tax Act (New Brunswick)*, and that such charge has priority over every claim, lien, privilege or encumbrance of any person against the General Manson Way Property.
23. As a result of the foregoing, the Receiver has informed PwC that it is prepared to request that this Honourable Court grant an Order that provides that, upon receipt by the Receiver of the amount of \$662,763.09 (being the Sale Process less the PwC Fees and Disbursements and the Tax Arrears), the General Manson Way Property will vest in the Purchaser free and clear of all liens and encumbrances.

RELIEF SOUGHT BY THE RECEIVER

24. The Receiver respectfully requests that this Honourable Court grant an Order in the form submitted by the Receiver vesting the General Manson Way Property in and to the Purchaser free and clear of any liens or encumbrances and authorizing the Receiver to have unfettered and exclusive access to and possession and control over the portion or portions of the General Manson Way Property where the Atcon Eastern Assets are located, as set out in paragraph 17 hereof.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 23rd day of July 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”

**Form 47
Formule 47**

**CERTIFICATE OF REGISTERED OWNERSHIP
CERTIFICAT DE PROPRIÉTÉ ENREGISTRÉE**

**Land Titles Act, S.N.B. 1981, c. L-1.1, s.63
Loi sur l'enregistrement foncier, L.N.-B. de 1981, chap. L-11, art. 63**

Parcel Identifier | Numéro d'identification de parcelle :

40489577

Owner | Propriétaire :

ATCON CONSTRUCTION INC.
626 Newcastle BLVD
Miramichi NB
E1V 2L2
Lease | Bail
Northumberland 2007-04-04

23650709

Manner of Tenure | Mode de tenure :

Not Applicable | Sans objet

Encumbrances | Charges :

City of Miramichi
141 Henry ST
Miramichi NB
E1V 2N5
Easement Holder | Titulaire de la servitude
Subdivision & Amalgamations | Lotissement et fusions
Northumberland 1998-07-14 -

201423

Bank of Nova Scotia
Business Service Centre
5251 Duke ST Floor 7th Floor
Halifax NS
B3J 1P3
Debenture Holder | Titulaire de la débenture
Debenture or Other Voluntary Charge | Débenture ou autre charge facultative
Northumberland 2006-04-04 -

21917670

Bank of Nova Scotia
Business Service Centre
5251 Duke ST Floor 7th Floor
Halifax NS
B3J 1P3
Debenture Holder | Titulaire de la débenture
Debenture or Other Voluntary Charge | Débenture ou autre charge facultative
Northumberland 2006-04-04 -

21918041

General Electric Canada Real Estate Finance Inc. c/o Paul W. Smith 44 Chipman HILL SUITE 1000 PO BOX 7289 Stn. A Saint John NB E2L 4S6 Lessee Locataire Lease, Notice of Lease or Sub-Lease Bail, avis de bail ou sous-bail Northumberland 2007-04-04 -	23650725
General Electric Canada Real Estate Finance Inc. 1250 Rene-Levesque ST W SUITE 1100 Montreal QC H3B 4W8 Mortgagee Créancier hypothécaire Collateral Mortgage Hypothèque subsidiaire Northumberland 2007-07-31 -	24254592
General Electric Canada Real Estate Finance Inc. c/o Paul W. Smith 44 Chipman HILL SUITE 1000 PO BOX 7289 Stn. A Saint John NB E2L 4S6 Mortgagee Créancier hypothécaire Collateral Mortgage Hypothèque subsidiaire Northumberland 2007-07-31 -	24254626
General Electric Canada Real Estate Finance Inc. c/o Paul W. Smith 44 Chipman HILL SUITE 1000 PO BOX 7289 Stn. A Saint John NB E2L 4S6 Lessee Locataire Assignment of Lease Cession de bail Northumberland 2007-07-31 -	24254667
Bank of Nova Scotia Business Service Centre 5251 Duke ST Floor 7th Halifax NS B3J 1P3 Mortgagee Créancier hypothécaire Collateral Mortgage Hypothèque subsidiaire Northumberland 2009-06-30 -	27365890

Bank of Nova Scotia Business Service Centre 5251 Duke ST Floor 7th Halifax NS B3J 1P3 Mortgagee Créancier hypothécaire Collateral Mortgage Hypothèque subsidiaire Northumberland 2009-06-30	-	27365965
Bank of Nova Scotia Business Service Centre 5251 Duke ST Floor 7th Floor Halifax NS B3J 1P3 Debenture Holder Titulaire de la débenture Assignment of Mortgage or Charge Cession d'hypothèque ou de charge Northumberland 2009-07-07	-	27394726
Bank of Nova Scotia Business Service Centre 5251 Duke ST Floor 7th Floor Halifax NS B3J 1P3 Debenture Holder Titulaire de la débenture Assignment of Mortgage or Charge Cession d'hypothèque ou de charge Northumberland 2009-07-07	-	27394759
Cansel Survey Equipoment Inc./Equipments d'Arpentage Cansel Inc. c/o 69 Waterloo ST Moncton NB E1C 0E1 Judgment Creditor Créancier sur jugement Judgment Jugement Northumberland 2010-01-08	-	28242528
General Electric Canada Real Estate Finance Inc. 239 Brownlow AVE SUITE 204 Dartmouth NS B3B 2B2 Mortgagee Créancier hypothécaire Postponement Agreement Convention de subordination Northumberland 2010-02-10	-	28358753
CML Norton Blower Inc. c/o Robert B. Goodwin 388 Kingston CRES Winnipeg MA R2M 0T8 Judgment Creditor Créancier sur jugement Judgment Jugement Northumberland 2010-02-23	-	28407527

Place-Crete Systems Inc.
15 Chisholm AVE
St. Albert AB
T8N 5A7
Judgment Creditor | Créancier sur jugement
Judgment | Jugement
Northumberland 2010-03-01 - 28429174

Instruments in the Registration Process | Instruments dans le processus d'enregistrement :

NONE | AUCUN

THIS IS TO CERTIFY THAT the specified owner is the registered owner and holds title in fee simple, by virtue of the specified instrument(s) and in the specified manner of tenure, to the specified parcel, described in Schedule "A" attached hereto. The title to the land is subject to the overriding incidents specified in subsection 17(4) of the Act and also to the specified encumbrances.

LE PRÉSENT CERTIFICAT ATTESTE QUE le propriétaire spécifié est le propriétaire enregistré et est titulaire du titre en fief simple, en vertu de(s) l'instrument(s) spécifié(s), selon le mode spécifié de tenure de la parcelle spécifiée, décrite à l'Annexe <<A>> ci-jointe. Le titre du bien-fonds est soumis aux réserves dérogatoires précisées au paragraphe 17(4) de la Loi et également aux charges spécifiées.

THE TITLE TO THE LAND may be subject to the specified instruments, which have been entered in the instrument record and may be entered on the title register when the registration process is completed.
LE TITRE DU BIEN-FONDS peut être soumis aux instruments spécifiés qui ont été portés au registre des instruments et qui peuvent être portés au registre des titres lorsque la procédure d'enregistrement est achevée.

THIS CERTIFICATE is evidence of the particulars contained herein as of the date and time of its issue. The description is not conclusive as to the boundaries or extent of the land.
LE PRÉSENT CERTIFICAT constitue la preuve des renseignements qu'il contient à la date et à l'heure de sa délivrance. La description n'est pas probante en ce qui concerne les limites ou l'étendue du bien-fonds.

Date & Time | Date et heure : 2010-07-12 14:23:13

Registrar of Land Titles for the District of New Brunswick

Le registrateur des titres de biens-fonds de la Circonscription du Nouveau-Brunswick

Report ID | Rapport ID : 3129166

Schedule A | Annexe A

PID | NID : 40489577

Apparent Parcel Access | Accès apparent à la parcelle : Private Access | Accès privé

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2007-04-05 16:07:25

Legal Description | Description officielle :

Place Name: Miramichi
Parish/County: Chatham/Northumberland
Designation of Parcel on Plan: Parcel 06-A
Title of Plan: Atcon Construction Inc.
Registration County: Northumberland
Registration Number of Plan: 23650709
Registration Date of Plan: 2007-04-04 14:02:39

Together with the benefit of the right of ways and utility easement as conveyed in lease # 23650725 registered in Northumberland County office of Land Titles for the district of New Brunswick on April 4, 2007.

Form 47
Formule 47

CERTIFICATE OF REGISTERED OWNERSHIP
CERTIFICAT DE PROPRIÉTÉ ENREGISTRÉE

Land Titles Act, S.N.B. 1981, c. L-1.1, s.63
Loi sur l'enregistrement foncier, L.N.-B. de 1981, chap. L-11, art. 63

Parcel Identifier | Numéro d'identification de parcelle :

40450785

Owner | Propriétaire :

ATCON CONSTRUCTION INC.
626 Newcastle BLVD
Miramichi NB
E1V 2L2
Deed/Transfer | Acte de transfert/Transfert
Northumberland 2004-02-11 - 17891905

ATCON CONSTRUCTION INC.
626 Newcastle BLVD
Miramichi NB
E1V 2L3
Corporate Affairs Change of Name | Changement de nom des Affaires corporatives
Northumberland 2006-09-13 - 22747761

Manner of Tenure | Mode de tenure :

Not Applicable | Sans objet

Encumbrances | Charges :

Aliant Telecom Inc.
1 Brunswick SQ
PO BOX 1430
Saint John NB
E2L 4K2
Easement Holder | Titulaire de la servitude
Subdivision & Amalgamations | Lotissement et fusions
Northumberland 1998-07-14 - 201423

City of Miramichi
141 Henry ST
Miramichi NB
E1V 2N5
Easement Holder | Titulaire de la servitude
Subdivision & Amalgamations | Lotissement et fusions
Northumberland 1998-07-14 - 201423

New Brunswick Power Corporation
 515 King ST
 PO BOX 2000
 Fredericton NB
 E3B 4X1
 Easement Holder | Titulaire de la servitude
 Subdivision & Amalgamations | Lotissement et fusions
 Northumberland 1998-07-14 - 201423

PID 40445207
 Miramichi NB
 Easement Holder | Titulaire de la servitude
 Easement | Servitude
 Northumberland 2004-02-11 - 17892028

Bank of Nova Scotia
 Business Service Centre
 5251 Duke ST Floor 7th Floor
 Halifax NS
 B3J 1P3
 Debenture Holder | Titulaire de la débenture
 Debenture or Other Voluntary Charge | Débenture ou autre charge facultative
 Northumberland 2006-04-04 - 21917670

Bank of Nova Scotia
 Business Service Centre
 5251 Duke ST Floor 7th Floor
 Halifax NS
 B3J 1P3
 Debenture Holder | Titulaire de la débenture
 Debenture or Other Voluntary Charge | Débenture ou autre charge facultative
 Northumberland 2006-04-04 - 21918041

PID 40489577
 Miramichi NB
 Easement Holder | Titulaire de la servitude
 Lease, Notice of Lease or Sub-Lease | Bail, avis de bail ou sous-bail
 Northumberland 2007-04-04 - 23650725

General Electric Canada Real Estate Finance Inc.
 1250 Rene-Levesque ST W SUITE 1100
 Montreal QC
 H3B 4W8
 Mortgagee | Créancier hypothécaire
 Collateral Mortgage | Hypothèque subsidiaire
 Northumberland 2007-07-31 - 24254592

Bank of Nova Scotia
 Business Service Centre
 5251 Duke ST Floor 7th
 Halifax NS
 B3J 1P3
 Mortgagee | Créancier hypothécaire
 Collateral Mortgage | Hypothèque subsidiaire
 Northumberland 2009-06-30 - 27365965

Bank of Nova Scotia
 Business Service Centre
 5251 Duke ST Floor 7th Floor
 Halifax NS
 B3J 1P3
 Debenture Holder | Titulaire de la débenture
 Assignment of Mortgage or Charge | Cession d'hypothèque ou de charge
 Northumberland 2009-07-07 - 27394726

Bank of Nova Scotia
 Business Service Centre
 5251 Duke ST Floor 7th Floor
 Halifax NS
 B3J 1P3
 Debenture Holder | Titulaire de la débenture
 Assignment of Mortgage or Charge | Cession d'hypothèque ou de charge
 Northumberland 2009-07-07 - 27394759

Cansel Survey Equipoment Inc./Equipments d'Arpentage Cansel Inc.
 c/o
 69 Waterloo ST
 Moncton NB
 E1C 0E1
 Judgment Creditor | Créancier sur jugement
 Judgment | Jugement
 Northumberland 2010-01-08 - 28242528

General Electric Canada Real Estate Finance Inc.
 239 Brownlow AVE SUITE 204
 Dartmouth NS
 B3B 2B2
 Mortgagee | Créancier hypothécaire
 Postponement Agreement | Convention de subordination
 Northumberland 2010-02-10 - 28358753

CML Norton Blower Inc.
 c/o Robert B. Goodwin
 388 Kingston CRES
 Winnipeg MA
 R2M 0T8
 Judgment Creditor | Créancier sur jugement
 Judgment | Jugement
 Northumberland 2010-02-23 - 28407527

Place-Crete Systems Inc.
15 Chisholm AVE
St. Albert AB
T8N 5A7
Judgment Creditor | Créancier sur jugement
Judgment | Jugement
Northumberland 2010-03-01 - 28429174

Instruments in the Registration Process | Instruments dans le processus d'enregistrement :

NONE | AUCUN

THIS IS TO CERTIFY THAT the specified owner is the registered owner and holds title in fee simple, by virtue of the specified instrument(s) and in the specified manner of tenure, to the specified parcel, described in Schedule "A" attached hereto. The title to the land is subject to the overriding incidents specified in subsection 17(4) of the Act and also to the specified encumbrances.

LE PRÉSENT CERTIFICAT ATTESTE QUE le propriétaire spécifié est le propriétaire enregistré et est titulaire du titre en fief simple, en vertu de(s) l'instrument(s) spécifié(s), selon le mode spécifié de tenure de la parcelle spécifiée, décrite à l'Annexe <<A>> ci-jointe. Le titre du bien-fonds est soumis aux réserves dérogatoires précisées au paragraphe 17(4) de la Loi et également aux charges spécifiées.

THE TITLE TO THE LAND may be subject to the specified instruments, which have been entered in the instrument record and may be entered on the title register when the registration process is completed.
LE TITRE DU BIEN-FONDS peut être soumis aux instruments spécifiés qui ont été portés au registre des instruments et qui peuvent être portés au registre des titres lorsque la procédure d'enregistrement est achevée.

THIS CERTIFICATE is evidence of the particulars contained herein as of the date and time of its issue. The description is not conclusive as to the boundaries or extent of the land.
LE PRÉSENT CERTIFICAT constitue la preuve des renseignements qu'il contient à la date et à l'heure de sa délivrance. La description n'est pas probante en ce qui concerne les limites ou l'étendue du bien-fonds.

Date & Time | Date et heure : 2010-07-12 14:23:41

Registrar of Land Titles for the District of New Brunswick

Le registrateur des titres de biens-fonds de la Circonscription du Nouveau-Brunswick

Report ID | Rapport ID : 3129168

Schedule A | Annexe A

PID | NID : 40450785

Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2007-04-05 16:07:25

Legal Description | Description officielle :

That parcel of land and premises being in:

Place Name: Miramichi

Parish/County: Chatham/Northumberland

Label of Parcel on Plan: Lot No. 99-26

Title of Plan: Amending Subdivision Plan Sky Park
Miramichi Subdivision (Plan 4 of 4) 3rd Amendment

Registration County: Northumberland

Registration Number of Plan: 10714740

Registration Date of Plan: December 16, 1999

Save & Except:

Designation of Parcel on Plan: Parcel 06-A

Registration County: Northumberland

Registration Number of Plan: 23650709

Registration Date of Plan: 2007-04-04 14:02:39

Appendix “B”



**TAX CERTIFICATE
REAL PROPERTY TAXES**

**CERTIFICAT D'IMPÔT
IMPÔTS SUR BIENS IMMOBILIERS**

To: McInnes Cooper
À:

REF: 122V0621 LW-151

The taxes and penalties owing to the Province upon the real property of :

(1) Les impôts et pénalités dus à la province sur la propriété foncière de:

Name ATCON CONSTRUCTION INC
Nom

Address 626 NEWCASTLE BLVD
Adresse MIRAMICHI NB E1V 2L3

being located at 67 GENERAL MANSON WAY
étant située à

and described as BUILDINGS & LOT 99-26
et décrit comme

having Property Account Number 05798200
portant le numéro de compte des biens

under the Real Property Tax Act are (2010 LEVY \$ 132,658.07) \$72,726.91
conformément à la Loi sur l'impôt foncier sont

A sale of the property

(2) La propriété

☐ has a ☒ has not n'a pas

been held for taxes under the provisions of the Real Property Tax Act within 30 days prior to the date of this Certificate.

été vendue pour impôts en application des dispositions de la Loi sur l'impôt foncier dans les 30 jours précédant la date du présent certificat.

The facts herein are as they existed according to the records kept under the Real Property Tax Act; however the facts may change, subsequent to the issuance of this Certificate, as a result of a change in the assessment of the subject property pursuant to the provisions of the Assessment Act or the Residential Property Tax Relief Act, or as a result of a payment being charged back as non-negotiable.

(3) Les faits ici déclarés sont inchangés d'après les dossiers maintenus en application de la Loi sur l'impôt foncier mais peuvent changer après l'émission du présent certificat advenant une modification à l'évaluation de la propriété en question conformément aux dispositions de la Loi sur l'évaluation ou de la Loi sur le dégrèvement d'impôts applicables aux résidences, ou à la suite d'un paiement débité comme étant non négociable.

This Certificate is issued in accordance with the provisions of the Real Property Tax Act.

Le présent certificat est émis en vertu des dispositions de la Loi sur l'impôt foncier.

Dated at Fredericton, in the County of York, in the Province of New Brunswick, this

Fait à Fredericton, dans le comté de York et province du Nouveau-Brunswick, ce

Y	A	M	M	D	J
2010		07		14	

DEPARTMENT OF FINANCE
MINISTÈRE DES FINANCES

REVENUE & TAXATION DIVISION
DIVISION DU REVENU ET DE L'IMPÔT

Per
Par _____

This is a manually created Tax Certificate showing a secured balance owing of \$72,726.91 which consists of 2010 taxes. The Accounts Receivable Ledger of the Department of Finance currently lists an amount owing of \$ 135,485.32, which includes an unsecured claim against the bankruptcy of Atcon Construction Inc. The unsecured does not form a lien against Property Account 05798200.

Certificat d'impôt foncier produit manuellement sur lequel figure un solde dû de 72 726,91 \$ comprenant l'année d'imposition 2010. Le grand livre des comptes clients du ministère des Finances comprend actuellement une somme due de 135 485,32 \$, dont une créance ordinaire relative à la faillite de Atcon Construction Inc. Cette somme due ne donne aucun privilège sur le compte d'impôt foncier 05798200.

Per
Par _____