Form 27
[Rules 6.3 and 10.52(1)]

Clerk's Stamp

COURT FILE NUMBER	1201-
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY

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

AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9

AND IN THE MATTER OF 1252064 ALBERTA LTD., 1330075 ALBERTA LTD. and HARVEST CAPITAL MANAGEMENT INC.

DOCUMENT	**ORIGINATING APPLICATION**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Norton Rose Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 CANADA Phone: +1 403.267.8196 Fax: +1 403.264.5973 Attention: Randal S. Van de Mosselaer File No. 284324

NOTICE TO RESPONDENT(S):

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date:	June 7, 2012
Time:	9:00 a.m.
Where:	Calgary Courts Centre, 601 - 5th Street S.W., Calgary, Alberta
Before Whom:	The Honourable Madam Justice B.E.C. Romaine

Go to the end of this document to see what else you can do and when you must do it.

Basis for this claim:

1. 1252064 Alberta Ltd. ("125"), 1330075 Alberta Ltd. ("133") and Harvest Capital Management Inc. ("HCMI") (collectively 125, 133 and HCMI shall be referred to as the "Applicants") are each companies to which the *Companies Creditors Arrangement Act* R.S.C. 1985, c. C-36 ("CCAA") applies;

2. 125 and 133 are each companies incorporated for the sole purpose of holding certain real property located in the Province of Alberta;

3. HCMI carries on business as a management company and provides management services to, among other entities, 125 and 133;

4. The Applicants are each entities related to Legacy Communities Inc., Airdrie Capital Corporation and Airdrie Country Estates Inc. (collectively, the "Legacy Companies") all of whom were granted protection pursuant to the CCAA by Order of the Honourable Madam Justice B.E.C. Romaine on December 21, 2011 in Court File Number 1101-17318;

5. The Applicants are companies that have experienced financial difficulty such that they are not currently in a position to meet their obligations to creditors, including the Legacy Companies, as they come due and are therefore insolvent;

6. The inability of the Applications to meet their financial obligations threatens their viability and without a stay of proceedings in place, the alternative liquidation of assets will cause a significant shortfall to the creditors;

7. As such, a stay of proceedings is necessary in order to preserve the value of the Applicants' business for their stakeholders;

8. Such other grounds as are set forth in the Affidavit of Ronald Aitkens sworn June 4, 2012; and

9. Such further and other basis as counsel may advise and this Honourable Court may permit.

Remedy claimed or sought:

10. An Order dispensing with service of the Notice of Application on all creditors of the Applicants;

11. Leave, if required, to bring this application on short notice;

12. An Order pursuant to the CCAA granting an interim stay of proceedings pursuant to section 11.02 of the CCAA, on the substantially the same terms as are set out in the draft Initial Order attached hereto as Schedule "A", including:

    12.1 Appointing Ernst & Young Inc. to act as Monitor;

    12.2 Appointing Ernst & Young Inc. as co-manager with respect to the Panamanian Litigation;

    12.3 Establishing that Ernst & Young Inc. shall be responsible for applying for DIP Financing, if any;

    12.4 Creating a Critical Suppliers' Charge with respect to those Critical Suppliers as set out in the draft Initial Order;

13. Such further and other relief as this Honourable Court may deem just in the circumstances.

Material or evidence to be relied on:

14. The Affidavit of Ronald Aitkens sworn on June 5, 2012, the consent of Ernst & Young Inc. to act as Monitor and such further and other material as counsel may advise and this Honourable Court may permit.

15. The pleadings and proceedings filed in Court File Number 1101-17318.

Applicable Acts and regulations:

16. The CCAA, the *Judicature Act*, R.S.A. c. J-2 and such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

How the application is proposed to be heard or considered:

17. In person, before the Honourable Justice Madam Justice B.E.C. Romaine at the Calgary Courts Centre, 601 - 5 Street S.W., Calgary, Alberta, on June 7, 2012 at 9:00 a.m, or so soon thereafter as counsel may be heard.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

Clerk's Stamp

COURT FILE NUMBER	1201-
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY

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

AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9

AND IN THE MATTER OF 1252064 ALBERTA LTD., 1330075 ALBERTA LTD. and HARVEST CAPITAL MANAGEMENT INC.

DOCUMENT	**CCAA INITIAL ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Norton Rose Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 CANADA

Phone: +1 403.267.8196
Fax: +1 403.264.5973

Attention: Randal S. Van de Mosselaer
File No. 284324

DATE ON WHICH ORDER WAS PRONOUNCED: June 7, 2012

LOCATION OF HEARING OR TRIAL: Calgary, Alberta

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: Madam Justice B.E.C. Romaine

UPON the application of 1252064 Alberta Ltd. ("125"), 1330075 Alberta Ltd. ("133") and Harvest Capital Management Inc. ("HCMI") (125, 133, and HCMI being hereinafter collectively referred to as the "Applicants"); **AND UPON HAVING READ** the Originating Application and the Affidavit of Ronald Aitkens, sworn June 5, 2012 (the "June 5 Aitkens Affidavit"); **AND UPON HAVING READ** the consent of Ernst & Young Inc. to Act as Monitor; **AND UPON HAVING BEEN REFERRED** to the pleadings and proceedings filed in Court File Number 1101-17318; **AND UPON HEARING** the submissions of counsel for the Applicants and any other counsel in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this Application on all creditors of the Applicants is hereby dispensed with.

APPLICATION

2. The Applicants are companies to which the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36 (the "CCAA") applies.

PLAN OF ARRANGEMENT

3. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement or plans of compromise or arrangement (hereinafter referred to as the "Plan") in accordance with the CCAA.

POSSESSION OF PROPERTY AND OPERATIONS

4. The Applicants shall, except as otherwise set out herein:

   (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property");

   (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the "Business") and Property; and

   (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. To the extent permitted by law, the Applicants shall be entitled but not required to pay the following expenses, incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay, bonuses and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

(b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

6. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

7. The Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of:

(i) employment insurance,

(ii) Canada Pension Plan,

(iii) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

(b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

(c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

8. Until such time as the Applicants repudiate a real property lease in accordance with the CCAA, the Applicants may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order ("Rent"), but shall not pay any rent in arrears.

9. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:

(a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;

(b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and

(c) not to grant credit or incur liabilities except in the ordinary course of the Business or as otherwise provided by this Order.

RESTRUCTURING

10. The Applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their business or operations and to dispose of redundant or non-material assets not exceeding $50,000 in any one transaction and $250,000 in the aggregate (or in excess of these amounts with leave of this Court);

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;

(c) disclaim or resiliate, on notice given in the prescribed form, any agreement to which the Applicants or any one of them are a party on the date of this Order;

(d) repudiate such of their arrangements or agreements of any nature whatsoever, whether oral or written, as the Applicants deem appropriate on such terms as may be agreed upon between the Applicants and such counter-parties, or failing such agreement, to deal with the consequences thereof in the Plan; and

(e) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

11. The Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days'

notice to such landlord and any such secured creditors. If the Applicants repudiate the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute, and the repudiation of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

12. If a lease is repudiated by the Applicants in accordance with section 32 of the CCAA, then:

(a) during the notice period prior to the effective time of the repudiation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice; and

(b) at the effective time of the repudiation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

13. Until and including July 6, 2012, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

(a) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on;

(b) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment;

(c) prevent the filing of any registration to preserve or perfect a security interest; or

(d) prevent the registration of a claim for lien.

15. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Applicants and the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, or seek to replace, challenge, or otherwise dispossess the Applicants of any real estate project or contract in relation to the Business or the Property, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. During the Stay Period, all persons having:

(a) statutory or regulatory mandates for the supply of goods and/or services; or

(b) oral or written agreements or arrangements with the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicants;

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided after the date of this Order.

NO OBLIGATION TO ADVANCE MONEY OR EXTEND CREDIT

18. Except as required by paragraphs 19 to 22 hereof, no person shall be prohibited from requiring immediate payment for goods, services use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

CRITICAL SUPPLIERS' CHARGE

19. Those suppliers listed in Schedule "A" hereto are declared to be critical suppliers (each a "Critical Supplier" and collectively, the "Critical Suppliers") and shall in accordance with paragraphs 19 to 22 hereof, from June 7, 2012, continue to supply goods and services to the Applicants on such terms and conditions as are consistent with the supply relationship existing between the Critical Supplier and the Applicants as of June 7, 2012 (the "Existing Supply Relationship");

20. The Critical Suppliers are hereby granted a charge (the "Critical Suppliers' Charge") as follows:

   (a) All 125 Critical Suppliers with the exception only of Type Three Management (the "**OpCosts Suppliers**") shall have and are hereby granted a Critical Suppliers' Charge on the Operating Costs (as that term is defined in the June 5 Aitkens Affidavit) which are collected by 125 from its tenants, and such Operating Costs shall be paid to the OpCosts Suppliers from time to time in satisfaction of such Critical Suppliers' Charge;

   (b) The balance of the Critical Suppliers (the "**Remaining Critical Suppliers**") are hereby granted a Critical Suppliers' Charge on the Property of the Applicants as security for any amounts for which the Applicants become indebted to the Remaining Critical Suppliers for the supply of goods or services after June 7, 2012.

21. The Critical Suppliers' Charge shall have the priority set out in paragraph 38 hereof.

22. The Critical Suppliers and the Applicants shall each cooperate in determining the prevailing terms and conditions of their Existing Supply Relationship, and the Critical Suppliers and the Applicants are hereby granted liberty to apply for such further orders or directions as may be necessary to resolve any disputes arising in connection with their supply relationships;

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

23. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 15 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

24. The Applicants shall indemnify their directors and officers from all claims, costs, charges and expenses relating to the failure of the Applicants, after the date hereof, to make payments of the nature referred to in subparagraphs 6(a), 7(a), 7(b) and 7(c)of this Order which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of the Applicants except to the extent that, with respect to any officer or director, such officer or director has participated in the breach of any related fiduciary duties or has been grossly negligent or guilty of wilful misconduct.

25. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of $300,000, as security for the indemnity provided in paragraph 24 of this Order. The Directors' Charge shall have the priority set out in paragraph 38 herein.

26. Notwithstanding any language in any applicable insurance policy to the contrary:

(a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and

(b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 24 of this Order.

APPOINTMENT OF MONITOR

27. Ernst & Young Inc. ("E&Y" or the "Monitor") is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property and the Applicants' conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations.

28. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;

(c) advise the Applicants in their development of the Plan and any amendments to the Plan;

(d) advise the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(e) have full and complete access to the books, records and management, employees and advisors of the Applicant and to the Business and the Property to the extent required to perform its duties arising under this Order;

(f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(g) consider, and if deemed advisable by the Monitor, prepare a report and assessment on the Plan;

(h) provide, if it deems appropriate, such consents as are contemplated herein;

(i) become co-manager (along with current management of 125) of the Panamanian Litigation (as that term is defined in the June 5 Aitken Affidavit) for purposes of prosecution of the Panamanian Litigation and instruction of counsel in respect of same, as the Monitor may consider appropriate, and in the event of disagreement between the Monitor and management of 125 in connection with same the Monitor may seek the advice and direction from the Court;

(j) be at liberty to act as a foreign representative in any Foreign Proceedings in respect of any of the Applicant including, without limitation, for recognition of these proceedings as "Foreign Main Proceedings", pursuant to Chapter 15 of the United States Bankruptcy Code, 11 U.S.C. §101 (the "US Bankruptcy Code") or similar legislation in any other jurisdiction;

(k) assume sole conduct and management, in place and stead of the Applicants, of any application for debtor-in-possession financing which the Monitor determines that the Applicants, or any of them, may require;

(l) hold and administer funds in connection with arrangements made between the Applicants, counterparties and the Monitor, or by Order of this Court;

(m) perform such other duties as are required by this Order or by this Court from time to time.

29. Except as otherwise set out above, the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation.

30. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or

liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

31. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

32. The Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a bi-weekly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers in the respective amounts of $50,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

33. The Monitor and its legal counsel shall pass their accounts from time to time.

34. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "Administration Charge") on the Property of the Applicants, jointly, which charge shall not exceed an aggregate amount of $250,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph 38 hereof.

TERMINATION OF INSPECTION ORDER

35. The powers granted to E&Y and the obligations imposed on the Applicants pursuant to the Consent Order (the "Inspection Order") granted in Court File Number 1101-17318 on

March 21, 2012 are hereby terminated, with the fees of E&Y under the Inspection Order up to the date hereof being dealt with in accordance with the terms of the Inspection Order, and the fees of E&Y as of the date hereof being dealt with in accordance with the terms of this Order.

DIP FINANCING

36. The Monitor shall be permitted to apply for Debtor-in-Possession financing ("DIP Financing") for the Applicants, or any of them, at a later date.

37. If DIP Financing is approved, it shall be used firstly to pay in full any Remaining Critical Suppliers who hold a Critical Suppliers' Charge, and upon payment of such Remaining Critical Supplier the related Critical Suppliers' Charge shall be discharged.

VALIDITY AND PRIORITY OF CHARGES

38. The priorities of the Administration Charge, the Critical Suppliers' Charge, and the Directors' Charge, as among them, shall be as follows:

First	Administration Charge (to the maximum amount of $250,000)
Second	Critical Suppliers' Charge; and
Third	Directors' Charge (to the maximum amount of $100,000).

39. The filing, registration or perfection of the Administration Charge, the Critical Suppliers' Charge, and the Directors' Charge (collectively, the "Charges") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. Each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall, except as subsequently set out herein, rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, "Encumbrances") in favour of any Person. The Charges shall be subordinate to the mortgage held by IMOR Capital Corp. and registered in the Alberta Lands Titles Office as instrument number 101 078 082.

41. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that ranks in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, the DIP Financing lender (if any), and the beneficiaries of the Charges.

42. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") thereunder shall not otherwise be limited or impaired in any way by:

(a) the pendency of these proceedings and the declarations of insolvency made in this Order;

(b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;

(c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;

(d) the provisions of any federal or provincial statutes; or

(e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which it is a party;

(ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and

(iii) the payments made by the Applicants pursuant to this order, and the granting of the Charges, do not and will not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law.

ALLOCATION

43. Any interested Person may apply to this Court on notice to any other party likely to be affected, for an order to allocate the Charges amongst the various assets comprising the Property.

SERVICE AND NOTICE

44. The Monitor shall, within five business days of the date of entry of this Order, send a copy of this Order to their known creditors, other than employees and creditors to which the Applicants owe less than $1000, at their addresses as they appear on the Applicants' records, and shall promptly send a copy of this Order:

(a) to all Persons requesting notice; and

(b) to any other interested Person requesting a copy of this Order.

45. The Applicants and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the Applicants' creditors or other interested Persons at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Monitor shall post a copy of any or all such materials on its website at www.ey.com/ca/foundationgroup pursuant to section 23(1) of the CCAA.

GENERAL

46. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

47. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

48. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or in Panama, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

49. Each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

50. The Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

51. Any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

52. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

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Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Critical Suppliers

SCHEDULE "A"

Exhibit " W ": Critical Suppliers

Recipient Corporation	Critical Supplier	Monthly Charges	Nature of Good / Service Provided
1252064 Alberta Ltd.	Abell Pest Control	$161.40	Building maintenance contract
	BFI Canada Inc.	$165	Garbage collection.
	City of Lethbridge	$300	Water & Sewer
	Enercon Water Treatment Ltd.	$126.64	Boiler Maintenance contract
	Enmax	$5,000	Electricity & Gas
	Type Three Management	$1,000	Building Property Management
Harvest Capital Management Inc.	Braemore Management Ltd.	$160.47	Building Condo fees
	BFI Canada Inc.	$83.00	Garbage collection.
	City of Lethbridge	$350.00	Electricity, Water & Sewer
	Direct Energy Regulated Services	$100	Natural Gas
	Telus	$650	Telephone Service
	Telus Mobility	$1,200	Cell Phone Service