COURT FILE NUMBER	1201-06934	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
APPLICANTS	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended** **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	**APPLICATION**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean Collins / Walker MacLeod Suite 3300, 421 - 7 Avenue S.W. Calgary, AB T2P 4K9 Phone: 403-260-3531/ 403-260-3710 Fax: 403-260-3501 Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca	

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 master/judge.

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

Date:	July 21, 2014
Time:	2:00 PM
Where:	Calgary Courts Center (Commercial List)
Before Whom:	Madam Justice J. Strekaf

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

Remedy Claimed or Sought: Ernst & Young Inc. (the "**Receiver**"), in its capacity as court appointed receiver and manager of 1330075 Alberta Ltd. (the "**Debtor**") pursuant to the order issued by Justice G. C. Hawco in the within proceedings on September 30, 2013 (the

"**Receivership Order**") applies for an order, substantially in the form attached as Schedule "**A**" hereto:

1. Declaring that service of this Application and the fourth report of the Receiver, dated July 17, 2014 (the "**Receiver's Report**") is good, sufficient and validated.

2. Making certain amendments to the order issued in the within proceedings in respect of certain mortgage holders (the "**UDI Mortgage Holders**"), dated September 6, 2013 (the **"UDI Mortgage Order**").

3. Such further and other grounds as counsel for the Receiver may advise.

Grounds for Making this Application: The grounds for the Application are as follows:

4. The Receiver was appointed as receiver and manager of the Debtor pursuant to the Receivership Order.

5. The UDI Mortgage Holders were granted mortgages (the "**UDI Mortgages**") against certain lands owned by the Debtor. A dispute has arisen in respect of the enforceability of the UDI Mortgages. The UDI Mortgage Order established a process whereby the enforceability of the UDI Mortgages would be determined by this Honourable Court and the UDI Mortgage Holders would be represented by the law firm of Blake, Cassels & Graydon LLP ("**Blakes**") at such court application.

6. It is necessary to amend the UDI Mortgage Order to increase the quantum of the charge granted to Blakes and to authorize Blakes to perform certain additional functions in respect of the determination of the enforceability of the UDI Mortgages.

7. Such further and other grounds as counsel for the Receiver may advise.

Material or Evidence to be Relied On: The Receiver will rely on the following evidence:

8. The Receiver's Report.

9. Such further and other evidence as counsel for the Receiver may advise.

Applicable Rules:

10. Rule 6.3(1) and 6.9 of the *Alberta Rules of Court*.

11. Such further and other rules as counsel for the Receiver may advise.

Applicable Acts and Regulations:

12. The *Bankruptcy and Insolvency Act* (Canada).

13. Such further and other acts and regulations as counsel for the Receiver may advise.

Any Irregularity Complained of or Objection Relied On:

14. There are no irregularities complained of, or objections relied on.

How the Application is Proposed to be Heard or Considered:

15. The Receiver proposes that the Application be heard in person with one, some, or all of the parties present.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

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 applicants.

SCHEDULE "A"

Clerk's Stamp

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JUDICIAL CENTRE	CALGARY
APPLICANTS	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended** **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	**ORDER (Amendment to UDI Mortgage Order)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean Collins / Walker W. MacLeod Suite 3300, 421 - 7th Avenue S.W. Calgary AB T2P 4K9 Phone: 403-260-3531/ 403-260-3710 Fax: 403-260-3501 Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca

DATE ON WHICH ORDER WAS PRONOUNCED:	**July 21, 2014**
LOCATION OF HEARING OR TRIAL:	**Calgary, Alberta**
NAME OF MASTER/JUDGE WHO MADE THIS ORDER:	**Justice J. Strekaf**

UPON THE APPLICATION of Ernst & Young Inc. (the "**Receiver**"), in its capacity as court appointed receiver and manager of 1330075 Alberta Ltd. (the "**Debtor**") pursuant to the order issued by Mr. Justice G. C. Hawco in the within proceedings on September 30, 2013 (the "**Receivership Order**"); **AND UPON** noting the order issued in the within proceedings by the Honourable Justice B.E.C. Romaine on September 6, 2013 (the "**UDI Mortgage Order**"); **AND UPON** having read Application of the Receiver, dated July 18, 2014 (the "**Application**") and the fourth report of the Receiver, dated July 17, 2014 (the "**Receiver's Report**"); **AND UPON**

having read the Affidavit of Service of ●, sworn July ●, 2014 (the "**Service Affidavit**"); **AND UPON** hearing counsel for the Receiver, and counsel present for other parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the UDI Mortgage Order.

2. The time for service of the Application and the Receiver's Report is abridged and service of the Application and the Receiver's Report in the manner described in the Service Affidavit is validated and deemed to be good and sufficient.

3. The UDI Mortgage Order be and is hereby amended as follows:

(a) The following is added immediately after the last sentence of paragraph 4 of the UDI Mortgage Order: "In addition to representing the interests of the UDI Mortgage Holders in the UDI Mortgage Advice and Directions Application, Blakes is authorized to:

a) Review and make recommendation to the UDI Mortgage Holders on any settlement that may be offered or proposed to the UDI Mortgage Holders by Calmar Lands Ltd. ("**Calmar**"), Foundation Mortgage Corporation ("**FM**") or either of them in respect of issues relating to the UDI Mortgage Advice and Directions Application (each, a "**Settlement Proposal**");

b) Attend and participate in up to two meetings convened by any of EY Inc., in its capacity as court appointed receiver and manager of the Applicant (the "**Receiver**"), FM and/or Calmar Lands or any one of them in respect of the Proposed Settlement; and

c) To take any steps or actions reasonably incidental to any of the foregoing."

(b) The term "$25,000" in the third line of paragraph 5 of the UDI Mortgage Order is deleted and replaced with the term "$40,000";

(c) The following is added immediately after the last sentence of paragraph 5 of the UDI Mortgage Order: "The Receiver is authorized and shall be at liberty to distribute reasonable amounts from time to time, out of the monies in its hands, to Blakes on account of fees and disbursements owing under the UDI Mortgage Application Charge, provided that such disbursements do not exceed the maximum amount of the UDI Mortgage Application Charge. For greater certainty, the UDI Mortgage Application Charge shall remain only against Calmar Lot 2 and the Receiver shall retain an amount equal to any amounts disbursed to Blakes in accordance with this paragraph 5 from the sale proceeds of Calmar Lot 2 in accordance with the terms of paragraph 14 of the order issued by Mr. Justice G. C. Hawco in the within proceedings on September 30, 2013."

4. Service of this Order to those persons listed on the service list by email, courier, registered mail or personal delivery shall constitute good and sufficient service thereof and no persons other than those on the service list shall be entitled to receive service of this Order.

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J.C.Q.B.A.