COURT FILE NUMBER	**1101-17318**	CLERK OF THE COURT FILED NOV 23 2012 JUDICIAL CENTRE OF CALGARY 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 LEGACY COMMUNITIES INC., AIRDRIE CAPITAL CORPORATION, AIRDRIE COUNTRY ESTATES INC., RAILSIDE CAPITAL INC., RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. and FOUNDATION PLACE INC.**	
DOCUMENT	**ORDER** **Re: Director Solicitation Process**	

I hereby certify this to be a true copy of the original ORDER
Dated this 27 day of NOV. 2012
for Clerk of the Court

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Patrick T. McCarthy Q.C./Robyn Gurofsky Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9441/232-9774 Facsimile: (403) 266-1395 Email: RGurofsky@blg.com File No. 439537-000003

DATE ON WHICH ORDER WAS PRONOUNCED: November 23, 2012

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE P.R. JEFFREY

UPON the application of Railside Capital Inc. ("Railside"); **AND UPON** having read the Fourteenth Report of Ernst & Young Inc. in its sole capacity as Monitor and Co-Manager of Railside (the

"Monitor"); **AND UPON** having read the pleadings, materials and the previous reports of the Monitor, filed in this action; **AND UPON** hearing the submissions of Counsel for Railside, Counsel for the Monitor, Counsel for the Unsecured Creditors' Committee (the "UCC") and any other Counsel in attendance; **AND UPON** this Court being satisfied that in the circumstances this Order should be granted;

IT IS HEREBY ORDERED THAT:

1. The process for selection of Director Nominees substantially in the form attached hereto as Schedule "A" (the "Solicitation Process"), is hereby approved.

2. The Monitor is hereby authorized and directed to take all such necessary steps required in order to nominate the Nominees as proposed Interim Directors of Railside in accordance with the provisions of the Solicitation Process.

3. Any interested party may bring an application to this Court in respect of the Solicitation Process upon 5 days' written notice to Counsel for Railside, Counsel for the Monitor and Counsel for the UCC.

J.C.Q.B.A.

DIRECTOR'S SOLICITATION PROCESS

Railside Capital Inc. (the "**Corporation**") intends to propose a Plan of Compromise and Reorganization (the "**Proposed Plan**") to certain of its creditors (collectively, the "**Creditors**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**").

It is intended that the affairs of the Corporation will be initially managed by an interim board of directors (the "**Interim Directors**") who will be elected in accordance with the Proposed Plan, the *Business Corporations Act* (Alberta) (the "**ABCA**") and the articles of the Corporation (the "**Articles**"). The Articles provide for the appointment of a minimum of three (3) directors and a maximum of nine (9) directors of the Corporation. In the event that the Proposed Plan is implemented, the Interim Directions will be required to call an annual general meeting of the Corporation within 120 days of the date of implementation (the "**AGM**"). The shareholders of the Corporation will have the opportunity to elect directors of the Corporation at the AGM in accordance with the ABCA and the Articles.

The Monitor, in its capacity as co-manager of the Corporation with input from the Corporation and the unsecured creditors committee created pursuant to various orders issued by the Court of Queen's Bench of Alberta (the "**Court**") in the CCAA proceedings involving the Corporation (the "**UCC**"), will nominate up to five (5) individuals (each, a "**Nominee**") as proposed Interim Directors of the Corporation. The Creditors will then be requested to vote on the approval of the Proposed Plan in accordance with the CCAA. If the Proposed Plan is approved by the Creditors in accordance with the CCAA and sanctioned by the Court, the Nominees will be installed as the Interim Directors of the Corporation at the time that the Court sanctions the Proposed Plan.

In selecting the Nominees, the Monitor will consider, *inter alia*, the following:

(a) The amount of the individual's investment in the Corporation in the event that the Proposed Plan is implemented in accordance with its terms;

(b) Any previous experience that the individual has in serving as a director or officer of a publicly traded company;

(c) Any previous experience that the individual has in the development of real-estate projects;

(d) Any relevant input received by the Corporation or the UCC from Creditors in respect of the individual wishing to be a Nominee; and

(e) Any other factor that the Monitor, the Corporation or the UCC consider relevant to whether an individual should be a Nominee.

Individuals who have previously worked as a director, officer, employees, consultant, agent (including sales agents and agents who sold securities of the Harvest Group of Companies or Foundation Group of Companies), contractor, or advisor to any entity related or affiliated with the Harvest Group of Companies or Foundation Group of Companies or any relation thereof will not be eligible to be an Interim Director. or competitor of

MJ

Any individual, including any Creditor, can request that his or her name be put forth as a Nominee. An individual wishing to be a Nominee should submit a request to the Monitor that he or she be a Nominee, along with any information relevant to the individual's proposed appointment as a

Nominee, by no later than December 10, 2012. Requests to the Monitor to serve as a Nominee should be submitted by registered mail, facsimile or email to the following address:

> Ernst & Young Inc., in its capacity as court appointed Monitor of Railside Capital Inc., and not in its personal capacity
> Ernst & Young Tower
> 1000, 440 2nd Avenue S.W.,
> Calgary, AB T2P 5E9
> Attention: Jessica Caden
> Email: Jessica.Caden@ca.ey.com
> Facsimile: 403 206 5075

The Monitor with input from the Corporation and the UCC will determine who will be the Nominees on or before December 13, 2012, or such later date as may be determined by the Monitor. In the event that there is a disagreement between the Monitor and Corporation or the UCC over whether a particular individual should be a Nominee, the Monitor will seek advice and directions from the Court as to whether a particular individual should be a Nominee. The identity of the Nominees will be provided to the Creditors at or prior to the time that the Proposed Plan is scheduled to be voted on and the Nominees and will be posted on the Monitor's web site by December 18, 2012, or such other date as may be determined by the Monitor or ordered by the Court, at www.ey.com/ca/foundationgroup.

Any individual, including any Creditor, who is not selected as a Nominee by the Monitor will still be eligible to be elected as a future director of the Corporation in accordance with the Proposed Plan, the ABCA and the Articles.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a meeting of Creditors of Railside Capital Inc. holding Eligible Voting Claims will be held at 3rd Floor, Centennial Place, West Tower, 250-5th Street S.W., Calgary, Alberta, at 10:00 a.m. on December 19, 2012 (Calgary time) for the following purposes:

1. to consider, pursuant to an order of the Court of Queen's Bench of Alberta dated June 7, 2012 (the "**Creditors' Meeting Order**"), and if deemed advisable, to approve a plan of compromise and arrangement (the "**CCAA Plan**")under the *Companies' Creditors Arrangement Act* (Canada); and

2. to transact such further and other business as may be properly brought before the Creditors' Meeting or any adjournment thereof.

Pursuant to the Creditors' Meeting Order only Creditors of Railside Capital Inc. who hold Eligible Voting Claims are entitled to vote on the CCAA Plan.

Creditors who are unable to attend the Creditors' Meeting are requested to date, sign and return the accompanying form of proxy in the envelope provided for that purpose. In order to be used at the Creditors' Meeting, a proxy must be delivered to the office of Ernst & Young Inc., 1000, 440 – 2nd Avenue S.W., Calgary, Alberta T2P 5E9, Attention: Jessica Caden, fax (403) 290-5075, email: Jessica.Caden@ca.ey.com, by 5:00 p.m. (Calgary time) at least one (1) business day (excluding Saturdays, Sundays and holidays) prior to the date of the Creditors' Meeting or any adjournment thereof. Proxies may also be delivered to the Monitor at the Creditors' Meeting prior to the commencement of the Creditors' Meeting or any adjournment thereof.

Capitalized terms not defined herein have the meanings ascribed to them in the CCAA Plan of Arrangement.

Dated this __ day of November, 2012.