Form 27
[Rules 6.3 and 10.52(1)]

CLERK OF THE COURT
FILED
JUL - 3 2012
JUDICIAL CENTRE
OF CALGARY

Clerk's Stamp

COURT FILE NUMBER	**1101-17318**
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	**APPLICATION BY LEGACY COMMUNITES INC., AIRDRIE CAPITAL CORPORATION and AIRDRIE COUNTRY ESTATES INC.**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Patrick T. McCarthy, Q.C./ John L. Ircandia Q.C. Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9441/232-9406 Facsimile: (403) 266-1395 Email: jircandia@blg.com File No. 439537-000003

Borden Ladner Gervais

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	Thursday, July 5, 2012
Time	9:30 a.m.
Where	Calgary Courts Centre, 601 – 5th Avenue SW, 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.

Remedy claimed or sought:

1. An Order abridging the time for service of notice of this Application, if necessary and deeming service to be good and sufficient;

2. An Order approving the amendment of certain portions of the Plans of Compromise and Arrangement (the "CCAA Plans") of Legacy Communities Inc. ("Legacy") and Airdrie Capital Corporation ("ACC"), as such amendments are described in greater detail in the 8th Report of the Monitor;

3. An Order sanctioning and granting final approval of the CCAA Plans of Legacy and ACC;

4. An Order extending the stay of proceedings relative to Legacy and Airdrie to enable implementation of the CCAA Plans, in particular until August 31, 2012;

5. The form of Order sought in the within Application is attached hereto as Schedule "A".

6. Such further and other relief as Counsel may advise and this Honourable Court may permit.

Grounds for making this application:

7. Legacy and ACC worked diligently and in good faith with the Monitor, the UCC and legal counsel to develop the CCAA Plans;

8. The CCAA Plans were put to a vote of the creditors of Legacy and ACC at meetings held on June 28, 2012 (the "Creditors Meetings");

9. The creditors of both Legacy and ACC voted overwhelming in favour of the CCAA Plans;

10. The CCAA Plans are supported by Legacy, ACC and the Monitor and are fair and reasonable under the circumstances;

11. Legacy and Airdrie will require an extension of the stay of proceedings until August 31, 2012 in order to enable the implementation of the CCAA Plans.

Material or evidence to be relied on:

12. The Affidavits of Ronald Aitkens sworn and filed in the within CCAA proceedings:

13. The Eighth Report as well as all earlier Reports of the Monitor;

14. The Pleadings and proceedings had and taken in this action; and

15. Such further and other material or evidence as Counsel may advise and this Honourable Court permit.

Applicable rules:

16. Part 6, Division 1 and Rule 13.5;

17. Such further and other rules as Counsel may advise and this Honourable Court permit.

Applicable Acts and regulations:

18. *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36;

19. *Business Corporations Act*, R.S.A. 2000, c. B-9; and

20. Such further and other Acts and regulations as Counsel may advise and this Honourable Court permit.

Any irregularity complained of or objection relied on:

21. n/a

How the application is proposed to be heard or considered:

22. In person, before the Honourable Justice B.E.C. Romaine on affidavit evidence.

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"

COURT FILE NUMBER	**1101-17318**	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 COROPORATIONS 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** **(Legacy Communities Inc. Sanction Order)**	

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Patrick T. McCarthy, QC/John L. Ircandia, QC Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9500 Facsimile: (403) 266-1395 Email: pmccarthy@blg.com / jircandia@blg.com File No. 439537-000003

DATE ON WHICH ORDER WAS PRONOUNCED: July 5, 2012

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: B.E.C. ROMAINE

UPON THE APPLICATION of Legacy Communities Inc. ("Legacy"); **AND UPON** having read the Affidavit of Ronald Aitkens, sworn July 3, 2012 and being referred to the previous Affidavits filed on behalf of Legacy in the within proceedings; **AND UPON** having read the eighth report of Ernst and Young Inc. (the "Eighth Report"), in its capacity as the Monitor of Legacy (the "Monitor") dated July 3, 2012 as well as the previous reports of the Monitor filed herein; **AND UPON** hearing the representations of legal counsel for Legacy, the Monitor, the Unsecured Creditors' Committee and any other legal counsel in attendance at the hearing of this application; **AND UPON** being advised of the results of the meeting of the Creditors of Legacy (the "Creditors' Meeting") and in particular, the voting by the Creditors to approve the plan of arrangement and compromise for Legacy (the "Plan"); **IT IS HEREBY ORDERED THAT:**

Capitalized Terms

1. Capitalized terms not otherwise defined herein shall, unless stated to be otherwise, have the meaning ascribed to them in the Plan.

Service

2. Service of notice of this application is hereby abridged so that the application is properly returnable today and, further, that any requirement for service of the application and supporting materials upon any party not served is hereby dispensed with.

Sanction of Plan

3. Legacy has complied in all material respects with the provisions of the CCAA and the previous Orders of this Honourable Court granted in these proceedings.

4. The Plan has been agreed to and approved by the Required Majority of the Creditors in accordance with the requirements of the CCAA and the Creditors' Meeting Order granted in these proceedings on June 7, 2012.

5. The Plan is found to be fair and reasonable to the Creditors, in the best interests of Legacy and all affected parties, and is hereby finally and absolutely sanctioned and approved pursuant to the provisions of the CCAA.

6. The Plan Implementation Dates, the Plan and all associated steps, compromises, transactions, arrangements, assignments, releases and reorganizations effected thereby are approved, binding and effective as set out in the Plan, upon Legacy, all Creditors and all other Persons and Parties affected by the Plan.

7. The Plan shall be implemented and effected in the sequential order set out in Section 8.2 of the Plan on the Plan Implementation Dates.

8. In order to give effect to the Plan, Legacy is hereby authorized and directed to:

(a) direct that the Exit Financing Net Proceeds be paid to the Monitor;

(b) direct the Monitor to make the payments contemplated by the Plan;

(c) direct the Monitor to deliver confirmation of issuance of the Replacement Bonds and New Legacy Shares to Creditors as contemplated by the Plan; and

(d) declare that the fundamental changes described in Schedule "C" to the Plan have become effective.

Ernst & Young Inc. as Interim Manager

9. The appointment of Ernst & Young Inc. as Interim Manager of Legacy, and not in its capacity as Monitor of Legacy, is hereby approved and commencing on the last of the Plan Implementation Dates, the day to day management of Legacy shall be provided by Ernst and Young Inc. on an interim, month to month basis, subject to the direction of the new board of directors of Legacy, in order to allow the new board of directors of Legacy sufficient time to conduct a process for the selection of a manager/management firm to provide those services on a longer term basis.

Distribution in Full and Final Satisfaction of Claims

10. All payments or distributions of shares made or to be made by or on behalf of Legacy in accordance with the Orders of this Court in these proceedings shall constitute full and final payment or distribution and satisfaction of the Claims in respect of which such payments or distributions will be made.

11. Without limiting anything in the Claims Procedure Order granted by this Honourable Court in these proceedings on April 17, 2012, any Creditors who failed to prove claims or successfully dispute Legacy's assessment of their claims in accordance with the Claims Procedure Order, on their own behalf or on behalf of their respective present or former employees, agents, officers, directors, principals, spouses, dependents, heirs, attorneys, successors, assigns and legal representatives, are permanently and forever barred, estopped, stayed and enjoined, on and after the date hereof from:

(a) Commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever against Legacy;

(b) Enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against Legacy or the property of Legacy;

(c) Commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever against any person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against Legacy; and

(d) Creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind.

12. Until all Disputed Claims have either been finally dismissed or have become, in whole or in part, Proven Claims, Legacy shall not:

(a) issue additional bonds or shares of any description except in connection with the resolution of Disputed Claims as contemplated by the Plan; or

(b) make any distribution of cash or securities to holders of Class "A" Bonds or New Legacy Shares.

Continuation of Agreements

13. All agreements to which Legacy is a party as at the date hereof, including all obligations, agreements or leases to which Legacy is a party, and which have not been repudiated shall remain in full force and effect, unamended, and no person or entity shall, after the date hereof, accelerate, terminate, rescind, refuse to perform, renew or otherwise repudiate its obligations under, or assert, enforce or exercise any right, option or remedy or make any demand under or in respect of any such agreement by reason of:

(a) any event which occurred prior to, and not continuing after, the Plan Implementation Dates or which is or continues to be suspended or waived under the Plan, which would have entitled any other party to enforce those rights or remedies;

(b) Legacy having sought or obtained or become the subject of relief under the CCAA;

(c) any default or event of default arising as a result of the financial condition or insolvency of Legacy;

(d) the effect upon Legacy of the completion of any of the transactions contemplated under the Plan;

(e) Legacy having complied with any Orders made in these CCAA proceedings; or

(f) any compromises, settlements, restructurings or reorganizations effected pursuant to the Plan.

14. Legacy is authorized and may, as required, execute the Exit Financing Agreement and the Exit Financing Security and may grant the security interests contemplated by the Exit Financing Security, and effect the registration or other perfection of the Exit Financing Security, however, such Exit Financing Security shall not become effective until Plan Implementation.

Discharge of the Monitor

15. The Monitor is hereby authorized to perform its functions and to fulfil its obligations under the Plan to facilitate the implementation of the Plan.

16. The actions, conduct and activities of the Monitor outlined in the Monitor's Eighth Report and in all of the previous reports filed by the Monitor in these proceedings are hereby approved and it is hereby declared that the Monitor has exercised all of its powers and performed all of its duties and functions honestly, in good faith and in compliance with the Code of Ethics referred to in section 13.5 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-6.

17. Upon completion by the Monitor of its duties in respect of Legacy pursuant to the CCAA and the Orders granted in these proceedings, including without limitation, the Monitor's duties in

respect of the Claims Procedure and the distribution of confirmation of the issuances of Class "A" Bonds and New Shares to be made by the Monitor in accordance with the Plan, the Monitor shall file with the Court a certificate of Plan termination ("Plan Termination Certificate") stating that all of its duties in respect of Legacy pursuant to the CCAA and the Orders granted in these proceedings have been completed and thereupon, the Monitor shall be deemed to be discharged from its duties as Monitor of Legacy and shall thereafter have no further liabilities, obligations, responsibilities or duties under the Initial Order of this Honourable Court dated December 21, 2012 (the "Initial Order") or otherwise in respect of these proceedings.

18. Upon the filing of this Order and the Plan Termination Certificate, the Monitor, its affiliates and their respective officers, directors, employees, and agents, attorneys and solicitors for the Monitor (collectively, the "Monitor Parties" and each a "Monitor Party")) will be released and forever discharged from any and all claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission of a Monitor Party in any way relating to, arising out of or in respect of the performance or intended performance of the Monitor's mandate or any activity related thereto in these CCAA proceedings, save and except for any claim against a Monitor Party arising out of any gross negligence or wilful misconduct on the part of that Monitor Party.

19. No action or other proceeding in any way arising from or related to the performance or intended performance of the Monitor's mandate or any activity in these CCAA proceedings shall be commenced against a Monitor Party except with prior leave of this Court and on prior written notice to the Monitor Party and upon further order securing, as security for costs, the solicitor and his own client costs of the Monitor in connection with any proposed action or proceeding.

Releases

20. Upon the filing of this Order, Legacy, its shareholders, employees, servants and agents of Legacy and the attorneys and solicitors for Legacy (collectively, the "Legacy Parties") will be fully, finally, irrevocably and unconditionally released and forever discharged from: (i) any and all Claims, and (ii) any and all liabilities, obligations and claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising out of, or in any way related to, in whole or in party, directly or indirectly these CCAA proceedings.

21. All proceedings with respect to, in connection with or relation to such Claims, liabilities, obligations or claims shall be permanently stayed, subject only to the rights of Creditors to receive distributions of Class "A" Bonds and New legacy Shares pursuant to the Plan in respect of their Claims.

22. Paragraph 19 of this Order does not apply to any Released Claims or other causes of action which the Bondholders of Legacy may have against the directors or officers of Legacy.

23. Without limiting anything in this Order, or anything in the Claims Procedure Orders, all Creditors whose Claims are to be paid by the Monitor in accordance with Section 6.2 of the Plan are, conditional upon such payments being made, on their own behalf and on behalf of their respective present or former employees, agents, officers, directors, principals, spouses, dependents, heirs, attorneys, successors, assigns and legal representatives, permanently and forever barred, estopped, stayed and enjoined, on and after the date hereof, with respect to Claims, from:

(a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever against the Legacy Parties or any of them;

(b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Legacy Parties or any of them or the property of any of the Legacy Parties;

(c) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law, or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever against any person who makes a claim or might reasonably be expected to make such a claim, in any manner or forum, against one or more of the Legacy Parties; and

(d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrances of any kind.

Stay Extension

24. The stay of proceedings granted pursuant to the Initial Order and subsequent Orders granted in these proceedings, is hereby extended in respect of Legacy, up to and including August 31, 2012.

Termination of these Proceedings

25. The Initial Order shall have no further force or effect from and after 11:59 p.m. on the last of the Plan Implementation Dates.

26. Without limiting the foregoing, all charges against Legacy provided for in the Initial Order and any subsequent Order granted in these proceedings, including but not limited to the Administration Charge, the Directors' Charge and the DIP Charge, will be fully and finally terminated, discharged and released as of 11:59 p.m. on the last of the Plan Implementation Dates.

27. These CCAA proceedings are declared completed and the Stay Period (under the Initial Order, as extended) terminated as of 11:59 p.m. on the last of the Plan Implementation Dates.

Further Advice and Direction

28. Notwithstanding the foregoing, Legacy, the Monitor and any other interested party are hereby granted leave to apply to this Court for such further advice, direction or assistance as may be necessary or give effect to the terms of this Order.

Meeting of Shareholders Following Plan Implementation Dates

29. Legacy shall, pursuant to the terms of the Plan, hold a meeting of shareholders within four months following the last of the Plan Implementation Dates, for the purpose of *inter alia* electing a board of directors.

General

30. Paragraphs 4.3 and 6.4 of the Plan are amended as follows:

> 4.3 On the second of the Plan Implementation Dates, the principal events which will occur, in the following order, are:

- The Class "B" Bonds held by Creditors other than the Specified Bondholders shall be exchanged for and converted to New Legacy Shares;
- Letters confirming the issuance of all Class "A" Bonds and New Legacy Shares in accordance with this Plan shall be provided to the Monitor by Olympia Trust for distribution to Creditors;
- All remaining Old Legacy Shares will be retracted and cancelled;
- The compromise with the Creditors and the releases referred to in Article 9.1 and the other provisions of this Plan shall become effective; and
- All directors of Legacy shall be discharged and the New Directors shall take office.

The Monitor will, as soon as reasonably practicable following the Plan Implementation Dates, distribute letters to all Creditors confirming the issuance of the Class "A" Bonds and New Legacy Shares as contemplated by this Plan.

If the Plan is approved by Creditors and the Court, certain conditions must be met before Plan Implementation can take place. Those conditions are outlined in Section 8.3 of this Plan.

6.4 Distribution of Class "A" Bonds and New Legacy Shares to Creditors

Olympia Trust shall record the issuance of all Class "A" Bonds, Class "B" Bonds and New Legacy Shares as book entries and as soon as reasonably practicable after the Plan Implementation Dates shall provide the Monitor with letters to each Creditor confirming the issuance of each Creditor's Class "A" Bonds and New Legacy Shares, which letters shall be distributed to Creditors with Proven Claims by the Monitor, and shall be sent by prepaid and ordinary mail to the last known address for such Creditor or to the address for such Creditor specified in the Proof of Claim filed by such Creditor, and for greater certainty, in the case of Class "A" Bonds and New Legacy Shares distributed to Creditors who hold Registered Plans, such letters shall be distributed to the last known address of the Trustee of the Registered Plan. Creditors not wishing to receive New Legacy Shares may direct the cancellation of any New Legacy Shares issued to them by written notice to the Monitor, but shall not be entitled to additional Class "A" Bonds.

31. Legacy shall deliver by electronic mail to each party served with this notice of this application a copy of this Order.

32. Notwithstanding:

(a) the pendency of these proceedings;

(b) a bankruptcy of Legacy; and

(c) the provisions of any federal or provincial statute,

none of the transactions contemplated by this Order will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to be settlements, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislations, and they do not constitute conduct meriting an oppression remedy and shall be binding on a trustee in bankruptcy in respect of Legacy.

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Justice B.E.C. Romaine

COURT FILE NUMBER	**1101-17318**	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 COROPORATIONS ACT*, R.S.A. 2000, c. B-9** **AND IN THE MATTER OF ACC 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** **(Airdrie Capital Corporation Sanction Order)**	

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Patrick T. McCarthy, QC/John L. Ircandia, QC Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9500 Facsimile: (403) 266-1395 Email: pmccarthy@blg.com / jircandia@blg.com File No. 439537-000003

DATE ON WHICH ORDER WAS PRONOUNCED: July 5, 2012

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: B.E.C. ROMAINE

UPON THE APPLICATION of Airdrie Capital Corporation ("ACC"); **AND UPON** having read the Affidavit of Ronald Aitkens, sworn July 3, 2012 and being referred to the previous Affidavits filed on behalf of ACC in the within proceedings; **AND UPON** having read the eighth report of Ernst and Young Inc. (the "Eighth Report"), in its capacity as the Monitor of ACC (the "Monitor") dated July 3, 2012 as well as the previous reports of the Monitor filed herein; **AND UPON** hearing the representations of legal counsel for ACC, the Monitor, the Unsecured Creditors' Committee and any other legal counsel in attendance at the hearing of this application; **AND UPON** being advised of the results of the meeting of the Creditors of ACC (the "Creditors' Meeting") and in particular, the voting by the Creditors to approve the plan of arrangement and compromise for ACC (the "Plan"); **IT IS HEREBY ORDERED THAT:**

Capitalized Terms

1. Capitalized terms not otherwise defined herein shall, unless stated to be otherwise, have the meaning ascribed to them in the Plan.

Service

2. Service of notice of this application is hereby abridged so that the application is properly returnable today and, further, that any requirement for service of the application and supporting materials upon any party not served is hereby dispensed with.

Sanction of Plan

3. ACC has complied in all material respects with the provisions of the CCAA and the previous Orders of this Honourable Court granted in these proceedings.

4. The Plan has been agreed to and approved by the Required Majority of the Creditors in accordance with the requirements of the CCAA and the Creditors' Meeting Order granted in these proceedings on June 7, 2012.

5. The Plan is found to be fair and reasonable to the Creditors, in the best interests of ACC and all affected parties, and is hereby finally and absolutely sanctioned and approved pursuant to the provisions of the CCAA.

6. The Plan Implementation Dates, the Plan and all associated steps, compromises, transactions, arrangements, assignments, releases and reorganizations effected thereby are approved, binding and effective as set out in the Plan, upon ACC, all Creditors and all other Persons and Parties affected by the Plan.

7. The Plan shall be implemented and effected in the sequential order set out in Section 8.2 of the Plan on the Plan Implementation Dates.

8. In order to give effect to the Plan, ACC is hereby authorized and directed to:

(a) direct that the Exit Financing Net Proceeds be paid to the Monitor;

(b) direct the Monitor to make the payments contemplated by the Plan;

(c) direct the Monitor to deliver confirmation of issuance of the Replacement Bonds and New ACC Shares to Creditors as contemplated by the Plan; and

(d) declare that the fundamental changes described in Schedule "C" to the Plan have become effective.

Ernst & Young Inc. as Interim Manager

9. The appointment of Ernst & Young Inc. as Interim Manager of ACC, and not in its capacity as Monitor of ACC, is hereby approved and commencing on the last of the Plan Implementation Dates, the day to day management of ACC shall be provided by Ernst and Young Inc. on an interim, month to month basis, subject to the direction of the new board of directors of ACC, in order to allow the new board of directors of ACC sufficient time to conduct a process for the selection of a manager/management firm to provide those services on a longer term basis.

Distribution in Full and Final Satisfaction of Claims

10. All payments or distributions of shares made or to be made by or on behalf of ACC in accordance with the Orders of this Court in these proceedings shall constitute full and final payment or distribution and satisfaction of the Claims in respect of which such payments or distributions will be made.

11. Without limiting anything in the Claims Procedure Order granted by this Honourable Court in these proceedings on April 17, 2012, any Creditors who failed to prove claims or successfully dispute ACC's assessment of their claims in accordance with the Claims Procedure Order, on their own behalf or on behalf of their respective present or former employees, agents, officers, directors, principals, spouses, dependents, heirs, attorneys, successors, assigns and legal

representatives, are permanently and forever barred, estopped, stayed and enjoined, on and after the date hereof from:

(a) Commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever against ACC;

(b) Enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against ACC or the property of ACC;

(c) Commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever against any person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against ACC; and

(d) Creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind.

12. Until all Disputed Claims have either been finally dismissed or have become, in whole or in part, Proven Claims, ACC shall not:

(a) issue additional bonds or shares of any description except in connection with the resolution of Disputed Claims as contemplated by the Plan; or

(b) make any distribution of cash or securities to holders of Class "A" Bonds or New ACC Shares.

Continuation of Agreements

13. All agreements to which ACC is a party as at the date hereof, including all obligations, agreements or leases to which ACC is a party, and which have not been repudiated shall remain in full force and effect, unamended, and no person or entity shall, after the date hereof,

accelerate, terminate, rescind, refuse to perform, renew or otherwise repudiate its obligations under, or assert, enforce or exercise any right, option or remedy or make any demand under or in respect of any such agreement by reason of:

(a) any event which occurred prior to, and not continuing after, the Plan Implementation Dates or which is or continues to be suspended or waived under the Plan, which would have entitled any other party to enforce those rights or remedies;

(b) ACC having sought or obtained or become the subject of relief under the CCAA;

(c) any default or event of default arising as a result of the financial condition or insolvency of ACC;

(d) the effect upon ACC of the completion of any of the transactions contemplated under the Plan;

(e) ACC having complied with any Orders made in these CCAA proceedings; or

(f) any compromises, settlements, restructurings or reorganizations effected pursuant to the Plan.

14. ACC is authorized and may, as required, execute the Exit Financing Agreement and the Exit Financing Security and may grant the security interests contemplated by the Exit Financing Security, and effect the registration or other perfection of the Exit Financing Security, however, such Exit Financing Security shall not become effective until Plan Implementation.

Discharge of the Monitor

15. The Monitor is hereby authorized to perform its functions and to fulfil its obligations under the Plan to facilitate the implementation of the Plan.

16. The actions, conduct and activities of the Monitor outlined in the Monitor's Eighth Report and in all of the previous reports filed by the Monitor in these proceedings are hereby approved and it is hereby declared that the Monitor has exercised all of its powers and performed

all of its duties and functions honestly, in good faith and in compliance with the Code of Ethics referred to in section 13.5 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-6.

17. Upon completion by the Monitor of its duties in respect of ACC pursuant to the CCAA and the Orders granted in these proceedings, including without limitation, the Monitor's duties in respect of the Claims Procedure and the distribution of confirmations of the issuances of Class "A" Bonds and New ACC Shares to be made by the Monitor in accordance with the Plan, the Monitor shall file with the Court a certificate of Plan termination ("Plan Termination Certificate") stating that all of its duties in respect of ACC pursuant to the CCAA and the Orders granted in these proceedings have been completed and thereupon, the Monitor shall be deemed to be discharged from its duties as Monitor of ACC and shall thereafter have no further liabilities, obligations, responsibilities or duties under the Initial Order of this Honourable Court dated December 21, 2012 (the "Initial Order") or otherwise in respect of these proceedings.

18. Upon the filing of this Order and the Plan Termination Certificate, the Monitor, its affiliates and their respective officers, directors, employees, and agents, attorneys and solicitors for the Monitor (collectively, the "Monitor Parties" and each a "Monitor Party")) will be released and forever discharged from any and all claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission of a Monitor Party in any way relating to, arising out of or in respect of the performance or intended performance of the Monitor's mandate or any activity related thereto in these CCAA proceedings, save and except for any claim against a Monitor Party arising out of any gross negligence or wilful misconduct on the part of that Monitor Party.

19. No action or other proceeding in any way arising from or related to the performance or intended performance of the Monitor's mandate or any activity in these CCAA proceedings shall be commenced against a Monitor Party except with prior leave of this Court and on prior written notice to the Monitor Party and upon further order securing, as security for costs, the solicitor and his own client costs of the Monitor in connection with any proposed action or proceeding.

Releases

20. Upon the filing of this Order, ACC, its shareholders, employees, servants and agents of ACC and the attorneys and solicitors for ACC (collectively, the "ACC Parties") will be fully, finally, irrevocably and unconditionally released and forever discharged from: (i) any and all Claims, and (ii) any and all liabilities, obligations and claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising out of, or in any way related to, in whole or in party, directly or indirectly these CCAA proceedings.

21. All proceedings with respect to, in connection with or relation to such Claims, liabilities, obligations or claims shall be permanently stayed, subject only to the rights of Creditors to receive distributions of Class "A" Bonds and New ACC Shares pursuant to the Plan in respect of their Claims.

22. Paragraph 19 of this Order does not apply to any Released Claims or other causes of action which the Bondholders of ACC may have against the directors or officers of ACC.

23. Without limiting anything in this Order or anything in the Claims Procedure Orders, all Creditors whose Claims are to be paid by the Monitor in accordance with Section 6.2 of the Plan are, conditional upon such payments being made, on their own behalf and on behalf of their respective present or former employees, agents, officers, directors, principals, spouses, dependents, heirs, attorneys, successors, assigns and legal representatives, permanently and forever barred, estopped, stayed and enjoined, on and after the date hereof, with respect to Claims, from:

(a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever against the ACC Parties or any of them;

(b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the ACC Parties or any of them or the property of any of the ACC Parties;

(c) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law, or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever against any person who makes a claim or might reasonably be expected to make such a claim, in any manner or forum, against one or more of the ACC Parties; and

(d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrances of any kind.

Stay Extension

24. The stay of proceedings granted pursuant to the Initial Order and subsequent Orders granted in these proceedings, is hereby extended in respect of ACC, up to and including the August 30, 2012.

Termination of these Proceedings

25. The Initial Order shall have no further force or effect from and after 11:59 p.m. on last of the Plan Implementation Dates.

26. Without limiting the foregoing, all charges against ACC provided for in the Initial Order and any subsequent Order granted in these proceedings, including but not limited to the Administration Charge, the Directors' Charge and the DIP Charge, will be fully and finally terminated, discharged and released as of 11:59 p.m. on the last of the Plan Implementation Dates.

27. These CCAA proceedings are declared completed and the Stay Period (under the Initial Order, as extended) terminated as of 11:59 p.m. on the last of the Plan Implementation Dates.

Further Advice and Direction

28. Notwithstanding the foregoing, ACC, the Monitor and any other interested party are hereby granted leave to apply to this Court for such further advice, direction or assistance as may be necessary or give effect to the terms of this Order.

Meeting of Shareholders Following Plan Implementation Dates

29. ACC shall, pursuant to the terms of the Plan, hold a meeting of shareholders within four months following the last of the Plan Implementation Dates, for the purpose of *inter alia* electing a board of directors.

General

30. Paragraphs 4.3 and 6.4 of the Plan are amended as follows:

> 4.3 On the second of the Plan Implementation Dates the principal events which will occur, in the following order, are:
>
> - The Class "B" Bonds held by Creditors other than the Specified Bondholders shall be exchanged for and converted to New ACC Shares;
> - <u>Letters confirming the issuance of all Class "A" Bonds and New ACC Shares in accordance with this Plan shall be provided to the Monitor by Olympia Trust for distribution to Creditors</u>;
> - All remaining Old ACC Shares will be retracted and cancelled; and
> - The compromise with the Creditors and the releases referred to in Article 9.1 and the other provisions of this Plan shall become effective; and
> - All directors of ACC shall be discharged and the New Directors shall take office.
>
> <u>The Monitor will, as soon as reasonably practicable following the Plan Implementation Dates, distribute letters to all Creditors confirming the issuance of the Class "A" Bonds and New ACC Shares as contemplated by this Plan</u>.
>
> If the Plan is approved by Creditors and the Court, certain conditions must be met before Plan Implementation can take place. Those conditions are outlined in Section 8.3 of this Plan.

6.4 Distribution of Class "A" Bonds and New ACC Shares to Creditors

Olympia Trust shall record the issuance of all Class "A" Bonds, Class "B" Bonds and New ACC Shares as book entries, and as soon as reasonably practicable after the Plan Implementation Dates shall provide the Monitor with letters to each Creditor confirming the issuance of each Creditor's Class "A" Bonds and New ACC Shares, which letters shall be distributed to Creditors with Proven Claims by the Monitor, and shall be sent by prepaid ordinary mail to the last known address for such Creditor or to the address for such Creditor specified in the Proof of Claim filed by such Creditor, and for greater certainty, in the case of Class A Bonds and New ACC Shares distributed to Creditors who hold Registered Plans, such letters shall be distributed to the last known address of the Trustee of the Registered Plan. Creditors not wishing to receive New ACC Shares may direct the cancellation of any New ACC Shares issued to them by written notice to the Monitor, but shall not be entitled to additional Class "A" Bonds.

31. ACC shall deliver by electronic mail to each party served with this notice of this application a copy of this Order.

32. Notwithstanding:

(a) the pendency of these proceedings;

(b) a bankruptcy of ACC; and

(c) the provisions of any federal or provincial statute,

none of the transactions contemplated by this Order will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to be settlements, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislations, and they do not constitute conduct meriting an oppression remedy and shall be binding on a trustee in bankruptcy in respect of ACC.

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Justice B.E.C. Romaine