



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 RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. and FOUNDATION PLACE INC.**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

Patrick T. McCarthy, Q.C./Robyn Gurofsky  
Borden Ladner Gervais LLP  
1900, 520 3<sup>rd</sup> Ave. S.W.  
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File No. 439537-000003

**BLG**  
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 – 5<sup>th</sup> 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 extending the stay of proceedings granted pursuant to the Initial Order of Madam Justice Romaine on March 21, 2012 with respect to Railside Capital Inc., Railside Industrial Park Inc. ("Railside"), Foundation Place Capital Inc. and Foundation Place Inc. ("Foundation Place") to September 25, 2012;
3. An order approving the Claims Process with respect to Railside and Foundation Place as more particularly described in the form of Order attached hereto as Exhibit "A"; and
4. Such further and other relief as Counsel may advise and this Honourable Court may permit.

**Grounds for making this application:**

5. Railside and Foundation Place been working diligently and in good faith with the Monitor, the UCC and legal counsel to develop a Plan of Compromise and Arrangement ("CCAA Plan") or alternatively a process to best maximize recoveries to the creditors and stakeholders of Railside and Foundation Place;
6. Despite such efforts, it is premature at this stage of the proceedings to determine the precise nature and terms of a CCAA Plan or a process respecting Railside and Foundation Place that will facilitate the best result for the creditors and the stakeholders.
7. However, regardless of the details of the CCAA Plan(s) or the process to be proposed in due course with a view to maximizing recoveries for the creditors, a claims process will be essential in order to fairly and equitably treat all of the creditors of Railside and Foundation Place;
8. The Claims Process proposed in the form of Order attached hereto is similar to the claims processes effectively utilized in connection with Legacy and Airdrie and was developed with input from Railside, Foundation Place, the Monitor and the UCC along with said parties legal counsel. The Claims Process proposed is considered appropriate by all relevant parties under the circumstances;
9. Further, the length of the extension of the stay of proceedings sought by Railside and Foundation place in this Application, was arrived at only after discussions with the Monitor who concurs that such an extension is appropriate under the circumstances.

10. Such further and other grounds as are more particularly outlined in the materials relied upon in connection with this Application.

**Material or evidence to be relied on:**

11. The Affidavits of Ronald Aitkens, filed in these CCAA proceedings;
12. All reports of the Monitor filed in the within proceedings;
13. The Pleadings and proceedings had and taken in this action; and
14. Such further and other material or evidence as Counsel may advise and this Honourable Court permit.

**Applicable rules:**

15. Part 6, Division 1 and Rule 13.5;
16. Such further and other rules as Counsel may advise and this Honourable Court permit.

**Applicable Acts and regulations:**

17. *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36;
18. *Business Corporations Act*, R.S.A. 2000, c. B-9; and
19. Such further and other Acts and regulations as Counsel may advise and this Honourable Court permit.

**Any irregularity complained of or objection relied on:**

20. n/a

**How the application is proposed to be heard or considered:**

21. 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.

# Exhibit “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  
CORPORATIONS ACT, R.S.A. 2000, c. B-9**

**AND IN THE MATTER OF LEGACY COMMUNITIES INC.,  
AIRDRIE CAPITAL CORPORATION and AIRDRIE  
COUNTRY ESTATES INC., RAILSIDE CAPITAL INC.,  
RAILSIDE INDUSTRIAL PARK INC., FOUNDATION  
PLACE CAPITAL INC. and FOUNDATION PLACE INC.**

DOCUMENT **ORDER**

**(Claims Process Foundation Place Capital Inc. and Foundation  
Place Inc.)**

ADDRESS FOR SERVICE AND Patrick T. McCarthy Q.C./Robyn Gurofsky  
CONTACT INFORMATION OF Borden Ladner Gervais LLP  
1900, 520 3<sup>rd</sup> Ave. S.W.  
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Telephone: (403) 232-9441/232-9774  
DOCUMENT Facsimile: (403) 266-1395  
Email: [RGurofsky@blg.com](mailto:RGurofsky@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: Justice B.E.C. Romaine**

UPON the application of Foundation Place Capital Inc. ("FPC") and Foundation Place Inc. ("FPI") (sometimes collectively referred to as "Foundation Place"); AND UPON having read the Affidavit of Ronald Aitkens dated July 3, 2012 with respect to the proposed claims

process for Foundation Place, filed, and such other pleadings and affidavits filed in the within proceeding; AND UPON hearing the submissions of counsel for Foundation Place, Ernst & Young Inc. in its capacity as monitor of Foundation Place (the "Monitor"), Ronald Aitkens, the Unsecured Creditors Committee and other counsel in attendance at the hearing of this matter;

IT IS HEREBY ORDERED THAT:

1. The Monitor shall on or before July 30, 2012, in cooperation with Foundation Place, send a notice by registered mail, email, courier service or facsimile to each known creditor of FPI and FPC (sometimes referred to herein as the "Creditors"), as identified to it by Foundation Place, indicating the amount of such creditor's claim against FPI and FPC as of March 12, 2012 (the "Notice to Creditor"). In the circumstance of creditors whose claims are disputed, a Notice to Creditor will be sent containing the amount which Foundation Place is prepared to allow as a claim by such creditor. The Notice to Creditor shall state whether a creditor's claim is secured or unsecured. Notices to Creditor substantially in the form attached as Schedule "A" to this Order is hereby approved with respect to FPI and FPC.
2. The Monitor shall also send, together with the Notice to Creditor, a Proof of Claim to each creditor or possible creditor described above. If a creditor wishes to dispute Foundation Place's assessment of its claim in the Notice to Creditor, it must complete and forward to Foundation Place on or before August 21, 2012, with a copy to the Monitor, a completed Proof of Claim advancing a claim in a different amount, and/or claiming secured status if applicable, supported by appropriate documentation. In the event that a Proof of Claim is not received by Foundation Place as the case may be, by August 21, 2012, the amount of such creditor's claim and its status as secured or unsecured will, unless otherwise ordered by this Court, be conclusively deemed to be as shown in the Notice to Creditor sent by Foundation Place. Proofs of Claim substantially in the form attached as Schedule "B" to this order are hereby approved for each of FPI and FPC.
3. The Monitor shall also:
  - a) arrange to publish a Notice to Creditor Advertisement in the Calgary Herald newspaper on or before July 30, 2012, (an advertisement substantially in the form of Notice to Creditor Advertisement attached as Schedule "C" to this Order is hereby approved); and

- b) arrange to have a copy of this order, the form of Notice to Creditor and Proof of Claim available on its website.
4. Any party who does not receive a Notice to Creditor and who wishes to advance a claim against FPC or FPI must complete and forward to Foundation Place as the case may be, a completed Proof of Claim supported by appropriate documentation advancing its claim and claiming secured status if applicable, with a copy to the Monitor, on or before August 21, 2012.
5. Where a Proof of Claim is sent to Foundation Place by a creditor prior to the deadline referred to herein, either as a result of disagreement with the Notice to Creditor or otherwise, then the Monitor, with input from Foundation Place, shall review the Proof of Claim and provide to the creditor a notice in writing by registered mail, email, courier service or facsimile as to whether the claim set out in the Proof of Claim is Foundation Place accepted, disputed in whole, or disputed in part. Where the claim is disputed in whole or in part, the Monitor, with the assistance of Foundation Place, shall issue a Notice of Dispute indicating the reasons for the dispute. Notices of Dispute substantially in the form attached as Schedule "D" to this Order is hereby approved with respect to each of FPC and FPI.
6. Where a creditor wishes to challenge the Notice of Dispute, the creditor must notify Foundation Place with a copy to the Monitor, of its objection in writing by registered mail, courier service or facsimile within fifteen (15) days of receipt of the Notice of Dispute. The creditor shall thereafter serve on Foundation Place, with a copy to the Monitor, a filed Application together with supporting Affidavit in these proceedings returnable within ten (10) days after it gave its notice of objection, for the determination by the Court of the claim in dispute. Creditors not filing an objection to a Notice of Dispute issued by Foundation Place, or failing to file an Application with supporting Affidavit in Foundation Place accordance within the time period set out above shall, unless otherwise ordered by this Court, be conclusively deemed to have Foundation Place accepted the assessment of their claims set out in such Notice of Dispute.
7. Claims not proven in Foundation Place in accordance with the procedures set out above shall, unless otherwise ordered by this Court, be deemed to be forever barred and may not thereafter be advanced against either FPC or FPI in the event that a plan of arrangement is approved by creditors, sanctioned by this Honourable Court, and implemented.

8. Foundation Place shall serve a copy of this Order on all parties attending at the hearing of the within application and the Monitor shall post a copy of this Order on its website and include the address of the website with the materials sent to creditors and claimants of FPI and FPC, as the case may be, which together shall be deemed good and sufficient service of this Order upon all interested parties.

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J.C.C.Q.B.A.

ENTERED THIS 5<sup>th</sup> DAY OF  
July, 2012.

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Clerk of the Court

SCHEDULE "A" – Notice to Creditor

SCHEDULE "B" – Proof of Claim

SCHEDULE "C" – Notice to Creditor Advertisement

SCHEDULE "D" – Notice of Dispute

**NAME OF JUSTICE WHO MADE THIS ORDER: 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 CORPORATIONS ACT*, R.S.A. 2000, c. B-9**

**AND IN THE MATTER OF LEGACY COMMUNITIES INC.,  
AIRDRIE CAPITAL CORPORATION and AIRDRIE  
COUNTRY ESTATES INC., RAILSIDE CAPITAL INC.,  
RAILSIDE INDUSTRIAL PARK INC., FOUNDATION  
PLACE CAPITAL INC. and FOUNDATION PLACE INC.**

DOCUMENT **ORDER**

**(Claims Process Railside Capital Inc. and Railside Industrial  
Park Inc.)**

|                         |                                                                 |
|-------------------------|-----------------------------------------------------------------|
| ADDRESS FOR SERVICE AND | Patrick T. McCarthy Q.C./Robyn Gurofsky                         |
| CONTACT INFORMATION OF  | Borden Ladner Gervais LLP                                       |
| PARTY FILING THIS       | 1900, 520 3 <sup>rd</sup> Ave. S.W.                             |
| DOCUMENT                | Calgary, AB T2P 0R3                                             |
|                         | Telephone: (403) 232-9441/232-9774                              |
|                         | Facsimile: (403) 266-1395                                       |
|                         | Email: <a href="mailto:RGurofsky@blg.com">RGurofsky@blg.com</a> |
|                         | 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: Justice B.E.C. Romaine**

UPON the application of Railside Capital Inc. ("Railside Capital") and Railside Industrial Park Inc. ("Railside Industrial") (sometimes collectively referred to as "Railside"); AND UPON having read the Affidavit of Ronald Aitkens dated July 3, 2012 with respect to the proposed

claims process for Railside, filed, and such other pleadings and affidavits filed in the within proceeding; AND UPON hearing the submissions of counsel for Railside, Ernst & Young Inc. in its capacity as monitor of Railside (the "Monitor"), Ronald Aitkens, the Unsecured Creditors Committee and other counsel in attendance at the hearing of this matter;

IT IS HEREBY ORDERED THAT:

1. The Monitor shall on or before July 30, 2012, in cooperation with Railside, send a notice by registered mail, email, courier service or facsimile to each known creditor of Railside Capital and Railside Industrial (sometimes referred to herein as the "Creditors"), as identified to it by Railside, indicating the amount of such creditor's claim against Railside Capital or Railside Industrial as of March 12, 2012 (the "Notice to Creditor"). In the circumstance of creditors whose claims are disputed, a Notice to Creditor will be sent containing the amount which Railside is prepared to allow as a claim by such creditor. The Notice to Creditor shall state whether a creditor's claim is secured or unsecured. Notices to Creditor substantially in the form attached as Schedule "A" to this Order is hereby approved with respect to Railside Capital and Railside Industrial.
2. The Monitor shall also send, together with the Notice to Creditor, a Proof of Claim to each creditor or possible creditor described above. If a creditor wishes to dispute Railside's assessment of its claim in the Notice to Creditor, it must complete and forward to Railside on or before August 21, 2012, with a copy to the Monitor, a completed Proof of Claim advancing a claim in a different amount, and/or claiming secured status if applicable, supported by appropriate documentation. In the event that a Proof of Claim is not received by Railside as the case may be, by August 21, 2012, the amount of such creditor's claim and its status as secured or unsecured will, unless otherwise ordered by this Court, be conclusively deemed to be as shown in the Notice to Creditor sent by Railside. Proofs of Claim substantially in the form attached as Schedule "B" to this order are hereby approved for each of Railside Capital and Railside Industrial.
3. The Monitor shall also:
  - a) arrange to publish a Notice to Creditor Advertisement in the Calgary Herald newspaper on or before July 30, 2012, (an advertisement substantially in the form of

Notice to Creditor Advertisement attached as Schedule "C" to this Order is hereby approved); and

b) arrange to have a copy of this order, the form of Notice to Creditor and Proof of Claim available on its website.

4. Any party who does not receive a Notice to Creditor and who wishes to advance a claim against Railside Capital or Railside Industrial must complete and forward to Railside as the case may be, a completed Proof of Claim supported by appropriate documentation advancing its claim and claiming secured status if applicable, with a copy to the Monitor, on or before August 21, 2012.

5. Where a Proof of Claim is sent to Railside by a creditor prior to the deadline referred to herein, either as a result of disagreement with the Notice to Creditor or otherwise, then the Monitor, with input from Railside, shall review the Proof of Claim and provide to the creditor a notice in writing by registered mail, email, courier service or facsimile as to whether the claim set out in the Proof of Claim is accepted, disputed in whole, or disputed in part. Where the claim is disputed in whole or in part, the Monitor, with the assistance of Railside, shall issue a Notice of Dispute indicating the reasons for the dispute. Notices of Dispute substantially in the form attached as Schedule "D" to this Order is hereby approved with respect to each of Railside Capital and Railside Industrial.

6. Where a creditor wishes to challenge the Notice of Dispute, the creditor must notify Railside with a copy to the Monitor, of its objection in writing by registered mail, courier service or facsimile within fifteen (15) days of receipt of the Notice of Dispute. The creditor shall thereafter serve on Railside, with a copy to the Monitor, a filed Application together with supporting Affidavit in these proceedings returnable within ten (10) days after it gave its notice of objection, for the determination by the Court of the claim in dispute. Creditors not filing an objection to a Notice of Dispute issued by Railside, or failing to file an Application with supporting Affidavit in accordance within the time period set out above shall, unless otherwise ordered by this Court, be conclusively deemed to have accepted the assessment of their claims set out in such Notice of Dispute.

7. Claims not proven in accordance with the procedures set out above shall, unless otherwise ordered by this Court, be deemed to be forever barred and may not thereafter be

advanced against either Railside Capital or Railside Industrial in the event that a plan of arrangement is approved by creditors, sanctioned by this Honourable Court, and implemented.

8. Railside shall serve a copy of this Order on all parties attending at the hearing of the within application and the Monitor shall post a copy of this Order on its website and include the address of the website with the materials sent to creditors and claimants of Railside Industrial and Railside Capital, as the case may be, which together shall be deemed good and sufficient service of this Order upon all interested parties.

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J.C.C.Q.B.A.

ENTERED THIS 5<sup>th</sup> DAY OF  
July, 2012.

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Clerk of the Court

SCHEDULE "A" – Notice to Creditor

SCHEDULE "B" – Proof of Claim

SCHEDULE "C" – Notice to Creditor Advertisement

SCHEDULE "D" – Notice of Dispute

**NAME OF JUSTICE WHO MADE THIS ORDER: Justice B.E.C. Romaine**