

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

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

**AND IN THE MATTER OF
FAIRMONT RESORT PROPERTIES LTD., LAKE OKANAGAN RESORT
VACATION (2001) LTD., LAKE OKANAGAN RESORT (2001) LTD., AND
LL DEVELOPMENTS LTD.**

NOTICE OF MOTION

(Remainder, Conversion and Monetization Programs)

TAKE NOTICE that an application will be made on behalf of Fairmont Resort Properties Ltd., Lake Okanagan Resort Vacation (2001) Ltd., Lake Okanagan Resort (2001) Ltd. and LL Developments Ltd. (collectively "**Fairmont**") before the Honourable Madam Justice B.E.C. Romaine in Chambers at the Court House, in the City of Calgary, in the Province of Alberta, on Wednesday, the 10th day of June, 2009, at 9:00 o'clock in the forenoon, or so soon thereafter as counsel may be heard, for the following relief:

- (a) abridging time for service, if necessary, of this Notice of Motion and deeming service to be good and sufficient;
- (b) approving the Remainder, Conversion and Monetization Programs (as those terms are more particularly described and defined in the Affidavit of Murray Moore sworn June 5, 2009)
- (c) authorizing and permitting Fairmont to forthwith proceed with implementation of the Remainder, Conversion and Monetization Programs;

- (d) authorizing and permitting Fairmont to forthwith repudiate such agreements and enter into such further and other agreements as is necessary to proceed with implementation of the Remainder, Conversion and Monetization Programs;
- (e) authorizing and permitting Fairmont to amend the Trust Declarations to provide that Fairmont can grant Amended and Restated Leases, which include the transfer of the fee simple interest in the vacation interval, to the lessee free and clear of any creditor claims at the expiry of the lease;
- (f) authorizing and permitting Fairmont to enter into such agreements with third parties as is necessary to market the Remainder, Conversion and Monetization Programs; and
- (g) such further and other relief as this Honourable Court may deem appropriate.

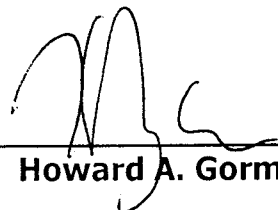
AND TAKE NOTICE that the grounds upon which this application will be made include the following:

- (a) Fairmont has been acting in good faith;
- (b) approval and implementation of the Remainder, Conversion and Monetization Programs, including all steps incidental thereto, is critical to Fairmont developing a plan of compromise or arrangement; and
- (c) the relief requested herein is just, appropriate and in the best interests of the within CCAA proceedings.

AND FURTHER TAKE NOTICE that in support of this application will be read the pleadings and proceedings filed herein, the Affidavit of Murray Moore, the interim Chief Restructuring Officer of Fairmont, sworn June 5, 2009, filed; the 2nd Report of the Monitor Ernst & Young Inc.; and such further and other material as counsel may advise and this Honourable Court may permit.

DATED at the City of Calgary, in the Province of Alberta, this 5th day of June,
2009.

MACLEOD DIXON LLP

Per: 
Howard A. Gorman

To: Service List

And To: Clerk of the Court

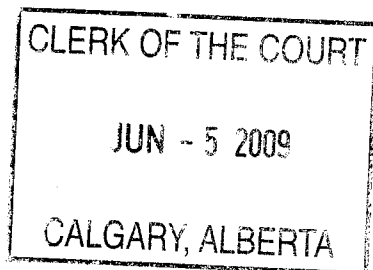
Action No. 0901-04199

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(Remainder, Conversion and Monetization
Programs)**



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