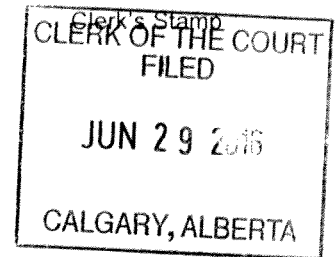


Form 27  
[Rules 6.3 and  
10.52(1)]

COURT FILE NUMBER 1601-04493  
COURT COURT OF QUEEN'S BENCH OF  
ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF PILLAR CAPITAL CORP.  
DEFENDANTS ACTION RESTORATION LTD.,  
ACTION RESTORATION RD LTD.,  
ACTION ASSET CORPORATION  
and STEP ABOVE EXTERIORS LTD.  
DOCUMENT **APPLICATION**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
McCARTHY TÉTRAULT LLP  
Barristers & Solicitors  
Sean F. Collins/Walker W. MacLeod  
Suite 4000, 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

**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 7, 2016  
Time 10:00 am  
Where Calgary Courts Center  
Before Whom 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:** Hardie & Kelly Inc. (the "**Receiver**"), in its capacity as the receiver and manager of the current and future undertakings, property, and assets (collectively, the "**Property**") of Action Restoration Ltd. ("**Action Restoration**"), Action Restoration RD Ltd. ("**Action**

**Restoration Red Deer**) Step Above Exteriors Ltd. ("**Step Above**") and Action Asset Corporation ("**Action Asset**" Action Asset, Step Above, Action Restoration Red Deer, and Action Restoration, are collectively referred to as, the "**Debtors**") pursuant to the Order issued by this Honourable Court on April 15, 2016 (the "**Receivership Order**") applies for an Order substantially in the form attached as Schedule "**A**" hereto:

1. If necessary, declaring, that the time for service of this application (the "**Application**") and the First Report of the Receiver, dated June 29, 2016, (the "**First Receivers Report**") is abridged, that the Application is properly returnable on July 7, 2016, that service of the Application and the First Receiver's Report on the service list is good and sufficient, and that no persons other than those on the service list are entitled to service of the First Receiver's Report, the Application, or any orders arising therefrom.
2. Approving the Residential Purchase Contract, dated June 23, 2016, between Action Asset, by and through the Receiver, as seller, and Mr. Shaun Purslow (the "**Purchaser**"), as buyer, attached as Confidential Appendix "**B**" (the "**Templemont Contract**") to the Confidential Supplement to the First Report of the Receiver, dated June 29, 2016 (the "**Confidential Supplement**") and the sale and transfer of the lands, buildings, property and goods identified therein (collectively, the "**Templemont Property**") and the transfer the Templemont Property to the Purchaser, and directing and authorizing the Receiver, *nunc pro tunc*, to execute and deliver the Templemont Contract to the Purchaser and to take any and all such steps as the Receiver determines necessary or advisable to close the transaction for the purchase and sale of the Templemont Property, as contemplated by the Templemont Contract.
3. Ordering and declaring that, effective immediately upon the Receiver filing a certificate with this Honourable Court (the "**Receiver's Certificate**") confirming that all terms and conditions under the Templemont Contract and all modifications thereto have been either satisfied or waived and that the transactions contemplated by the Templemont Contract have otherwise been completed to the satisfaction of the Receiver, all legal and beneficial ownership of and title to the Templemont Property shall vested in the Purchaser (or its designated assignee or nominee to the extent permitted by the Templemont Contract), free and clear of any and all security interests (whether contractual, statutory or otherwise), liens, executions, levies, charges or other financial or monetary claims, whether or not they have been attached, registered, perfected or filed and whether secured,

unsecured, liquidated, contingent or absolute, but subject to the permitted encumbrances specifically identified in the order made on the Application.

4. Ordering and declaring that, upon being presented with an original letter from counsel to the Receiver directed to the Registrar at the Calgary Land Titles Office (the "**Registrar**") confirming that all conditions required to permit the registration of a transfer of the lands identified in the order made on the Application have been met, the Registrar shall cancel the existing certificate of title to such lands and issue a new certificate of title in the name of the Purchaser as specifically set out in the letter from the Receiver's Solicitors, free and clear of all encumbrances other than the encumbrances specifically permitted in the order made on the Application.

5. Ordering and declaring that the Registrar shall perform all actions notwithstanding the requirements of Section 191(1) of the *Land Titles Act*, (Alberta) (the "**Land Titles Act**").

6. Ordering the Debtors and all persons claiming through or under the Debtors and any other persons in possession of any of the Templemont Property to deliver up possession of the Templemont Property to the Purchaser or its assignee or nominee as at the Closing Date (as that term is defined in the Templemont Contract) and that, in default of possession being delivered, a Writ of Possession shall issue without further Order.

7. Ordering and declaring that, notwithstanding the pendency of these proceedings or the provisions of any federal or provincial statute, the vesting provisions contained in the order made on the Application:

- (a) Will not be void or voidable at the instance of creditors and claimants;
- (b) Do not constitute and shall not be deemed to be fraudulent preferences, fraudulent conveyances, transfers at undervalue or otherwise subject to challenge under the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), the *Fraudulent Preferences Act* (Alberta) (the "**FPA**") or any other applicable federal or provincial legislation; and
- (c) Do not constitute and shall not be deemed to constitute conduct meriting an oppression remedy.

8. Ordering and declaring that Division 4 of Part 6 of the Alberta *Rules of Court*, A.R. 124/2010 (the “**Rules**”) does not apply to this Application and sealing the Confidential Supplement on the Court file until 15 days after the filling of the Receiver’s Certificate.

9. Authorizing and empowering the Receiver to distribute any and all proceeds derived from the sale of the Templemont Property to the The Toronto-Dominion Bank (“TD”), in accordance with TD’s priority to any such proceeds, and on account of any other prior encumbrances and claims, in priority to that of TD.

10. Ordering and declaring that service of any order arising from the application by email, facsimile, registered mail, courier, regular mail or personal delivery to the persons listed on the service list shall constitute good and sufficient service of such order, and that no persons other than those on the service list are entitled to be served with a copy of such order.

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

**Grounds for making this application:** The grounds for the Application are as follows:

12. The Receiver was appointed as receiver and manager over all of the Debtors’ Property pursuant to the Receivership Order.

13. Pursuant to the terms of the Receivership Order, the Receiver is empowered and authorized to sell the Templemont Property, with the approval of this Honourable Court.

14. The Receiver and the Purchaser have entered into the Templemont Contract. The Templemont Contract is conditional on the approval by this Honourable Court.

15. The Templemont Property was sufficiently exposed to the relevant market in a commercially reasonable and fair marketing process. The price to be paid for the Templemont Property, pursuant to the Templemont Contract, represents the highest and best price that can be obtained for such property, in the current circumstances, and the Templemont Contract, as proposed, is in the best interests of the estate and stakeholders of Action Asset.

16. The Toronto-Dominion Bank, as lender, advanced various funds, secured by a mortgage against the Templemont Property, to the Debtors.

17. The Confidential Supplement contains certain information concerning the various bids and expectations regarding the sale of the Templemont Contract. In the event the Templemont Contract fails to close and the Receiver is forced to re-market the Templemont Property, the public disclosure and dissemination of the information in the Confidential Supplement would cause serious and irreparable harm to the estate of Action Asset and its stakeholders. The limited sealing provision that the Receiver seeks on the Application, in respect of the Confidential Supplement, is a fair and reasonable method of addressing the serious and irreparable harm that would result, if the Confidential Supplement was publically disseminated.

18. 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 material:

19. The First Receiver's Report.

20. The Confidential Supplement.

21. Such further and other material as counsel for the Receiver may advise.

**Applicable rules:**

22. Rule 6.3, 6.9, 6.28, and 11.27 of the *Alberta Rules Of Court*, Alta. Reg. 124/2010.

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

**Applicable Acts and regulations:**

24. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.

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

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

26. There are no irregularities complained of or objections relied on.

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

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

**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"

Clerk's Stamp

COURT FILE NUMBER 1601-04493  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF PILLAR CAPITAL CORP.  
DEFENDANTS ACTION RESTORATION LTD.,  
ACTION RESTORATION RD LTD.,  
ACTION ASSET CORPORATION  
and STEP ABOVE EXTERIORS LTD.  
DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
McCARTHY TÉTRAULT LLP  
Barristers & Solicitors  
Sean F. 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 7, 2016  
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta  
NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice B.E.C. Romaine

**ORDER**

UPON THE APPLICATION by Hardie & Kelly Inc. in its capacity as the Court-appointed receiver and manager (the "Receiver") of the undertakings, property, and assets of Action Restoration Ltd. ("Action Restoration"), Action Restoration RD Ltd. ("Action Restoration Red Deer") Step Above Exteriors Ltd. ("Step Above") and Action Asset Corporation ("Action Asset" Action Asset, Step Above, Action Restoration Red Deer, and Action Restoration, are collectively referred to as, the "Debtors") for an order approving the sale transaction (the "Transaction")

contemplated by the Residential Purchase Contract, dated June 22, 2016 (the "**Templemont Contract**"), between the Action Asset, by and through the Receiver, as seller, and Mr. Shaun Purslow (the "**Purchaser**"), as buyer, attached a Confidential Appendix "**B**" to the Confidential Supplement to the First Report of the Receiver, dated June 29, 2016 (the "**Confidential Supplement**"), and vesting in the Purchaser (or its nominee) all of Action Asset's right, title and interest in and to the assets, buildings, lands, property, and goods described in the Templemont Contract (collectively, the "**Templemont Property**");

**AND UPON HAVING READ** the Receivership Order, dated April 15, 2016 (the "**Receivership Order**"), **AND UPON** reading the First Report of the Receiver, dated June 29, 2016 (the "**First Receiver's Report**"), filed; **AND UPON** having read the Confidential Supplement; **AND UPON** reading the Affidavit of Service of ●, sworn ●, 2016 (the "**Affidavit of Service**"), filed; **AND UPON HEARING** the submissions of counsel for the Receiver, and for any other parties who may be present;

1. The application filed by the Receiver on June 29, 2016 (the "**Application**") is properly returnable today, service of the Application and the First Receiver's Report on the service list, in the manner described in the Affidavit of Service, is validated and no persons other than those on the service list are entitled to service of the First Receiver's Report or the Application.
2. The Templemont Contract between Action Asset, by and through the Receiver and the Purchaser and the sale of the Templemont Property by Action Asset, by and through the Receiver, to the Purchaser be and is hereby approved. The Receiver is hereby directed and authorized, *nunc pro tunc*, to execute and deliver the Templemont Contract to the Purchaser and to take any and all such steps as the Receiver determines necessary or advisable to close the Transaction of purchase and sale of the Templemont Property as contemplated in the Templemont Contract.
3. Effective immediately upon the Receiver filing a certificate with this Honourable Court confirming that all terms and conditions under the Templemont Contract and all modifications thereto have been either satisfied or waived and that the transaction contemplated by the Templemont Contract has otherwise been completed to the satisfaction of the Receiver, substantially in the form attached as Schedule "**A**" hereto (the "**Receiver's Certificate**"), but subject to the permitted encumbrances, as identified in Schedule "**B**" hereto (collectively, the "**Permitted Encumbrances**"), all legal and beneficial ownership of and title to the Templemont Property shall



vest and is hereby vested in the Purchaser (or its designated assignee or nominee to the extent permitted by the Templemont Contract), free and clear of any and all security interests (whether contractual, statutory or otherwise), liens, executions, levies, charges or other financial or monetary claims, whether or not they have been attached, registered, perfected or filed and whether secured, unsecured, liquidated, contingent, or absolute (collectively, the "**Claims**"). For greater certainty and without limiting the generality of the foregoing, the Claims shall not include the Permitted Encumbrances but shall include:

- (a) All claims held by or in favour of the entities served with the Application relating to this Order (other than the Purchaser or its authorized nominee or assignee); and
- (b) The beneficiary of any claims created or provided for pursuant to any previous Order of this Court in these proceedings.

4. Upon being presented with an original letter from counsel to the Receiver (the "**Letter**"), directed to the Registrar confirming that all conditions required to permit registration of a transfer of the lands identified in Schedule "**B**" to this Order (the "**Lands**") have been met, the Registrar be and is hereby authorized and directed to cancel the existing certificate of title to the Lands and to issue a new certificate of title in the name of the Purchaser as specifically set out in the Letter, free and clear of all encumbrances other than the Permitted Encumbrances.

5. The Registrar shall perform all actions pursuant to this Order notwithstanding the requirements of Section 191(1) of the *Land Titles Act*.

6. Any person has leave to apply to this Honourable Court to allocate the Claims or the Net Proceeds against or between the Templemont Property.

7. The Debtors and all persons claiming through or under the Debtors and any other persons in possession of any of the Templemont Property shall deliver up possession of the Templemont Property to the Purchaser or its assignee or nominee as at the Closing Date and, in default of possession being delivered up as aforesaid, a Writ of Possession is hereby issued.

8. Notwithstanding the pendency of these proceedings or the provisions of any federal or provincial statute, the vesting provisions contained herein:

- (a) Will not be void or voidable at the instance of creditors and claimants;
- (b) Do not constitute and shall not be deemed to be fraudulent preferences, fraudulent conveyances, transfers at undervalue or otherwise subject to challenge under the BIA, the FPA or any other applicable federal or provincial legislation; and
- (c) Do not constitute and shall not be deemed to constitute conduct meriting an oppression remedy.

9. For the purposes of determining the nature and priority of any Claims associated with the Templemont Property, the net proceeds from the sale of the Templemont Property shall stand in the place and stead of the Templemont Property and from and after the delivery of the Receiver's Certificate, any and all Claims and other encumbrances shall attach to the net proceeds from the sale of the Templemont Property with the same priority as they had with respect to the Templemont Property immediately prior to the sale, as if the Templemont Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to completion of the Transaction and the Templemont Contract.

10. Nothing in this Order shall prejudice any person's *in personam* claim against the Applicants.

11. The Purchaser shall pay the full purchase price, as provided for in the Templemont Contract, as adjusted pursuant to the terms therein, to the Receiver, who shall distribute the proceeds from the sale of the Templemont Property to The Toronto-Dominion Bank ("TD"), the holder of a valid mortgage registered against the Templemont Property, to the extent that any money is owed thereunder and in the order of the priority of any such mortgage interests held by TD, upon and after distributing any and all such proceeds received in connection with the sale of the Templemont Property on account of any Claims in priority to that of TD, upon the Receiver obtaining an opinion that TD's mortgage is valid and enforceable in accordance with the terms therein, and any residual proceeds from the sale of the Property, subsequent to the payment of any mortgages held by TD and any claim in priority thereto, shall be held by the Receiver, in trust, until further order of this Honourable Court.

12. Division 4 of Part 6 of the Rules does not apply to the Application, and the Clerk of the Court be and is hereby directed to seal the Confidential Supplement on the Court file until 15 days after the filing of the Receiver's Certificate in an envelope containing the following:

THIS ENVELOPE CONTAINS THE CONFIDENTIAL SUPPLEMENT TO THE FIRST RECEIVER'S REPORT. THE CONFIDENTIAL SUPPLEMENT IS SEALED PURSUANT TO AN ORDER ISSUED BY THE HONOURABLE MADAM JUSTICE B.E.C. ROMAINE DATED JULY 7, 2016, AND IS NOT TO BE PLACED ON THE PUBLIC RECORD UNTIL 15 DAYS AFTER THE CORRESPONDING RECEIVER'S CERTIFICATE HAS BEEN FILED.

13. Any person may apply, on reasonable notice to the Receiver and any other persons likely to be affected, to vary or amend the terms of paragraph 9 of this Order.

14. Service of this Order on the persons listed in the service list by email, facsimile, courier, registered mail, regular mail or personal delivery shall constitute good and sufficient service of this Order, and no persons other than the persons listed on the service list are entitled to be served with a copy of this Order.

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

**SCHEDULE "A"**

Clerk's Stamp

COURT FILE NUMBER	1601-04493
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	PILLAR CAPITAL CORP.
DEFENDANTS	ACTION RESTORATION LTD., ACTION RESTORATION RD LTD., ACTION ASSET CORPORATION and STEP ABOVE EXTERIORS LTD.
DOCUMENT	<b>RECEIVER'S CERTIFICATE</b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean F. 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

**RECEIVER'S CERTIFICATE**

1. All capitalized terms used in this Receiver's Certificate and not otherwise defined shall have the meaning ascribed to them in the Order issued by the Honourable Madam Justice B.E.C. Romaine of the Court of Queen's Bench of Alberta, in the within proceedings, on July 7, 2016 (the "**Vesting Order**").
2. Pursuant to the Vesting Order, the Court:
  - (a) Approved the Templemont Contract; and

- (b) Provided for the vesting of Action Asset's right, title and interest in and to the Templemont Property, upon the filing of this certificate by the Receiver confirming that:
  - (i) All terms and conditions under the Templemont Contract and all modifications thereto have been either satisfied or waived; and
  - (ii) The transaction contemplated by the Templemont Contract has otherwise been completed to the satisfaction of the Receiver.

**THE RECEIVER HEREBY CONFIRMS AND CERTIFIES THE FOLLOWING:**

- 1. All terms and conditions under the Templemont Contract and all modifications thereto have been either satisfied or waived; and
- 2. The transaction contemplated by the Templemont Contract has otherwise been completed to the satisfaction of the Receiver.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

**HARDIE & KELLY INC., in its capacity as Receiver of the current and future assets, properties and undertakings of Action Asset Corp.**

Per: \_\_\_\_\_  
Name:  
Title:

SCHEDULE "B"

LANDS AND PERMITTED ENCUMBRANCES

LEGAL DESCRIPTION OF LANDS	PERMITTED ENCUMBRANCES		
	Registration Number	Date	Particulars
PLAN TEMPLE PROPERTIES CALGARY 7910737  BLOCK FORTY FOUR (44)  THE SOUTHWEST SEVEN AND SIX HUNDRED AND TWENTY THOUSANDTHS (7.620) METRES OF LOT EIGHTY THREE (83) IN PERPENDICULAR WIDTH THROUGHOUT  EXCEPTING THEREOUT ALL MINES AND MINERALS	791 092 493	13/06/1979	CAVEAT  RE : DEVELOPMENT AGREEMENT  CAVEATOR - THE CITY OF CALGARY.
	811 053 229	26/03/1981	PARTY WALL AGREEMENT