

I hereby certify this to be a true copy of
the original ORDER

Dated this 06 day of February 2018

A. Quilty
for Clerk of the Court



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 (Allocation, Distribution, and Discharge)**
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

DATE ON WHICH ORDER WAS PRONOUNCED: February 5, 2016
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER: Justice A.D. Macleod

UPON the application (the "**Application**") of Hardie & Kelly Inc., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the 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**") Step Above, Action Restoration Red Deer, and Action Restoration, are collectively referred to as, the "**Remaining Debtors**", and Action Asset Corporation ("**Action Asset**", Action Asset and the Remaining Debtors are collectively referred to as, the "**Debtors**") pursuant to the Consent Receivership Order, dated April 15, 2016 (the "**Receivership Order**"); **AND UPON** reading the Fourth Report of the Receiver, dated January 29, 2018 (the "**Fourth Receiver's Report**"), filed; **AND UPON** reading the Affidavit of Service of Katie Doran, sworn

on February 1, 2018 (the "**Service Affidavit**"), filed; **AND UPON HEARING** the submissions of counsel for the Receiver, and for any other parties who may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the Application and the Fourth Receiver's Report is abridged, the Application is properly returnable today, service of the Application and the Fourth Receiver's Report on the service list, in the manner described in the Service Affidavit, is good and sufficient, and no other persons, other than those listed on the service list (the "**Service List**") attached as an exhibit to the Service Affidavit, are entitled to service of the Application or the Fourth Receiver's Report.

PROCEEDS AND COSTS ALLOCATION

2. The Receiver's proposed allocations and holdbacks as between the Remaining Debtors and such Remaining Debtors' Property, as set forth in the Fourth Receiver's Report and as summarized in Appendix "D" of the Fourth Receiver's Report, be and are hereby approved.

DISTRIBUTION

3. The security granted by Action Restoration to Pillar Capital Corp. ("**Pillar**") represents a valid and enforceable charge against the assets, properties, and undertakings of Action Restoration.

4. The security granted by Step Above to The Bank of Nova Scotia ("**BNS**") represents a valid and enforceable charge against the assets, properties, and undertakings of Step Above.

5. The Receiver be and is hereby expressly authorized and empowered to distribute any and all funds held by the Receiver on behalf of:

- (a) Action Restoration, to: (i) FundThrough Inc. ("**FundThrough**"), (ii) Pillar; and, (iii) certain priority payables thereto, all in the amounts and priority as set out in paragraph 56 of the Fourth Receiver's Report;

- (b) Action Restoration Red Deer, to FundThrough, in the amount as set out in paragraph 58 of the Fourth Receiver's Report; and,
- (c) Step Above, to: (i) BNS; and, (iii) certain priority payables thereto, all in the amounts and priority as set out in paragraph 60 of the Fourth Receiver's Report.

DISCHARGE

6. The Receiver's interim and final statement of receipts and disbursements with respect to Action Restoration, Action Restoration Red Deer, and Step Above, as set out in Appendices "A", "B", and "C" of the Fourth Receiver's Report, respectively, are hereby approved.

7. The interim and final accounts of the Receiver and its legal counsel with respect to Action Restoration, Action Restoration Red Deer, and Step Above, as summarized in paragraph 36 and in Appendices "E", "F", and "G" of the Fourth Receiver's Report, respectively, are hereby approved.

8. As of the date of the Fourth Receiver's Report and based on the evidence that is currently before this Honourable Court:

- (a) the Receiver has acted honestly and in good faith, and has dealt with the Property in a commercially reasonable manner;
- (b) the actions and conduct of the Receiver are approved;
- (c) the Receiver has satisfied all of its duties and obligations as receiver and manager of the Remaining Debtors and the Remaining Debtors' Property;
- (d) the Receiver shall not be liable for any act or omission including, without limitation, any act or omission pertaining to the discharge of the Receiver's duties as receiver and manager of the Remaining Debtors and the Remaining Debtors' Property, save and except for any liability arising out of fraud or wilful misconduct on the part of the Receiver; and,
- (e) any and all claims against the Receiver arising from, relating to, or in connection with, the performance of the Receiver's duties and obligations as receiver and

manager of the Remaining Debtors and the Remaining Debtors' Property, save and except for claims based on fraud or wilful misconduct on the part of the Receiver, shall be forever barred and extinguished.

9. Upon the filing of a Receiver's certificate with the Clerk of the Court, substantially in the form set out in Appendix "A" hereto (the "**Discharge Certificate**"), the Receiver shall be discharged as receiver and manager of Remaining Debtors and the Remaining Debtors' Property and relieved of all further duties and obligations with respect to Remaining Debtors and the Remaining Debtors' Property.

10. Notwithstanding the discharge of the Receiver, upon the filing of the Discharge Certificate:

- (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and,
- (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections, and stays of proceedings in favour of the Receiver in its capacity as Receiver.

11. No action or proceeding arising from, relating to, or in connection with, the performance of the Receiver's duties and obligations as receiver and manager of the Debtors or the Property may be commenced or continued without the prior leave of this Honourable Court, on notice to the Receiver, and on such terms as this Honourable Court may direct.

DESTRUCTION OF RECORDS

12. The Receiver is hereby authorized and empowered to destroy any and all any documents, books, accounting records, and other papers, records, and information related to the business or affairs of the Debtors, if not collected by any of the former or current directors of the Debtors by March 5, 2018.

MISCELLANEOUS MATTERS

13. The Receiver and any other interested party, shall be at liberty to apply for further advice, assistance, and directions, as may be necessary, in order to give full force and effect to the terms of this Order.

14. Service of this Order on the Service List by email, facsimile, registered mail, courier, or personal delivery shall constitute good and sufficient service of this Order, and no Persons, other than those on the Service List, are entitled to be served with a copy of this Order. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

15. Service of this Order on any party not attending this application is hereby dispensed with.

A handwritten signature in black ink, consisting of a large, stylized initial 'J' followed by a long horizontal line and a final flourish.

J.C.Q.B.A.

APPENDIX "A" TO THE ORDER (Allocation, Distribution, and Discharge)

| | | |
|---|---|---------------|
| COURT FILE NUMBER | 1601-04493 | Clerk's Stamp |
| 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 | DISCHARGE CERTIFICATE | |
| 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 | |

RECEIVER'S DISCHARGE CERTIFICATE

1. All capitalized terms used in this Receiver's Discharge Certificate and not otherwise defined shall have the meaning ascribed to them in the Order issued by The Honourable Justice A.D. Macleod of the Court of Queen's Bench of Alberta, in the within proceedings, granted on February 5, 2018 (the "**Discharge Order**").
2. Pursuant to the Discharge Order, the Court provided for the discharge of the Receiver, upon the filing of this certificate, by the Receiver, confirming that all distributions as contemplated in the Discharge Order have been distributed, in accordance with the provisions of the Discharge Order.

THE RECEIVER HEREBY CONFIRMS AND CERTIFIES THE FOLLOWING:

1. All distributions as contemplated in the Discharge Order have been distributed, in accordance with the provisions of the Discharge Order.

DATED THIS _____ DAY OF _____, 2018.

HARDIE & KELLY INC., in its capacity as the court appointed receiver and manager of the assets, properties, and undertaking of **ACTION RESTORATION LTD., ACTION RESTORATION RD LTD., and STEP ABOVE EXTERIORS LTD.**, and not in its personal or corporate capacity

Per: _____
Name:
Title: