

Signature Capital Inc. and Related Companies

Frequently Asked Questions

By order of the Court of Queen's Bench of Alberta ("Court") dated November 13, 2009 ("Receivership Order"), RSM Richter Inc. was appointed Receiver and Manager of Signature Capital Inc. ("SCI") and the companies it managed (the "SCI Group"). Appendix "A" attached provides a list of all the entities subject to the Receivership Order.

1. Why did SCI go into receivership?

Background information on the reasons SCI sought the appointment of a Receiver are contained in the affidavit of Simone Rousseau. The affidavit, along with other materials filed with the Court, has been posted on the Receiver's website, under the "insolvency files" section at:

<http://www.rsmrichter.com/Restructuring/Signature.aspx>

2. What is a Court Appointed Receiver?

A Court appointed Receiver is an officer of the Court appointed by the Court in order to preserve the assets of the entities subject to the Receivership Order for the benefit of all creditors. The Receiver's powers are provided in the Receivership Order and in the *Bankruptcy and Insolvency Act*. The Receiver has the authority, but is not obligated, to perform the following functions, among others;

- To take possession and control of the assets;
- To manage, operate and carry on the business of the entities subject to the Receivership Order; and
- To liquidate assets and distribute proceeds to creditors.

Investors can review the Receivership Order posted on the Receiver's website. The Receivership Order includes a stay of proceedings against the SCI companies and their assets, which prevents parties from suing them without the written consent of the Receiver or leave of the Court

3. What is the status of the projects managed by SCI?

The Receiver is currently in the process of reviewing each of the projects and assets owned by the entities subject to the Receivership Order.

4. Will my bonds be repaid? If so, when?

Once the Receiver has an opportunity to complete its review of the SCI Group it will formulate a realization strategy. Information on specific projects and companies will be posted on both the SCI and Receiver websites. The Receiver is unable, at this time, to estimate recoveries to bondholders and other creditors.

5. How long will the receivership take?

It is too early in the process for the Receiver to provide a realistic time estimate. The realization process for each of the projects will be subject to timelines based on their specific situation. Further information will be provided when available.

6. Is the SCI office still open?

No, the office is now closed. Anyone wishing to contact SCI (via phone or mail) must do so through the Receiver. Investors should not be contacting Simone Rousseau or Pablo Galvez for information.

7. Will SCI restructure and emerge from the Receivership?

A restructuring of SCI is not contemplated.

8. When will I get notice that I've lost money so I can use the losses for tax purposes?

If the Receiver determines that bondholders will incur losses in a specific company, it will advise investors accordingly. Investors should coordinate tax filings with their tax preparers.

9. Will there be any more interest payments?

Bond interest payments are not currently contemplated. Any interest, if any, would depend on the amount of realization relative to the secured debt. In certain instances payment of interest is possible, although the Receiver is not able at this time to advise of the probability that interest could be recovered.

10. How frequently will information on the website be updated?

In the early stages of the Receivership, the Receiver will endeavour to update information, including these FAQs, on a bi-weekly basis. Thereafter, there will be updates periodically, as appropriate.

11. What if I have additional questions? How do I contact the Receiver?

The SCI website (www.sci.ca) will be updated from time-to-time with responses from the Receiver to investor questions. If you have specific questions, you can ask them in the SCI website "comments" section. The Receiver will endeavour to respond to investor questions within four (4) business days. Please note that the Receiver may not be able to answer all questions.