

COURT FILE NUMBER 1201-05843
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's stamp: CLERK OF THE COURT
FILED
SEP 14 2012
JUDICIAL CENTRE OF CALGARY

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
RSC 1985, c C-36, AS AMENDED**

AND IN THE MATTER OF UBG BUILDERS INC., ALBERTA BUILDERS CAPITAL INC., ALPINE HOMES (2006) INC., AMERICAN BUILDERS CAPITAL (US) INC., EDGEWATER AT GRIESBACH INC., ELITE HOMES (2006) LTD., EVOLUTION BY GREENBORO INC., GREENBORO COMMUNITIES (2006) INC., GREENBORO ESTATE HOMES (2006) LTD., GREENBORO HOMES (2006) LTD., GREENBORO LUXURY HOMES INC., HIGH POINTE INC., MOUNTAINEERS VILLAGE (2006) INC., MOUNTAINEERS VILLAGE II INC., ORIGINS AT CRANSTON INC., SOUTH TERWILLEGAR VILLAGE INC., THE BRIDGES MANAGEMENT INC., THE LEDGES INC., TIMBERLINE LODGES (2006) INC., TODAY'S COMMUNITIES (2006) INC., TODAY'S HOMES (2006) INC., TUSCANY DEVELOPMENTS (2006) INC., UBG ALBERTA BUILDERS (2006) INC., UBG ALPINE HOMES (2006) LTD., UBG BRIDGES INC., UBG BUILDERS (USA) INC., UBG COMMERCIAL INC., UBG LAND INC., UBG LOT DEPOSIT CORP., UBG 4500 CALGARY INC., UBG 75 CANMORE INC., UBG 808 CALGARY INC., UNITY INVESTMENTS (2012) INC., VALMONT AT ASPEN STONE INC., VALOUR PARK AT CURRIE INC., VILLAGE AT THE HAMPTONS INC., VILLAGE ON THE PARK INC., WILDERNESS HOMES BY RIVERDALE INC., WILDERNESS RIDGE AT STEWART CREEK INC. (COLLECTIVELY, THE "APPLICANTS")

I hereby certify this to be a true copy of the original Order
Dated this 14 day of Sept 2012
[Signature]
for Clerk of the Court

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

DATE ON WHICH ORDER WAS PRONOUNCED

NAME OF JUSTICE WHO MADE THIS ORDER

ORDER

FRASER MILNER CASGRAIN LLP
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Calgary, Alberta T2P 0R8
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File No.: 549362-1

September 14, 2012

The Honourable Madam Justice K.M. Horner

ORDER
(re: TD Bank / Greenboro Estate Protocol)

UPON the application of the Applicants in these proceedings (collectively, "**UBG**"); **AND UPON** having read the Application of the Applicants, dated September 11, 2012, the Affidavit of Robert Friesen, dated September 11, 2012 (the "**Friesen Affidavit**"), the Fifth Report of the Monitor, dated September 11, 2012, the Affidavit of Dawn Roy, dated September 13, 2012 (the "**Service Affidavit**"), and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, counsel for Toronto-Dominion Bank ("**TD**"), counsel for the Monitor, and other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

Service

1. The time for service of notice of this application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Initial Order granted in these proceedings on May 9, 2012 (the "**Initial Order**").

Approval of the TD Interim Financing Agreement

3. The loan agreement among Greenboro Estate Homes Limited Partnership, by its general partner, Greenboro Estate Homes (2006) Inc. (the "**Borrower**") and TD, dated September 4, 2012, providing for the funding, completion, sale of and distribution of proceeds from certain homes and lots attached as Exhibit "A" to the Friesen Affidavit (the "**TD (Estate) Interim Financing Agreement**") is hereby approved.
4. UBG and the Monitor are hereby authorized and directed to do all things reasonably necessary to implement, and perform all of their respective obligations under the TD (Estate) Interim Financing Agreement.

Approval of the TD Charges

5. As security for monies advanced by TD to UBG pursuant to the TD (Estate) Interim Financing Agreement, a charge is hereby granted on the undertaking, property, and assets of the Borrower in favour of TD (the "**TD Estate Charge**"), which charge shall rank in priority to all claims against the Borrower, including the Administration Charge and the Directors' Charge, but shall be subject to the distribution scheme set forth in the TD (Estate) Interim Financing Agreement.
6. The proceeds from the sale of the Homes (as defined in the TD (Estate) Interim Financing Agreement) shall be distributed:
 - (a) to The Toronto-Dominion Bank as set forth in the TD (Estate) Interim Financing Agreement; and
 - (b) to any other party as set forth in the TD (Estate) Interim Financing Agreement, subject to the consent of the Monitor and compliance with any applicable claims procedures established in these proceedings.

Miscellaneous

7. The TD (Estate) Interim Financing Agreement and the TD Estate Charge shall be valid and enforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") in respect of any of the Applicants or any assignment in bankruptcy made or deemed to be made in respect of any of the Applicants; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Applicants (a "Third Party Agreement"), and notwithstanding any provision to the contrary in any Third Party Agreement:
 - (a) neither the creation of the TD (Estate) Interim Financing Agreement, the creation of the TD Estate Charge, nor the execution, delivery or performance of the TD (Estate) Interim Financing Agreement shall create or be deemed to constitute a breach by any of the Applicants of any Third Party Agreement to which it is a party; and
 - (b) the parties to the TD (Estate) Interim Financing Agreement shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the TD Estate Charge or the execution, delivery or performance of the TD (Estate) Interim Financing Agreement.
8. Notwithstanding the pendency of these proceedings and the declaration of insolvency made in these proceedings, the TD (Estate) Interim Financing Agreement and the TD Estate Charge shall constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and the payments made by the parties pursuant to this Order, the TD (Estate) Interim Financing Agreement, or the TD Estate Charge do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law, and shall not constitute advances under the *Builders' Lien Act* (Alberta) nor be subject to any builder's lien registered at the date of this Order or thereafter.
9. Except as specifically set forth in this Order, the rights and remedies of the parties under the TD (Estate) Interim Financing Agreement shall be subject to the terms of this Order, the Initial Order, including the stay of proceedings, and all other Orders made in these proceedings.
10. No action or proceeding may be commenced against a party to the TD (Estate) Interim Financing Agreement by reason of any such party having entered into the TD (Estate) Interim Financing Agreement or having performed the obligations thereunder without leave of this Court having been obtained on seven days' notice to the Applicants, TD, and the Monitor.
11. The Applicants, TD and the Monitor are at liberty to apply for such further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
12. The Applicants shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these

proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

"Karen Horner"

Justice of the Court of Queen's Bench of Alberta