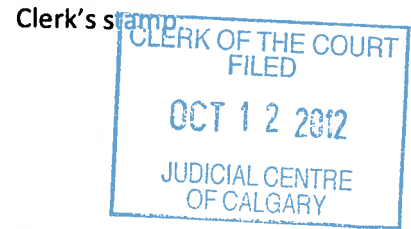


COURT FILE NUMBER  
COURT OF QUEEN'S BENCH OF ALBERTA  
JUDCWAL CENTRE

1201-05843  
  
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  
BANK., EVOLUTION BY GREENBORO INC., GREENBORO COMMUNITIES  
(2006) INC., GREENBORO ESTATE HOMES (2006) LTD BANK.,  
GREENBORO HOMES (2006) LTD BANK., GREENBORO LUXURY HOMES  
INC., HIGH POINTE INC., MOUNTAINEERS VILLAGE (2006) INC.,  
MOUNTAINEERS VILLAGE II INC., VALOUR PARK 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 BANK., 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")**

DOCUMENT

**APPLICATION BY THE APPLICANTS (VALOUR PARK ORDERS)**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

**FRASER MILNER CASGRAIN LLP**  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
**Attention: David W. Mann / Travis Lysak**  
Ph. (403) 268-7097/7063 Fx. (403) 268-3100  
File No.: 549362-1

**NOTICE TO RESPONDENT(S)**

This application is made on behalf of the Applicants in the above noted proceedings. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date                   October 17, 2012  
Time                   3:00 p.m.  
Where                 Court of Queen's Bench of Alberta  
                          Calgary Courts Centre  
                          601 – 5th Street S.W.  
                          Calgary, AB T2P 5P7  
Before Whom         The Honourable K.D. Yamauchi

Go to the end of this document to see what you can do and when you must do it.

**Remedy claimed or sought:**

1. The Applicants respectfully seek the following relief:
  - (a) an Order, in substantially the form attached hereto as Schedule "A", approving an interim financing arrangement with Canadian Western Bank ("CWB");
  - (b) an Order, in substantially the form attached hereto as Schedule "B", directing the Registrar, South Alberta Land Registry District, to register a condominium plan (the "Plan") against title to the lands legally described as Plan 1010457, Block 7, Lot 1 (the "Lands") notwithstanding that the Plan has not been signed by any persons shown on title to the Lands as having an interest in the Lands pursuant to a registered instrument or caveat in accordance with section 85(1) of the *Land Titles Act* (Alberta); and
  - (c) such other relief as may be sought by the Applicants and granted by this Honourable Court.

**Grounds for making this application:**

***Interim Financing***

2. CWB currently provides funding with respect to UBG's project (the "**Valour Park Project**") developed by Valour Park at Currie Limited Partnership, by its general partner, Valour Park at Currie Inc. (collectively "**Valour Park**").
3. UBG has been in discussions with the Monitor and CWB regarding its continued funding of Phase 1 of the Valour Park Project pursuant to a protocol that would address the various aspects of continuing with the financing, development and sales respecting Phase 1 of the Valour Park Project. These discussions have led to the execution of a Protocol Agreement between Valour Park and CWB respecting interim financing to be provided by CWB to Valour Park for Phase 1 of the Valour Park Project (the "**Valour Park Protocol**").
4. The Valour Park Protocol contemplates that CWB will be granted a charge over Valour Park's assets and will fund the completion of homes that are pre-sold or under construction with respect to Phase 1 of the Valour Park Project. UBG will continue to market and sell homes and will distribute the sales proceeds in accordance with the Valour Park Protocol.
5. The charge contemplated in the Valour Park Protocol is critical to CWB's decision to provide its commitment to continue to advance funds in respect of Phase 1 of the Valour Park Project. The

charge would be limited to the Valour Park Project, and will not prejudice any other lenders or stakeholders of UBG.

6. The Valour Park Protocol will ensure that UBG's funding will continue and UBG's trade creditors will be paid and finish working on Phase 1 of the Valour Park Project, all of which will contribute to the completion and sale of units to the benefit of UBG's trade creditors, lenders and customers.
7. The Monitor supports the application to have the Valour Park Protocol Approved.

***Condominium Plan***

8. As part of the continuing development of the Valour Park Project, it is necessary for Valour Park to register the condominium plan attached as Exhibit "C" to the Affidavit of Robert Friesen dated October 12, 2012 (the "Friesen Affidavit") against title to the lands related to Phase 1 of the Valour Park Project in a timely fashion.
9. It will not be possible for Valour Park to comply with s.85(1) of the *Land Titles Act* (Alberta) (the "LTA") in a timely or cost effective manner, or at all, and, therefore, Valour Park is seeking an order from this Honourable Court to dispense with the requirement found in s.85(1) of the LTA (the "Signature Order").
10. None of the parties affected by the Signature Order will be prejudiced by the granting of the Signature Order and all existing encumbrances on title to the Lands will survive the registration of the Plan. The filing of the Plan in a timely fashion is an important element in increasing the value of the Valour Park Project for all stakeholders.
11. The Monitor supports Valour Park's application for the Signature Order.

***Material or evidence to be relied on:***

12. The Monitor's Sixth Report.
13. The Friesen Affidavit.
14. The pleadings and materials filed in these proceedings.
15. Such further and other materials as counsel for the Petitioners may advise and this Honourable Court may deem necessary.

***Applicable Rules:***

16. The *Alberta Rules of Court*, AR 124/2010.

***Applicable Acts and regulations:***

17. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, and the regulations thereunder.
18. *Land Titles Act*, R.S.A 2000, c L-4, as amended, and the regulations thereunder.

19. Such further and other acts and regulations as counsel for the Applicants may advise and this Honourable Court may deem necessary.

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

20. In person before the Honourable Justice K.D. Yamauchi in Chambers.

**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 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 1201-05843

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE 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")**

DOCUMENT

**Order**  
(re: CWB Protocol)

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

**FRASER MILNER CASGRAIN LLP**  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
**Attention: David W. Mann / Travis Lysak**  
Ph. (403) 268-7097/7063 Fx. (403) 268-3100  
File No.: 549362-1

DATE ON WHICH ORDER WAS  
PRONOUNCED

October 17, 2012

LOCATION WHERE ORDER WAS  
PRONOUNCED

Calgary Courts Centre, Calgary, Alberta

NAME OF JUSTICE WHO MADE  
THIS ORDER

The Honourable Madam Justice K.D. Yamauchi

**ORDER**  
(re: CWB Protocol)

**UPON** the application of the Applicants in these proceedings (collectively, "UBG"); **AND UPON** having read the Application of the Applicants, dated October 12, 2012, the Affidavit of Robert Friesen, dated October 12, 2012 (the "Friesen Affidavit"), the Sixth Report of the Monitor, dated October \_\_\_\_\_, 2012, the Affidavit of Anna Borger, dated October \_\_\_\_, 2012 (the "Service Affidavit"), and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, counsel for Canadian Western Bank ("CWB"), 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 CWB Interim Financing Agreement***

3. The loan agreement among Valour Park at Currie Limited Partnership, by its general partner, Valour Park at Currie Inc. (the "Borrower"), UBG Alberta Builders Limited Partnership, by its general partner UBG Alberta Builders (2006) Inc., and Valour Park at Currie Inc., as guarantors, and CWB, dated October 4, 2012, attached as Exhibit "B" to the Friesen Affidavit (the "CWB Interim Financing Agreement") providing for the funding, completion, sale of and distribution of proceeds from the development, construction and sale of Units in Phase 1 of the Project (as defined in the CWB Interim Financing Agreement) is hereby approved.
4. The Borrower, the guarantors 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 CWB Interim Financing Agreement.

***Approval of the CWB Charge***

5. As security for monies advanced and to be advanced by CWB to the Borrower pursuant to the CWB Interim Financing Agreement and the Credit Facilities described therein, a charge is hereby granted on all of the undertaking, property, and assets of the Borrower in favour of CWB (the "CWB 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 CWB Interim Financing Agreement.
6. For greater certainty, but without limiting the enforceability or first priority of the CWB Charge, the Administration Charge and the Directors' Charge are hereby subordinated to the security granted by the Borrower to CWB pursuant to the Credit Facilities including but not limited to the

two Land Mortgages granted by the Borrower to CWB over, *inter alia*, the Project, each dated September 30, 2011 and in the principal amounts of \$10,000,000 and \$18,000,000 respectively.

7. The proceeds from the sale of the Units (as defined in the CWB Interim Financing Agreement) shall be distributed:
  - (a) to CWB as set forth in the CWB Interim Financing Agreement; and
  - (b) to any other party, as set forth in the CWB Interim Financing Agreement, subject to the consent of the Monitor and compliance with any applicable claims procedures established in these proceedings.

**Miscellaneous**

8. The CWB Interim Financing Agreement and the CWB 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 CWB Interim Financing Agreement, the creation of the CWB Charge, nor the execution, delivery or performance of the CWB 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 CWB 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 CWB Charge or the execution, delivery or performance of the CWB Interim Financing Agreement.
9. Notwithstanding the pendency of these proceedings and the declaration of insolvency made in these proceedings, the CWB Interim Financing Agreement and the CWB 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 CWB Interim Financing Agreement, or the CWB 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' Liens Act* (Alberta) nor be subject to any builder's lien registered at the date of this Order or thereafter.
10. Except as specifically set forth in this Order, the rights and remedies of the parties under the CWB 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.

11. No action or proceeding may be commenced against a party to the CWB Interim Financing Agreement by reason of any such party having entered into the CWB Interim Financing Agreement or having performed the obligations thereunder without leave of this Court having been obtained on seven days' notice to the Applicants, CWB, and the Monitor.
12. The Applicants, CWB and the Monitor or any other party to the CWB Interim Financing Agreement 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, the CWB Interim Financing Agreement and the Credit Facilities described therein.

***General***

13. 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.

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Justice of the Court of Queen's Bench of Alberta



Schedule "B"

Clerk's stamp:

COURT FILE NUMBER 1201-05843

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE CALGARY

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

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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")**

DOCUMENT

Order  
(re: Plan)

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

**FRASER MILNER CASGRAIN LLP**  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
**Attention: David W. Mann / Travis Lysak**  
Ph. (403) 268-7097/7063 Fx. (403) 268-3100  
File No.: 549362-1

DATE ON WHICH ORDER WAS  
PRONOUNCED

October 17, 2012

LOCATION WHERE ORDER WAS  
PRONOUNCED

Calgary Courts Centre, Calgary, Alberta

NAME OF JUSTICE WHO MADE  
THIS ORDER

The Honourable Madam Justice K.D. Yamauchi

**ORDER**  
(re: Plan)

**UPON** the application of the Applicants in these proceedings (collectively, "UBG"); **AND UPON** having read the Application of the Applicants, dated October 12, 2012, the Affidavit of Robert Friesen, dated October 12, 2012 (the "Friesen Affidavit"), the Sixth Report of the Monitor, dated October \_\_\_\_\_, 2012, the Affidavit of Anna Berger, dated October \_\_\_\_\_, 2012 (the "Service Affidavit"), and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, 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").

***Valour Park Plan***

3. The requirement in s.85(1) of the *Land Titles Act* (Alberta) (the "LTA") that the condominium plan attached to the Friesen Affidavit as Exhibit "C" (the "Plan") must be signed by each person shown on the certificate of title for the land included in the Plan as having an interest pursuant to a registered instrument or caveat is hereby dispensed with pursuant to s.85(4) of the LTA.
4. In accordance with s.85(4) of the LTA, the Registrar, South Alberta Land Registry District, (the "Registrar") is hereby directed and ordered to register the Plan against title to the lands legally described as:

Plan 1010457  
Block 7  
Lot 1  
Excepting thereout all mines and minerals (the "Lands")

notwithstanding that the Plan has not been signed by any persons shown on title to the Lands as having an interest in the Lands pursuant to a registered instrument or caveat.

5. The Registrar shall give effect to this Order notwithstanding the provisions of Section 191(1) of the Land Titles Act, RSA 2000, Chapter L-4.

**General**

6. 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.

---

Justice of the Court of Queen's Bench of Alberta