

Clerk's stamp:

COURT FILE NUMBER

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

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

ORIGINATING APPLICATION

FRASER MILNER CASGRAIN LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8

Attention: David W. Mann / Derek M. Pontin
Ph. (403) 268-7097/6301 Fx. (403) 268-3100
File No.: 549362-1

NOTICE TO SERVICE LIST

This application is made on behalf of the Applicants.

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

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

Date: May 9, 2012
Time: 3:00 p.m.
Where: Calgary Courts Centre,
601 - 5 Street SW,
Calgary, AB T2P 5P7
Before: The Honourable Madam Justice K.M. Horner

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

Basis for this claim:

1. The Unity Builders Group ("**UBG**") is a homebuilding enterprise comprised of a large number of corporate and partnership entities. UBG Builders Inc. is a corporation incorporated under the laws of Canada, and is either directly or indirectly, the parent corporation of each of the Applicants, each of which is a corporation incorporated under the laws of the Province of Alberta, with the exception of UBG Builders (USA) Inc., a corporation incorporated under the laws of the State of Nevada, U.S.A.
2. In addition to its corporate entities, UBG carries on business through the partnerships set forth in Schedule "A" to this Originating Application, all of which are registered in Alberta and all of which are necessary parties to these proceedings.
3. All of UBG's corporate entities are affiliated. All of UBG's corporate and partnership entities are collectively referred to herein as "**UBG**" or the "**Applicants**".
4. The Applicants are primarily engaged in the business of residential real estate development and operate collectively under the Unity Builders Group name as an integrated corporate group. UBG has its head office in Calgary, Alberta, and conducts the substantial majority of its operations in the Province of Alberta.
5. The Applicants have more than \$5,000,000 in debt and are insolvent within the meaning of the CCAA.
6. The Applicants have encountered a liquidity crisis and are without funding to make the payments they are required to make in the ordinary course of their business.

7. The Applicants propose to file a plan or plans of compromise or arrangement for consideration by the Applicants' creditors. The Applicants are seeking the opportunity to restructure their affairs pursuant to the CCAA, in the expectation that the Applicants, their secured and unsecured creditors, and their other stakeholders will derive a greater benefit from such a restructuring than would result from the bankruptcy or other liquidation of the Applicants.
8. In advance of filing a plan of compromise and arrangement and the restructuring of its affairs, the Applicants are in need of an initial order of this Honourable Court providing, *inter alia*, (a) a stay of proceedings; (b) the power to remain in possession and control of its assets; (c) the appointment of a monitor; (d) a charge in priority to all claimants to secure UBG's obligations in respect of its professional advisors (including the Monitor) and its directors and officers in respect of indemnification obligations; and (e) such further and other relief described in more detail herein.

Remedy sought:

9. Declaring service of notice of this Originating Application and the supporting materials to be good and sufficient, and abridging the time therefore, if necessary.
10. An Order substantially in the form attached hereto as Schedule "B" (which is blacklined against the CCAA Template Order of July 1, 2010), which shall include, but not be limited to, the relief enumerated below:
 - (a) a declaration that the Applicants are entities to which the CCAA applies;
 - (b) a stay of all proceedings and remedies taken, or that might be taken, with respect to UBG, its respective property and undertaking, without leave of the Court or as otherwise permitted by law;
 - (c) authorizing UBG to carry on business in a manner consistent with the preservation of its property and to make certain payments in connection with its business in the proceedings herein;
 - (d) appointing a monitor in these proceedings;
 - (e) permitting UBG to file with the Court a plan or plans of compromise or arrangement;
 - (f) granting priority charges in priority to all secured creditors to secure the obligations of UBG in respect its professional advisors (including the Monitor), and its officers and directors in respect of indemnification obligations; and
 - (g) such further and other orders as to this Honourable Court may seem just and proper in such circumstances.

Affidavit or other evidence to be used in support of this application:

11. The Affidavit of Robert Friesen, sworn May 8, 2012, the consent of Ernst & Young Inc. to act as Monitor of the Applicants, and such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

12. The CCAA, the *Judicature Act*, RSA 2000, c J-2, and such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

How the Application is proposed to be heard or considered:

13. Orally, in Chambers.

WARNING

You have been served with this document because you may have an interest in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order in your absence. You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the Applicants are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to rely on an affidavit or other evidence when the originating application is heard or considered, you must reply by giving reasonable notice of that material to the applicants.

SCHEDULE "A" TO THE ORIGINATING APPLICATION

PARTNERSHIPS OF UBG THAT COMPRISE THE APPLICANTS

1. Alpine Homes Limited Partnership, by its General Partner, Alpine Homes (2006) Inc.;
2. Edgewater at Griesbach Limited Partnership, by its General Partner, Edgewater at Griesbach Inc.;
3. Elite Homes Limited Partnership, by its General Partner, Elite Homes (2006) Ltd.;
4. Evolution by Greenboro Limited Partnership, by its General Partner, Evolution by Greenboro Inc.;
5. Greenboro Communities Limited Partnership, by its General Partner, Greenboro Communities (2006) Inc.;
6. Greenboro Estate Homes Limited Partnership, by its General Partner, Greenboro Estate Homes (2006) Ltd.;
7. Greenboro Homes Limited Partnership, by its General Partner, Greenboro Homes (2006) Ltd.;
8. Greenboro Luxury Homes (Currie Barracks 1A) Limited Partnership, by its General Partner, Greenboro Luxury Homes Inc.;
9. High Pointe Limited Partnership, by its General Partner, High Pointe Inc.;
10. Mountaineers Village Limited Partnership, by its General Partner, Mountaineers Village (2006) Inc.;
11. Mountaineers Village II Limited Partnership, by its General Partner, Mountaineers Village II Inc.;
12. Origins at Cranston Limited Partnership, by its General Partner, Origins at Cranston Inc.;
13. South Terwillegar Village Limited Partnership, by its General Partner, South Terwillegar Village Inc.;
14. The Bridges Limited Partnership, by its General Partner, The Bridges Management Inc.;
15. The Ledges Limited Partnership, by its General Partner, The Ledges Inc.;
16. Timberline Lodges Limited Partnership, by its General Partner, Timberline Lodges (2006) Inc.;
17. Today's Communities Limited Partnership, by its General Partner, Today's Communities (2006) Inc.;
18. Today's Homes Limited Partnership, by its General Partner, Today's Homes (2006) Inc.;

19. Tuscany Developments Limited Partnership, by its General Partner, Tuscany Developments (2006) Inc.;
20. UBG Alberta Builders Limited Partnership, by its General Partner, UBG Alberta Builders (2006) Inc.;
21. UBG Alpine Homes Limited Partnership, by its General Partner, UBG Alpine Homes (2006) Ltd.;
22. UBG Bridges Limited Partnership, by its General Partner, UBG Bridges Inc.;
23. UBG Commercial Limited Partnership, by its General Partner, UBG Commercial Inc.;
24. UBG Land Limited Partnership, by its General Partner, UBG Land Inc.;
25. UBG 4500 Calgary Limited Partnership, by its General Partner, UBG 4500 Calgary Inc.;
26. UBG 75 Canmore Limited Partnership, by its General Partner, UBG 75 Canmore Inc.;
27. UBG 808 Calgary Limited Partnership, by its General Partner, UBG 808 Calgary Inc.;
28. Valmont at Aspen Stone Limited Partnership, by its General Partner, Valmont at Aspen Stone Inc.;
29. Valour Park at Currie Limited Partnership, by its General Partner, Valour Park at Currie Inc.;
30. Village at the Hamptons Limited Partnership, by its General Partner, Village at the Hamptons Inc.;
31. Village on the Park Limited Partnership, by its General Partner, Village on the Park Inc.;
32. Wilderness Homes by Riverdale Limited Partnership, by its General Partner, Wilderness Homes by Riverdale Inc.; and
33. Wilderness Ridge at Stewart Creek Limited Partnership, by its General Partner, Wilderness Ridge at Stewart Creek Inc.

SCHEDULE "B" TO THE ORIGINATING APPLICATION

[Pages to Follow]

Clerk's stamp:

COURT FILE NUMBER

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COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

↔

CALGARY

APPLICANT(S)

↔ 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")

RESPONDENT(S)

↔

DOCUMENT

CCA A INITIAL ORDER

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

↔

Fraser Milner Casgrain FRASER MILNER CASGRAIN
LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8

Attention: David W. Mann / Derek M. Pontin
Ph. (403) 268-↔7097/6301 Fx. (403) 268-3100
File No.: ↔549362-1

DATE ON WHICH ORDER WAS
PRONOUNCED

May 9, 2012

NAME OF JUSTICE WHO MADE THIS
ORDER

The Honourable Madam Justice Horner

ALBERTA TEMPLATE CCA A ORDER
VERSION NO. 2, MARCH 2010

~~[*NOTE: DO NOT USE THIS ORDER AS A PRECEDENT WITHOUT REVIEWING THE ACCOMPANYING
EXPLANATORY NOTES.]~~

UPON the application of ~~[NAME]~~ (the "Applicant"), Applicants: AND UPON having read the
Originating Notice ~~Application~~, the Affidavit of ~~*~~ Robert Friesen dated May 8, 2012 (the "Friesen
Affidavit"), and the Affidavit of Service of ~~*~~ [if applicable] Ronica Cameron, filed; AND UPON reading
the consent of ~~*~~ to Act Ernst & Young Inc. (the "Monitor") to act as Monitor and upon noting that the
secured creditors who are likely to be affected by the charges created herein have been provided notice
of this application and either do not oppose or alternatively consent to the within Order [if applicable];
AND UPON hearing counsel for ~~*the Applicants and the Monitor~~; IT IS HEREBY ORDERED AND
DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order is hereby abridged and deemed
good and sufficient [if applicable] and this application is properly returnable today.

APPLICATION

2. ~~The Applicant is a company to which the CCAA applies.~~ Each of the Applicants are affiliated debtor companies within the meaning of the CCAA and the CCAA applies to each of the Applicants. In addition, the limited partnerships set forth on Schedule "A" to this Order, all having general partners who are Applicants in these proceedings, are necessary parties, shall receive the benefit of the relief granted in this order, and are included in the term "Applicants" when used in this Order and these proceedings.

PLAN OF ARRANGEMENT

3. ~~The Applicant~~ Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan"). Subject to the further Order of the Court, the Plan may also include such further or other corporations and bodies corporate as may be appropriate and may seek relief concurrently under the CCAA and the *Canada Business Corporations Act*.

POSSESSION OF PROPERTY AND OPERATIONS

4. ~~The Applicant~~ Applicants shall:
- (a) remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**");
 - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property; and
 - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.
5. To the extent permitted by law, the ~~Applicant~~ Applicants shall be entitled but not required to pay the following expenses, incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
 - (b) the fees and disbursements of any Assistants retained or employed by the ~~Applicant~~Applicants in respect of these proceedings, at their standard rates and charges.
6. Except as otherwise provided to the contrary herein, the ~~Applicant~~Applicants shall be entitled but not required to pay all reasonable expenses incurred by the ~~Applicant~~Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
 - (b) payment for goods or services actually supplied to the ~~Applicant~~Applicants following the date of this Order.
7. The ~~Applicant~~Applicants shall remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
 - (i) employment insurance,
 - (ii) Canada Pension Plan,
 - ~~(iii) Quebec Pension Plan [if applicable], and~~
 - (iii) ~~(iv)~~ income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the ~~Applicant~~Applicants in connection with the sale of goods and services by the ~~Applicant~~Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the ~~Applicant~~Applicants.

8. Until a real property lease is disclaimed or resiliated in accordance with the CCAA, the ~~Applicant~~Applicants may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the ~~Applicant~~Applicants from time to time for the period commencing from and including the date of this Order ("**Rent**"), but shall not pay any rent in arrears.

9. Except as specifically permitted in this Order, the ~~Applicant is~~Applicants are hereby directed, until further order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the ~~Applicant~~Applicants to any of ~~its~~their creditors as of the date of this Order;
- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and

- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. The ~~Applicant~~Applicants shall subject to such requirements as are imposed by the CCAA ~~{and such covenants as may be contained in the Definitive Documents (as hereinafter defined in paragraph 33),}~~ have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding \$*10,000 in any one transaction or \$*200,000 in the aggregate ~~(or in excess of these amounts, by order of this Court);~~ provided that any sale that is either:

(i) in excess of either of the above thresholds, or;

(ii) in favour of a person related to the Applicants (within the meaning of s. 36(5) of the CCAA).

shall be authorized by this Court in accordance with s. 36 of the CCAA;

- (b) complete the Upcoming Sales (as that term is defined in the Friesen Affidavit) and make such dispositions of the proceeds of such sales as the Monitor, UBG, and the secured lenders of such units may agree;

- (c) ~~(b)~~ terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the ~~Applicant~~Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan; and

- (d) ~~(c)~~ pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the ~~Applicant~~Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

11. The ~~Applicant~~Applicants shall provide each of the relevant landlords with notice of the ~~Applicant's~~Applicants' intention to remove any fixtures from any leased premises at least seven

(7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the ~~Applicant's~~Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the ~~Applicant~~Applicants, or by further order of this Court upon application by the ~~Applicant~~Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the ~~Applicant~~Applicants disclaims or resiliates the lease governing such leased premises in accordance with section 32 of the CAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the ~~Applicant's~~Applicants' claim to the fixtures in dispute.

12. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
 - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the ~~Applicant~~Applicants and the Monitor 24 hours' prior written notice; and
 - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the ~~Applicant~~Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the ~~Applicant~~Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. Until and including [~~DATE – MAX. 30 DAYS~~], June 8, 2012, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court (each, a "**Proceeding**") shall be commenced or continued against or in respect of the

~~Applicant~~Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of any one or more of the ApplicantApplicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of any one or more of the ApplicantApplicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

- (a) empower the ~~Applicant~~Applicants to carry on any business which the ~~Applicant~~Applicants is not lawfully entitled to carry on;
- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
- (c) prevent the filing of any registration to preserve or perfect a security interest; or
- (d) prevent the registration of a claim for lien.

15. Nothing in this Order shall prevent any party from taking an action against any one or more of the ApplicantApplicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the ~~Applicant~~Applicants, except with the written consent of the ~~Applicant~~Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. During the Stay Period, all persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the ~~Applicant~~Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the ~~Applicant~~Applicants

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the ~~Applicant~~Applicants or exercising any other remedy provided under such agreements or arrangements. The ~~Applicant~~Applicants shall be entitled to the continued use of ~~its~~their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the ~~Applicant~~Applicants in accordance with the payment practices of the ~~Applicant~~Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the ~~Applicant~~Applicants and the Monitor, or as may be ordered by this Court. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order.

NO OBLIGATION TO ADVANCE MONEY OR EXTEND CREDIT

18. Notwithstanding anything else contained in this Order, no creditor of the ~~Applicant~~Applicants shall be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the ~~Applicant~~Applicants.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 15 of this Order, no Proceeding may be commenced or continued against any of the

former, current or future directors or officers of the ~~Applicant~~Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the ~~Applicant~~Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the ~~Applicant~~Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the ~~Applicant~~Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. The ~~Applicant~~Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
21. The directors and officers of the ~~Applicant~~Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of ~~\$*,500,000.~~ as security for the indemnity provided in paragraph **[20]** of this Order. The Directors' Charge shall have the priority set out in paragraphs **[37]** and **[39]** herein.
22. Notwithstanding any language in any applicable insurance policy to the contrary:
 - (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
 - (b) the ~~Applicant's~~Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph **[20]** of this Order.

APPOINTMENT OF MONITOR

23. ~~[MONITOR'S NAME]~~Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business and financial affairs and the

~~Applicant~~Applicants with the powers and obligations set out in the CCAA or set forth herein and that the ~~Applicant~~Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the ~~Applicant~~Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the ~~Applicant's~~Applicants' receipts and disbursements, Business and dealings with the Property;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the ~~Applicant~~;
- ~~(c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the DIP Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings, including reporting on a basis as reasonably required by the DIP Lender~~Applicants;
- ~~(c) (d) advise the Applicant~~Applicants ~~in its~~the preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP LenderApplicants' cash flow statements;
- ~~(d) (e) advise the Applicant~~Applicants ~~in its~~their development of the any Plan or Plans and any amendments to the ~~Plan~~thereto;

- (e) ~~(f)~~ advise the ~~Applicant~~Applicants, to the extent required by the ~~Applicant~~Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the ~~Applicant~~Applicants to the extent that is necessary to adequately assess the ~~Applicant's~~Applicants' Property, Business and financial affairs or to perform its duties arising under this Order;
- (g) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (h) ~~(i)~~ hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
- (i) ~~(j)~~ perform such other duties as are required by this Order or by this Court from time to time.

25. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation.

26. The Monitor shall provide any creditor of the ~~Applicant and the DIP Lender~~ Applicants with information provided by the ~~Applicant~~ Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the ~~Applicant~~ Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the ~~Applicant~~ Applicants may agree.
27. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
28. The Monitor, counsel to the Monitor and counsel to the ~~Applicant~~ Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the ~~Applicant~~ Applicants as part of the costs of these proceedings. The ~~Applicant~~ Applicants is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the ~~Applicant~~ on a ~~[TIME INTERVAL]~~ basis and, in addition, the ~~Applicant~~ is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the ~~Applicant~~, retainers in the respective amount[s] of \$*, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time Applicants.
29. The Monitor and its legal counsel shall pass their accounts from time to time.
30. The Monitor, counsel to the Monitor, if any, and the ~~Applicant's~~ Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$*, 1,000,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this order in

respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs [37] and [39] hereof.

DIP FINANCING

31. ~~The Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [DIP LENDER'S NAME] (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$* unless permitted by further order of this Court. Applicants have leave to reapply for priority DIP financing if deemed necessary in the future.~~
32. ~~Such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed.~~
33. ~~The Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.~~
34. ~~The DIP Lender shall be entitled to the benefits of and is hereby granted a charge (the "DIP Lender's Charge") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order under the Definitive Documents. The DIP Lender's Charge shall have the priority set out in paragraphs [37] and [39] hereof.~~
35. ~~Notwithstanding any other provision of this Order:~~

- (a) ~~the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;~~
- (b) ~~upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon * days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and~~
- (c) ~~the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.~~

36. ~~The DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act of Canada* (the "BIA"), with respect to any advances made under the Definitive Documents.~~

VALIDITY AND PRIORITY OF CHARGES

32. ~~37.~~ The priorities of the Directors' Charge, and the Administration Charge ~~and the DIP Lender's Charge~~, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$*1,000,000); and

Second – ~~DIP Lender's Charge; and~~ Third – Directors' Charge (to the maximum amount of \$*500,000).

33. ~~38.~~ The filing, registration or perfection of the Directors' Charge, ~~or~~ the Administration Charge ~~or the DIP Lender's Charge~~ (collectively, the "Charges") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

34. ~~39.~~ Each of the Directors' Charge, the Administration Charge and the DIP Lender's Charge Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person. ~~[NOTE: THIS IS EXTRAORDINARY RELIEF. SEE CORRESPONDING REFERENCE IN EXPLANATORY NOTES.]~~

35. ~~40.~~ Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the DIP Lender's Charge Charges, unless the Applicant Applicants also ~~obtains~~ obtain the prior written consent of the Monitor, ~~the DIP Lender~~ and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.

36. ~~41.~~ The Directors' Charge, the Administration Charge, ~~[the Commitment Letter, the Definitive Documents]~~ and the DIP Lender's Charge Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;

- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the ApplicantApplicants, and notwithstanding any provision to the contrary in any Agreement:
 - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof ~~-, including the Commitment Letter or the Definitive Documents,~~ shall create or be deemed to constitute a new breach by the ApplicantApplicants of any Agreement to which it is a party;
 - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, or the ~~[the Applicant entering into the Commitment Letter, or]~~ execution, delivery or performance of the Definitive Documents; and
 - (iii) the payments made by the ApplicantApplicants pursuant to this order, ~~[including the Commitment Letter or the Definitive Documents,]~~ and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

ALLOCATION

37. ~~42.~~ Any interested Person may apply to this Court on notice to any other party likely to be affected, for an order to allocate the Administration Charge, the DIP Lender's Charge and the Directors' Charge Charges amongst the various assets comprising the Property, provided, however, that in no event shall any one Applicant be burdened with more than \$100,000 of allocation of the Charges, unless such Applicant is in possession of more than one development project, whereupon each development project may be burdened with up to \$100,000 of allocation of the Charges.

SERVICE AND NOTICE

38. ~~43-~~The Monitor shall (i) without delay, publish in ~~{newspapers specified by the Court}~~The Calgary Herald and The Edmonton Journal a notice containing the information prescribed under the CCAA; (ii) within five ~~(5)~~ days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the ~~Applicant~~Applicants of more than ~~\$1,000~~1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.

39. ~~44-~~The ~~Applicant~~Applicants and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the ~~Applicant's~~Applicants' creditors or other interested Persons at their respective addresses as last shown on the records of the ~~Applicant~~Applicants and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Monitor ~~may post a copy of any or all such materials on its website at [INSERT WEBSITE ADDRESS], which shall be established for informational purposes~~shall establish and maintain a website in respect of these proceedings at <http://documentcentre.eycan.com/> and post there within the time periods stipulated in the CCAA or any application regulation(s), or otherwise as soon as practicable. all materials filed in these proceedings as well as any others that are required by the CCAA or regulation(s) thereunder.

GENERAL

40. ~~45-~~The ~~Applicant~~Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

41. Notwithstanding rule 6.11 of the Alberta Rules of Court, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.

42. 46-Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the ~~Applicant~~Applicants, the Business or the Property.
43. 47-This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the ~~Applicant~~Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Applicant~~Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the ~~Applicant~~Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
44. 48-Each of the ~~Applicant~~Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
45. 49-Any interested party (including the ~~Applicant~~Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
46. 50-This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

J.C.Q.B.A.

SCHEDULE "A" TO THE CCAA INITIAL ORDER

PARTNERSHIPS OF UBG THAT COMPRISE THE APPLICANTS

1. Alpine Homes Limited Partnership, by its General Partner, Alpine Homes (2006) Inc.;
2. Edgewater at Griesbach Limited Partnership, by its General Partner, Edgewater at Griesbach Inc.;
3. Elite Homes Limited Partnership, by its General Partner, Elite Homes (2006) Ltd.;
4. Evolution by Greenboro Limited Partnership, by its General Partner, Evolution by Greenboro Inc.;
5. Greenboro Communities Limited Partnership, by its General Partner, Greenboro Communities (2006) Inc.;
6. Greenboro Estate Homes Limited Partnership, by its General Partner, Greenboro Estate Homes (2006) Ltd.;
7. Greenboro Homes Limited Partnership, by its General Partner, Greenboro Homes (2006) Ltd.;
8. Greenboro Luxury Homes (Currie Barracks 1A) Limited Partnership, by its General Partner, Greenboro Luxury Homes Inc.;
9. High Pointe Limited Partnership, by its General Partner, High Pointe Inc.;
10. Mountaineers Village Limited Partnership, by its General Partner, Mountaineers Village (2006) Inc.;
11. Mountaineers Village II Limited Partnership, by its General Partner, Mountaineers Village II Inc.;
12. Origins at Cranston Limited Partnership, by its General Partner, Origins at Cranston Inc.;
13. South Terwillegar Village Limited Partnership, by its General Partner, South Terwillegar Village Inc.;
14. The Bridges Limited Partnership, by its General Partner, The Bridges Management Inc.;
15. The Ledges Limited Partnership, by its General Partner, The Ledges Inc.;
16. Timberline Lodges Limited Partnership, by its General Partner, Timberline Lodges (2006) Inc.;
17. Today's Communities Limited Partnership, by its General Partner, Today's Communities (2006) Inc.;
18. Today's Homes Limited Partnership, by its General Partner, Today's Homes (2006) Inc.;

19. Tuscany Developments Limited Partnership, by its General Partner, Tuscany Developments (2006) Inc.;
20. UBG Alberta Builders Limited Partnership, by its General Partner, UBG Alberta Builders (2006) Inc.;
21. UBG Alpine Homes Limited Partnership, by its General Partner, UBG Alpine Homes (2006) Ltd.;
22. UBG Bridges Limited Partnership, by its General Partner, UBG Bridges Inc.;
23. UBG Commercial Limited Partnership, by its General Partner, UBG Commercial Inc.;
24. UBG Land Limited Partnership, by its General Partner, UBG Land Inc.;
25. UBG 4500 Calgary Limited Partnership, by its General Partner, UBG 4500 Calgary Inc.;
26. UBG 75 Canmore Limited Partnership, by its General Partner, UBG 75 Canmore Inc.;
27. UBG 808 Calgary Limited Partnership, by its General Partner, UBG 808 Calgary Inc.;
28. Valmont at Aspen Stone Limited Partnership, by its General Partner, Valmont at Aspen Stone Inc.;
29. Valour Park at Currie Limited Partnership, by its General Partner, Valour Park at Currie Inc.;
30. Village at the Hamptons Limited Partnership, by its General Partner, Village at the Hamptons Inc.;
31. Village on the Park Limited Partnership, by its General Partner, Village on the Park Inc.;
32. Wilderness Homes by Riverdale Limited Partnership, by its General Partner, Wilderness Homes by Riverdale Inc.; and
33. Wilderness Ridge at Stewart Creek Limited Partnership, by its General Partner, Wilderness Ridge at Stewart Creek Inc.

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