

Clerk's stamp:



COURT FILE NUMBER

1103 02937

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

Edmonton

IN THE MATTER OF THE INSOLVENCY OF
ELABORATE HOMES LTD. AND ELABORATE
DEVELOPMENTS INC.

PLAINTIFF

ALBERTA TREASURY BRANCHES

DEFENDANTS

ELABORATE HOMES LTD., ELABORATE
DEVELOPMENTS INC., MANJIT (JOHN) NAGRA,
JASWINDER NAGRA

DOCUMENT

INTERIM DISTRIBUTION ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
2700, Commerce Place
10155-102 Street
Edmonton, AB, Canada T5J 4G8
Phone: 780.429.1751 Fax: 780.424.5866

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

for Clerk of the Court

Lawyer's

Name: Rick T. G. Reeson, Q.C.

Lawyer's

Email: rreeson@millerthomson.com

File No.: 074806.0018

DATE ON WHICH ORDER WAS PRONOUNCED:

Thursday, July 28, 2011

TIME:

10:00 a.m.

LOCATION:

Law Courts Building, Edmonton

NAME OF JUSTICE WHO MADE THIS ORDER:

The Honourable Mr. Justice B. Burrows

UPON the application of PricewaterhouseCoopers Inc. (the "Receiver") the Court appointed Receiver of each of Elaborate Homes Ltd. ("Homes") and Elaborate Developments Inc. ("Developments"), for an interim distribution of funds to each of Alberta Treasury Branches ("ATB") and Servus Credit Union ("Servus");

AND UPON hearing read the Third Report of the Receiver, filed;

AND UPON hearing counsel for the Receiver and counsel for various creditors and other interested persons.

IT IS HEREBY ORDERED THAT:

1. The Receiver's proposal to make the following interim distributions ("Distributions") to ATB and Servus is hereby approved:

- (a) To ATB:
- (i) the sum of \$2,500,000 forming part of the proceeds realized from the Receiver's sale of the Homes lands subject to ATB's first registered mortgages, to be applied as ATB deems fit towards the Homes indebtedness to ATB secured by such mortgages; and
 - (ii) the sum of \$2,100,000 forming part of the proceeds realized from the Receiver's sale of the Developments lands subject to ATB's first registered mortgage, to be applied as ATB deems fit towards Developments indebtedness to ATB secured by such mortgage; and
- (b) To Servus, the sum of \$1,400,000 forming part of the proceeds realized from the Receiver's sale of the Homes lands subject to the Servus first mortgages, to be applied by Servus towards the specific debts secured under each of the Servus mortgages charging the lands as set forth and described in Schedule A hereto.

2. In the event:

- (a) It should be determined by a Court Order granted on notice to ATB, that ATB does not have priority to all or any portion of the Distribution or that some of the Distribution paid to ATB is required to pay the Receiver for ATB's share of its professional fees and disbursements (the "Non-Priority Sum"), the Non-Priority Sum shall be paid back by ATB to the Receiver, within five business days of the date of the Court Order, for distribution according to law, and in such event the Non-Priority Sum shall be added to and form part of the indebtedness owing to ATB, inclusive of accruing interest on such sum accruing from the date paid by ATB to the Receiver at the applicable interest rate or rate on such debt, prior to it being reduced in respect of such sum in accordance with paragraph 1(a) above.
- (b) It should be determined by a Court Order granted on notice to Servus, that Servus does not have priority to all or any portion of the Distribution or that some of the Distribution paid to Servus is required to pay the Receiver for Servus's share of its professional fees and disbursements (the "Non-Priority Sum"), the Non-Priority Sum shall be paid back by Servus to the Receiver, within five business days of the date of the Court Order, for distribution according to law, and in such event the Non-Priority Sum shall be added to and form part of the indebtedness owing to Servus, inclusive of accruing interest on such sum accruing from the date paid by Servus to the Receiver at the applicable interest rate or rate on such debt, prior to it being reduced in respect of such sum in accordance with paragraph 1(b) above.

3. The Distributions are without prejudice to the rights and claims of any Claimant (as that term is defined in paragraph 4 of the Sale Approval and Vesting Order dated June 3, 2011).

" B. Burrows "

J.C.C.Q.B.A.

This Order is consented to by:

PricewaterhouseCoopers Inc. in its capacity as Court appointed Receiver of Elaborate Homes Ltd. and Elaborate Developments Inc., by its solicitors, Miller Thomson LLP

Per:

Rick T. G. Reeson, Q.C.

Alberta Treasury Branches, by its solicitors,
Davis LLP

Per:

Douglas H. Shell, Q.C.

Servus Credit Union, by its solicitors,
Duncan & Craig LLP

Per: _____

~~Perey Odynak, Q.C.~~

Russell Rimer

Peter Lane Concrete Ltd., by its solicitors
Kay McVey Smith & Carlstrom LLP

Per: _____

Owen A. Lewis / Michael Hussey

Alberta New Home Warranty Program,
by its solicitors, Witten LLP

Per: _____

Schuyler V. Wensel, Q.C.

Elaborate Homes and Elaborate Developments, by
its solicitors Ogilvie LLP

Per: _____

Kent A. Rowan

Royal Bank of Canada, by its solicitors
Fraser Milner Casgrain LLP

Per: _____

Revenue Canada Agency, by their legal counsel
George F. Body

Per: _____

George F. Body

NPA Ltd. (Waipiti Gravel), by its solicitors, The Law
Firm of W. Donald Goodfellow, Q.C.

Per: _____

W. Donald Goodfellow, Q.C.

Servus Credit Union, by its solicitors,
Duncan & Craig LLP

Per: _____
Percy Odynak, Q.C.

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Kent A. Rowan

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Kay McVey Smith & Carlstrom LLP

Per: _____
Owen A. Lewis Michael Hussey

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Fraser Milner Casgrain LLP

Per: _____

Alberta New Home Warranty Program,
by its solicitors, Witten LLP

Per: _____
Schuyler V. Wensel, Q.C.

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George F. Body

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Kent A. Rowan

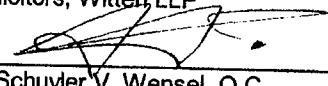
Peter Lane Concrete Ltd., by its solicitors
Kay McVey Smith & Carlstrom LLP

Per: _____
Owen A. Lewis / Michael Hussey

Royal Bank of Canada, by its solicitors
Fraser Milner Casgrain LLP

Per: _____

Alberta New Home Warranty Program,
by its solicitors, Witten LLP

Per:  _____
Schuyler V. Wensel, Q.C.

Revenue Canada Agency, by their legal counsel
George F. Body

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Jervus Credit Union, by its solicitors,
Duncan & Craig LLP

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Per: _____
Owen A. Lewis / Michael Hussey

Royal Bank of Canada, by its solicitors
Fraser Milner Casgrain LLP

Per: _____

Alberta New Home Warranty Program,
by its solicitors, Witten LLP

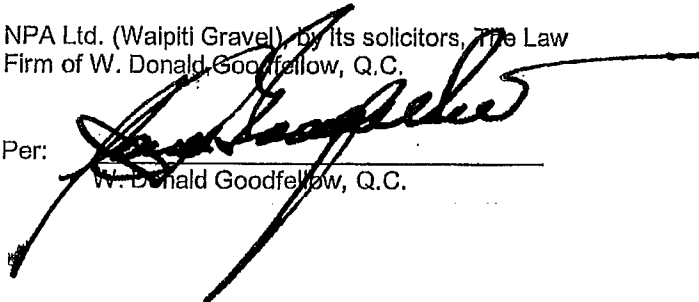
Per: _____
Schuyler V. Wensel, Q.C.

Revenue Canada Agency, by their legal counsel
George F. Body

Per: _____
George F. Body

NPA Ltd. (Waipiti Gravel), by its solicitors, The Law
Firm of W. Donald Goodfellow, Q.C.

Per: _____
W. Donald Goodfellow, Q.C.

A large, stylized handwritten signature in black ink, likely belonging to W. Donald Goodfellow, is written over the signature line and extends upwards and to the right.

Servus Credit Union, by its solicitors,
Duncan & Craig LLP

Per: _____
Percy Odynak, Q.C.

Elaborate Homes and Elaborate Developments, by
its solicitors Ogilvie LLP

Per: _____
Kent A. Rowan

Peter Lane Concrete Ltd., by its solicitors
Kay McVey Smith & Carlstrom LLP

Per: _____
Owen A. Lewis / Michael Hussey

Royal Bank of Canada, by its solicitors
Fraser Milner Casgrain LLP

Per: _____

Alberta New Home Warranty Program,
by its solicitors, Witten LLP

Per: _____
Schuyler V. Wensel, Q.C.

Revenue Canada Agency, by their legal counsel
George F. Body

Per: _____
George F. Body

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W. Donald Goodfellow, Q.C.

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Percy Odynak, Q.C.

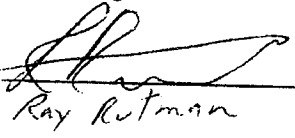
Elaborate Homes and Elaborate Developments, by
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Per: _____
Owen A. Lewis / Michael Hussey

Royal Bank of Canada, by its solicitors
Fraser Milner Casgrain LLP

Per: _____

Ray Rutman

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by its solicitors, Witten LLP

Per: _____
Schuyler V. Wensel, Q.C.

Revenue Canada Agency, by their legal counsel
George F. Body

Per: _____
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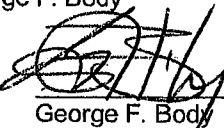
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