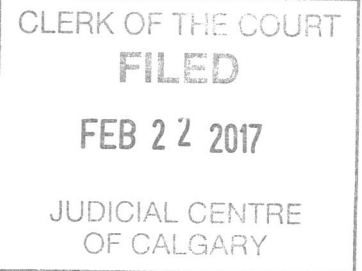


Clerk's Stamp:



COURT FILE NUMBER	1501-14937
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	STERLING BRIDGE MORTGAGE CORP.
DEFENDANTS	THE CANMORE HOTEL LTD., HERITAGE PROPERTY CORPORATION, NEIL RICHARDSON and DARYL RICHARDSON

AND IN THE MATTER OF THE RECEIVERSHIP OF THE CANMORE HOTEL LTD.

APPLICANT	FABER INC. in its capacity as Court-appointed Receiver and Manager of the assets, undertakings and property of THE CANMORE HOTEL LTD.
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DOCUMENT	<b>APPLICATION</b>
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ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Torys LLP 4600 Eighth Avenue Place East 525 - Eighth Ave SW Calgary, AB T2P 1G1
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Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39018-2001

**NOTICE TO RESPONDENT(S):**

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Master/Judge.

To do so, you must be in Court when the Application is heard as shown below:
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Date: Thursday, March 2, 2017
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Time:	11:00 a.m.
Where:	Calgary Courts Centre
Before Whom:	The Honourable Mr. Justice C.M. Jones, of the Commercial List

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

**Remedy claimed or sought:**

1. Abridging, if necessary, the time for service of this Application and deeming service to be good and sufficient.
2. An Order in substantially the same form as that attached as Schedule “A” to this Application, granting the following relief and directions:
  - 2.1 authorizing Faber Inc. in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and property (collectively, the “**Property**”) of The Canmore Hotel Ltd. (the “**Hotel**” or the “**Debtor**”), to make a final distribution of funds in accordance with the distribution proposed in the Second Report of the Receiver, filed on February 22, 2017 (the “**Second Report**”);
  - 2.2 authorizing the Receiver to have all of the Hotel’s remaining books and records destroyed on or after April 3, 2017, unless a former director or officer of the Hotel, or a representative of Sterling Bridge Mortgage Corp. (“**Sterling Bridge**”), makes arrangements with the Receiver to physically take possession of the records, at their sole cost and expense, by March 31, 2017;
  - 2.3 approving the Receiver’s actions and those of its legal counsel to date;
  - 2.4 the review and approval of the professional fees, receipts and disbursements of the Receiver, and those of the Receiver’s legal counsel, as set out in the Second Report;
  - 2.5 discharging Faber Inc. as Receiver of the Property of the Hotel upon the conclusion of the remaining administrative duties as described in the Second Report; and

- 2.6 granting leave to the Receiver to apply to this Court for advice and directions as may be necessary to carry out the terms of the Order sought.
3. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

**Grounds for making this Application:**

4. On December 18, 2015, following an Application brought by Sterling Bridge, Faber Inc. was appointed as Receiver over the Property of the Hotel by Order of the Honourable Mr. Justice K.D. Yamauchi (the “**Receivership Order**”).
5. The Receiver has managed the affairs of the Debtor, and has overseen and been involved with the sale of certain of the Debtor’s Property, in compliance with the Receivership Order, and the said sale has been approved by the Court.
6. The Receiver has now completed, or is about to complete, all aspects concerning the administration of the within receivership proceedings.
7. There are certain funds remaining in the receivership estate, which the Receiver intends on using to pay outstanding obligations of the receivership estate and the estimated costs to complete the administration of the estate.
8. The distribution of remaining funds as proposed in the Second Report is necessary, just and appropriate, and in the best interest of the receivership estate and the stakeholders affected thereby.
9. All of the actions in respect of the fees and disbursements incurred by the Receiver and its legal counsel during the course of the administration of the within proceedings are reasonable, have been validly incurred in connection with the conduct of the Receiver’s obligations herein, and have now been or are about to be completed.
10. The Receiver is not aware of any reason that it should be required for any further purposes herein, and should be discharged as Receiver of the Property of the Hotel upon the conclusion of the remaining administrative duties as described in the Second Report.

11. The discharge of the Receiver as proposed is just, appropriate and in the best interest of the administration of the receivership estate and the stakeholders affected thereby.
12. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

13. All pleadings, proceedings, orders and other materials filed in the within action.
14. The Receivership Order and the materials filed in support thereof.
15. The various Reports of the Receiver filed in these proceedings, and in particular the Second Report, filed.
16. The proposed form of Order attached hereto as Schedule "A".
17. The inherent jurisdiction of this Honourable Court to control its own process.
18. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

19. Part 6, Division 7, and in particular Rules 6.47(e) and (f), and Rule 6.3.

**Applicable Acts and regulations:**

20. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, the *Judicature Act*, RSA 2000, c J-2, as amended, and such further and other Rules, Acts and Regulations as counsel may advise and that this Honourable Court may permit.

**Any irregularity complained of or objection relied on:**

21. None.

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

22. Oral submissions by counsel at an Application in Justice Chambers as agreed and scheduled by counsel, scheduled to be heard on Thursday, March 2, 2017 at 11:00 a.m. before the Honourable Mr. Justice C.M. Jones, of the Commercial List.

**AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.**

**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 at the 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 1501-14937

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF STERLING BRIDGE MORTGAGE CORP.

DEFENDANTS THE CANMORE HOTEL LTD.,  
HERITAGE PROPERTY CORPORATION, NEIL RICHARDSON  
and DARYL RICHARDSON

AND IN THE MATTER OF THE RECEIVERSHIP OF THE CANMORE HOTEL LTD.

APPLICANT FABER INC. in its capacity as Court-appointed Receiver and Manager of the assets, undertakings and property of THE CANMORE HOTEL LTD.

DOCUMENT **ORDER (Final Distribution, the Approval of the Receiver's Activities, Fees and Disbursements, and the Receiver's Discharge)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Torys LLP  
4600 Eighth Avenue Place East  
525 - Eighth Ave SW  
Calgary, AB T2P 1G1  
  
Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39018-2001

**DATE ON WHICH ORDER WAS PRONOUNCED:** March 2, 2017

**NAME OF JUSTICE WHO MADE THIS ORDER:** Mr. Justice A.D. Macleod

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** by Faber Inc. in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of The Canmore Hotel Ltd. (the “**Hotel**”) for an Order for the final distribution of proceeds, approval of the Receiver’s fees and disbursements, approval of the Receiver’s activities and discharge of the Receiver; **AND UPON HAVING READ** the Second Report of the Receiver, dated February 22, 2017, filed (the “**Second Report**”), and the Affidavit of Service, sworn February, to be filed; **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for the Plaintiff Sterling Bridge Mortgage Corp., and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed; **AND UPON** being satisfied that it is appropriate to do so;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**Service:**

1. Service of the notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and the time for service of this Application is abridged to that actually given.

**Distribution of Funds:**

2. The Receiver is authorized and directed to make a final distribution of funds as proposed in the Second Report.

**Discharge of the Receiver:**

3. The Receiver is hereby authorized to have all of the Hotel’s remaining books and records destroyed on or after April 3, 2017, unless a former director or officer of the Hotel makes arrangements with the Receiver to physically take possession of the books and records, at their sole cost and expense, by March 31, 2017.
4. The Receiver’s accounts for fees and disbursements, as set out in the Receiver’s Second Report are hereby approved without the necessity of a formal passing of its accounts.
5. The accounts of the Receiver’s legal counsel, for its fees and disbursements, as set out in the Receiver’s Second Report are hereby approved without the necessity of a formal assessment of its accounts.
6. The Receiver is hereby authorized to pay any remaining professional fees up to the discharge of the Receiver, particulars of which are set out in the Second Report.
7. The Receiver’s activities as set out in the Second Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as attached to the Second Report, are hereby ratified and approved.
8. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date

hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.

9. No action or other proceeding shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as the Court may direct.
10. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to, and in carrying out the terms of, this Order.
11. Upon the Receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee employed by the Receiver confirming that all matters set out in paragraphs 2 and 3 of this Order have been completed, then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
12. This Order must be served only upon those interested parties attending or represented at the within Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
13. Service of this Order on any party not attending this Application is hereby dispensed with.

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Justice of the Court of Queen's Bench of Alberta