

COURT FILE NUMBER 1403-10990  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
APPLICANT ROYAL BANK OF CANADA  
RESPONDENT SPRAGUE-ROSSER CONTRACTING CO.  
LTD., SPRAGUE-ROSSER DEVELOPMENTS  
INC., PACIFIC FEDERATION EQUITY GROUP  
INC., JEFFERY JESSAMINE, DANIEL  
EDWARDS and MATTHEW MACKAY  
DOCUMENT **APPLICATION**

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
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**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:

Date October 7, 2014  
Time 2:00 p.m.  
Where Edmonton Law Courts Building (Commercial List)  
Before Whom The Honourable Justice J.J. Gill

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

Remedy claimed or sought:

Alvarez & Marsal Canada Inc., in its capacity as court-appointed receiver (the “**Receiver**”) of Sprague-Rosser Contracting Co. Ltd. (“**Contracting**”), Sprague-Rosser Developments Inc. (“**Developments**”) and Pacific Federation Equity Group Inc. (“**Pacific Federation**” and Pacific Federation, Developments and Contracting collectively referred to as the “**Debtors**”) pursuant to the receivership order issued by this Honourable Court on July 31, 2014, as subsequently amended and restated on August 7, 2014 (collectively, the “**Receivership Order**”) applies for an order substantially in the form attached as Schedule “**A**” hereto:

1. Declaring that the time for service of this Application and the second report of the Receiver, dated October 1, 2014 (the “**Second Receiver’s Report**”) is abridged, if necessary, the Application is properly returnable on October 7, 2014, that service of the Application and the Second Receiver’s Report on those persons listed at Schedule “**B**” to this Application (the “**Service List**”) is validated, good and sufficient and that no persons other than those on the Service List are entitled to service of the Second Receiver’s Report or the Application.
2. Increasing the amount that the Receiver is entitled to borrow from the Plaintiff, as provided for in paragraph 20 of the Receivership Order, from \$500,000 to \$1,000,000.
3. Such further and other relief as counsel for the Receiver may advise.

**Grounds for making this application:**

4. The Receiver was appointed as receiver and manager over the Debtors’ assets, properties and undertakings pursuant to the Receivership Order.
5. The Receiver requires an increase in the amount of its borrowing powers in order to continue its administration of the estate of the Debtors.
6. Such further and other grounds as counsel for the Receiver may advise.

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

7. The Second Report of the Receiver.
8. Such further and other material as counsel for the Receiver may advise and this Honourable Court may permit.

**Applicable Rules:**

9. Rule 6.3(1) of the Alberta *Rules Of Court*.
10. Such further and other rules as counsel for the Receiver may advise and this Honourable Court may permit.

**Applicable acts and regulations:**

11. Section 243 of the BIA.
12. Such further and other acts and regulations as counsel for the Receiver may advise or this Honourable Court may permit.

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

13. There are no irregularities complained of or objections relied on.

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

14. The Receiver proposes that the Application be heard in person or by telephone with one, some or all of the parties present.

**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 1403-10990  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON

APPLICANT ROYAL BANK OF CANADA.

RESPONDENT SPRAGUE-ROSSER CONTRACTING CO. LTD., SPRAGUE-ROSSER DEVELOPMENTS INC., PACIFIC FEDERATION EQUITY GROUP INC., JEFFERY JESSAMINE, DANIEL EDWARDS and MATTHEW MACKAY

DOCUMENT **ORDER** (Increase of Receiver's Borrowing Charge)

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DATE ON WHICH ORDER WAS PRONOUNCED: October 7, 2014

NAME OF JUDGE WHO MADE THIS ORDER: Justice J.J. Gill

LOCATION OF HEARING: Edmonton, Alberta

**UPON** the application of Alvarez & Marsal Canada Inc. (the "**Receiver**"), in its capacity as court appointed receiver of Sprague-Rosser Contracting Co. Ltd., Sprague-Rosser Developments Inc. and Pacific Federation Equity Group Inc. pursuant to the receivership order issued by this Honourable Court on July 31, 2014, as subsequently amended and restated on August 7, 2014 (collectively, the "**Receivership Order**") under the *Bankruptcy and Insolvency Act* (Canada); **AND UPON** having read the Application, the second report of the Receiver, dated October 1, 2014 (the "**Second Receiver's Report**"), and the Affidavit of Service of Marcia Smith sworn October •, 2014; **AND UPON** hearing counsel for the Receiver and any other persons present;

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

1. Service of the application filed by the Receiver in the within proceedings on ●, 2014 (the “**Application**”) and the Second Receiver's Report is declared to be good, sufficient and validated on those persons listed in the Service List (as such term is defined in the Application) as of ●, 2014 and the Application is properly returnable today.
2. Paragraph 20 of the Receivership Order be and is hereby amended by deleting “\$500,000” in the third line and replacing it with “\$1,000,000”.
3. Service of this Order by email, facsimile, registered mail, courier, regular mail or personal delivery to the persons listed on the Service List shall constitute good and sufficient service of this Order and no persons other than those listed on the Service List are entitled to be served with a copy of this Order.

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J.C.Q.B.A.

## SCHEDULE "B"

COURT FILE NUMBER 1403-10990

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

APPLICANT ROYAL BANK OF CANADA

RESPONDENT SPRAGUE-ROSSER CONTRACTING CO.  
LTD., SPRAGUE-ROSSER DEVELOPMENTS  
INC., PACIFIC FEDERATION EQUITY GROUP  
INC., JEFFERY JESSAMINE, DANIEL  
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