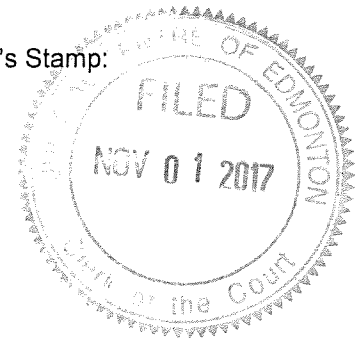


Clerk's Stamp:



COURT FILE NUMBER **1703 21274**

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE **EDMONTON**

PLAINTIFF **ROYAL BANK OF CANADA**

DEFENDANTS **1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., REID CAPITAL CORP. and EMILIE REID**

DOCUMENT **APPLICATION BY THE PLAINTIFF**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Ray C. Rutman/Dean A. Hitesman  
Dentons Canada LLP  
2900 Manulife Place  
10180 – 101 Street  
Edmonton, Alberta T5J 3V5  
Ph. (780) 423-7246 Fx. (780) 423-7276  
File No.: 125665-8723/RCR

**NOTICE TO RESPONDENTS**

This application is made against you. 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	Thursday, November 2, 2017
Time	8:45 a.m.
Where	Law Courts Building, Edmonton
Before Whom	The Honourable Mr. Justice S.D. Hillier

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

**Remedy claimed or sought:**

1. An Order on the terms of the draft Order attached as Schedule "A" to this Application or on such further and other terms as this Honourable Court may direct, for the following relief, without limitation:

- a. Direction by this Honourable Court as to a hearing for comeback applications with respect to possible variation of the priorities afforded to the Receiver's Charge and the Receiver's Borrowing Charge as provided in paragraphs 18 and 21 of the proposed Consent Receivership Order; and
- b. Such further and other relief as may be applied for and this Honourable Court deem just.

**Grounds for making this application:**

2. The Defendants, 1679775 Alberta Ltd., Reid Built Homes Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd. and Reid Capital Corp. (being referred to herein individually and collectively as the "**Corporate Defendants**") are directly and/or indirectly (through guarantees) indebted to RBC.
3. RBC has filed a concurrent application returnable on November 2, 2017 at 8:45 a.m. (the "**Initial Application**") before the Honourable Mr. Justice S.D. Hillier for a Receivership Order on the terms of a draft Consent Receivership Order attached as Schedule "A" to that application (the "**Draft Consent Receivership Order**"), or on such further and other terms as this Honourable Court may direct, appointing a Receiver, without security, of all of all of the Corporate Defendants' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").
4. The Draft Consent Receivership Order contemplates the granting of both a Receiver's Charge and a Receiver's Borrowing Charge (as defined therein) which charges form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise.
5. The Draft Consent Receivership Order contemplates that any interested party may apply to the Court to amend or vary that Order upon on such notice as the Court may order.
6. There are large numbers of creditors and claimants as against the Corporate Defendants, including a large number of third party mortgagees, joint venturers, partners, lien holders and others (collectively, the "**Other Claimants**") who hold claims or will be asserting claims against the Corporate Defendants or the Property.
7. The magnitude of Property and the large number of Other Claimants renders it impracticable for RBC to serve notice of the Initial Application on all of the Other Claimants, for the Other Claimants to have adequate time to obtain legal counsel and file materials and for the Court to have adequate time to properly consider and adjudicate at the Initial Application on the numerous legal and priority issues relating to the claims of the Other Claimants to the Property relative to the Receiver's Charge and Receiver's Borrowing Charge.
8. RBC seeks an Order of this Honourable Court directing an opportunity for any secured creditors who would be materially affected by the Receiver's Charge or the Receiver's Borrowing Charge to apply to vary the provisions of the Consent Receivership Order respecting those charges.

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

9. Pleadings and proceedings in this action;
10. The Affidavit of Tania Litsos, filed;

11. Such further and other material as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

12. Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 as amended;

13. Section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, as amended;

14. Section 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, as amended;

15. Rules 9.15(1) and 9.15(4) of the *Alberta Rules of Court*, Alta Reg 124/2010, as amended;

16. Such further acts and regulations as counsel may advise.

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

17. None.

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

18. In person in open 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"

DRAFT ORDER

Clerk's Stamp:

COURT FILE NUMBER

1703 21274

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF(S)

ROYAL BANK OF CANADA

DEFENDANT(S)

REID-BUILT HOMES LTD., 1679775 ALBERTA LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD, REID INVESTMENTS LTD., REID CAPITAL CORP. and EMILIE REID

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Ray C. Rutman and Dean A. Hitesman  
Dentons Canada LLP  
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10180 – 101 Street  
Edmonton, Alberta T5J 3V5  
Ph. (780) 423-7246 Fx. (780) 423-7276  
File No.: 125665-8723/RRC

DATE ON WHICH ORDER WAS PRONOUNCED:

November 2, 2017

LOCATION WHERE ORDER WAS PRONOUNCED:

Edmonton, Alberta

NAME JUSTICE WHO MADE THIS ORDER:

The Honourable Mr. Justice S.D. Hillier

UPON the application of the Plaintiff, Royal Bank of Canada ("**RBC**"); AND UPON noting the concurrent application by RBC in respect of Reid-Built Homes Ltd., 1679775 Alberta Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., and Reid Capital Corp., (individually and collectively referred to as the "**Corporate Defendants**") and in respect of Emilie Reid for the appointment of a Receiver, without security, of all of the Corporate Defendants' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**") in the form of the draft Consent Receivership Order attached as Schedule "A" to that concurrent Application; AND UPON finding that it is just and convenient that Alvarez & Marsal Canada Inc. be appointed Receiver and Manager (the "**Receiver**") of the Property and that the Consent Receivership Order be granted (the "**Consent Receivership Order**"); AND UPON hearing counsel for RBC and counsel for the Receiver; IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order is hereby waived and service thereof is deemed good and sufficient.

**COMEBACK APPLICATION**

2. This Honourable Court directs that any secured creditor who would be materially affected by the priorities specified in paragraphs 18 and 21 of the Consent Receivership Order is hereby given leave to apply to vary such priorities by way of application made returnable on November 29, 2017 in these proceedings.
3. RBC or the Receiver are also granted leave to vary or extend the provisions of this Consent Receivership Order, including the chares created therein on application returnable November 29, 2017.
4. Notice of any application filed pursuant to this Order and any materials in support shall be filed and served on respective counsel for the Receiver and RBC on or before \_\_\_\_\_, 2017.
5. RBC (through its counsel) is directed to serve a filed copy of the Consent Receivership Order and a filed copy of this Order on all secured creditors of the Corporate Defendants of which RBC is aware as at the date of this Order. Service by RBC may be effected by:
  - (a) Email transmission to counsel for any secured creditor where RBC (through its counsel) is aware of the secured creditor being represented by counsel;
  - (b) Email transmission to any representative of a secured creditor where RBC (through its counsel) is aware of the email address of a representative of the secured creditor who is responsible for that secured creditor's dealings with one or more of the Corporate Defendants; or
  - (c) Courier or registered mail to the secured creditor at the address specified in any registry in relation to the applicable claim or security of the secured creditor.
6. Service by RBC in accordance with this Order shall be deemed good and sufficient for all purposes.

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J.C.Q.B.A.