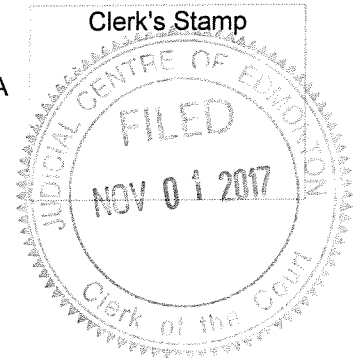


COURT FILE NUMBER 1703-21274
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF ROYAL BANK OF CANADA
DEFENDANTS 1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., REID CAPITAL CORP., and EMILIE REID



IN THE MATTER OF THE RECEIVERSHIP OF 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

APPLICANT ALVAREZ & MARSAL CANADA INC., in its capacity as Proposed Court-appointed Receiver of the current and future assets, undertakings and properties of 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**
(Sale Approval and Vesting Order re Ordinary Course Transactions)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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Attention: Howard A. Gorman, Q.C. / Aditya M. Badami

NOTICE TO THE RESPONDENTS

This application is made against you. You are a respondent.

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

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

Date:	November 2, 2017
Time:	8:45 A.M.
Where:	Calgary Courts Centre
Before Whom:	The Honourable Mr. Justice S.D. Hillier

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. Alvarez and Marsal Canada Inc. in its capacity as proposed Court-appointed Receiver (the **Proposed Receiver**) of the current and future assets, undertakings and properties 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 **Debtor**), and in respect of Emilie Reid, seeks the following relief:
 - a. Dispensing with service of this Application and supporting materials.
 - b. An Order, substantially in the form attached hereto as **Schedule "A"**, vesting certain Property of the Debtor to certain Purchasers free and clear of all Claims, pursuant to the terms of the Sales Agreements (as defined therein), and approving the Transactions (all capitalized terms in this sub-paragraph as defined in the Order attached hereto as Schedule "A").

Grounds for making this application:

2. On November 2, 2017, Royal Bank of Canada will apply to this Honourable Court to appoint Alvarez and Marsal Canada Inc. as Receiver over the current and future assets, undertakings and properties of the Debtor pursuant to a Consent Receivership Order (**Proposed Receivership Order**).
3. The Proposed Receiver understands that various Purchasers in the Transactions anticipate closing on residential home sales after the appointment of the Proposed Receiver but before or shortly after the November 29, 2017, comeback application scheduled before this Honourable Court, and may be greatly inconvenienced or alarmed by the impact of the receivership on their pending home acquisition, including their ability to move in to the homes that they have purchased.
4. The Proposed Receiver is concerned that certain of the Purchasers may have already relinquished their existing residences in anticipation of closing the Transactions and relocating their homes.
5. Accordingly, the Proposed Receiver applies for approval of all third-party, ordinary course, residential sales that are the subject of the Transactions to be closed, and the underlying Property in each case vested to the Purchasers with the funds being held in place of the

purchased lands pending further Order of this Honourable Court as to priority to and distribution of funds.

6. There is urgency associated with the completion of the Transactions.
7. The Proposed Receiver believes that approval of the Transactions is in the best interest of all stakeholders for the following reasons:
 - a. the Purchasers have already executed the Sale Agreements and all that remains is to close the Transactions;
 - b. the Proposed Receiver is acting in good faith and with due diligence with respect to the Transactions;
 - c. the Proposed Receiver believes that the Transactions were negotiated between the parties at arm's length and in good faith and are commercially reasonable;
 - d. the requested Order will not result in prejudice to existing or anticipated claimants for indebtedness owing by the Debtor; and
 - e. the Transactions are supported by the Debtor's secured lender, the Royal Bank of Canada.
8. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or Evidence to be relied on:

9. The proposed Consent Receivership Order;
10. The First Report of the Proposed Receiver;
11. The pleadings in this Action;
12. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

13. Rules 6.3(1), 6.9(1), and 6.28 - 6.36 of the *Alberta Rules of Court*.
14. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

15. The *Alberta Rules of Court*.
16. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

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

How the application is proposed to be heard or considered:

18. Oral submissions by counsel.

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 give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is heard or considered.