

Action No. 0901-17420

IN THE COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL DISTRICT OF CALGARY hereby certify this to be a true copy of

BETWEEN:

ROYAL BANK OF CANADA

the original Order
Dated this 25th day of Jan, 2010
Dampier
for Clerk of the Court

Plaintiff

and

HANNACO (2008) LTD. (FORMERLY 1261722 ALBERTA LTD, 341314 ALBERTA LTD. AND HANNACO LTD.) O/A CANADA GREY MOTOR INN, NAHEED ZIA and NASREEN ZIA

Defendants

BEFORE THE PRESIDING MASTER IN CHAMBERS J.L. MASON) At the Court House, in the City of Calgary, in the Province of Alberta, on 25th day, of January, 2010.

ORDER NISI/ORDER FOR SALE

UPON THE APPLICATION of the counsel for the Plaintiff herein; AND UPON REFERENCE being made to the Affidavits of Default, the Affidavits of Value and the Certified Copy of Title to the property in question, AND UPON HEARING counsel for the Plaintiff;

AND UPON IT APPEARING that the Plaintiff is Mortgagee of the lands in question in this action under and by virtue of a Demand Mortgage dated the 6th day of October, 2006 (the "Mortgage");

IT IS HEREBY DECLARED THAT the Mortgage is valid and enforceable and that there is due and owing under the Mortgage as at the 14th day of January, 2010, the sum of \$1,533,791.70 plus accrued interest, solicitor client costs and other charges (the "Mortgage Debt");

AND IT IS HEREBY ORDERED THAT:

- 1. The said amount declared due and owing shall be realized by a sale of the mortgaged lands, in default of which foreclosure may be ordered as hereinafter provided.

AND keep from counsel for the defendants and for security Banker Inc. J.M.

2. UPON the Defendant, or anyone entitled to do so, paying to the Plaintiff or into Court to the credit of this cause within ~~one day~~ ^{two months} from the date of service of this Order upon the Defendant and other persons required to be served, or after the said period and before the Plaintiff obtains a Final Order for Foreclosure or Order for Sale to Plaintiff, the said sum of \$1,533,791.70 plus further interest and costs of the Plaintiff as may be allowed in this action together with any other sums which the Plaintiff shall pay to protect their security or shall be otherwise owing, with interest on all such sums from the date of payment and on the said judgment at the rate provided for in the Mortgage, **IT IS ORDERED** that the Plaintiff does execute and deliver to the person so paying or from whom the said monies shall have been received, at the expense of the said person, a discharge or transfer, as the case shall require, of the said Mortgage security mentioned, and deliver up all documents relating to the mortgaged premises, namely:

✓
JM

Parcel 1:

Plan 4049GU

that portion of Lot F

lying to the West of the Easterly 271 feet

excepting thereout all mines and minerals

Parcel 2:

Plan 4049GU

that portion of Lot G

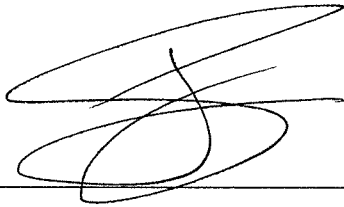
lying to the West of the Easterly 271 feet

excepting thereout all mines and minerals

- (collectively, the "**Lands**").
3. On default of payment of the said monies and on the expiration of the period of redemption, the Lands shall be offered for sale by listing with a licensed Real Estate Agent at Colliers International Calgary, subject to the terms and conditions attached hereto as **Schedule "A"**.
4. In the event the sale is not achieved, then the Plaintiff may apply for foreclosure or other relief.
5. All subsequent encumbrancers, if any, be served with a copy of this Order pursuant to Rule 686 of the *Alberta Rules of Court*, by single registered mail, addressed to them at their last known

address as recorded on the Land Titles current records and the same shall be good and sufficient service notwithstanding the return of the registered mail due to non-acceptance or other cause.

6. Any party interested shall have liberty to apply from time to time as he may be advised.
7. Leave is hereby given to the Plaintiff to speak to the matter of solicitor and client costs of this action and leave to speak to deficiency judgment.
8. Service of this Order and all subsequent proceedings upon the Defendant may be effected by mailing a copy of the same in a fully prepaid registered envelope and the same shall be good and sufficient service notwithstanding the return of the registered mail due to non-acceptance or other cause.



M. C. C. Q. B. A.

ENTERED this 25 day of January, 2010

K. McAusland



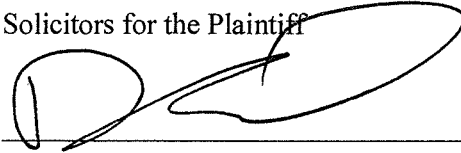
CLERK OF THE COURT

NOTICE TO SUBSEQUENT ENCUMBRANCERS

TAKE NOTICE first from the time of service of this notice, you will be bound by the proceedings in this cause in the same manner as if you had originally been made a party unless you, within fourteen (14) days after the service thereof, apply to the Court to discharge, vary or add to the within judgment and, secondly, that you may upon service upon the Plaintiff of a Demand of Notice of your desire so to do, attend the proceedings under the within judgment.

BURNET, DUCKWORTH & PALMER LLP

Solicitors for the Plaintiff

A handwritten signature in black ink, appearing to read 'D. Nishimura', is written over a horizontal line. The signature is stylized and somewhat cursive.

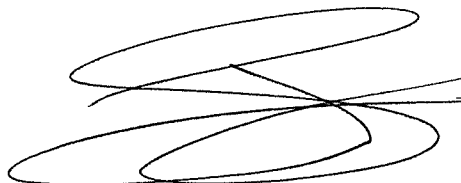
Douglas S. Nishimura

SCHEDULE "A"

CONDITIONS OF LISTING

1. The Lands shall be listed for sale with Dick Schwann of Colliers International Calgary, a Real Estate Agent who is both licensed to trade in Real Estate in the Province of Alberta and is a member in good standing of the Calgary Real Estate Board (the "**Agent**").
2. The Listing Agreement shall be the appropriate Calgary Real Estate Board approved forms.
3. The Listing Agreement shall contain a clause wherein it is stated that the Listing Agreement is subject to the terms of this Order and if there is existing any inconsistency between the terms of the Listing Agreement and the terms of this Order, then the terms of this Order shall prevail.
4. The Listing Agreement shall expire after 90 days.
5. The Listed Sale Price for the Lands shall be \$3,900,000.00.
6. to the Lands shall be offered for sale subject to the following encumbrances:
 - (a) Not Applicable.
7. All Real Estate Purchase Contracts shall:
 - (a) be in writing and signed by the Offeror;
 - (b) be subject to the approval and acceptance of this Court;
 - (c) be accompanied by a certified cheque, cash or irrevocable letter of credit, representing fifteen percent (15%) of the offered Purchase Price as good faith Deposit; and
 - (d) provide that there are no warranties or representations made by the Plaintiff or by this Court with respect to the Lands.
8. Upon receiving any Real Estate Purchase Contract which is in accordance with the terms hereof, the Agent shall immediately thereafter forward a true copy of the said Offer to the Plaintiff's solicitors. Upon receiving any Real Estate Purchase Contract which is in accordance with the terms hereof, within fifteen (15) days of receiving the Offer, the Plaintiff's solicitors shall apply to this Court, with notice to all interested parties, for the acceptance or rejection of the said Offer.

9. If a Real Estate Purchase Contract is produced by the Agent as aforesaid; such Offer is accepted by this Court; and the transaction is completed by the Purchaser paying the full Purchase Price and title being transferred to the Purchaser then, in such event, the Agent shall be entitled to receive a commission, to be payable from the sale proceeds, in the aggregate sum of, firstly seven percent (7%) of the first \$100,000.00 of the Sale Price, and secondly three percent (3%) of the balance of the Sale Price, or such lesser amount as may be either agreed upon by the Agent, or directed by this Court. The figures arrived at from the aforementioned percentages would not include G.S.T. The Agent shall have a first charge against the sale proceeds in the amount of any commission payable. Should this Court accept a Real Estate Purchase Contract but the Purchaser fail to complete the transaction and the deposit becomes forfeited, then, unless this Court orders relief from the forfeiture with respect to the Deposit, the Agent will be at liberty to retain, as compensation for services rendered, fifty percent (50%) of the Deposit, provided that such fifty percent (50%) does not exceed the commission that would otherwise have been payable had the transaction been completed as originally contemplated. The figure arrived at from the aforementioned percentage would not include G.S.T.
10. If the Defendant or anyone else entitled to do so, redeems the Mortgage at any time during the currency of the Listing Agreement, then the Agent shall be reimbursed for its reasonable expenses which have been incurred as a result of the Listing Agreement and the party who redeems shall be responsible for the payment of such expenses.
11. The Listing Agreement shall not:
 - (a) affect the right of redemption herein;
 - (b) affect the Plaintiff's right to make a proposal to purchase the Lands or to otherwise acquire title to the Lands after the expiry of the Listing Agreement without liability for real estate commission; and
 - (c) create or impose any liability on the Plaintiff or on this Court for the payment of any real estate commission or compensation except as expressly hereinbefore stated.
12. Notwithstanding any of the foregoing, the Listing Agreement may be terminated prior to its expiry by Order of the Court.
13. The Court may, at any time and upon application by any interest party, vary the terms of the Listing Agreement.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

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BURNET, DUCKWORTH & PALMER LLP
Barristers and Solicitors
First Canadian Centre
#1400, 350 - 7th Avenue S.W.
Calgary, Alberta T2P 3N9

Attention: Douglas S. Nishimura
Telephone No.: (403) 260-0269
Fax No.: (403) 260-0332

File: 55398-29

