

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

BETWEEN:

KENDAX INVESTMENTS INC.

Applicant

- and -

DONALD CARMICHAEL AND 658051 ONTARIO LIMITED AND
KINGSCROFT INVESTMENTS LIMITED

Respondents

BEFORE THE HONOURABLE
MADAM JUSTICE K. HORNER
IN CHAMBERS

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AT THE COURT OF QUEEN'S BENCH
OF ALBERTA, IN THE CITY OF
CALGARY, ON Wednesday THE
4th DAY OF May, 2005.

ORDER

UPON THE APPLICATION of Bonaventure Small Investors Group (herein "BSIG");
AND UPON HEARING READ the Affidavit of Linda Dixon sworn April 26th, 2005; AND
UPON HEARING counsel for BSIG, counsel for Alger & Associates Inc. (the "Judicial
Trustee"), counsel for the Applicants and counsel for the Respondents herein;

IT IS HEREBY ORDERED AND ADJUDGED THAT:

1. Service of notice of this application and the supporting materials is good and sufficient and the time therefore is hereby abridged to the time actually given pursuant to Rule 548.
2. BSIG, as defined in the Affidavit of Linda S. Dixon, filed April 19, 2005 is hereby added as a party to these proceedings and the style of cause shall be amended to list "Bonaventure Small Investors Group" as an Interested Party.
3. BSIG is hereby authorized to:

KAT Paragraph 3(b) of the BSIG Notice of Motion filed April 28, 2005 is
adjourned; *KAT*

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- (a) ~~Represent beneficial owners of units in Bonaventure Court in these proceedings, except the Applicant, the Respondents and any other beneficial owners of units who wish to retain independent legal representation, in all matters and Court proceedings in these proceedings;~~
- (b) Make representations to and requests of the Judicial Trustee and make representations to this Honourable Court with respect to the matters relating to these proceedings and Bonaventure Court generally; and
- (c) Make representations and recommendations to the Judicial Trustee or to this Honourable Court regarding the commencement and prosecution by the Judicial Trustee of any legal proceedings necessitated by the investigations of the Judicial Trustee.
4. The legal fees, disbursements and other costs and charges relating to these proceedings which may be incurred by BSIG shall form a charge against the funds held or collected by the Judicial Trustee in these proceedings and be paid from those funds. The charge created by this paragraph shall be subordinate to the charge in favour of the Judicial Trustee. The legal fees of counsel to BSIG may be paid from time to time by the Judicial Trustee upon approval of the Court, subject always to the taxation of those accounts by the court, if necessary.
5. The powers and duties of the Judicial Trustee in these proceedings are hereby expanded to include all of the powers and duties described in the Order of this Honourable Court granted in these proceedings on January 22, 2003, and such powers and duties are hereby reinstated.
6. Notwithstanding the generality of the foregoing, and in addition thereto, the Judicial Trustee is hereby empowered and directed:
- (a) With the approval of BSIG, to make investigation into the past and present financial affairs of Bonaventure Court generally, and specifically:
- (i) To investigate the history and status of the second mortgage;
- (ii) To investigate the status and history of the sinking fund;

KAT allocatable to the units owned by BSIG members *KAT*

- (iii) To investigate history and status of the disbursements from revenue generated by Bonaventure Court to any of the parties in these proceedings, to anyone related to the parties in these proceedings, and generally;
- (iv) To investigate the history and status of the ownership of the units claimed by the Applicant and the Respondents, any disputes thereto, and any resolution of those disputes;
- (v) To investigate the options available to the beneficial owners of units in Bonaventure Court for the retention or disposition of their units, and any cost-benefit analysis relating to those options; and
- (vi) To investigate any matters which BSIG and the Judicial Trustee agree ought to be investigated in the interests of the beneficial owners; and

(b) To report any of its findings in respect of the foregoing to BSIG, the parties in these proceedings and to this Honourable Court.

K.A.
 (c) *The costs incurred by the Judicial Trustee under this paragraph and the reinstated powers of the Judicial Trustee under paragraph 5 hereof shall be paid from the funds held by the Judicial Trustee allocable to the units owned by BSIG members.*

7. The representatives of BSIG are hereby granted access to the documents and records in the possession of Mintz and Partners at its Toronto offices pursuant to the Order granted in these proceedings on December 20, 2002.

8. The Judicial Trustee is directed to provide copies of its accounts to BSIG on a monthly basis.

9. Paragraph 5 of the Order granted in these proceedings on March 21, 2005 is hereby stayed until further order of this Court.

10. The Judicial Trustee shall post a copy of this Order on its website.

11. Paragraphs 4 and 6(c) of this order may be varied by further order of this Honourable Court.

[Signature]
 J.C.C.Q.B.A.

ENTERED this 4 day of May, 2005.

V.A. BRANDT
 Clerk of the Court of Queen's Bench



Action No. 0201-13248

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- and -

**DONALD CARMICHAEL AND 658051
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ORDER

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