

**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

- and -

BONAVENTURE SMALL INVESTORS GROUP

Interested Parties

**BEFORE THE HONOURABLE
MADAM JUSTICE K. HORNER
IN CHAMBERS**

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**AT THE CALGARY COURTS
CENTRE, IN THE CITY OF CALGARY,
ON WEDNESDAY THE 12TH DAY OF
MAY, 2010.**

ORDER

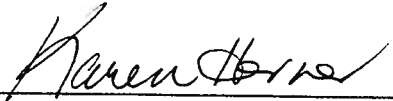
UPON THE APPLICATION of the Bonaventure Small Investors Group ("BSIG") pursuant to a Notice of Motion filed on August 11, 2009 (the "BSIG Application"; **AND UPON** reference being made to the Judicial Trustee's Second Special Report filed February 5, 2008 and the Judicial Trustee's Third Special Report filed June 16, 2009 (collectively the "Reports"), the Affidavit of Linda S. Dixon filed in these proceedings on August 11, 2009, the Affidavit of Joyce A. Kendall filed in these proceedings on October 30, 2009, the Affidavit Donald Carmichael filed on November 2, 2009, the transcripts of the cross-examinations of Linda S.

Dixon and Joyce A. Kendall, and the undertaking responses provided further to those cross-examinations, filed; and **UPON HEARING READ** the Briefs of Argument submitted to this Honourable Court by BSIG and Kendax Investments Inc.; **AND UPON HEARING** submissions from counsel to BSIG, counsel to Kendax Investments Inc., counsel to the Respondents, and counsel to Alger & Associates Inc. in its capacity as the Judicial Trustee in these proceedings;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The BSIG Application is granted as set out herein.
2. Service of Notice of the BSIG Application and the supporting materials is good and sufficient and the time therefore is abridged to the time actually given.
3. Subject to paragraph 4 hereof, the accounting methodology and results set forth in the Reports is approved and this Honourable Court finds that the accounting:
 - (a) is correct;
 - (b) is an accurate statement of the financial history of the Property (as defined in the Reports);
 - (c) correctly describes the flow of funds arising from the operations of and refinancings of the Property; and
 - (d) correctly describes the amounts owing to and from the parties described therein, including, without limitation, the Respondents.
4. This Order is completely without prejudice to the rights of Kendax Investments Inc. or Joyce Kendall to fully challenge or defend the BSIG Application, or any Statement of Claim which is issued by the Judicial Trustee as a result of today's hearing.
5. Within 60 days the Judicial Trustee shall issue a Statement of Claim setting out its cause(s) of action against Kendax Investments Inc. and such other Defendants as it deems to be appropriate.

6. Kendax Investments Inc. shall have 15 days from the date of service of the Statement of Claim in which to file its Statement of Defence.
7. There shall be no costs of this application to any party.



J.C.C.Q.B.A.

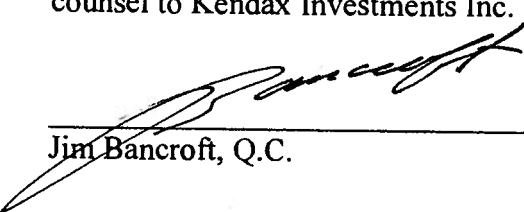
ENTERED this 20 day of May,
2010.

K. MCAUSLAND



Clerk of the Court of Queen's Bench

Approved as to Order granted by Davis LLP,
counsel to Kendax Investments Inc.



Jim Bancroft, Q.C.

Approved as to Order granted by Burnett,
Duckworth & Palmer LLP,
counsel to Alger & Associates Inc.

Doug Nishimura

Approved as to Order granted by McGuigan Nelson LLP,
counsel to the Respondents

Byron Nelson

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7. There shall be no costs of this application to any party.

J.C.C.Q.B.A.

ENTERED this ____ day of _____,
2010.

Clerk of the Court of Queen's Bench

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Clerk of the Court of Queen's Bench

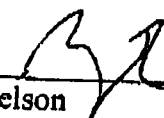
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Byron Nelson

Action No. 0201-13248

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Applicant

- and -

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ONTARIO LIMITED AND KINGSCROFT
INVESTMENTS LIMITED**

Respondents

**BONAVENTURE SMALL INVESTORS
GROUP**

Interested Parties

ORDER

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