

TERMS AND CONDITIONS OF JUDICIAL SALE

SELLER: COURT OF KING'S BENCH OF ALBERTA

JUDICIAL SALE ACTION: Court of King's Bench Action No. 2110 01365 – *ATB Financial v. 1866619 Alberta Ltd., et al*

AUCTIONEER: 2080348 Alberta Inc. o/a North American Auction LLC

LANDS:

PLAN 8420286

BLOCK 4

LOT 13

EXCEPTING THEREOUT ALL MINES AND MINERALS

BINDING EFFECT OF THESE TERMS AND CONDITIONS: These terms and conditions are irrevocably and unconditionally deemed to be accepted upon the making of a bid for the purchase of the Lands in the auction.

DEPOSIT AND BUYER'S FEE: The successful bidder (the "**Buyer**") shall pay a Deposit in the amount of 10% of their bid amount (the "**Purchase Price**") plus a Buyer's Fee in the amount of 8% of the Purchase Price to the solicitor for ATB Financial, Parlee McLaws LLP, Attention: Steven A. Rohatyn, 1700 Enbridge Center, 10175 – 101 Street NW, Edmonton, AB T5J 0H3 by bank draft or solicitor's trust cheque no later than 5 business days after the auction date, to be held in trust in accordance with the terms herein and the direction of the Court. If the Buyer fails to complete the sale in accordance with these terms and conditions, the Deposit and the Buyer's Fee shall be forfeited (in the case of the Deposit, for application to the indebtedness outstanding under the Plaintiff's mortgage, and, in the case of the Buyer's Fee, to the Auctioneer) as a genuine pre-estimate of liquidated damages and not as a penalty. On the Closing Date, the Deposit shall be applied to the Purchase Price and the Buyer's Fee will be released to the Auctioneer.

CLOSING DATE: The Closing Date for the sale shall be, subject to paragraphs 6 and 8 of the Process and Sale Approval and Vesting Order pronounced by the Court in the Judicial Sale Action, 30 days following the auction date or the following business day if that day falls on a weekend or holiday.

CLOSING:

1. The balance of the Purchase Price shall be paid to PARLEE MCLAWS LLP by the Closing Date.

2. The Buyer shall be responsible for any goods and services tax (GST) payable with respect to the purchase of the Lands.
3. On or before the Closing Date, counsel for ATB Financial shall provide, on reasonable trust conditions (i) a certified copy of the Process and Sale Approval and Vesting Order and Certificate of Sale, and (ii) a Statement of Adjustments showing the calculation of the adjusted balance of the Purchase Price including, all adjustments relating to the Lands as may be applicable with respect to deposits, taxes, utilities, and other similar expenses as of the Closing Date.
4. The Court mandated terms and conditions attached as Schedule "A" form part of the terms and conditions of the sale.

PERMITTED ENCUMBRANCES: The Buyer shall take the Lands subject to the following encumbrance(s), if any:

<u>Instrument No.</u>	<u>Registration Date (D/M/Y)</u>	<u>Instrument</u>
942 365 029	25/11/1994	Easement

SCHEDULE "A"

FORECLOSURE PROCEEDING

1. All bids made in this auction are made pursuant to a Court Order for the purchase of Lands which are the subject of a Court of King's Bench foreclosure proceeding and as such, the Seller of the Lands is the Court of King's Bench of Alberta (the "**Seller**"). The Court has issued a Process and Sale Approval and Vesting Order (the "**Order**") to permit the Lands to be sold via this auction and to approve sale of the Lands to the successful bidder (the "**Buyer**"). The Lands will be transferred to the Buyer pursuant to the terms of the Order and the below terms and conditions shall apply to the sale.

AS IS-WHERE IS

2. The Buyer acknowledges and agrees to purchase the Lands, all building and improvements thereon, all fixtures ("**Attached Goods**") and chattels ("**Unattached Goods**") located thereon, "as is" and agrees that neither the Seller, nor its agents or representatives have made any representations or warranties with respect to the Lands or any Attached Goods or Unattached Goods. Without limiting the generality of the foregoing, the Buyer agrees that neither the Seller nor its agents have made any representations or warranties with respect to:
 - a. the condition of any buildings or improvements located on the Lands;
 - b. the condition of any Attached Goods or Unattached Goods located on the Lands;
 - c. whether the Lands comply with any existing land use or zoning bylaws or regulations, or municipal development agreements or plans;
 - d. the location of any buildings and other improvements on the Lands and whether such location complies with any applicable municipal bylaws or regulations;
 - e. whether or not any buildings or improvements located on the Lands encroach onto any neighbouring lands or any easements or rights of way;
 - f. whether or not any buildings or improvements located on any neighbouring lands encroach onto the Lands;
 - g. the size and dimensions of the Lands or any building or improvements located thereon;
 - h. whether or not the Lands are contaminated with any hazardous substance; and
 - i. whether or not any of the buildings or other improvements located on the Lands have been insulated with urea formaldehyde insulation.

OWNERSHIP OF UNATTACHED GOODS

3. The Buyer agrees that the Seller is selling only such interest as it may have in any Attached Goods or Unattached Goods which may be located on the Lands, and the Seller does not warrant that it has title to such Attached Goods or Unattached Goods. Further, the Buyer agrees that the Seller will not be liable for the removal of any chattels found on the Lands prior to or on the date of closing. On closing, the Buyer may have possession of the Attached Goods and Unattached Goods which are then on or about the Lands on an "as is" basis, and the Seller will not provide a Bill of Sale, Warranty, or other title document to the Buyer. Further, there will be no adjustment or abatement of any kind to the Purchase Price with respect to any Attached Goods or Unattached Goods.

REAL PROPERTY REPORT & COMPLIANCE

4. The Seller is not required to provide the Buyer with a real property report or compliance certificate. Should the Seller provide the Buyer with a copy of a survey or real property report, the Buyer agrees that any use of or reliance upon such document shall be at the Buyer's own risk. The Buyer must satisfy itself that the survey or real property report which the Seller might provide accurately reflects the Lands and the buildings and improvements located thereon as they currently exist and the Seller shall not be responsible for any errors or omissions which might exist on such document. The Seller does not represent or warrant the accuracy or validity of the said survey or real property report or compliance certificate.

CONDOMINIUM

5. If the Lands are a condominium:
 - a. the Seller is not required to provide any condominium documentation to the Buyer and the Buyer shall be solely responsible to obtain any condominium documentation he may require. Without limiting the generality of the foregoing, the Buyer may obtain on his own and at his sole costs and expenses any estoppel certificate, copy of the condominium bylaws and financial statement for the Condominium Corporation that he may require;
 - b. the Buyer must satisfy himself with the condition of the condominium unit, the common property, and the financial condition of the condominium corporation and agrees that neither the Seller nor its agents, have made any representations or warranties pertaining to same including, without limiting the generality of the foregoing, the adequacy of any reserve fund the condominium corporation might have, any potential special assessments which might be levied by the condominium corporation or the existence of any legal actions pending against the condominium corporation;
 - c. the Seller shall be responsible for amounts payable up to the closing date on account of any condominium fees and special assessments levied by the condominium corporation

GOODS AND SERVICES TAX (G.S.T.)

6. In addition to the purchase price payable thereunder, the Buyer shall pay to the Seller and indemnify the Seller against all Goods and Services Tax (“GST”) payable on the purchase price as required by the Excise Tax Act. The Seller will not provide to the Buyer a Certificate of Exempt Supply, or any other certificate certifying that this purchase and sale transaction is not subject to the Goods and Services Tax. Should the Seller fall to collect GST from the Buyer, it shall not be construed by the Buyer as a certification by the Seller that no GST is payable by the Buyer hereunder, and the Buyer shall remain liable for any GST which might be payable with respect to this transaction.

CONFLICT

7. In the event of any conflict or inconsistency between these terms and conditions and any other terms and conditions that may apply to the auction of the Lands, these terms and conditions shall prevail.