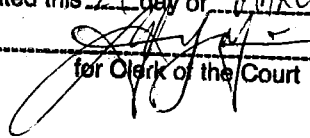
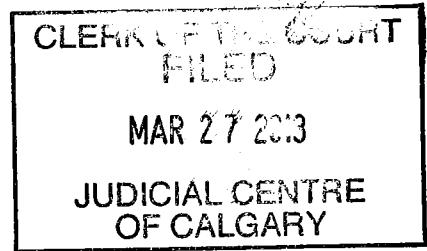


I hereby certify this to be a true copy of  
the original ORDER  
Dated this 27 day of MARCH 2013  
  
for Clerk of the Court



Clerk's stamp:

COURT FILE NUMBER 1301-02432  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS  
AMENDED

AND IN THE MATTER OF THE ALBERTA *BUSINESS  
CORPORATIONS ACT*, R.S.A. 2000, c. B-9, AS  
AMENDED

APPLICANT RS TECHNOLOGIES INC.  
DOCUMENT **ORDER RE: KEY EMPLOYEE RETENTION PLAN  
AND PAYMENT TO CRITICAL SUPPLIERS**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
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File Ref.: 89300/1

**DATE ON WHICH ORDER WAS PRONOUNCED:** March 27, 2013  
**LOCATION OF HEARING:** Justice Chambers  
**NAME OF JUDGE WHO MADE THIS ORDER:** Honourable Madam Justice K.M. Eidsvik

UPON THE APPLICATION of RS Technologies Inc. (“RS” or the “Company”); AND UPON reading the Affidavit of Howard Elliott, sworn March 21, 2013 (the “Elliott Affidavit #2”); AND UPON reading the First Report of FTI Consulting Canada Inc. (the “Monitor”) dated

March 22, 2013 (the “**First Report**”); AND UPON hearing from counsel to the Company, the Monitor, the Interim Lenders, Canadian Western Bank and other interested parties;

**IT IS HEREBY ORDERED THAT:**

1. Service of this Application is hereby abridged, if necessary, such that the Application is properly returnable today and, further, that any requirement for service of the Application upon any party not served is hereby dispensed with.
2. The key employee retention plan (the “**KERP**”) marked as Exhibit “A”, but not attached, to the Elliott Affidavit #2 is hereby approved and the Company and the Monitor are authorized and empowered to take such steps that are advisable, necessary or required to implement the KERP including, without limitation, making payment to any persons identified as key employees (the “**Key Employees**”) in the KERP who become entitled to receive payments pursuant to the KERP.
3. The Key Employees are hereby granted a charge (the “**KERP Charge**”) on the Property (as defined in the Initial Order granted by this Honourable Court on March 14, 2013, the “**Initial Order**”) in the aggregate amount of \$495,775.00 as security for the obligations of the Company under the KERP. The KERP Charge will rank in priority after the Administration Charge and the Interim Lender’s Charge (each defined in the Initial Order).
4. Paragraph 34 of the Initial Order shall be deleted in its entirety and replaced with the following:

The priorities of the Administration Charge, Interim Lender's Charge and KERP Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$250,000);

Second – Interim Lender's Charge (to the maximum amount of \$750,000); and

Third – KERP Charge (to the maximum amount of \$495,775).

The filing, registration or perfection of the Administration Charge, the Interim Lender's Charge, or the KERP Charge (collectively, the "Charges") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

5. Paragraph 35 of the Initial Order shall be deleted in its entirety and replaced with the following:

Each of the Administration Charge, the Interim Lender's Charge and the KERP Charge (all as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

6. Paragraph 36 of the Initial Order shall be deleted in its entirety and replaced with the following:

Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Administration Charge, the Interim Lender's Charge, or the KERP Charge, unless the Applicant also obtains the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Administration Charge, or further order of this Court.

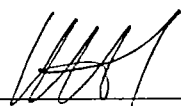
7. Paragraph 37 of the Initial Order shall be deleted in its entirety and replaced with the following:

The Administration Charge, the Credit Agreement, the Definitive Documents, the Interim Lender's Charge and the KERP Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit

of the Charges (collectively, the "Chargees") and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:
  - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, including the Credit Agreement or the Definitive Documents, shall create or be deemed to constitute a new breach by the Applicant of any Agreement to which it is a party;
  - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, or the Applicant entering into the Credit Agreement, or execution, delivery or performance of the Definitive Documents; and

- (iii) the payments made by the Applicant pursuant to this order, including the Credit Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.
8. Division 4 of Part 6 of the Alberta *Rules of Court* does not apply to the Application, and the Clerk of the Court be and is hereby directed to seal the KERP, being Exhibit "A" to the Elliott Affidavit #2, on the Court file.
9. Any person may apply to this Honourable Court, on reasonable notice to any affected party, to vary, amend or set aside the provisions of paragraph 8 of this Order.
10. The Company is hereby authorized to make payment, with the consent of the Monitor and the Interim Lender, of the pre-filing obligations of suppliers the Company deems to be critical to its continued operations.

  
\_\_\_\_\_  
Justice of the Court of Queen's Bench of Alberta