

I hereby certify this to be a true copy of
the original ORDER
Dated this 11 day of April 2013
[Signature]
for Clerk of the Court

CLERK OF THE COURT
FILED
APR 11 2013
JUDICIAL CENTRE
OF CALGARY

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: REVERSE CLAIMS PROCEDURE**

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: April 11, 2013
LOCATION OF HEARING: Justice Chambers
NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice J. Strekaf

UPON THE APPLICATION of RS Technologies Inc. (“RS” or the “Company”); AND UPON reading the Affidavit of Howard R. Elliott, sworn April 8, 2013 (the “April 8th Elliott Affidavit”), filed; AND UPON reading the Affidavit of Howard R. Elliott sworn on April 10, 2013 (the “April 10th Elliott Affidavit”), filed; AND UPON reading the Second Report of the Monitor, dated April 10, 2013 (the “Second Report”), filed; AND UPON reading the Affidavit

of Service of Ashley Rees sworn April 11, 2013; AND UPON hearing from counsel to the Company, the Monitor, and other interested parties;

IT IS HEREBY ORDERED THAT:

Service

1. Service of this Application is hereby abridged, if necessary, and the Application is properly returnable today and any requirement for service of the Application upon any party not served is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Initial Order granted by this Honourable Court as part of the within proceedings on March 14, 2013 (the "**Initial Order**").

Reverse Claims Procedure

3. Pursuant to section 20 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the Company, with the assistance of the Monitor, will conduct a proof of claims procedure to identify all creditors (the "**Creditors**") who have a Claim (as such term is defined in the CCAA) against it.
4. All claims of the Creditors shall be proven in accordance with the procedures outlined herein and in the claims notice (the "**Claims Notice**"), in a form substantially the same as attached hereto as Schedule "A".
5. The Company, with the assistance of the Monitor, is authorized and directed to implement the procedures outlined herein, and in the Claims Notice (collectively, the "**Reverse Claims Procedure**"), as follows:
 - (a) the Company, with the assistance of the Monitor, shall send to the Creditors of which the Company and the Monitor are aware, a copy of:

- (i) the Claims Notice, which Claims Notice shall assert the Claim such Creditor has against the Company, as determined by the Company with the assistance of the Monitor;
- (ii) a blank proof of claim and related instruction letter, substantially in the form attached hereto as Schedule "B" (the "**Proof of Claim**"); and
- (iii) a copy of this Order (without the attached schedules),

(collectively, the "**Claims Document Package**");

by no later than April 19, 2013 by ordinary mail, or by such other contact information which the Company may commonly use with each creditor.

- (b) the Company, with the assistance of the Monitor, shall publish a notice to Creditors (the "**Notice to Creditors**") of the Reverse Claims Procedure on two separate dates prior to April 26, 2013 in each of the Calgary Herald and the Globe and Mail. The Notice to Creditors will be in a form substantially the same as that attached hereto as Schedule "C"; and
 - (c) the Monitor shall post electronic copies of the Notice to Creditors, the Claims Document Package and the Reverse Claims Procedure Order on the Monitor's website at <http://cfcanada.fticonsulting.com/RS/>, as soon as practically possible after the date of this Order.
6. All Creditors that dispute the Claim set forth in the Claims Notice shall be required to submit a Proof of Claim to the Monitor on or before the May 17, 2013 at 5:00 p.m. (Calgary Time) (the "**Claims Bar Date**"). The Monitor will supervise the receipt and collection of the Proofs of Claim and, in conjunction with the Company, will review each Proof of Claim submitted by the Claims Bar Date. The Monitor, in conjunction with the Company, will either:
- (a) accept the Claim as set out in the Proof of Claim in its entirety;

- (b) revise the amount, the secured status, or any priority of the Proof of Claim for voting and/or distribution purposes; and
 - (c) disallow the Claim as set out in the Proof of Claim for voting and/or distribution purposes.
7. If the Monitor, in conjunction with the Company, disputes the amount, the secured status, or the priority of the Claim set out in a Proof of Claim, the Monitor, in conjunction with the Company, may:
- (a) attempt to consensually resolve such Claim; or
 - (b) send a notice of revision or disallowance, substantially in the form attached hereto as Schedule "D" (the "**Notice of Revision or Disallowance**"), to the Creditor by courier, facsimile or electronic mail as soon as is reasonably practicable in these proceedings (whereupon the Notice of Revision or Disallowance will be deemed to have been reviewed on the following business day).
8. If a Creditor intends to dispute their Claim as set out in a Notice of Revision or Disallowance, the Creditor must deliver a dispute notice, substantially in the form attached hereto as Schedule "E" (the "**Dispute Notice**"), by prepaid registered mail, personal delivery, courier or facsimile to the Monitor no later than 14 days from the date the Notice of Revision or Disallowance was received or such later date as the Monitor may agree to in writing or as ordered by this Honourable Court.
9. If a Creditor does not deliver a Dispute Notice in accordance with the preceding paragraph then, subject only to further Order of this Honourable Court, the Claim shall be deemed accepted at the amount set forth in the Notice of Revision or Disallowance and the Creditor will:
- (a) where the entire Claim is disallowed:
 - (i) not be entitled to attend or vote at any creditors' meeting;

- (ii) not be entitled to receive any distribution under any plan of compromise or arrangement (a “Plan”); and
 - (iii) be forever barred from making or enforcing any Claim against the Company and that Claim will be forever extinguished;
 - (b) where the Claim has been revised:
 - (i) only be entitled to attend or vote at any creditors’ meeting to the extent of the revised amount, secured status, or priority;
 - (ii) only be entitled to receive any distribution under any Plan in any an amount proportional to the revised amount and in accordance with any revised secured status or priority; and
 - (iii) be forever barred from making or enforcing any Claim greater than the revised amount against the Company and the amount of the Claim reduced by the revision will be forever extinguished.
10. The Monitor, in conjunction with the Company, may attempt to consensually resolve any Dispute Notice for voting and/or distribution purposes, as the case may be, with the Creditor. If same cannot be resolved, the Creditor shall file with the Court in this Action an Application, returnable within 15 days of the Dispute Notice, for a determination of the value and priority of the Claim.
11. All Creditors that:
- (a) do not submit a Proof of Claim; or
 - (b) agree with the Claim set forth in the Claims Notice;
- shall, subject only to further Order of this Honourable Court, be deemed to have accepted the Claim set forth in the Clams Notice on the Claims Bar Date. For greater certainty, those Creditors that agree with the Claim set forth in the Claims Notice shall not be required to file any forms with the Monitor or the Company.

Miscellaneous

12. The Company and the Monitor are at liberty to apply for such further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
13. The Company and the Monitor are hereby authorized and directed to do all such acts and things, and execute such deeds and documents, as are necessary or appropriate to give full effect to the provisions of this Order, including making an incidental or non-materials changes to the form of the Claims Notice and Claims Document Package.

A handwritten signature in black ink, appearing to be 'John R. ...', is written over a horizontal line.

Justice of the Court of Queen's Bench of Alberta