



No. S081520
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT* R.S.C., 1985,
c. C-44

AND

IN THE MATTER OF THE *BRITISH COLUMBIA BUSINESS CORPORATIONS ACT*
R.S.B.C. 2002 c. 57

AND

IN THE MATTER OF ASCALADE COMMUNICATIONS INC.

AND ASCALADE TECHNOLOGIES INC.

PETITIONERS

NOTICE OF MOTION

TAKE NOTICE that an application will be made by the Petitioner, to the Honourable Mr. Justice Burnyeat, at the Courthouse at 800 Smith Street, Vancouver, British Columbia, at a date and time to be set for an Order approving the sale of 12051 Riverside Way, Richmond, British Columbia, in substantially the form of the draft Order attached as Schedule A hereto.

The applicant will rely on the provisions of the *Companies' Creditors Arrangement Act*, Rule 43 of the *Rules of Court*, the Initial Order pronounced by the Honourable Mr. Justice Burnyeat on March 3, 2008, and the inherent jurisdiction of this Honourable Court.


At the hearing of the application, the applicant will rely on all pleadings, affidavits and materials filed to date, the Affidavit of Greg Allen sworn March 17, 2008, and such further and other materials as counsel may advise and that this Honourable Court deems admissible.

The Petitioners estimate that the hearing will take 20 minutes.

The Honourable Mr. Justice Burnyeat is seized of this matter.

The provisions of Rule 51A are dispensed with in relation to all applications in this proceeding.

Dated: March 17, 2008



BORDEN LADNER GERVAIS LLP
(Geoffrey Thompson)
Solicitor for the Petitioners

This NOTICE OF MOTION is filed by Geoffrey Thompson of Borden Ladner Gervais LLP, solicitor for the Petitioner, Royal Bank of Canada, whose place of business and address for service is 1200 - 200 Burrard Street, Vancouver, British Columbia, V7X 1T2.

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ORDER APPROVING SALE

Before The Honourable) Friday, the 28th day
)
Mr. Justice Burnyeat) of March, 2008

THE APPLICATION coming on for hearing at Vancouver, British Columbia this day, and on hearing Geoffrey Thompson, counsel for the Petitioners, and those counsel listed in **Schedule "A"** hereto; AND UPON READING the pleadings and other materials filed herein, including the Affidavit #2 of Greg Allen sworn March 17, 2008 and filed:

THIS COURT ORDERS THAT:

1. The sale of the real property located at 12051 Riverside Way, Richmond, British Columbia (the "**Real Property**") legally owned by Power-E and beneficially owned by

Ascalade Technologies Inc. ("**Technologies**"), and certain other property of Technologies (the "**Personal Property**") and with the Real Property, the "**Property**"), all as more particularly described in **Schedule "B"** hereto, to PGR Holdings Inc. (the "**Purchaser**"), on the terms and conditions set out in the Offer to Purchase, dated February 22, 2008 and the Second Modification Agreement and Notice dated as of March 11, 2008 (collectively, the "**Agreement**") between the Purchaser and Technologies (the "**Vendor**"), for a total purchase price of \$8,400,000, is approved and that the Vendor is authorized to sign all documents required to complete the sale.

2. The Petitioners and the Vendor and all persons claiming by, through or under them or any of them deliver up vacant possession of the Property to the Purchaser at 12 o'clock noon on March 31, 2008, or such other date as the Purchaser and Vendor may agree to provided that the purchase price has been paid by that date.

3. The proceeds of the sale of the Property, after allowing for all proper adjustments, be received in the form of a certified cheque or bank draft and disbursed through the trust account of the firm of BORDEN LADNER GERVAIS LLP, solicitors for the Vendor, or such other firm of solicitors as they may authorize on their behalf:

- (a) firstly, in payment of taxes, arrears of taxes, interest and penalties on arrears of taxes in respect of the Property;
- (b) secondly, in payment of real estate commission payable on the sale of the Property;
- (c) thirdly, the sum of \$500,000 to be held by the solicitor for the Purchaser pursuant to the terms of the Agreement;

- (d) fourthly, in payment of all amounts due and owing to HSBC Bank Canada pursuant to a Mortgage and Assignment of Rents dated June 26, 2002 and registered in the New Westminster Land Title Office on July 5, 2007 under Nos. BT239492;
- (e) fifthly, the sum of \$1,500,000 to Deloitte & Touche Inc., in its capacity as Monitor herein, to secure the Administration Charge as set out in the Initial Order pronounced herein on March 3, 2008; and
- (f) sixthly, the balance, if any, to Deloitte & Touche Inc., in its capacity as Monitor herein, to secure the Director's Charge and the KERP Charge as set out in the Initial Order pronounced herein on March 3, 2008

4. The Vendor, the Purchaser, the Petitioners, and any other party to these proceedings be at liberty to apply for such further and other directions as may be necessary to carry out the full purport and effect of this Order.

5. The approval as to form by counsel identified in Schedule "A" is hereby dispensed with.

BY THE COURT

DISTRICT REGISTRAR

APPROVED AS TO FORM

Counsel for the Petitioners

SCHEDULE "A"

Counsel Appearing at Application for Order Approving Sale

SCHEDULE "B"

Real Property

Parcel Identifier: 024-035-394

Lot 3

Section 6

Block 3 North

Range 5 West

New Westminster District

Plan LMP36589

Personal Property

Furniture and Equipment

<p>Engineering and Development 3-meter RF chamber Shielded room Chamber equipment RF equipment Reliability test equipment Baseband line interference/CID Baseband general equipment MIS and office support Spectrum, network analyzer Scope equipment Signal generator equipment Engineering software, development tools Telephone analyzer equipment PSU Power analyzer Function generators Mechanical equipment</p> <p>Computer Equipment Desktops Servers Notebooks HP Design Jet 7600 Plotter Phaser 7300DN color printer Other printers Monitors</p> <p>Office Furniture and Equipment Desks Chairs Bookshelves Cabinets Workbenches (In Lab) Conference tables Cubicles Cisco office phones</p>
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Attention: Geoffrey Thompson

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