

I hereby certify this to be a true copy of
the original Order
Dated this 3 day of March 2010
for Clerk of the Court

Action No.: 1001-01755

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

BETWEEN:

HSBC BANK CANADA

Plaintiff

- and -

**EURO-TECH SERVICES LTD. and E.T.S. LIMITED PARTNERSHIP by its
general partner 1012825 ALBERTA LTD.**

Defendants

BEFORE THE HONOURABLE) At the Court House, in the City of Calgary,
MADAME JUSTICE C. ADELE KENT) in the Province of Alberta, on Wednesday,
IN CHAMBERS) the 3rd day of March, 2010

APPROVAL ORDER

UPON THE APPLICATION of Deloitte and Touche Inc., the court-appointed receiver (the "**Receiver**") of Euro-Tech Services Ltd. ("**Euro-Tech**"); **AND UPON** having read the proceedings and other materials on file herein; **AND UPON** having read the report of the Receiver dated February 26, 2010 (the "**Receiver's Report**"), filed; **AND UPON** hearing counsel for the Receiver; **AND UPON** hearing counsel for other interested parties.

THIS COURT ORDERS AND DECLARES, AS FOLLOWS:

1. The time for service of the Notice of Motion dated February 26, 2010 and materials in support thereof, be and it is hereby abridged to the date of actual service and that service, including the manner of service of the motion materials, be and is hereby approved and validated, that the motion is properly returnable today and that all parties entitled to

notice of this motion have been properly served and further service thereof is hereby dispensed with.

2. Paragraph 3(l) of the receivership order granted February 3, 2010 (the "**Receivership Order**") shall be amended to read as follows:

3. (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$600,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Act*, R.S.A. 2000, c. P-7 shall not be required.

3. The security granted to HSBC Bank Canada ("**HSBC**") by Euro-Tech and as described in paragraph 2 of the Receiver's Report (the "Security"), has become enforceable and such Security constitutes valid and enforceable security in accordance with the terms thereof and the charges created pursuant to the Security form a charge against all of the undertaking, property and assets of Euro-Tech.

4. The cash proceeds derived from the sale of the assets of Euro-Tech (the "**Assets**") undertaken by the Receiver pursuant to the Receivership Order, net of fees and disbursements of the Receiver and its counsel and all taxes and transaction costs incurred by the Receiver to market and sell the Assets, shall be paid by the Receiver to HSBC in partial satisfaction of HSBC's secured claim against Euro-Tech.

5. Notwithstanding:

- (a) the pendency of these proceedings; and
- (b) the provisions of any federal or provincial statutes;

neither the sale of any of the Assets by the Receiver contemplated thereby will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to be settlements, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended or any other applicable federal or provincial legislation, and they do not constitute conduct meriting an oppression remedy.

6. The activities of the Receiver to date, as described in the Receiver's Report, be and are hereby approved.

7. Service of this Order may be effected upon those persons (directly or through counsel) on the Service List by facsimile or electronic mail and that such service shall constitute good and sufficient service. Service on any other person other than as specified in the Service List be and is hereby dispensed with.



J.C.Q.B.A.

ENTERED this 3 day of March,
2010.

K. MCAUSLAND
Clerk of the Court



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APPROVAL ORDER

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