



-NO: S113550  
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, AS AMENDED

AND

IN THE MATTER OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44  
and the BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57

AND

IN THE MATTER OF WORLDSPAN MARINE INC., CRESCENT CUSTOM YACHTS INC.,  
QUEENSHIP MARINE INDUSTRIES LTD., 27222 DEVELOPMENTS LTD. and COMPOSITE  
FRP PRODUCTS LTD.

PETITIONERS

**ORDER**

|                       |   |                                  |
|-----------------------|---|----------------------------------|
| BEFORE THE HONOURABLE | ) | FRIDAY, THE 22 <sup>ND</sup> DAY |
|                       | ) |                                  |
| MR. JUSTICE PEARLMAN  | ) | OF JULY, 2011                    |

ON THE APPLICATION of Harry Sargeant III ("**Sargeant**"), coming on for hearing at Vancouver, British Columbia on the 22<sup>nd</sup> day of July, 2011 (the "**Order Date**"), and on hearing Kieran E. Siddall, counsel for Harry Sargeant III, John R. Sandrelli and Jordan Schultz, counsel for the Petitioners, and those other counsel listed on Schedule "A" hereto;

THIS COURT ORDERS AND DECLARES that:

**APPOINTMENT OF VESSEL CONSTRUCTION OFFICER**

1. Effective as of the Order Date, Wolrige Mahon Limited be and hereby is appointed as Vessel Construction Officer (the "**VCO**") of the vessel bearing hull number "QE014226C010" (the "**Vessel**"), together with all work and material relating to the Vessel, including without limitation any contract documents, plans, specifications, diagrams, drawings, and other such records relating to the Vessel (collectively with the Vessel, the "**Vessel Property**").

**ACCESS TO THE VESSEL PROPERTY**

2. The Petitioners and their directors, officers, agents and employees (collectively "**Affected Persons**") shall forthwith deliver and grant to the VCO reasonable access to the Vessel Property. All Affected Persons are hereby restrained and enjoined from disturbing or

interfering with the VCO and with the exercise by the VCO of its powers and the performance by the VCO of its duties hereunder.

3. All persons with notice of this Order shall grant to the VCO access to any of the Vessel Property in their possession, without prejudice to any person's right to seek a declaration from this Court that they have a claim, charge or security interest on or in respect of the Vessel Property.

4. Nothing in this Order shall have the effect of transferring title to the Vessel Property and, for clarity, subject to further order of this Court, the Petitioners shall retain title to and remain the owners of the Vessel Property.

#### **COMPLETION COST ANALYSIS**

5. The VCO is authorized and shall endeavour to prepare an analysis of the cost to complete the construction of the Vessel in accordance with the existing specifications set forth in or attached to the Vessel Construction Agreement dated February 29, 2008 between Sargeant and Worldspan Marine Inc., as subsequently amended by any change orders known to the VCO and to which the VCO has access (the "Completion Cost Analysis"), with the ultimate objective, upon further order, of completing construction of the Vessel for delivery to Sargeant (the "Vessel Construction").

#### **POWERS OF VCO**

6. The VCO is hereby authorized and empowered to take such actions and steps, and execute such documents, as are in its opinion necessary or appropriate to complete the Construction Cost Analysis and otherwise carry out its mandate pursuant to this Order, including without limitation:

- (a) engaging or making arrangements with such agents, consultants, assistants, employees, experts, auditors, advisors and counsel, and enter into such other agreements relating to the Completion Cost Analysis, as the VCO deems necessary or desirable;
- (b) reporting to this Court and the parties at such times and intervals as the VCO may deem appropriate, or as this Court may otherwise Order, with respect to the Completion Cost Analysis; and
- (c) taking any steps, entering into any agreements or incurring any obligations necessary or incidental to the exercise of the aforesaid powers.

7. The VCO shall be at liberty to retain legal counsel to advise the VCO in connection with any matter associated with its appointment; the performance of its duties and the exercise of its powers hereunder.

#### ACCESS TO PREMISES AND EQUIPMENT

8. The VCO shall have, and the Petitioners and all other persons shall allow the VCO, reasonable access to any and all premises in which the Vessel Property is located (the "Premises") which is reasonably required by the VCO to complete the Completion Cost Analysis.

#### PROCEEDINGS

9. No proceeding or enforcement process in any court or tribunal shall be commenced or continued against the VCO, except with the written consent of the Monitor appointed in these proceedings and the VCO, or with leave of this Court.

#### EMPLOYEES

10. The VCO shall not be liable for any employee-related liabilities of the Petitioners, including any successor employer liabilities as provided for in Section 14.06(1.2) of the BIA.

#### LIMITATION ON ENVIRONMENTAL LIABILITIES

11. Nothing in this Order shall require the VCO to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Vessel Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 1999, S.C. 1999, c. 33, the *Fisheries Act*, R.S.C. 1985, c. F-14, the *Environmental Management Act*, R.S.B.C. 1996, c. 118 and the *Fish Protection Act*, S.B.C. 1997, c. 21 and regulations thereunder (collectively "Environmental Legislation"), provided however that nothing herein shall exempt the VCO from any duty to report or make disclosure imposed by applicable Environmental Legislation. The VCO shall not, as a result of this Order or anything done in pursuance of the VCO's duties and powers under this Order, be deemed to be in Possession of any of the Vessel Property within the meaning of any Environmental Legislation, unless the VCO is actually in possession.

**LIMITATION ON VCO'S LIABILITY**

12. The VCO shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except in respect of any gross negligence or wilful misconduct on its part.

**VCO'S REMUNERATION**

13. The VCO shall be allowed its reasonable fees and disbursements properly-made or incurred both before and after its appointment in connection with the exercise of its powers and the performance of its duties, charged at its standard rates and charges (including the reasonable fees and disbursements of its legal counsel, charged at its standard rates and charges).

14. The VCO and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the VCO and its legal counsel are hereby referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.

15. Prior to passing its accounts, the VCO shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the VCO or its legal counsel, and such amounts shall constitute advances against the VCO's remuneration and reimbursement when and as approved by the Court.

**FUNDING OF THE COMPLETION COST ANALYSIS**

16. The VCO is hereby empowered to borrow, by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the VCO deems advisable for such period or periods of time as it may arrange, for the purpose of funding the Completion Cost Analysis, including interim expenditures incurred by the VCO.

17. The VCO is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "VCO's Certificates") for any amount borrowed by it pursuant to this Order

18. The monies from time to time borrowed by the VCO pursuant to this Order or any further order of this Court and any and all VCO's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior-issued VCO's Certificates.

19. If at any time the VCO has insufficient funds, and is unable to borrow additional funds, to complete the Completion Cost Analysis or otherwise fulfill its mandate hereunder, the VCO is at such time, and without further order of the Court, authorized and directed to cease work on the preparation of the Completion Cost Analysis, to incur no further obligations in respect of the Completion Cost Analysis or its mandate hereunder, and to report to this Court regarding such matter.

**SECURITY FOR FEES AND BORROWINGS**

20. The VCO and Sargeant are each at liberty to apply to the Federal Court of Canada and to this Court for one or more orders creating and/or recognizing a charge or charges over the Vessel Property or any other assets of the Petitioners to stand as security for the payment of the fees and disbursements of the VCO and the repayment of any funds borrowed by the VCO in accordance with this Order.

**GENERAL**

21. The VCO is hereby authorized and directed to communicate with and provide information to the Monitor or the Petitioners (and their advisors) regarding the Completion Cost Analysis.

22. The VCO may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

23. This Court requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the VCO and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the VCO, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the VCO and its agents in carrying out the terms of this Order.

24. Without limiting the generality of paragraph 23 hereof, this Court specifically requests the aid of the Federal Court of Canada in carrying out the terms of this Order where required.

BY THE COURT  
*Paulson J.*  
*Z. [Signature]*

- see attached approvals -

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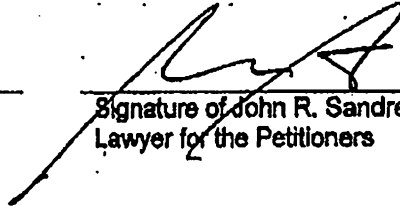
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25. Approval of this Order as to form by counsel appearing on this application, other than counsel for the Petitioners, and counsel for Sargeant, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



\_\_\_\_\_  
Signature of Kieran E. Siddall  
Lawyer for Harry Sargeant III



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Signature of John R. Sandrelli  
Lawyer for the Petitioners