



No. S034144
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL J. QUILLING, RECEIVER FOR
THE ESTATE OF FREDERICK J. GILLILAND

PLAINTIFF

AND:

FREDERICK J. GILLILAND, 834133 ALBERTA INC.,
832790 ALBERTA INC., AND
ROYAL GRAND EXCHANGE INTERNATIONAL LTD.

DEFENDANTS

ORDER

BEFORE THE HONOURABLE)	Friday, the 19 th day of
<i>Mr. Justice Holmes</i>)	December, 2003
)	_____

ON THE APPLICATION of the Plaintiff, and on hearing Rachel I. Fisher, counsel for the Plaintiff, *AND no-one appearing on behalf of the Defendants, though duly served.* and by consent.

THIS COURT ORDERS that:

MR. (Vic.)

- The sum of \$537,095.08 which was paid into court to the credit of these proceedings pursuant to the Order of the Honourable Mr. Justice Blair dated August 26, 2003, namely the proceeds of the sale of the property located at 2373 Constantine Place, West Vancouver, British Columbia, plus interest, together with the amounts referred to in paragraphs 2 and 4 of this order, be paid to Bennett Jones LLP in trust, to be held in an interest bearing trust account (the "Account")

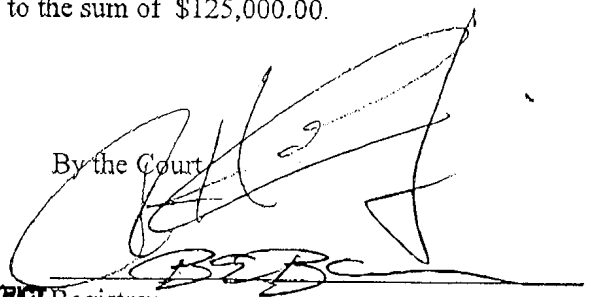
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to the benefit of the Receivership Estate and no payments shall be made from the Account without further court order or agreement of the parties;

2. The items selected by the Defendant, Frederick J. Gilliland, currently being stored in the storage lockers rented by the Defendants at A-Econo Moving & Storage Ltd, 991 West 1st Street, North Vancouver, shall not be sold but kept for the Defendant, Frederick J. Gilliland or delivered to his counsel and the balance of the items not selected by the Defendant, Frederick J. Gilliland, shall be sold by the Plaintiff and the proceeds transferred into the Account;
3. All jewellery as listed in the certificates of appraisal dated August 29, 2003 and September 3, 2003 shall not be sold but shall be kept in trust for the Defendant, Frederick J. Gilliland and be delivered to him upon his release from custody or given to his counsel.
4. The Plaintiff is authorized to sell the Defendants' items currently on consignment at Grand Auctions in North Vancouver and transfer the proceeds of the sale of the items into the Account;
5. The Plaintiff is authorized to open all mail seized from the Defendants and their agents and associated companies, including mail directed to and seized from Laden Buidens, Lynx Trading, Grand Exchange, Royal Grand Exchange and Frederick J. Nielson;
6. The Plaintiff is entitled to review and copy all documents seized from the Defendants as of the date of this Order, except for such documents identified by counsel for the Defendants' Frederick J. Gilliland and Royal Grand Exchange Ltd. as possibly privileged. Any application to assert a claim of privilege over such document identified by counsel as possibly privileged is to be brought by the Defendants Frederick J. Gilliland and Royal Grand Exchange Ltd. on or before January 30, 2004, failing which the Plaintiff is entitled to review and copy all such documents.

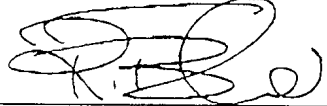
- 7. The Plaintiff is authorized to pay from the Account the accounts of Bennett Jones LLP in the amount of \$227,120.98;
- 8. The Plaintiff is authorized to pay from the Account the accounts for legal services rendered by Edwards, Kenny & Bray in the amount of \$58,540.59.
- 9. The Plaintiff is authorized to pay from the Account the legal fees and disbursements of the Defendant, Frederick J. Gilliland, up to the sum of \$125,000.00.

By the Court

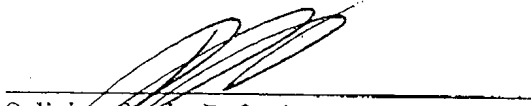


DEPUTY DISTRICT Registrar

APPROVED AND CONSENTED TO:



Solicitor for the Plaintiff



Solicitor for the Defendants,
Frederick J. Gilliland and
Royal Grand Exchange International Ltd.

ENTERED

DEC 19 2003

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BEN31448

D&D

RIF

Att R. Fisher

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