

COURT FILE NUMBER

1601-10510

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

ROYAL BANK OF CANADA.

RESPONDENT

MJ'S WATER HAULING CO. LTD., 1825377
ALBERTA LTD., DARREN BISHOP, VANESSA
BISHOP, 1521580 ALBERTA LTD.

DOCUMENT

**ORDER APPROVING SALE AND VESTING
ORDER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

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File No.: 48086-00025

DATE ON WHICH ORDER WAS PRONOUNCED:

April 24, 2017

NAME OF JUSTICE WHO MADE THIS ORDER:

The Honourable Justice K.M. Horner

LOCATION OF HEARING:

Calgary, Alberta

UPON the application of GRANT THORNTON LTD., in its capacity as Court appointed receiver and manager ("**Receiver**") of MJ's WATER HAULING CO. LTD. and 1825377 Alberta Ltd. ("**1825377**") for an order approving the sale transaction (the "**Transaction**") contemplated by a Purchase and Sale Agreement (the "**PSA**") between the Receiver and 2015166 Alberta Inc. ("**2015166**") a copy of which is appended to the Confidential Appendix of the Receiver's Third Report dated April 18, 2017 (the "**Confidential Appendix**"), and vesting in 2015166 (or its nominee) (collectively referred to as the "**Purchaser**") 1825377's right, title and interest in and to the assets described in the PSA (the "**Purchased Assets**");



I hereby certify this to be a true copy of
the original Order
Dated this 25 day of Apr 2017
M. neubert
for Clerk of the Court

AND UPON having read the Application and the Third Report of the Receiver, dated April 18, 2017 (the "**Receiver's Third Report**"); AND UPON having read the Confidential Appendix AND UPON having read the Affidavit of Service sworn April 19, 2017 (the "**Service Affidavit**"); AND UPON hearing counsel for the Receiver;;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of the Notice of Application in respect of this Order (the "**Application**") and the Third Receiver's Report in the manner described in the Service Affidavit is hereby declared to be good and sufficient, and no other persons are entitled to be served with or given notice of the Application or served with a copy of the Third Receiver's Report.
2. The Receiver's activities as described in the Third Receiver's Report are hereby approved.

APPROVAL OF TRANSACTION

1. The Transaction is hereby approved, and the execution of the PSA by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

2. Upon the delivery of a Receiver's certificate to the Purchaser substantially in the form set out in Schedule "A" hereto (the "Receiver's Certificate"), all of 1825377's right, title and interest in and to the Purchased Assets described in the PSA and listed on Schedule "B" hereto shall vest absolutely in the name of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by Order of this Court;
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and

- (c) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, easements and restrictive covenants listed on Schedule "D"); and,

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "Registrar") is hereby authorized, requested, and directed to cancel the existing Certificate of Title No. 141 210 198 for those lands and premises municipally described as 254043A Township Road 242, Wheatland County, and legally described as:

PLAN 0815359
Block 1
Lot 2
Excepting thereout all mines and minerals
(the "Lands")

and to issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, 2015166 Alberta Inc, or its nominee, and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to those encumbrances (the "Permitted Encumbrances") listed on Schedule "D" hereto.

4. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (the "**Net Proceeds**") shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
6. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the 1825377.
7. The 1825377 and all persons who claim by, through or under the 1825377 in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted

Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.

8. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the 1825377, or any person claiming by or through or against the 1825377.
9. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the 1825377.
10. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser.
11. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the 1825377's records pertaining to the 1825377's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the 1825377.
12. Notwithstanding:

The pendency of these proceedings;

Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the 1825377 and any bankruptcy order issued pursuant to any such applications; and

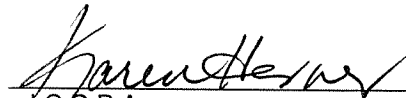
Any assignment in bankruptcy made in respect of the 1825377

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any Receiver in bankruptcy that may be appointed in respect of the 1825377 and shall not be void or voidable by creditors of the 1825377, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

14. The Receiver is hereby authorized to make the interim distribution to the Royal Bank of Canada as described in the Receiver's Third Report.
15. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
16. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
17. Service of this Order on any party not attending this application is hereby dispensed with.


J.C.Q.B.A.

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER	1601-10510
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ROYAL BANK OF CANADA.
RESPONDENT	MJ'S WATER HAULING CO. LTD., 1825377 ALBERTA LTD., DARREN BISHOP, VANESSA BISHOP, 1521580 ALBERTA LTD.

DOCUMENT	<u>RECEIVER'S CERTIFICATE</u>
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ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Karen Fellowes DLA Piper (Canada) LLP Barristers and Solicitors 1000, 250 - 2 Street SW Calgary, Alberta T2P 0C1 Phone: 403-698-8787 Fax: 403-296-4474 File No.: 48086-00025
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RECITALS

- A. Pursuant to an Order of the Honourable Justice C. Dario of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Court") dated August 10, 2016, Grant Thornton Limited was appointed as the receiver (the "Receiver") of the undertaking, property and assets of MJ's Water Hauling Co. Ltd. and 1825377 Alberta Ltd. (the "Debtor").
- B. Pursuant to an Order of the Court dated April 24, 2017, the Court approved the agreement of purchase and sale made as of April 18, 2017 (the "Sale Agreement") between the Receiver and 2015166 Alberta Inc. (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased

Assets; (ii) that the conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on _____.

**Grant Thornton Limited, in its
capacity as Receiver of the
undertaking, property and assets of
MJ's Water Hauling Co. Ltd. and
1825377 Alberta Ltd., and not in its
personal capacity.**

Per: _____

Name: _____

Title: _____

SCHEDULE "B "

Land

S

LINC

0033 626 987

SHORT LEGAL

0815359;1;2

TITLE NUMBER

141 210 198

LEGAL DESCRIPTION

PLAN 0815359

BLOCK 1

LOT 2

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 8.11 HECTARES (20.04 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE

ATS REFERENCE: 4;25;24;7;NE

MUNICIPALITY: WHEATLAND COUNTY

REFERENCE NUMBER: 091 048 764

Personal Property:

- (a) One (1) Force air compressor system with Serial No.
- (b) One (1) Hotsy System with Serial No. 11096060-156512;
- (c) Three (3) Hotsy system wands with reels;
- (d) One (1) HydroPro Water system tank with Serial No. GB0206;
- (e) One (1) Axiom Model MF300 System Feeder 08-1471-300;
- (f) Boiler system servicing the in-slab heating;
- (g) Air lines throughout the shop area of the Property;
- (h) One (1) First Aid Station & Industrial sink;
- (i) One (1) 16,500 pound Crane with No. 60172;
- (j) One (1) lockable wire cage enclosure;
- (k) All security cameras and security system;
- (l) Built-in cupboards in the front reception area of the office, the middle lunch room and the second level lunch room.

SCHEDULE "C"

NIL

SCHEDULE "D"

REGISTRATION NUMBER	DATE(D/M/Y)	PARTICULARS
862AO	08/07/1912	RESTRICTIVE COVENANT "PARTIALLY DISCHARGED BY 801011128"
741 097 910	22/10/1974	UTILITY RIGHT OF WAY GRANTEE - CANADIAN WESTERN NATURAL GAS COMPANY LIMITED.
081 443 757	28/11/2008	CAVEAT RE: DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL GOVERNMENT ACT CAVEATOR - WHEATLAND COUNTRY. HWY #1 RR#1 STRATHMORE ALBERTA T1P1J6 AGENT - MICHAEL ZIEHR