



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 APPLICATION FOR SALES APPROVAL AND
VESTING ORDER AND RELATED RELIEF

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

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File No.: 48086-25

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Judge.

To do so, you must be in Court when the application is heard as shown below:

Date	April 24, 2017
Time	2:00 p.m.
Where	Calgary Courts Centre
Before Whom	The Honourable Justice Horner

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. Grant Thornton Limited. (the "**Receiver**"), in its capacity as receiver of the current and future assets, undertakings and properties, excluding certain equipment owned by Mercedes Benz Financial Services Canada (collectively, the "**Property**") of MJ's Water Hauling Co. Ltd and 1825377 Alberta Ltd. ("**1825377**") pursuant to the Order issued by the Honourable Justice J. Dario on August 10, 2016 (the "**Receivership Order**") applies for orders, substantially in the form attached as Schedule "**A**" and Schedule "**B**" hereto.
2. Declaring that service of this Application (the "**Application**") and the Third Report of the Receiver, dated April 18, 2017 (the "**Third Receiver's Report**") on the persons listed in Appendix "**A**" to the Application (the "**Service List**") is good and sufficient and that no persons other than those on the Service List are entitled to service of the Third Receiver's Report or the Application;
3. Sealing the Confidential Appendices to the Receiver's Third Report (the "**Confidential Appendices to the Report**") on the Court file;
4. Approving the Receiver's actions to date;
5. Approving the Receiver's proposed sale of the Land owned by 1825377 (the "**Land**") as defined and described in the Receiver's Third Report and the Confidential Appendices to the Report ("**the Sales Process**"), and a vesting order directing that title to the Land vest in the name of the proposed purchaser on closing, and directing the Receiver to take such actions as are necessary to implement and carry out the proposed sale;
6. Granting the Receiver specific authority to make an interim distribution of funds in the estate of the 1825377 to Royal Bank of Canada, as the priority secured creditor;
7. Ordering and declaring that service of any orders arising from the Application by email, facsimile, registered mail, courier, regular mail, or personal delivery to the persons listed on the Service List shall constitute good and sufficient service of such orders and that no persons other than those on the Service List are entitled to be served with a copy of such orders.
8. Such further and other relief as counsel for the Receiver may advise.

Grounds for the Application:

9. The Receiver was appointed as receiver of the Property, including the Land, pursuant to the Receivership Order, and has proceeded to comply with its duties pursuant to the Receivership

Order. The Receiver is empowered and authorized to sell the Land with the approval of this Honourable Court in accordance with the Receivership Order.

10. The Receiver has engaged a realtor to sell the Land owned by 1825377, and has received an offer to purchase the Land which offer is subject to Court approval and requires a vesting order in order to transfer title to the Land to the purchaser (**"the Offer"**). The Offer contains confidential terms which, if disclosed, could taint any future sales process for the Land should the proposed transaction not close.
11. The Receiver has received a security opinion from its counsel to the effect that the Royal Bank of Canada has valid and enforceable security interest in the Land and hold a first priority position with respect to the Proceeds.
12. It appears that the proceeds from the sale of the Land will be sufficient to payout the Royal Bank of Canada in full.
13. Such further and other grounds as counsel for the Receiver may advise.

Material or Evidence to be relied On:

The Receiver will rely on the following material:

14. The Third Receiver's Report and the Confidential Appendices to the Report;
15. Such further and other material as counsel for the Receiver may advise.

Applicable rules:

16. Rule 6.3(1) and 6.9(1) of Rules.
17. Such further and other rules as counsel for the Receiver may advise.

Applicable Acts and Regulations:

18. Section 243 of the BIA.
19. Such further and other acts and regulations as counsel for the Receiver may advise.

Any irregularity complained of or objection relied on:

20. There are no irregularities complained of or objections relied on.

How the application is proposed to be heard or considered:

21. The Receiver proposes that the Application be heard in person with one, some or all of the parties present.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

Schedule "A"

SCHEDULE "A"

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 SEALING ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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File No.: 48-86-25

DATE ON WHICH ORDER WAS PRONOUNCED: April 24, 2017

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice K. Horner

LOCATION OF HEARING: Calgary, Alberta

UPON the application of GRANT THORNTON LTD., in its capacity as Court appointed receiver and manager ("**Receiver**") of the assets, properties and undertakings (the "**Property**") of MJ's WATER HAULING CO. LTD. and 1825377 Alberta Ltd. (the "**1825377**") pursuant to an order issued in the within proceedings on AUGUST 10, 2016 (the "**Receivership Order**"); 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 Appendices to the Report (the "**Confidential Appendix**") AND UPON having read the Affidavit of Service sworn _____, 2017 (the "**Service Affidavit**"); AND UPON hearing counsel for the Receiver and any other counsel present;

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. Division 4 of Part 6 of the Rules does not apply to the Application. The Confidential Appendices to the Receiver's Third Report shall be sealed on the Court file and shall not be made publicly accessible. The Clerk of the Court be and is hereby directed to seal the Confidential Appendices to the Receiver's Third Report on the court file in an envelope containing the following:

**THIS ENVELOPE CONTAINS THE CONFIDENTIAL APPENDICES TO THE
RECEIVERS THIRD REPORT. THE CONFIDENTIAL APPENDICES HAVE
BEEN SEALED UNLESS UNSEALED BY FURTHER ORDER OF THIS
COURT.**

3. Any interested person may apply, on notice to the Receiver and any other interested parties, to vary, amend or modify paragraph 2 of this Order.
4. Service of this Order on the Service List by email, facsimile, registered mail, courier or personal delivery shall constitute good and sufficient service of this Order, and no Persons other than those on the Service List are entitled to be served with a copy of this Order.

J.C.Q.B.A.

Schedule "B"

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 Karen Fellowes

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Fax: 403-296-4474
File No.: 48-86-25

DATE ON WHICH ORDER WAS PRONOUNCED: April 24, 2017

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice

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**");

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 ____, 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.

Appendix “A”

COURT OF QUEEN'S BENCH ACTION NO.: 1601-10510

ROYAL BANK OF CANADA

v.

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

SERVICE LIST

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