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COURT FILE NUMBER

2201-01086

COURT

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE

CALGARY

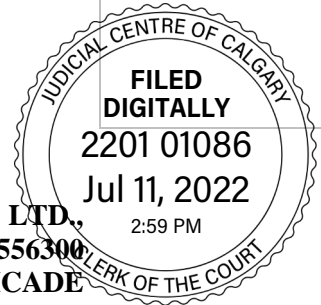
APPLICANT

CANADIAN WESTERN BANK

RESPONDENTS

**BIG BEAR ENERGY RENTALS LTD.,  
1509571 ALBERTA LTD., 5556300  
MANITOBA LTD., BARRICADE  
ENVIRONMENTAL LTD., DIRECT  
ENVIRONMENTAL TECHNOLOGIES  
INC., JASON ROBERT LLOYD,  
KENNETH JOHN GEORGE  
CARSTAIRS, ROBERT CHRISTOPHER  
LLOYD and DANIEL ROBERTS**

Clerk's Stamp



DOCUMENT

**APPROVAL AND VESTING ORDER  
(Sale by Receiver)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

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File No. 022910.000008

**DATE ON WHICH ORDER WAS PRONOUNCED: July 8, 2022**

**LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre – Calgary, Alberta**

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

**UPON THE APPLICATION** by Alvarez & Marsal Canada Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of Big Bear Energy Rentals Ltd., 1509571 Alberta Ltd., 5556300 Manitoba Ltd., Barricade Environmental Ltd., and Direct Environmental Technologies Inc. (collectively, the “**Debtors**”) for an order approving the Auction and Liquidation Services Agreement (the “**Auction Agreement**”) between the Receiver and Maynards Industries II Canada Ltd. (the “**Auctioneer**”) dated June 27, 2022 and appended as Confidential Supplement 4 to the Second Report of the Receiver dated June (the “**Report**”) and the transactions contemplated therein and providing the right to market, sell or

otherwise transfer the Debtors' right, title and interest in and to the assets described in the Auction Agreement set out at **Schedule "A"** attached hereto (the "**Transferred Assets**") to purchasers thereof on the Receiver's behalf and in accordance with the terms of the Auction Agreement;

**AND UPON HAVING READ** the Interim Receivership Order dated January 21, 2022 and the Enhanced Interim Receivership Order and Receivership Order dated February 4, 2022 (the "**Receivership Order**"), the Report and the Affidavit of Service of Jolene Llewellyn dated June 30, 2022; **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for Canadian Western Bank, counsel for Business Development Bank Canada, counsel for the Auctioneer and any other counsel in attendance;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

**APPROVAL OF TRANSACTIONS**

2. The Auction Agreement is hereby approved and the execution of the Auction Agreement 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 transactions contemplated by the Auction Agreement or for the conveyance of the Auctioned Assets to an Auction Purchaser (or its nominee) (each defined below at paragraph 4).

**VESTING OF PROPERTY**

3. The Auctioneer is permitted to market, sell or otherwise transfer the Transferred Assets to potential purchasers, pursuant to the terms of the Auction Agreement (the "**Auction**").
4. Any person who purchases a Transferred Asset through the Auction is referred to herein as an "Auction Purchaser" and a Transferred Asset purchased by an Auction Purchaser is referred to herein as an "Auctioned Asset."
5. Upon the Auctioneer completing a sale of an Auctioned Asset to an Auction Purchaser, and upon receipt of the purchase price by the Auctioneer and delivery by the Auctioneer of a bill of sale or similar evidence of purchase ("**Bill of Sale**") to such Auction Purchaser, all of: (i) the right, title and interest of those parties listed in **Schedule "B"** hereto (collectively, the "**Specified Parties**")

in and to; and (ii) the Debtors' right, title and interest in and to those Auctioned Assets shall vest absolutely in the name of that Auction Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, 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 the Receivership Order or any other orders granted in the within action or in the receivership estates of any of the Debtors;
- (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**"; and,

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Auctioned Assets are expunged and discharged as against the Auctioned Assets upon the Auctioneer providing to the Auction Purchaser a Bill of Sale.

- 6. Nothing in this Order shall discharge the obligations of the Auctioneer set out in the Auction Agreement or otherwise, or the rights or claims of the Receiver in respect thereof, including the obligations of the Auctioneer to account for and remit the proceeds of sale from the Auction to the Receiver.
- 7. Upon delivery of the Bill of Sale, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Bill of Sale and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Auction Purchaser or its nominee clear title to the Auctioned Assets, including and without limiting the foregoing:
  - (a) The respective Registrars of the Alberta, Saskatchewan and British Columbia Personal Property Registries shall and are hereby directed to forthwith cancel and discharge any

registrations at the their respective Personal Property Registries (whether made before or after the date of this Order) claiming security interests in the estate or interest of the Specified Parties or the Debtors in any of the Auctioned Assets which are of a kind prescribed by applicable regulations as serial-number goods.

8. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Auction Agreement. Presentment of this Order and the Bill of Sale shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Auctioned Assets of any Claims including Encumbrances.
9. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Auctioned Assets is required for the due execution, delivery and performance by the Receiver of the Auction Agreement.
10. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Auctioned Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Auctioned Assets from and after delivery of the Bill of Sale and all Claims including Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Auctioned Assets and may be asserted against the net proceeds from sale of the Auctioned Assets with the same priority as they had with respect to the Auctioned Assets immediately prior to the sale, as if the Auctioned 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.
11. The Receiver shall be entitled to make a distribution and any subsequent distributions to Canadian Western Bank and Business Development Bank of Canada (together, the “**Lenders**”) from the net proceeds of sale of the Auctioned Assets held by the Receiver up to the amount of the indebtedness owed to the respective Lenders, subject to maintaining sufficient funds in the estate to address any Claims against any Auctioned Assets sold, any claims disputing title or ownership of the Auctioned Assets, and estate costs, provided that the Lenders agree on an allocation of receivership costs amongst them, to be provided by the Receiver. In the event the Lenders are unable to agree on such allocation to be presented, the Receiver shall return to Court for approval of such cost allocation prior to making any distributions to the Lenders.

12. Upon completion of the sale of Auctioned Assets to their respective Auction Purchasers pursuant to the Auction, or any subsequent auction held by the Auctioneer in accordance with the terms of the Auction Agreement, the Debtors and all persons who claim by, through or under the Debtors in respect of those Auctioned Assets, and all persons or entities having any Claims of any kind whatsoever in respect of those Auctioned Assets, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to those Auctioned Assets, and to the extent that any such persons or entities remain in the possession or control of any of those Auctioned Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to those Auctioned Assets, they shall forthwith deliver possession thereof to those Auction Purchaser (or its nominee).
13. The Auction Purchaser (or its nominee) shall be entitled to hold and enjoy its Auctioned Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.
14. The Auctioneer is authorized and permitted to use the Debtors' names and any of their intellectual or intangible property in connection with advertising and promoting the Auction.

#### **APPROVAL OF ACTIVITIES AND FEES**

15. The Receiver's accounts for fees and disbursements, as set out in the Report are hereby approved without the necessity of a formal passing of its accounts.
16. The accounts of the Receiver's legal counsel, Borden Ladner Gervais LLP, for its fees and disbursements, as set out in the Report are hereby approved without the necessity of a formal assessment of its accounts.
17. The Receiver's Application for approval and ratification of its actions, conduct and activities is adjourned *sine die*, without prejudice to the Receiver's right to reapply for such relief at any time.

#### **MISCELLANEOUS MATTERS**

18. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (a) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;

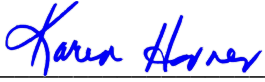
- (b) any assignment in bankruptcy made in respect of the Debtors; and
- (c) the provisions of any federal or provincial statute:

the vesting of Auctioned Assets in the Auction Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

19. The Receiver, the Auctioneer and any Auction Purchaser (or its nominee) 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 any transaction for the purchase of Auctioned Assets pursuant to the Auction.
20. No action lies against the Receiver by reason of this Order, due to the performance of any act authorized by this Order, or in respect of the Auction.
21. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
22. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Auctioneer or the Auctioneer's solicitors; and

Posting a copy of this Order on the Receiver's website at:  
<https://www.alvarezandmarsal.com/content/big-bear-interim-receivers-reports>  
 and service on any other person is hereby dispensed with.

23. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

A handwritten signature in blue ink, appearing to read "Karen Honey".

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Justice of the Court of Queen's Bench of Alberta

**Schedule “A”**

**TRANSFERRED ASSETS**



**Schedule “B”****Specified Parties**

The “Specified Parties” are the following:

- 602582 Alberta Ltd.
- Lorne Therriault
- Meridian Onecap Credit Corp.

**Schedule “C”**  
**CLAIMS AND REGISTRATIONS TO BE DISCHARGED**

Any and all interests or claims of:

- TIP Fleet Services Canada Ltd.
- Business Development Bank of Canada
- Canadian Western Bank
- Hammertech Ltd.
- A/T Tire and Performance Ltd.
- Leading Edge Mechanical Ltd.
- Fountain Tire (Sylvan Lake) Ltd
- Folvik’s Mechanical Services Ltd.
- JD Factors Corporation
- Blue Chip Leasing Corporation
- Meridian Onecap Credit Corp.
- 602582 Alberta Ltd.
- Lorne Therriault