

COURT FILE NO.

2101-02280

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE RECEIVERSHIP
OF PEOPLE EXPRESS TRANSPORT LTD.

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANT

PEOPLE EXPRESS TRANSPORT LTD.

APPLICANT

ALVAREZ & MARSAL CANADA INC., in its
capacity as Court-appointed receiver and manager
of the assets, undertakings and properties of
PEOPLE EXPRESS TRANSPORT LTD.

DOCUMENT

APPROVAL AND VESTING ORDER
(Sale by Receiver)

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2009

DATE UPON WHICH ORDER WAS PRONOUNCED:

July 19, 2022

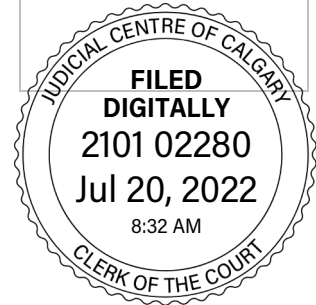
LOCATION WHERE ORDER WAS PRONOUNCED:

Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER:

Madam Justice A.D. Grosse

Clerk's Stamp



UPON THE APPLICATION by Alvarez & Marsal Canada Inc., in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the undertakings, property and assets of People Express Transport Ltd. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**Sale Agreement**”) between the Receiver and Gurbaj Sandhu, Charanpreet Brar and Gurpreet Brar (collectively, the “**Purchaser**”) dated June 20, 2022 and appended to the Fourth Report of the Receiver dated July 11, 2022 (the “**Receiver's Fourth Report**”), in respect of the real property located at the premises with the following legal description: Plan 9211841 Block 6 Lot 9, excepting thereout all mines and minerals, Alberta (the “**Lands**”), and vesting in the Purchaser the right, title and interest

of the Debtor in and to the Lands and the other assets described in the Sale Agreement (the “**Purchased Assets**”);

AND UPON HAVING READ the Consent Receivership Order dated April 22, 2021 (the “**Consent Receivership Order**”), the Receiver’s Fourth Report, the Third Confidential Supplemental Report of the Receiver dated July 11, 2022 and the Affidavit of Service of Laurie Katona (the “**Affidavit of Service**”); **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application; **AND UPON NOTING** the advice of counsel for the Receiver that there existed no opposition from any of the interested or affected parties to this Application following service of the Application materials noted herein; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

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, no other person is required to have been served with notice of this Application, and the time for service of this Application is abridged to that actually given.

APPROVAL OF PROPERTY TRANSACTION

2. The Transaction relating to the Lands, which are legally described as:

Plan 9211841
Block 6
Lot 9
Excepting thereout all mines and minerals

is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, and is deemed to be commercially reasonable and in the best interests of the receivership estate and the stakeholders affected thereby, with such minor amendments as the Receiver may deem necessary and as may be agreed upon by the Receiver and the Purchaser. The Receiver is hereby authorized and directed, subject to the terms and conditions of this Order and the Sale Agreement, 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

3. Upon the delivery by the Receiver of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**") confirming the closing of the Transaction contemplated by the Sale Agreement, all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement attached as Appendix "A" to the Receiver's Fourth Report shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, 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**", which term shall explicitly not include the Permitted Encumbrances (as defined below)) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Consent Receivership Order; and
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and,

for greater certainty, this Court orders that all of the Claims, other than the permitted encumbrances described in the Sale Agreement (including, without limitation, those set forth in **Schedule "A"** thereto) and listed on **Schedule "B"** hereto (the "**Permitted Encumbrances**"), affecting or relating to the Lands are hereby expunged, discharged and terminated as against the Lands.

4. Upon the delivery of the Receiver's Closing Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar under the *Land Titles Act* (Alberta), and all other applicable government ministries and authorities in Alberta, exercising jurisdiction with respect to or over the Lands (collectively, the "**Governmental Authorities**"), as applicable, are hereby authorized, requested and directed to (in each case as applicable):

- (a) enter the Purchaser as the owner of the Lands;
- (b) cancel the existing Certificate of Title to the Lands and issue a new Certificate of Title for the Lands, in the name of the Purchaser;

- (c) cancel, delete or expunge from the existing title documents concerning the Lands all applicable Claims, including all Claims and any related encumbrances other than the Permitted Encumbrances;
- (d) register such transfers, discharge statements, or conveyances, as may be required to convey clear title to the Lands to the Purchaser, subject only to the Permitted Encumbrances; and
- (e) discharge and expunge the following encumbrance:

211 137 020 16/07/2021 ORDER
IN FAVOUR OF - ALVAREZ & MARSAL CANADA INC.
BOW VALLEY SQUARE 4
SUITE 1110, 250-6 AVE SW
CALGARY
ALBERTA T2P3H7
AGAINST - PEOPLE EXPRESS TRANSPORT LTD.

- 5. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered and the steps set out in paragraph 4 shall be carried out by the applicable Registrar and/or Governmental Authorities notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c L-7 (Alberta) and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

CLOSING OF THE SALE TRANSACTION

- 6. The closing of the Transaction shall be effected in accordance with the terms of the Sale Agreement and such amendments to the Sale Agreement as may be agreed to in writing between the Purchaser and the Receiver.
- 7. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Closing 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

8. The Purchaser shall not, by virtue of the completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
9. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, 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 the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
10. 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 Debtor, or any person claiming by or through or against the Debtor.
11. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
12. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate, forthwith after delivery thereof to the Purchaser.

MISCELLANEOUS MATTERS

13. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**") (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtor; and
 - (d) the provisions of any federal or provincial statute,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, 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.

14. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
15. 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 orders and 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. 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 Purchaser or the Purchaser's solicitors; and
 - (b) Posting a copy of this Order on the Receiver's website at:
<https://www.alvarezandmarsal.com/content/people-express-transport-ltd-court-order>and service on any other person is hereby dispensed with.

17. 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.


Justice of the Court of Queen's Bench of Alberta

Schedule “A”**Form of Receiver’s Closing Certificate**

COURT FILE NO. 2101-02280

COURT COURT OF QUEEN’S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk’s Stamp

IN THE MATTER OF THE RECEIVERSHIP
OF PEOPLE EXPRESS TRANSPORT LTD.

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANT PEOPLE EXPRESS TRANSPORT LTD.

APPLICANT ALVAREZ & MARSAL CANADA INC., in its
capacity as Court-appointed receiver and manager
of the assets, undertakings and properties of
PEOPLE EXPRESS TRANSPORT LTD.

DOCUMENT **RECEIVER’S CLOSING CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2009

RECITALS

- A. Pursuant to an Order of the Honourable Madam Justice L.B. Ho of the Court of Queen’s Bench of Alberta, Judicial District of Calgary (the “**Court**”) dated April 22, 2021, Alvarez & Marsal Canada Inc. was appointed as the receiver and manager (the “**Receiver**”) of the undertakings, property and assets of People Express Transport Ltd. (the “**Debtor**”), and the Receiver was tasked with amongst other things, identifying, securing, arranging for sale and monetizing the assets, undertakings and properties of the Debtor.
- B. Pursuant to an Order of the Court dated July 19, 2022 granted by The Honourable Madam Justice A.D. Grosse, the Court approved the asset purchase agreement dated June 20, 2022 (the “**Sale**”

Agreement”) between the Receiver, and Gurbaj Sandhu, Charanpreet Brar and Gurpreet Brar (collectively, the “**Purchaser**”), and provided, *inter alia*, for the vesting in the Purchaser of the right, title and interest of the Debtor (if any) 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 the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; 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 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 the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ (insert time) on _____ (insert date).

Alvarez & Marsal Canada Inc., in its capacity as Receiver of the undertakings, property and assets of People Express Transport Ltd., and not in its personal capacity

Per: _____
Name: Cassie Riglin
Title: Senior Vice President

Schedule "B"

Permitted Encumbrances

** Capitalized terms herein have the meaning set forth in the Sale Agreement, and include, without limitation, the following:*

<u>Registration Number</u>	<u>Date (D/M/Y)</u>	<u>Particulars</u>
771 147 064	20/10/1977	ZONING REGULATIONS SUBJECT TO CALGARY INTERNATIONAL AIRPORT ZONING REGULATIONS
921 239 247	24/09/1992	RESTRICTIVE COVENANT
161 113 569	16/05/2016	MORTGAGE MORTGAGEE – CANADIAN IMPERIAL BANK OF COMMERCE. 1745 WEST 8 TH AVENUE, LEVEL B1 VANCOUVER BRITISH COLUMBIA V6J 4T3 ORIGINAL PRINCIPAL AMOUNT: \$264,000