



Clerk's Stamp

COURT FILE NUMBER 1703 19347
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE Edmonton
PLAINTIFF(S) ROYAL BANK OF CANADA
DEFENDANT(S) INDEPENDENT ELECTRIC AND CONTROLS LTD., IEC BUSINESS HOLDINGS INC., SUMMIT CONTROLS (2012) CORP., BLACK KNIGHTS ELECTRIC INC., BRADLEY TURNBULL, BRENT CAMERON ERICKSON AND TODD GUY

DOCUMENT **ORDER APPROVING SALE AND VESTING ORDER (PERSONAL PROPERTY)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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File No.: 182818.3 RTGR

DATE ON WHICH ORDER WAS PRONOUNCED: Wednesday, November 15, 2017
LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice J.H. Goss

UPON THE APPLICATION by Alvarez and Marsal Canada Inc. in its capacity as the Court-appointed receiver and manager (the "Receiver") of the undertaking, property and assets of Independent Electric and Controls Ltd., IEC Business Holdings Inc., Black Knights Electric Inc. and Summit Controls (2012) Corp. (collectively the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an Offer to Purchase (the "Offer") between the Receiver and Cream Compression Ltd. (the "Purchaser") referenced in the First Report of the Receiver dated November 8, 2017 (the "First Report"), as Confidential Appendix "B" (the "Confidential Addendum"), and vesting in the Purchaser (or its nominee) all of the Debtor's right, title and interest in and to the assets described in the Offer (the "Purchased Assets");

AND UPON HAVING READ the Consent Receivership Order dated September 29, 2017 (the "Receivership Order"), the First Report, the Confidential Supplement as defined in the Notice of Application, and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for Royal Bank of Canada, and counsel for the Defendants, and upon 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, 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 Offer and the Transaction are hereby approved, and acceptance of the Offer 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 (or its nominee).

VESTING OF PROPERTY

3. Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Offer and listed on **Schedule "B"** hereto (including the specific equipment listed in Schedule "B" hereto, and all inventory) shall vest absolutely in the name of the Purchaser (or its nominee), 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 the Receivership Order;
 - (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 Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. From and after the closing of the Transaction (including the payment of the purchase price by the Purchaser to the Receiver), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Debtor.
5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) 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 (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
7. The Debtor and all persons who claim by, through or under the Debtor 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 (or its nominee).
8. The Purchaser (or its nominee) 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.
9. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
10. 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 Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) 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 Debtor.
11. Notwithstanding:
 - (a) The pendency of these proceedings;
 - (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) Any assignment in bankruptcy made in respect of the Debtor

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

12. The Receiver, the 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 the Transaction.

MISCELLANEOUS MATTERS

13. 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.
14. 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.
15. The Receiver's activities as outlined in the First Report and the Confidential Supplement attached to the First Report are hereby approved provided, however, that only the Receiver, in its personal capacity, and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
16. Service of this Order must be served only upon those interested parties served with notice of this application and any parties with interests registered at the personal Property Registry (Alberta) 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.

J.C.Q.B.A



**Schedule "A" to Order Approving Sale and Vesting Order (Personal Property)
Form of Receiver's Certificate**

Clerk's Stamp

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DOCUMENT

RECEIVER'S CERTIFICATE

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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Name: Rick T.G. Reeson, Q.C.
Lawyer's
Email: rreeson@millerthomson.com
File No.: 182818.3 RTGR

RECITALS

- A. Pursuant to an Order of the Honourable Justice Nielsen of the Court of Queen's Bench of Alberta, Judicial District of Edmonton (the "Court") dated September 29, 2017, Alvarez and Marsal Canada Inc. was appointed as the receiver and manager (the "Receiver") of the undertaking, property and assets of Independent Electric and Controls Ltd., IEC Business Holdings Inc., Black Knights Electric Inc. and Summit Controls (2012) Corp. (the "Debtor").
- B. Pursuant to an Order of the Court dated November 15, 2017 the Court approved the offer to purchase and sale agreement (the "Offer") between the Receiver and Cream Compression Ltd. (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 the Offer 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 Offer;
2. The conditions to Closing as set out in the Offer 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 _____, 2017.

Alvarez and Marsal Canada Inc. in its capacity as Receiver of the undertaking, property and assets of Independent Electric and Controls Ltd., IEC Business Holdings Inc., Black Knights Electric Inc., and Summit Controls (2012) Corp. and not in its personal capacity.

Per: _____

Name:

Title: