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PLAINTIFF BANK OF MONTREAL

DEFENDANTS AMC&F PROPERTIES LTD.
LYNCORP MANUFACTURING LTD.

DOCUMENT **SECOND REPORT OF THE RECEIVER**

September 23, 2024

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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INTRODUCTION

1. On February 26, 2024 (the “**Receivership Date**”), the Court of King’s Bench of Alberta (the “**Court**”) granted an Order (the “**Receivership Order**”) whereby Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed receiver and manager (the “**Receiver**”) of AMC&F Properties Ltd. (“**AMC&F**”) and Lyncorp Manufacturing Ltd. (“**Lyncorp**”) (collectively, the “**Debtors**” or the “**Companies**”) in respect of all of the Companies’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).
2. The Receivership Order empowers and authorizes, but does not oblige, the Receiver to, among other things, take possession and control of the Property and of any and all proceeds, receipts and disbursements arising out of or from the Property, and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business subject to Court approval, as necessary.
3. On May 28, 2024, the Court granted the Sale Process Approval Order, the Auction Approval and Vesting Order as well as the Receivership Amending Order and Approval of Fees and Activities, which enabled the Receiver (among other things) to engage a Sales Agent to market the Companies’ building and to permit the Receiver to auction off the Companies’ equipment through an Auctioneer.
4. The purpose of this second report of the Receiver dated September 23, 2024 (the “**Second Report**” or this “**Report**”) is to provide this Honourable Court with information in respect of the following:
 - a) the activities of the Receiver since the First Report;
 - b) an update with respect to the auction results of the Companies’ Equipment (as defined below), which concluded on June 20, 2024, pursuant to Auction Approval and Vesting Order;

- c) an update with respect to the sales process (“**Sales Process**”) relating to the sale of the building located at 402086 81 Street East, Aldersyde, Alberta (the “**Building**”) pursuant to the Sales Process Approval Order;
- d) the final statement of receipts and disbursements since the Receivership Date to September 20, 2024 (“**Final R&D**”), and the cash flow actual results for the period from May 18, 2024 to September 23, 2024 (the “**Reporting Period**”);
- e) the Receiver’s application for:
 - i. approval of the sale transaction (the "**Transaction**") contemplated by an Asset Purchase Agreement dated September 4, 2024 (the “**Sale Agreement**”), between the Receiver as vendor and Erick Zampini (“**Zampini**” or the "**Purchaser**") as purchaser with respect to the Building;
 - ii. an Order (the “**Restricted Court Access Order**”) sealing the Confidential Appendices “1”, “2”, “3” and “4” to the Receiver’s Second Report (“**Confidential Appendices**”);
 - iii. an Order declaring that, upon the Receiver filing a certificate with this Honourable Court (the “**Receiver’s Certificate**”), the Receiver is discharged as Receiver in these Receivership Proceedings; and
 - iv. an Order approving the actions, activities and conduct of the Receiver up to the date of this Report and approving the Receiver’s and its counsels, fees and disbursements up to July 31, 2024 as well as its forecast to discharge;
 - v. the Receiver’s request to approve the Final R&D;
- f) the Receiver’s conclusions and recommendations;

5. Capitalized words or terms not otherwise defined in this Report are as defined in the Receivership Order.
6. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

7. In preparing this Second Report, the Receiver has relied upon: (i) the representations of certain management and other key stakeholders of the Companies; and (ii) financial and other information contained in the Companies' books and records, which were produced and maintained principally by the Companies. The Receiver has not performed an audit, review or other verification of such information.
8. The Receiver has not performed an audit, review or otherwise attempted to verify the accuracy or completeness of the Companies' financial information that would wholly or partially comply with Canadian Auditing Standards ("CASs") pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the financial information. Any future oriented financial information relied upon in this Report is based on the Receiver's assumptions regarding future events and actual results achieved will vary from this information and the variations may be materials.

BACKGROUND AND OVERVIEW

Background

9. AMC&F is a privately owned Alberta corporation which owns the Building and certain associated lands south of Calgary, at 402086 81 Street East, Aldersyde, Alberta, T0L 0A0. The Building is a two-story, single-tenant industrial manufacturing building. AMC&F is fundamentally set up as a "Holdco" and leases the Property to Lyncorp. The Building contains 60,152 square feet of rentable space, of which 19% is comprised of office space and 81% is comprised of

manufacturing space, all of which is situated on a 215,186 square foot (4.94 acre) site.

10. Lyncorp is a privately owned Alberta corporation with a focus on structural, platework, piping fabrication and manufacturing of machined components. Lyncorp has operated out of the Building (which it leases from AMC&F) since mid-2018 and its customer base ranged from companies with large civil infrastructure projects to companies who design small steel parts for recreational vehicles. Lyncorp's main assets included equipment and inventory (the "**Equipment**") which were located at the Building, and incomplete smaller projects such as fishing boats, trailers and railings which it was manufacturing for its customers.
11. Further background regarding the Companies' structure and operations and the issues leading to the Receiver's appointment are contained in the Receiver's First Report as well as the materials filed in support of the Receivership Order, including the Affidavit of Trevor Bauer sworn February 15, 2024. These documents and other publicly filed Court materials in these proceedings have been posted on the Receiver's website at: <https://www.alvarezandmarsal.com/lyncorp> (the "**Receiver's Website**").

ACTIVITIES OF THE RECEIVER SINCE THE FIRST REPORT

12. Since the First Report, the Receiver's activities have included, but are not limited to, the following:
 - a) communicating and delegating specific tasks, such as regular site visits to the Building for insurance purposes, to the two contractors who are familiar with both the Building and operations of the Companies;
 - b) various calls with the Canada Revenue Agency ("**CRA**") respecting these receivership proceedings, including obtaining CRA's GST pre-receivership obligation assessment of obligations outstanding totaling \$308,210.71 and \$302,991.88 for Lyncorp and AMC&F, respectively;

- c) ongoing communication with Service Canada as well as former employees of the Companies with respect to the Wage Earner Protection Program (“**WEPP**”) and each of the former employees claims;
- d) communicating with the insurance broker to ensure appropriate insurance is in place both preceding and following the liquidation of the Companies’ equipment and inventory;
- e) communicating and arranging site visits for Trotter and Morton to conduct its maintenance check-ups and complete certain repair work on the Building, such as repairs to the Building’s HVAC system;
- f) various communications with the Bank of Montreal (“**BMO**”) and Provida Financial Corporation (“**Provida**”) respecting the Receivership Proceedings generally, and updating each respective party of the outcome of the auction and the Sales Process and completing updated cash flow forecast and actual results statements, as well as an updated realization analysis for BMO;
- g) conducting the Sales Process, in coordination with the Sales Agent, of the Building and taking steps to negotiate the Sale Agreement with the Purchaser, which is discussed in greater detail below within this Report;
- h) working with the Auctioneer to prepare for and execute upon the auction of the Companies equipment and inventory;
- i) completing a sale of partially completed hand railings to the customer they were originally designed for, HD Construction Ltd., and completing the sale on an “as is, where is” and “no representations, and no warranties” basis;

- j) various discussions with creditors and suppliers regarding their outstanding invoices as a result of the Receivership Proceedings; and
- k) providing instructions to Osler, the Receiver's independent legal counsel, on a variety of matters with respect to these receivership proceedings;

SECURITY OPINION

13. A&M is advised that BMO holds a first charge on the Property and Provida holds a subordinated secured charge behind BMO on the facility by way of a general security agreement, assignment of accounts receivable, a corporate guarantee of related companies as well as a personal guarantee from the Companies' principal.
14. The Receiver's legal counsel, Osler, completed a review of BMO's security including related security and mortgage documentation, and has determined that, subject to customary qualifications and exceptions as set forth in the subject Security Opinion, each loan document noted therein constitutes a legal, and binding obligation of the Companies enforceable against the Companies in accordance with its terms, in favour of BMO and that the subject security documents create valid security interests in favour of BMO in the real and personal property described therein, as applicable, in which the Companies' presently have rights and are sufficient to create a valid security interest in favour of BMO in any such real and personal property, as applicable.
15. As a result of the expected shortfall BMO on its overall outstanding indebtedness, the Receiver determined it was unnecessary to complete a fulsome security review for Provida as there will be no recoveries to any creditors subordinate to BMO's first charge security position. The Receiver has prepared an updated realization analysis and forecast receipts and disbursements, which has been included in the Confidential Appendix 2 to this Report.
16. The Receiver is currently not aware of any other claimant that may have priority over BMO's and Provida's security, other than potential "super priority" claims

with respect to CRA (GST), WEPP obligations and the Receiver's Charge as set out in the Receivership Order.

ACCOUNTS RECEIVABLE

17. As of Receivership Date, the Companies' books and records indicated outstanding accounts receivable totaling approximately \$182,000, of which the Receiver was able to collect approximately \$48,000. The Receiver determined that the remaining potential accounts receivables to be collected totalled \$93,221. The two significant outstanding accounts receivables are owing from Orica Canada Inc. ("**Orica**") for \$77,083 and Armstrong Custom Fabrication ("**Armstrong**") for approximately \$16,138. On April 2, 2024, the Receiver issued collection letters to Orica and Armstrong on the status of the payment; however, no responses were received from Orica or Armstrong.
18. In September, 2024, the Receiver's legal counsel, Osler, sent further demand letters to Orica and Armstrong. It is undetermined whether these amounts will eventually be collectible, but if any portion of these receivables are collected, the Receiver proposes to distribute the proceeds accordingly to BMO, as discussed below.
19. The Receiver is also expecting the collection of approximately \$29,000 in GST ITC's credits (refund) for GST paid by the Receiver within the Receivership Proceeding.

SALES PROCESS UPDATE

Overview

20. On May 28, 2024, this Honourable Court approved the Sales Process Approval Order, which instructed the Receiver to engage the services of CDN Global Advisors Ltd. (the "**Sales Agent**") to list and market the Building for sale. Such process is discussed in detail in the Receiver's First Report.
21. The Sales Agent undertook an extensive marketing campaign by launching the Sales Process on June 3, 2024 and continuing up to the initial bid deadline on July

- 5, 2024 (“**Phase I Bid Deadline**”). The Sales Agent delivered a teaser package and confidentiality agreement (the “CA”) to over 970 potential interested parties, including active industrial and capital market commercial real estate associates/brokerages in western Canada, among others. The teaser package included an overview of the land and Building, sample photos of the Building, and key information and dates of the Sales Process.
22. Prior to the Receivership Date, the Receiver understands that the Building was previously listed by two, large real estate brokerage firms, Colliers and Royal LePage, for approximately 387 days (June 8, 2022 to June 30, 2023) and then re-listed by the Company through Cushman & Wakefield for approximately 229 days (Summer 2023 to February 2024). In total, the marketing efforts undertaken by the Company prior to the Receivership Date and the Sales Process completed within the Receivership Proceedings resulted in the Building being listed for sale and marketed for over 725 days (just under 2 years).
23. The Sales Agent prepared and disseminated notices of the Sales Process in various news media and outlets. The marketing process included multiple communications with various parties regarding their interest in the opportunity at hand and the Sales Agent fielded questions from those parties who had executed a CA and were provided access to a data room containing additional confidential due diligence information.
24. In particular, the Sales Process involved the following steps:
- a) the Sales Agent contacted 974 industrial and capital markets commercial real estate professionals and delivered a marketing brochure and information package prepared by the Sales Agent, with the assistance of the Receiver;
 - b) the Building was posted by the Sales Agent on numerous digital platforms, which are used to market and communicate commercial real estate opportunities to commercial real estate professionals,

prospective buyers, prospective tenants, space users (private and public companies), investors and the public, namely: CoStar, Realtor.ca, Pillar9 Matrix (MLS) System, CDN Global Advisors Website, Spacelist, and the Alberta Government's Regional Dashboard site;

- c) the Receiver arranged to market and post this opportunity in Insolvency Insider, a national subscription email service targeted to insolvency professionals;
- d) the Sales Agent also contacted, via email & telephone, the main decision makers at Companies that are in industries that were most likely to see value and function for properties that share the key characteristics of the Building. In addition, multiple conversations were held between the Sales Agent and with members of the commercial real estate community that have successfully transacted on properties comparable to the Building;

25. As a result of these marketing activities, the Sales Process resulted in:

- a) eleven interested parties executing a CA and being provided with access to the data room;
- b) five interested parties conducting tours of the Building (note that three of the interested parties who had executed a CA had toured the Building prior to these insolvency proceedings); and
- c) two offers being received by the Sales Agent and the Receiver by the Phase I Bid Deadline.

26. The Receiver reviewed the offers and noted that both offers were not final form and had various conditions that needed to be met, such as further due diligence and financing conditions. While the Receiver continued to work closely with these two bidders to have them clear their conditions, the Sales Agent continued to market the Building for potential other interested parties.

27. After an additional 61 days after the Phase 1 Bid Deadline has elapsed, the Receiver negotiated the Sale Agreement with the Purchaser. The ultimate Sale Agreement had a more favourable purchase price, fewer closing conditions and a significant non-refundable deposit.

Sale Agreement

28. A redacted copy of the Sale Agreement is attached as Appendix “A”, and the unredacted copy attached to this Report, along with the Receiver’s summary and analysis of the Sale Agreement’s terms, is attached as Confidential Appendix “1” and “2”, respectfully.
29. The Receiver, along with the Sales Agent, believes that the Sale Agreement represents the best and highest offer received under the circumstances. The Receiver’s Sales Agent provided a summary of its views as well as an overview of its marketing efforts throughout the Sales Process, which is attached as Confidential Appendix “3” to this Report.
30. As previously disclosed to this Court under seal, an updated appraisal was conducted on the Building in January 2024 by a reputable real estate valuation firm (the “**January 2024 Appraisal**”). The January 2024 Appraisal provided an estimated range of value for the Property and the purchase price listed in the Sale Agreement is well within the range of this appraisal. The January 2024 Appraisal is included as Confidential Appendix “4” to this Report. Lastly, the Receiver is in receipt of the 2024 property tax assessment value of the Building and notes that the purchase price is well above property tax assessed value. A copy of the property tax assessment statement for the Building is attached as Appendix “C” to this Report and a copy of the land title certificate is attached as Appendix “D”.
31. It should be noted that it is a term of the Sale Agreement that the Purchaser will take title to the Building only subject to the Permitted Encumbrances (as that term is defined in the Sale Agreement) listed on Schedule “C” to the Sale Agreement. Accordingly, the Receiver is seeking an Order discharging the BMO mortgage and

all encumbrances subordinate to the BMO mortgage, including the Provida mortgage (and associated registrations) and Caveat 121 131 767 (the “**Fortis Caveat**”) registered by FortisAlberta Ltd. with respect to an Agreement Charging Land, which has been postponed to the BMO mortgage by Postponement 171 026 413. A copy of the Fortis Caveat is attached hereto as Appendix “E”.

32. The Receiver considered the following factors when assessing the offer from the Purchaser with respect to the Building, and believes that the approval of the Sale Agreement is in the best interest of all stakeholders for the following reasons:

- a) the Receiver is of the view that the steps required by the Sales Process Approval Order were carried out by the Receiver and its Sales Agent, as required by the Court, which consisted of a comprehensive marketing of the Building, the market of potential purchasers was sufficiently canvassed, various interested parties entered the data room, several tours of the Building were conducted, resulting in two offers being received;
- b) the Receiver also notes that the Building has been extensively marketed prior to the Receivership Date;
- c) the purchase price contemplated by the Sale Agreement was the highest negotiated purchase price from the offers received in the marketing process and is within the range of value provided within the January 2024 Appraisal and well above the 2024 property tax assessment value;
- d) the Receiver confirms that the Sale Agreement was negotiated between the Receiver and the Purchaser in good faith and with due diligence and appears commercially reasonable under the circumstances; and
- e) BMO, as fulcrum creditor, is supportive of the transaction contemplated by the Sale Agreement.

33. Due to the confidential nature of the redacted information provided in the Sale Agreement, along with the information disclosed in the Receiver's summary and analysis of the Sales Process, the Sales Agent report to the Receiver, as well as the 2024 January Appraisal, the Receiver is concerned that if this information is disclosed to third parties prior to the closing of the transaction, the disclosure could materially jeopardize the sale, or if the sale does not close, could materially jeopardize subsequent efforts to market the Property. As such, the Receiver is respectfully of the view that it is appropriate for this Honourable Court to grant the Restricted Court Access Order for Confidential Appendices 1, 2, 3 and 4 to the Receiver's Second Report, until 30 days following the close of the transaction;

THE EQUIPMENT AUCTIONING PROCESS

Summary of Auction

33. As discussed in the Receiver's First Report, the Receiver engaged the services of GD Auctions and Appraisals Inc. (the "**Auctioneer**"), as authorized by the Court by the Auction Approval and Vesting Order, to conduct a sale of various equipment and inventory owned by the Companies.
34. The online auction of the Equipment was launched on June 8, 2024 and concluded on June 20, 2024. The auction resulted in proceeds from sale (net of costs) of \$617,938 being delivered to the Receiver. The amount of the proceeds equaled the net minimum guarantee of that was negotiated in the Auction Agreement with the Auctioneer, as the proceeds did not exceed the thresholds past the net minimum guarantee, as outlined in greater detail in the confidential appendices of the Receiver's First Report.

RECEIPTS & DISBURSEMENTS – MAY 18, 2024 TO SEPTEMBER 23, 2024

35. The following is a consolidated interim statement of the Receiver's receipts and disbursements over the Reporting Period and the Final R&D:

Lyncorp Manufacturing Ltd. & AMC&F Properties Ltd. Statement of Receipts and Disbursements May 18, 2024 to September 23, 2024 <i>in CAD \$000's</i>			
	First Report Feb 26/24 to May 17/24	Reporting Period May 18/24 to Sept 23/24	Final R&D Feb 26/24 to Sept 23/24
Opening Cash Balance	\$ 39	\$ 355	\$ 39
Receiver's Borrowings	\$ 150	\$ -	\$ 150
Receipts			
Auction Proceeds	166	452	618
Equipment Sale Proceeds	-	3	3
Collection of Accounts Receivable	48	-	48
Interest Income	1	5	6
Other	-	12	12
Total Receipts	\$ 215	\$ 472	\$ 686
Disbursements			
Contractor Payments	22	14	37
Property Taxes	-	76	76
IT	1	18	19
Repairs and Maintenance	6	23	29
Insurance	19	24	43
Utilities	0	31	32
Net GST Paid	1	26	27
OSB Fees	0	-	0
Other Operating Expenses	0	13	14
Receiver's Professional Fees and Costs	-	358	358
Receiver's Counsel's Professional Fees and Costs	-	87	87
Receiver's Borrowings (repayment)	-	75	75
Total Disbursements	\$ 49	\$ 747	\$ 796
Total Receipts and Disbursements	\$ 165	\$ (275)	\$ (110)
Ending Cash Balance	\$ 355	\$ 79	\$ 79

36. There was approximately \$355,000 of opening cash at the start of the Reporting Period.
37. Receipts collected during the Reporting Period were approximately \$472,000, which comprised of insurance refunds, interest income, sale of certain assets and the collection of the remaining portion from the Equipment sale. The Receiver did not borrow against the Receiver's Certificate during the Reporting Period.

38. Disbursements paid during the Reporting Period were approximately \$747,000, which primarily related to:

- a) costs of approximately \$14,000 to engage the services of former management as independent contractors (and expressly not as an employee or dependent contractor) in order to assist the Receiver during the receivership period;
- b) 2024 property taxes for the Building of approximately \$76,000;
- c) IT costs of approximately \$18,000 relating to the maintenance of current IT infrastructure, phone and internet services, and building security systems required by the Receiver;
- d) repairs and maintenance payments of \$23,000 relating to the Facility's boiler equipment and HVAC system;
- e) monthly insurance premiums of approximately \$24,000;
- f) utility payments of approximately \$31,000 relating to electricity, natural gas and water services for the Facility;
- g) GST of approximately \$26,000 paid on disbursements for goods and services, and GST collected on sales, which the Receiver anticipates being able to collect back from CRA in a refund to the estate;
- h) other operating expenses of approximately \$13,000 relating to obtaining required documents for the sale of the Facility, such as an Environmental Phase I Report and a Real Property Report;
- i) Receiver's Borrowings payment of \$75,000, which will result in a remaining balance owing to BMO of approximately \$75,000; and
- j) professional fees and costs of the Receiver and its legal counsel, Osler, of approximately \$445,000. These professional fees and costs included previously approved fees and costs of the Receiver and its legal counsel for the period February 26, 2024 to April 30, 2024 totaling \$180,597. The remaining amounts paid represents fees and costs incurred from May 1, 2024 to September 30, 2024, which the Receiver is seeking approval of these payments (along with its August 2024 invoices), as discussed in greater detail below.

39. The ending cash available as at September 23, 2024 was approximately \$79,000.

FORECAST FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

40. The Receiver has estimated that it will require approximately \$301,000 (the “**Holdback**”) to complete the remaining administration of the estate and to make a final distribution to BMO (“**BMO Distribution**”), once the Sale Agreement transaction is completed on the Building. The Receiver’s forecast receipts and disbursements (the “**Forecast R&D**”) include following: (i) the collection of GST ITC refunds for approximately \$29,000, (ii) the forecast collection of the purchase price for the Building once the transaction closes, subject to Court approval, (iii) the payment of approximately \$25,000 for contracting and building related expenses, super priority WEPP payment of approximately \$32,000, paydown of the remaining Receiver’s Borrowings to BMO of \$75,000, forecast professional fees and costs for the period of August 1, 2024 to completing the Receivership Proceedings of approximately \$125,000 and setting funds aside for the Receiver to assign both AMC&F and Lyncorp into bankruptcy of approximately \$35,000. Furthermore, the Receiver has also considered a contingency of approximately \$9,000 to cover any unforeseen costs.
41. Due to the confidential nature of the financial information disclosed Forecast R&D, largely in respect to the proposed purchase price of the Building, the Receiver believes it is appropriate to seal the Forecast R&D and include it in the Confidential Appendix 2 to this Report. As previously discussed, BMO is considered the fulcrum creditor and it is anticipated that there will be no recoveries to Provida or any unsecured creditors.
42. The Receiver proposes to provide BMO with a final statement of receipts and disbursements once all of the collectible forecast receipts have been collected and the forecast disbursements have been paid, at which time any remaining proceeds will be transferred to BMO. The Receiver notes that the Forecast R&D is an estimate and the amounts collected and/or paid may be subject to change based on the actual results.

43. At present, it is not anticipated that BMO will be paid in full. The Receiver will also make available, upon request, to Provida the same receipts and disbursements statement for its records.

BANKRUPTCY OF AMC&F AND LYNCORP

44. Pursuant to an Order granted by this Honourable Court on May 28, 2024 (the “**Receivership Amending Order**”), the court authorized the Receiver to assign any of the Companies into bankruptcy.
45. The Receiver intends to make an assignment of Lyncorp and AMC&F into bankruptcy in the coming weeks, which will allow for the crystalizing of various claims as against the Companies and reset certain priorities of claims within the respective estates. The Receiver is advised by BMO that it supports the Receiver’s actions to bankrupt the Companies and funds will be utilized from the receivership estate to fund the bankruptcy process, as noted above.

DESTRUCTION OF BOOKS AND RECORDS

45. The Receiver is in custody of certain records relating to the Companies (the “**Records**”). The Receiver is seeking authorization from this Honourable Court to allow the Receiver to destroy any and all such Records, only if the Records are not required by the licensed insolvency trustee of the pending the Companies’ bankruptcy or any of the current directors or shareholders of the Companies, as set forth in the proposed Discharge Order.
46. The Receiver has communicated its plan to destroy the Records to the Companies’ director(s) and shareholder(s) and the Receiver has been advised that they are not interested in retaining these Records, which remain on site at the Building. The Receiver intends to move these books and records from the Building prior to closing the proposed transaction for the benefit of the licensed insolvency trustee for the anticipated bankruptcy proceedings of the Companies.

APPROVAL OF PROFESSIONAL FEES AND EXPENSES

47. Pursuant to paragraphs 18 to 20 of the Receivership Order, the Receiver seeks approval from this Honourable Court of the respective professional fees and disbursements of the Receiver and its legal counsel for the four month period from May 1, 2024 to August 31, 2024 (the "**Interim Taxation Period**"). This Court previously approved the Receiver and its legal counsel's professional fees and costs from the Receivership Date to April 30, 2024, as reported in the Receiver's First Report.
48. Professional fees and expenses rendered by the Receiver during the Interim Taxation Period total \$231,883 (exclusive of GST) (the "**Receiver's Fees and Costs**"). Professional fees and expenses of the Receiver's Counsel during the Interim Taxation Period total \$84,941 (exclusive GST) (the "**Receiver's Counsel's Fees and Costs**").
49. A summary of the Receiver's Fees and Costs and the Receiver's Counsel's Fees and Costs are attached as Appendix "**B**".
50. The Receiver and the Receiver's Counsel's invoices outline the date of the work completed, the description of the work completed, the length of time taken to complete the work and the name of the individual who completed the work. Copies of the invoices will be made available to the Court, upon request.
51. The Receiver and the Receiver's Counsel's estimated fees and costs to complete this engagement (August 1, 2024 to filing of the Receiver's Discharge Certificate) is estimated at approximately \$125,000 (the "**Forecast Fees and Costs**"), which include fees and costs incurred but not paid.
52. The Receiver respectfully submits that its professional fees and disbursements and those of the Receiver's Counsel are fair and reasonable in the circumstances and respectfully requests that this Honourable Court approve the Receiver's Fees and Costs, the Receiver's Counsel's Fees and Costs, and the Forecast Fees and Costs.

DISCHARGE OF THE RECEIVER

53. The Receiver respectfully requests that this Honourable Court grant an Order which, amongst other things, and subject to filing a certificate which confirms the Receiver has satisfied its obligations under the Receivership Order, discharges A&M as Receiver, absolutely, forever and unconditionally releases the Receiver from any claims arising from, relating to, or in connection with, the performance of the Receiver's duties and obligations as Receiver, save and except for claims based on fraud, gross negligence or wilful misconduct.
54. The Receiver's administration of the estate is substantially complete, subject to:
- a) closing of the transaction contemplated by the Sale Agreement;
 - b) assigning the Companies into bankruptcy and transferring the Records to the licensed insolvency trustee;
 - c) the collection and payments anticipated to occurred as outlined in the Forecast R&D;
 - d) filing all outstanding and required GST returns and corporate tax returns (if required);
 - e) making a distribution to BMO as discussed within this Report;
 - f) payment of the remaining balance owed under the Receiver's Borrowings; and
 - g) addressing any remaining matters of the CRA.
55. In addition, the Receiver may have certain miscellaneous administrative items to attend to post-discharge. The Receiver is of the view that these items are administrative in nature and should not prevent this Court from granting a discharge.

56. Upon completion of the above, the Receiver will file discharge certificate with the Court confirming same. The Receiver is requesting an order that provides that upon filing the discharge certificate, the Receiver will be automatically discharged without further order of the Court.

RECEIVER'S CONCLUSIONS AND RECOMMENDATIONS

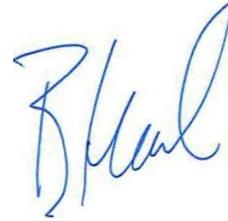
57. For the foregoing reasons, the Receiver respectfully recommends that this Honourable Court grant an Order:
- a) approving the Sale Agreement and Vesting Order;
 - b) approving the Restricted Court Access Order with respect to Confidential Appendices 1, 2, 3 and 4 to this Report;
 - c) approving the Receiver's Fees and Costs, the Receiver's Counsel's Fees and Costs, and the Forecast Fees and Costs, without obtaining further order from this court;
 - d) approving the Receiver to collect any remaining receipts upon and make payments as outlined in the Final R&D;
 - e) approving the Holdback and the BMO Distribution;
 - f) approving the destruction of the Records;
 - g) approving the actions, activities and conduct of the Receiver to date and throughout the Receivership Proceedings; and
 - h) approving the Receiver's request for discharge, upon filing the discharge certificate.

All of which is respectfully submitted this 23rd day of September, 2024.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as the Court-appointed Receiver of
the Companies. and not its personal or corporate capacity**

A handwritten signature in blue ink, appearing to be 'Orest Konowalchuk', written in a cursive style.

Orest Konowalchuk, CPA, CA, CIRP, LIT
Senior Vice President

A handwritten signature in blue ink, appearing to be 'Bryan Krol', written in a cursive style.

Bryan Krol
Director

APPENDIX A

OFFER TO PURCHASE

TERM SHEET

This Term Sheet forms part of the attached Offer to Purchase

PROPERTY ADDRESS: 402086 –81 Street E
Aldersyde, Foothills County, AB
Legally described as: PLAN 9910968, BLOCK A, LOT 3,
EXCEPTING THEREOUT ALL MINES AND MINERALS

1. **PURCHASER:** Erick Zampini

AUTHORIZED CONTACT: Scout Real Estate Ltd.
Attention: Matthew Weiss
Phone: 403-689-1393 Email: mweiss@scoutrealestate.ca

ADDRESS: 919 Centre Street NW, Suite 170, Calgary AB, T2E 2P6
(for mailing or delivery) Telephone No. 403-660-0413

2. **VENDOR:** AMC&F Properties Ltd. (the “Debtor”), by and through its court-appointed receiver, Alvarez and Marsal Canada Inc., (the “Receiver”), the Receiver not acting in its personal or corporate capacity (hereinafter referred to as the “Vendor”)

ADDRESS: Alvarez & Marsal Canada Inc.
(for mailing or delivery) Bow Valley Square 4
Suite 1110, 250 – 6th Avenue SW
Calgary, AB T2P 3H7
Attention: Orest Konowalchuk / Bryan Krol
Phone: (403) 538-4736
Email: okonowalchuk@alvarezandmarsal.com / bkrol@alvarezandmarsal.com

with a copy to:
Osler, Hoskin, & Harcourt LLP
Suite 2700, Brookfield Place
225 – 6th Avenue S.W.
Calgary AB T2P 1N2

Attention: Randal Van de Mosselaer / Julie Treleaven
Phone: (403) 260-7060 / (403) 260-7048
Email: rvandemosselaer@osler.com / jtreleaven@osler.com

3. **PURCHASE PRICE:** [REDACTED] to be satisfied as set out in Section 2.1.

Note: Exclusive of any GST - refer to Section 13.1

4. **DEPOSIT:** [REDACTED]
5. **ACCEPTANCE DATE:** Refer to Sections 5.1 and Item [B] on the signature page.
6. **CLOSING DATE:** means 12:00 p.m. on the seventh Business Day following the date, if the same occurs, that the Court Approval Order is granted, or such earlier or later time and date as may be mutually agreed upon in writing between the Vendor and the Purchaser, or by their respective solicitors, provided that no stay of proceedings has been obtained with respect to the Court Approval Order, in which case the Closing Date shall be that date which is 7 Business Days following the date that the stay, if any, has been terminated.
7. **VENDOR'S SOLICITORS: AUTHORIZED CONTACT:** Osler, Hoskin, & Harcourt LLP
Suite 2700, Brookfield Place
225 – 6th Avenue S.W.
Calgary AB T2P 1N2
- ADDRESS:** Attention: Randal Van de Mosselaer / Julie Treleaven
(for mailing or delivery) Phone: (403) 260-7060 / (403) 260-7048
Email: rvandemosselaer@osler.com / jtreleaven@osler.com
8. **PURCHASER'S SOLICITORS: AUTHORIZED CONTACT: ADDRESS:** Randal Jarvis Professional Corporation
Attention: Randal E. J. Jarvis
Phone: (403) 934-5000 Email: randal@jarvislaw.ca
110, 304 Avenue
Strathmore AB T1P 1Z1
(for mailing or delivery)
9. **PURCHASER'S GST NO.:** To be provided upon request, if applicable.
10. **DEFINITIONS:** Each capitalized term used in this Offer to Purchase shall have the meaning given to it in SCHEDULE "B" attached hereto.



OFFER TO PURCHASE

BETWEEN:

The Person named in Paragraph 1 of the Term Sheet

(herein referred to as the "**Purchaser**")

- and -

The Persons named in Paragraph 2 of the Term Sheet

(herein referred to collectively as the "**Vendor**")

1. THE PROPERTY

- 1.1 The Purchaser hereby offers to purchase the real property more particularly described in SCHEDULE "A" and all improvements, structures, fixtures, appurtenances and attachments thereon (the "**Property**") on the terms and conditions set out in this Agreement.

2. PURCHASE PRICE

- 2.1 The Purchaser shall pay the Purchase Price as follows:

- (a) the amount set out in Paragraph 4 of the Term Sheet payable by certified funds, in trust, to the Vendor's Solicitors set out in Paragraph 7 of the Term Sheet (the "**Vendor's Solicitors**") and delivered within two Business Days of the time of submitting this Offer, as a deposit (the "**Deposit**"); and
- (b) the balance of the Purchase Price payable by certified funds to the Vendor or Vendor's Solicitors, or by such other means of payment as the Vendor may otherwise direct, on the Closing Date, subject to the adjustments herein stipulated.

3. DEPOSIT

- 3.1 The Deposit, as is appropriate, shall be:

- (a) returned to the Purchaser without interest or deduction if the Vendor does not accept this Offer; or
- (b) credited as an adjustment to the Purchaser against the Purchase Price on the Closing Date when the purchase and sale of the Property is completed pursuant to this Offer; or
- (c) refunded to the Purchaser without deduction if the conditions set out in Section 5.2 and SCHEDULE "D" of this Offer are not waived or satisfied as provided for herein; or

(d) in any other event (other than the default of the Vendor), retained by the Vendor as liquidated damages and as the sole remedy of the Vendor, and in such event, the Vendor shall be at liberty to proceed to further market and sell the Property.

3.2 There shall be no obligation on the Vendor's Solicitors to invest the Deposit.

3.3 In holding and dealing with the Deposit pursuant to this Agreement, the Vendor's Solicitors are not bound in any way by any agreement other than this Agreement, and the Vendor's Solicitors shall not be considered to assume any duty, liability or responsibility other than to hold the Deposit in accordance with the provisions of this Agreement and to pay the Deposit to the party becoming entitled thereto in accordance with the terms of this Agreement except in the event of a dispute between the parties as to entitlement to the Deposit; in the case of such dispute, the Vendor's Solicitors may, in their discretion, pay the monies in dispute into court, whereupon the Vendor's Solicitors shall have no further obligations relating to the Deposit. The Vendor's Solicitors will not, under any circumstances, be required to verify or determine the validity of any notice or other document whatsoever delivered to the Vendor's Solicitors and the Vendor's Solicitors are hereby relieved of any liability or responsibility for any loss or damage which may arise as the result of the acceptance by the Vendor's Solicitors of any such notice or other document in good faith. The Vendor's Solicitors may rely upon the provisions of this Section notwithstanding that the Vendor's Solicitors are not a party to this Agreement. The Vendor's Solicitors' role as Deposit holder, and any actions or proceedings relating thereto, shall not in any way disqualify the Vendor's Solicitors from continuing to act for the Vendor in respect of this Agreement, or any actions or proceedings relating thereto, or in respect of any other matter, action or proceeding.

4. **ADJUSTMENTS**

4.1 Adjustments to the Purchase Price shall be made on the Closing Date for all items normally adjusted between a vendor and purchaser in respect of the sale of property similar to the Property, including, without limitation and to the extent applicable to this transaction, taxes, levies, rates and charges, utilities and other adjusted items, including property taxes, and any local improvement assessments. The adjustments shall provide that costs and revenue from the Property on the Closing Date itself shall be for the account of the Purchaser.

4.2 The Vendor and Purchaser agree that there shall be no readjustment to the Purchase Price post-closing.

5. **ACCEPTANCE AND CONDITIONS**

5.1 The Purchaser agrees that this Offer shall remain open for acceptance and shall be irrevocable by the Purchaser until 5:00 p.m. Calgary time on September 6, 2024 (or such earlier date upon Notice by the Vendor to the Purchaser that the Vendor has elected not to accept this Offer), after which time, if not accepted by the Vendor, this Offer shall be null and void and the Deposit shall be dealt with in accordance with Section 3.1(a). Acceptance of this Offer by the Vendor may be communicated by the Vendor by facsimile transmission or electronic mail to the Purchaser or to the Purchaser's Solicitors, or by delivering

personally, an executed counterpart or copy of this Offer to the Purchaser or to the Purchaser's Solicitors. The Vendor shall indicate the date on which it has executed this Offer in the space provided in item [B] immediately following Section 14.18 (the "**Acceptance Date**") and upon such acceptance being communicated to the Purchaser or its solicitors pursuant to this Section 5.1 or 12.1, this Offer shall become a binding agreement for the purchase and sale of the Property.

- 5.2 This Offer is subject to the condition precedent, for the benefit of the Vendor and the Purchaser, that the Court of King's Bench of Alberta issue the Court's sale approval and vesting order, substantially in the form attached to this Offer to Purchase as SCHEDULE "E" (the "**Court Approval Order**"), or such other Court Approval Order as may be granted on terms and conditions acceptable to the Purchaser and Vendor each acting reasonably Action by September 30, 2024, or if the Court Approval Order is stayed or appealed that such appeal is abandoned or the Court Approval Order affirmed by November 15, 2024 (or such other date as may be agreed in writing between the Vendor and the Purchaser). In the event the Court Approval Order is not granted in the Action, or in the event the Court Approval Order is reversed on appeal, this Offer shall thereupon terminate and be of no further force and effect, the Purchaser shall have no further interest in the Property and the Vendor shall cause the Vendor's Solicitors to return the Deposit for the Purchaser's Solicitors for release to the Purchaser. The Purchaser and the Vendor further agree that from the Acceptance Date until the Closing Date, any binding contract or leases with respect to the Property require the approval of both the Purchaser and the Vendor.
- 5.3 It is understood and agreed that if the Purchaser is unable or unwilling to comply with any and all of the covenants and obligations to be observed or performed by the Purchaser as set forth herein, the Deposit together with interest thereon, shall be absolutely forfeited by the Purchaser to the Vendor as liquidated damages and not as a penalty and the Vendor shall have no further remedies; and in such event the Purchaser shall have no further interest in the Real Property, and the Vendor shall be at liberty to proceed to further market and sell the Real Property as the Vendor deems fit without further notice to the Purchaser.

6. **PROPERTY**

- 6.1 The title to the Property shall be transferred to the Purchaser on the terms herein and as approved in the Court Approval Order, subject only to the Permitted Encumbrances listed in SCHEDULE "C" and closing registrations caused by the Purchaser. Provided always, and it is a condition that, title and possession of the Real Property shall not vest in the Purchaser until the full balance of the Purchase Price is paid by the Purchaser to the Vendor on or before the Closing Date.

7. **SITE CONDITIONS**

- 7.1 Save and except as specifically agreed herein, it is understood and agreed that the Purchaser warrants, covenants and expressly acknowledges and agrees that it has made and entered into this Offer solely on the basis that the Property shall be transferred to the Purchaser on an "as-is where-is" and "without-recourse" basis, and in particular, but without limiting the generality of the foregoing, without any representation, warranty, condition or collateral



agreement whatsoever, expressed, implied or statutory, by or with the Vendor, or any agents, employees or solicitors of such Persons, pertaining whatsoever to the Property and this Offer. In particular, and without limiting the generality of the foregoing, without any representation, warranty, condition or collateral agreement whatsoever, arising from or relating to the following:

- (a) The reliability or content of any information that may have been provided in respect of the Property to assist the Purchaser in carrying out its due diligence;
- (b) The condition and quality of the Property, inclusive of the existence, condition and quality of the soil and of any and all improvements located on the Property. Without limiting the generality of the foregoing, there is no representation, warranty, condition or collateral agreement whatsoever in respect of any Environmental Laws or Hazardous Substances in respect of the Property;
- (c) The zoning or land use of the Property, or any permits, laws, by-laws, conditions, approvals or licenses issued, related to, or required in respect of the Property and the use thereof;
- (d) Any property adjacent to the Property; and
- (e) Any other matter or thing whatsoever relating to the Property, inclusive of any improvements forming part thereof or relating to any leases in respect of the Property,

and the Purchaser warrants, covenants and expressly acknowledges and agrees that in purchasing the Property, the Purchaser has relied entirely on its own due diligence, inspection and searches made in respect of the Property.

- 7.2 The Purchaser Related Parties or any of them shall not have or assert and hereby expressly waives any Claim based upon or arising out of or in connection with: (a) any act, representation, statement, neglect or omission by or on behalf of the Vendor Indemnified Parties or any of them; (b) any receipt or review of, or any comment or discussion arising from any report or other information or other material made available to the Purchaser Related Parties, or any of them, by or on behalf of the Vendor; or, (c) any other state, nature, quality or condition in, on, under or near the Property.

8. CLOSING

- 8.1 The transaction contemplated by this Offer shall be completed on the Closing Date as set out in paragraph 6 of the Term Sheet.
- 8.2 Any tender of documents or money hereunder may be made upon the Vendor or the Purchaser or their respective solicitors on the Closing Date.
- 8.3 If prior to closing of this Offer all or any part of the Property is destroyed or damaged by fire, or other casualty, and if the cost of the rectification of such destruction, damage or casualty exceeds \$500,000.00, the Purchaser may at its option:



- (a) Cancel this Offer, in which case the Deposit shall be returned by the Vendor to the Purchaser;
- (b) Close this Offer, and recover the insurance proceeds, if any, payable in respect of the destruction or damage.

9. VENDOR'S CLOSING DELIVERIES

9.1 The Vendor shall execute and deliver to the Purchaser's Solicitor on or before the Closing Date, against payment of the Purchase Price, the following:

- (a) Certified Copy of the Court Approval Order - a certified copy of the Court Approval Order in registrable form so as to vest in the Purchaser (or in a permitted assign of the Purchaser as described in Section 14.7) all right, title and interest in the Property;
- (b) Statement of Adjustments; and
- (c) Other - any other documents specifically referred to in this Offer relative to the completion of the purchase and sale of the Property.

9.2 All of the documents referred to in Section 9.1 shall be prepared by the Vendor's Solicitors at the Vendor's expense and will be delivered to the Purchaser's Solicitors on reasonable trust conditions to enable the Property, in accordance with the terms of the Court Approval Order, to be transferred to the Purchaser, subject to all Permitted Encumbrances and to ensure that the Property, as ordered in the Court Approval Order, shall be registered in the name of the Purchaser free and clear of any claims of the Debtor and its creditors, and free and clear of all registrations whatsoever, save for the Permitted Encumbrances and any registrations caused by the Purchaser.

9.3 In the event any portion of the Purchase Price or any of the Purchaser's closing deliveries referenced in Article 10 are not provided by the Purchaser to the Vendor on or before 12:00 p.m. on the Closing Date, and in the event the parties hereafter agree in writing to an extension of the time for providing such items to a date past the Closing Date (the "**Extension Date**"), the Purchaser shall be obliged to pay to the Vendor interest at the rate of 10% per annum on the unpaid portion of the Purchase Price from the Closing Date until all such items are provided by the Purchaser on or before the Extension Date.

10. PURCHASER'S CLOSING DELIVERIES

10.1 The Purchaser shall execute and deliver to the Vendor on the Closing Date the following:

- (a) Cash Portion of Purchase Price - the balance of the Purchase Price by way of wire transfer; subject to such terms, conditions and practice customary to such payment, as the parties or their solicitors may further agree in writing, and such amount to be payable to the Vendor or Vendor's Solicitors, or as the Vendor may otherwise direct;



- (b) Corporate Resolution - if requested by the Vendor, a certified copy of the appropriate corporate resolution of the Purchaser approving and authorizing the execution of this Offer by the Purchaser and the due observance by the Purchaser of all of the Purchaser's covenants and obligations contained herein;
- (c) the Purchaser's GST Certificate; and
- (d) Other - any other documents specifically referred to in this Offer relative to the completion of this Offer, together with any other documents relative to the completion of this Offer as may reasonably be required by the Vendor and the Vendor's Solicitors.

11. RISK

- 11.1 The Property shall remain at the risk of the Vendor until the Closing Date. From and after the Closing Date, the Property shall be entirely at the risk of the Purchaser and the Purchaser shall assume any and all responsibilities and liabilities arising out of or in any way connected with the environmental condition of the Property and with any environmental matters, including the contravention of any Environmental Laws whether such condition or matter arose before, on or after the Closing Date and, without being limited by the foregoing, any other state, nature, quality or condition in, on, under or near the Property existing as of the Closing Date, whenever and however arising, whether known or unknown and whether environmental or otherwise, and whether such responsibilities and liabilities are imposed by law, equity or any Governmental Authorities.

12. NOTICE

- 12.1 Except as otherwise expressly permitted under this Offer, any notice, approval or other communication required or permitted to be given hereunder ("**Notice**") shall be in writing and shall be sufficiently given if personally delivered or if transmitted by facsimile or electronic mail, and, in the case of Notice to the Vendor, if addressed to it at the address shown in Paragraph 2 of the Term Sheet, with a copy to the Vendor's Solicitors at the address shown in Paragraph 7 of the Term Sheet; and in the case of Notice to the Purchaser, addressed to it at the address shown in Paragraph 1 of the Term Sheet, with a copy to the Purchaser's Solicitors at the address shown in Paragraph 8 of the Term Sheet.
- 12.2 Any Notice so given shall be deemed conclusively to have been given and received: (a) if personally delivered, on the date of delivery; or (b) if sent by facsimile, on the date of its transmission.
- 12.3 Either party may from time to time change its address for service by written Notice to the other party hereto given in the manner provided by this Article 12.

13. GOODS AND SERVICES TAX

- 13.1 The Purchaser hereby represents and warrants to the Vendor as follows:
 - (a) the Purchaser shall be purchasing the Property on the Closing Date, as principal for its own account and not as an agent, trustee or otherwise on behalf of another



Person; provided, however, that in the event that the Purchaser is purchasing the Property as agent, nominee or trustee on behalf of another Person or entity as beneficial owner (the "**Purchaser Beneficial Owner**"), the Purchaser's GST Certificate shall contain the GST registration number of the Purchaser Beneficial Owner and shall be signed by the Purchaser and the Purchaser Beneficial Owner;

- (b) the Purchaser (or the Purchaser Beneficial Owner, if applicable) shall be registered under Subdivision D of Division V of Part IX of the *Excise Tax Act* (Canada) (the "**GST Act**") for the purposes of collection and remittance of GST ("**GST**");
- (c) the Purchaser (or the Purchaser Beneficial Owner, if applicable) shall be liable, shall self-assess and remit to the appropriate Governmental Authority all GST which is payable under the GST Act in connection with the transfer of the Property made pursuant to the Agreement, all in accordance with the GST Act;
- (d) the Vendor shall not collect GST on closing regarding the Property and shall allow the Purchaser (and the Purchaser Beneficial Owner, if any) to self-assess and remit GST to the Receiver General in accordance with the GST Act;
- (e) the Purchaser (and the Purchaser Beneficial Owner, if any) shall indemnify and save harmless the Vendor and the Receiver from and against any and all GST, penalties, costs and/or interest which may become payable by or assessed against the Vendor as a result of any inaccuracy, misstatement or misrepresentation made by the Purchaser on the Closing Date in connection with any matter raised in this Section; and
- (f) the Purchaser (and the Purchaser Beneficial Owner, if any) shall tender on closing a certificate and indemnity in the form attached as SCHEDULE "D" (the "**Purchaser's GST Certificate**").

13.2 In addition to the Purchaser's obligations under Section 13.1, the Purchaser shall pay and be liable for any other taxes, all filing, registration or fees payable in connection with the filing or registration of the Court Approval Order and any deeds, transfers of land or other documents executed and delivered hereunder, excluding any income tax payable by the Vendor.

14. MISCELLANEOUS

14.1 This Offer shall constitute the entire agreement between the parties concerning the transaction contemplated hereby and all prior negotiations, proposals and writings pertaining to this Offer or the subject matter hereof are superseded hereby. This Offer shall not be modified or amended except with the written consent of both the Vendor and the Purchaser and no modification or amendment to this Offer binds the Vendor or the Purchaser, respectively, unless in writing and executed by it, and approved by the Court if so required. The Purchaser acknowledges that the Vendor has made no representation, warranty, collateral agreement or condition, whether direct, indirect, or collateral, or express or implied, statutory or otherwise, which induced the Purchaser to make this Offer or to enter into the Offer or on which reliance is placed by the Purchaser, or which affects this Offer or the Property other than as expressed herein. After the Acceptance Date and



before completion of closing, no conditions, warranties, representations or other agreements concerning the transactions contemplated by this Offer shall be valid and binding on the Vendor unless in writing and executed by it.

- 14.2 This Offer and everything relating hereto shall be construed and interpreted in accordance with and governed by the laws of the Province of Alberta and the laws of Canada applicable therein.
- 14.3 Any provision of this Offer which is determined to be void, prohibited or unenforceable in any jurisdiction, shall be severable to the extent of such avoidance, prohibition or unenforceability, without invalidating or otherwise limiting or impairing the remaining provisions of this Offer, and any such avoidance, prohibition or unenforceability of a provision in any jurisdiction shall not affect such provision in any other jurisdiction.
- 14.4 Time shall in all respects be of the essence hereof, provided that the time for doing or completing of any matter provided for herein may be extended or abridged in accordance with the terms of this Offer or by an agreement in writing signed by the Vendor and the Purchaser or by their respective solicitors who are hereby expressly authorized in this regard and time shall be of the essence with respect to any such extended or abridged deadline.
- 14.5 The computation of any time period referred to herein shall exclude the day of the occurrence of the event to which the period relates and shall include the last day of such period. Where the time limited for the doing of anything hereunder expires or falls on a day that is not a Business Day, the time so limited extends to and the thing may be done on the day next following that is a Business Day.
- 14.6 The Purchaser shall not register this Offer or any notice thereof against title to the Property.
- 14.7 The Purchaser shall not assign this Offer without the prior written consent of the Vendor, which consent may be withheld by the Vendor in its sole and unfettered discretion or given with conditions provided that the Purchaser may, without the consent of the Vendor, upon providing written notice to the Vendor, assign this Offer to an entity directly or indirectly controlled or managed by the Purchaser or an affiliate of the Purchaser or to an entity affiliated or associated with the Purchaser. In the event of such an assignment the Purchaser shall continue to be jointly and severally liable for all of the obligations of the Purchaser hereunder. This Offer shall enure to the benefit of and be binding upon the Vendor, its successors and assigns and the Purchaser and its successors and permitted assigns.
- 14.8 This Offer shall be read with all changes of gender or number required by the context.
- 14.9 This Offer consists of the Term Sheet, Articles 1 through Article 13, both inclusive, and the following schedules:

SCHEDULE "A" – The Property
SCHEDULE "B" – Definitions
SCHEDULE "C" – Permitted Encumbrances
SCHEDULE "D" – Purchaser's Certificate and Undertaking
SCHEDULE "E" – Form of Sale Approval and Vesting Order



- 14.10 All references to "Dollars" and the symbol "\$" shall be to Canadian dollars.
- 14.11 Except as may be otherwise expressly provided herein, all provisions of this Offer and the provisions of any document delivered pursuant to this Offer shall not expire with or be terminated, merged or extinguished by the closing of the purchase and sale of the Property pursuant to this Offer, as well as any subsequent changes in the legal and/or beneficial ownership or use or occupation of, the Property from time to time.
- 14.12 The parties hereto have expressly required that this Offer and all deeds, documents and notices relating thereto be drafted in the English language.
- 14.13 The Purchaser acknowledges that it has read this Offer in its entirety. The Purchaser further acknowledges that it has understood the terms and conditions herein contained and acknowledges that it has had the opportunity to obtain independent legal advice prior to signing this Offer.
- 14.14 The Vendor and the Purchaser will, from time to time, on or after the Closing Date, with reasonable due diligence, execute and deliver such other documents, and do such other acts and things as may be reasonably necessary in order to carry out the terms and conditions and intent of this Offer.
- 14.15 This Offer was prepared with each of the parties having access to its respective legal counsel. Accordingly, the parties acknowledge and agree that this Offer shall be deemed and considered for all purposes as prepared through the joint efforts of the parties and shall not be construed against one party or the other as a result of the preparation, submittal or other event of negotiation or drafting.
- 14.16 Real estate commissions, brokerage fees or finders fees shall be payable by the Vendor with respect to this Offer, or the sale to be completed on the Closing Date, as has been agreed to between the Vendor and CDN Global Advisors Ltd. If the Purchaser was introduced to the Property by any other agent, realtor or broker other than CDN Global Advisors Ltd., then the Purchaser agrees to indemnify and hold the Vendor completely harmless from any claims for real estate commissions, brokerage fees or finders fees made by such agent, realtor or broker acting for or on behalf of the Purchaser.
- 14.17 The Purchaser acknowledges that the Property is subject to the *Foreign Ownership of Land Regulations* (Alberta) and the Purchaser confirms it has conducted its own analysis of same. The release of the Purchase Price to the Vendor is irrevocable and not conditional on acceptance by the Foreign Ownership of Land Office of the Purchaser's Foreign Ownership of Land Declaration.
- 14.18 Each of the parties hereto represent and warrant to the other that:
- (a) They have entered into this Offer freely and voluntarily, with the full knowledge of the terms and conditions, after obtaining independent legal advice in respect of the terms herein;
 - (b) This Offer shall be legally valid and binding between the parties in accordance with its terms; and



- (c) Each has the full power, legal capacity and authority to enter into this Offer, and the person signing this Offer on their respective behalves, has been duly authorized to so act and such authorization shall be evidenced by the execution by the respective parties set forth below, and by virtue of such execution, the parties hereto, and each of them, shall be bound in all respects by such execution, and by the terms, conditions and agreements set forth in this Offer.

[Rest of this page left intentionally blank. Execution page to follow.]



[A] DATED this 30 day of August, 2024.

ERICK ZAMPINI

DocuSigned by:
Erick Zampini
578E271022E74EC

[B] The Vendor accepts this Offer this 4 day of SEPTEMBER, 2024.

AMC&F PROPERTIES LTD., by and through its court appointed receiver, ALVAREZ & MARSAL CANADA INC., not acting in its personal or corporate capacity

By: 

Name: O. KONOWALCHUK
Title: S. V. P.

By: _____

Name:
Title:



- 14 -

SCHEDULE "A"

THE PROPERTY

PLAN 9910968

BLOCK A

LOT 3

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 2 HECTARES (4.94 ACRES) MORE OR LESS



SCHEDULE "B"

DEFINITIONS

- (a) **"Acceptance Date"** has the meaning set out in Section 5.1.
- (b) **"Agreement" or "Offer"** means the agreement between the Vendor and the Purchaser to which this Schedule is attached and which consists of the Term Sheet, Articles 1 through Article 14, both inclusive, and all other Schedules attached thereto.
- (c) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Alberta.
- (d) **"Claim"** means any claim, suit, proceeding, charge, loss, cost, expense, liability, demand, action, debt, fine, penalty, judgment, order (including without limitation any complaint, direction, instruction, order or sanction which is issued, filed or imposed by any Governmental Authorities), interest, payment and/or damage (including reasonable counsel and other reasonable professional fees).
- (e) **"Closing Date"** means the date of completion specified in Paragraph 6 of the Term Sheet, or at such earlier or later date as the parties may mutually agree in writing.
- (f) **"Debtor"** has the meaning set out in Paragraph 2 of the Term Sheet.
- (g) **"Dollars"** and the symbol "\$" means Canadian dollars.
- (h) **"Environmental Laws"** means and includes all federal, provincial and local laws, regulations, rules, guidelines, orders and requirements respecting the environment, environmental protection, enhancement and enforcement, natural resources, conservation, land use and occupational safety and health.
- (i) **"Governmental Authorities"** means any government, regulatory authority, governmental department, bureau, agency, commission, board, tribunal, crown corporation, licensing body, court, judicial body, arbitral body or other law, rule or regulation-making entity having jurisdiction over the Property or any adjacent or neighbouring property on behalf of any nation, state, territory, province, municipality, locality or other jurisdiction.
- (j) **"GST"** has the meaning set out in Section 13.1.
- (k) **"GST Act"** has the meaning set out in Section 13.1.
- (l) **"Hazardous Substances"** means any substance, product, matter, solid, liquid, gas, chemical, hazardous or toxic substance, waste, material, radon, pollutant, contaminant or agent, either naturally occurring or not, all as defined or used in any applicable Environmental Laws, whose presence in any medium, including, without limitation, the air, groundwater, surface waters, sediments or soil, could give rise to any environmental Claims or other environmental obligations, including without limitation any statutory or common law right of action for property damage, nuisance, negligence, trespass, health or safety hazard to persons, cleanup obligation or response action or otherwise, and shall



include without limitation any and all “hazardous substances,” “pollutants” and “contaminants” (as these terms are defined pursuant to any applicable Environmental Laws). Notwithstanding any exclusions or exemptions under any Environmental Laws, the term “Hazardous Substances” includes, without limitation, asbestos; naturally occurring radioactive material, including metals; PCBs; petroleum, including, without limitation, crude oil or any fraction thereof; and natural and synthetic gases, including any liquids from and components thereof.

- (m) **“Notice”** has the meaning set out in Section 12.1.
- (n) **“Permitted Encumbrance”** means those encumbrances listed in SCHEDULE “C”.
- (o) **“Person”** means any individual, partnership, corporation, trust, unincorporated association, a government or departmental agency thereof, or any other entity.
- (p) **“Property”** has the meaning set out in Section 1.1.
- (q) **“Purchase Price”** means the amount set out in Paragraph 3 of the Term Sheet.
- (r) **“Purchaser Beneficial Owner”** has the meaning set out in Section 13.1.
- (s) **“Purchaser’s GST Certificate”** has the meaning set out in Section 13.1.
- (t) **“Purchaser Related Parties”** means the Purchaser, its subsidiaries and affiliates and their permitted successors and assigns.
- (u) **“Term Sheet”** means pages 1 and 2 of this Agreement.
- (v) **“Vendor Indemnified Parties”** whether used in the context of an indemnity or a release provision under this Agreement means collectively:
 - (i) the Vendor, being Alvarez and Marsal Canada Inc. in its capacity as receiver and manager of the property and assets of AMC&F Properties Ltd. and Lyncorp Manufacturing Ltd., and not in its personal capacity, as described in Paragraph 2 of the Term Sheet, its subsidiaries and affiliates, and its respective directors, officers, employees, agents and representatives; and
 - (ii) the Debtor and its subsidiaries, affiliates, directors, officers, employees, agents and representatives.

SCHEDULE "C"

PERMITTED ENCUMBRANCES

Registration Number	Registration Date	Description
610IV	23/09/1963	Agreement Restrictive Covenant
971 327 404	31/10/1997	Utility Right of Way Grantee: Canadian Western Natural Gas Company Limited
991 084 529	29/03/1999	Caveat Re: Development Agreement pursuant to Municipal Government Act Caveator- The Municipal District of Foothills No. 31



SCHEDULE "D"

PURCHASER'S CERTIFICATE AND UNDERTAKING

GOODS AND SERVICES TAX

CERTIFICATE, UNDERTAKING AND INDEMNITY

To: AMC&F Properties Ltd., by and through its court appointed receiver, Alvarez and Marsal Canada Inc. (the "**Receiver**"), the Receiver not acting in its personal or corporate capacity (the "**Vendor**")

From: Erick Zampini (the "**Purchaser**")

Re: Sale of lands and premises located in Aldersyde, Foothills County, Alberta set forth and legally described as:

PLAN 9910968
BLOCK A
LOT 3
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 2 HECTARES (4.94 ACRES) MORE OR LESS

(the "**Lands**") from the Vendor to the Purchaser

1. The Purchaser hereby certifies that:
 - (a) The Purchaser is purchasing the Lands solely for and on behalf of itself and not as trustee or agent for any other party;
 - (b) the Purchaser is registered for purposes of goods and services tax pursuant to the *Excise Tax Act* (Canada) (the "**Act**") under registration number to be provided if applicable; and
 - (c) the registration of the Purchaser pursuant to the Act has not been amended, varied, cancelled or revoked and is presently current and in force.
2. The Purchaser shall be liable for, shall self-assess and shall remit to the appropriate governmental authority, all GST which is payable under the Act in connection with the transfer of the Lands made pursuant to the offer to purchase, all in accordance with the Act.
3. The Purchaser shall indemnify and save harmless the Vendor and Receiver from and against any and all GST, penalties, interest and/or other costs which may become payable by or be assessed against the Vendor or the Receiver as a result of any inaccuracy, misstatement or misrepresentation made by the Purchaser in connection with any matter contained in this certificate and indemnity.



Dated as of 8/30/2024, 2024.

Erick Zampini

DocuSigned by:
Erick Zampini
578E271022E74EC



SCHEDULE "E"

FORM OF SALE APPROVAL AND VESTING ORDER

COURT FILE NUMBER 2401-02438

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT BANK OF MONTREAL

RESPONDENTS AMC&F PROPERTIES LTD.
LYNCORP MANUFACTURING LTD.

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

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**
Barristers & Solicitors
Brookfield Place, Suite 2700
225 6 Ave SW
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven
Telephone: (403) 260-7000 / 7048
Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1253712



DATE ON WHICH ORDER WAS PRONOUNCED:

LOCATION WHERE ORDER WAS PRONOUNCED:

NAME OF JUSTICE WHO MADE THIS ORDER:

UPON THE APPLICATION by Alvarez & Marsal Canada Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the assets, properties and undertakings of AMC&F Properties Ltd. ("**AMC&F**") and Lyncorp Manufacturing Ltd. ("**Lyncorp**", and together with AMC&F, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and **Erick Zampini** (the "**Purchaser**") dated **[Date]** and appended to the ___ Report of the Receiver dated **[Date]** (the "**Report**"), and vesting in the

Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON HAVING READ the Receivership Order dated February 26, 2024, (the "**Receivership Order**"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser [**Names of other parties appearing**], 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 time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon 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 Closing Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, 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, "Claims") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order;



- (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;
- (c) any liens or claims of lien under the Builders' Lien Act (Alberta); and
- (d) those Claims listed in Schedule "C" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule "B" (collectively, "**Permitted Encumbrances**"))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances as identified on Schedule "B", affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, 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 Receiver's Closing Certificate 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 Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

(a) the Registrar of Land Titles ("Land Titles Registrar") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

- (i) cancel existing Certificates of Title No. 171 013 717 for those lands and premises municipally described as: 402086 -81 Street E, Aldersyde, Foothills County, AB, and legally described as:

PLAN 9910968

BLOCK A

LOT 3

EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Lands**")

- (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, ●;



- (iii) transfer to the New Certificate of Title the Permitted Encumbrances listed in Schedule "B" to this Order; and
 - (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- 5. 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 Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate 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 Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
- 6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
- 7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles 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. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
- 8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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.
- 9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta Employment Standards Code, the Purchaser (or its nominee) shall not, by completion of



the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.

10. 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 (or its nominee).
11. 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, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

MISCELLANEOUS MATTERS

14. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) 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 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 (or its nominee) 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.



15. The Receiver, the Purchaser (or its nominee) 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.
16. 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.
17. 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: ●and service on any other person is hereby dispensed with.
18. 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 Certificate

COURT FILE NUMBER 2401-02438

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT BANK OF MONTREAL

RESPONDENTS AMC&F PROPERTIES LTD.
LYNCORP MANUFACTURING LTD.



DOCUMENT **RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**
Barristers & Solicitors
Brookfield Place, Suite 2700
225 6 Ave SW
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven
Telephone: (403) 260-7000 / 7048
Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1253712

RECITALS

- A. Pursuant to an Order of the Honourable Justice **[Name]** of the Court of Queen's Bench of Alberta, Judicial District of _____ (the "Court") dated **[Date of Order]**, **[Name of Receiver]** was appointed as the receiver (the "Receiver") of the undertakings, property and assets of **[Debtor]** (the "Debtor").

- B. Pursuant to an Order of the Court dated **[Date]**, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (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, capitalized terms 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 [Time] on [Date].

**[Name of Receiver], in its capacity
as Receiver of the undertakings,
property and assets of [Debtor],
and not in its personal capacity.**

Per; _____

—

Name:

Title:



Schedule "B"

PROPERTY ADDRESS:

402086 -81 Street E
Aldersyde, Foothills County, AB

LEGALLY DESCRIBED AS:

PLAN 9910968
BLOCK A
LOT 3
EXCEPTING THEREOUT ALL MINES AND
MINERALS
AREA: 2 HECTARES (4.94 ACRES) MORE OR LESS

PERMITTED ENCUMBRANCES:

Registration Number	Registration Date	Description
610IV	23/09/1963	Agreement Restrictive Covenant
971 327 404	31/10/1997	Utility Right of Way Grantee: Canadian Western Natural Gas Company Limited
991 084 529	29/03/1999	Caveat Re: Development Agreement pursuant to Municipal Government Act Caveator- The Municipal District of Foothills No. 31



APPENDIX B

AMC&F Properties Ltd. and Lyncorp Manufacturing Ltd.
Summary of Receiver's Fees and Disbursements
February 26, 2024 to August 31, 2024

Invoices previously approved by the Court

Inv. No.	Period	Fees	Disbursements	Total Fees & Disbursements	GST	Total
Invoice #1	February 26, 2024 - February 29, 2024	24,548.00	24.00	24,572.00	1,228.60	25,800.60
Invoice #2	March 1, 2024 - March 31, 2024	88,539.00	2,828.89	91,367.89	4,568.39	95,936.28
Invoice #3	April 1, 2024 - April 30, 2024	46,074.67	708.67	46,783.34	2,339.16	49,122.50
Total		159,161.67	3,561.56	162,723.23	8,136.15	170,859.38

Invoices subject to Court approval

Inv. No.	Period	Fees	Disbursements	Total Fees & Disbursements	GST	Total
Invoice #4	May 1, 2024 - May 31, 2024	102,606.50	585.07	103,191.57	5,159.58	108,351.15
Invoice #5	June 1, 2024 - July 27, 2024	91,282.50	378.12	91,660.62	4,583.03	96,243.65
Invoice #6	July 28, 2024 - August 31, 2024	36,651.00	379.63	37,030.63	1,851.53	38,882.16
Total		230,540.00	1,342.82	231,882.82	11,594.14	243,476.96

Grand Total **389,701.67** **4,904.38** **394,606.05** **19,730.29** **414,336.34**

AMC&F Properties Ltd. and Lyncorp Manufacturing Ltd.
Summary of Receiver's Counsel's Fees and Disbursements
February 20, 2024 to August 31, 2024

Invoices previously approved by the Court

Inv. No.	Period	Fees	Disbursements	Total Fees & Disbursements	GST	Total
12873260	February 20, 2024 - February 29, 2024	3,893.50	-	3,893.50	194.68	4,088.18
12882700	March 1, 2024 - March 31, 2024	3,010.00	1.65	3,011.65	150.58	3,162.23
12893264	April 1, 2024 - April 30, 2024	10,965.00	3.62	10,968.62	548.43	11,517.05
Total		17,868.50	5.27	17,873.77	893.69	18,767.46

Invoices subject to Court approval

Inv. No.	Period	Fees	Disbursements	Total Fees & Disbursements	GST	Total
12904064	May 1, 2024 - May 31, 2024	39,704.50	-	39,704.50	1,985.23	41,689.73
12914229	June 1, 2024 - June 30, 2024	19,540.50	141.00	19,681.50	978.58	20,660.08
12925497	July 1, 2024 - July 31, 2024	9,978.00	115.90	10,093.90	504.70	10,598.60
12936408	August 1, 2024 - August 31, 2024	15,461.50	-	15,461.50	773.08	16,234.58
Total		84,684.50	256.90	84,941.40	4,241.59	89,182.99

Grand Total **102,553.00** **262.17** **102,815.17** **5,135.28** **107,950.45**

APPENDIX C



2024 COMBINED ASSESSMENT AND TAX NOTICE

Foothills County

Box 5605 309 Macleod Trail SW High River AB T1V 1M7
T: 403-652-2341 F: 403-652-7880 www.foothillscountyab.ca

Date Printed May 27, 2024

Date Mailed June 05, 2024

Roll Number	Legal Description	Civic Address	Acres
2028075060	3;A;9910968 NW 7;20;28 W4	20 402086 81 St E	4.940

AMC & F Properties Ltd
c/o Alvarez & Marsal Canada, B Krol 397595
1110, 250 - 6 Ave SW 01
Calgary AB Canada T2P 3H7

TAX LEVY SUMMARY	
Total Property Tax	\$80,673.99
Local Improvement	\$0.00
Prepay or TIPP Discount	-\$223.37
Previous Balance	-\$4,467.48

A copy of this notice has been sent to the following:

Amount Due \$75,983.14

Taxes Due Date **October 01, 2024**

Take notice that you have been assessed under the provision of the Municipal Government Act for the lands on this notice.

Assessment	Land	Improv.	Other	Total
Industrial	1,071,380	5,357,220		6,428,600

Notice of Assessment Date **June 13, 2024**

Final Date for Complaint **August 12, 2024**

To file an assessment complaint please see reverse side of this notice for further details.
Not applicable to Linear or Designated Industrial Property Assessments

Taxable Total	6,428,600	Assessment Total	6,428,600
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Tax Levies	Assessment	Tax Rate	Levy
Senior's Foundation	6,428,600	0.099340	\$638.62
School - Non-Residential	6,428,600	3.590228	\$23,080.14

School Support

Public	Separate	Undeclared
		100.00%

Municipal Non-Residential	6,428,600	8.859663	\$56,955.23
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Local Improvement

Bylaw	Expiry	Amount

Total Property Tax **\$80,673.99**

Discounts for Early Payment or TIPP

Prepay by January 31 for 6%

TIPP Discount is 5%

see website for details

Penalty Rates 6% Penalty on Current Taxes after October 1st
12% Penalty on Outstanding Balance after December 31st

Personal information on this form is collected under the authority of the Municipal Government Act for use in Assessment & Tax systems, and is protected by the Freedom of Information and Protection of Privacy Act.

REMITTANCE....See reverse for payment options



Foothills County

Box 5605 309 Macleod Trail SW High River AB T1V 1M7

AMC & F Properties Ltd
c/o Alvarez & Marsal Canada, B Krol 397595
1110, 250 - 6 Ave SW 01
Calgary AB Canada T2P 3H7

Tax Year	2024
Due Date	October 01, 2024
Roll Number	2028075060
Amount Due	\$75,983.14

Amount Paid



2024 Combined Assessment and Tax Notices

Dear Foothills County Landowners,

Enclosed is your **2024 Combined Assessment and Tax Notice**.

Many property owners may notice an increase to their property tax invoice this year. There are several factors that have contributed to this increase.

- The amount that the Province of Alberta has requisitioned for our schools has risen significantly, an increase of over \$2.3 million in 2024.
- The current housing market has resulted in increases to the value of our homes over the past couple of years. This year, the market assessment of homes in Foothills County has increased on average by 12.66%.
- The amount we pay to neighbouring municipalities for shared services such as recreation facilities, libraries and fire services has increased, again due to inflationary costs.
- Operational costs for the County have gone up. Inflation has affected the price of most things, particularly equipment and materials.

Foothills County Council will continue to be mindful of the financial challenges facing our residents, and renew our commitment to provide exceptional services while ensuring that your tax dollars are used in a fiscally responsible manner.

Recognizing that property taxes are a considerable expense, we encourage residents to look into the County's Tax Installment Payment Plan (TIPP), as well as discounts available for early payment of taxes. Information can be found by visiting our website at www.FoothillsCountyAB.ca.

Sincerely,

Foothills County Council

FOOTHILLS COUNTY

309 Macleod Trail, Box 5605, High River, Alberta T1V 1M7

Phone: 403-652-2341

Fax: 403-652-7880

www.FoothillsCountyAB.ca

APPENDIX D

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

171 013 717

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

GOVERNMENT ACT
CAVEATOR - THE MUNICIPAL DISTRICT OF FOOTHILLS NO.
31.
BOX 5605
HIGH RIVER
ALBERTA T1V1M7
AGENT - JUDITH ANNE GORDON

121 131 767 31/05/2012 CAVEAT
RE : AGREEMENT CHARGING LAND
CAVEATOR - FORTISALBERTA INC.
320-17 AVE SW
CALGARY
ALBERTA T2S2V1
AGENT - GARRY SIMPSON

171 013 718 17/01/2017 MORTGAGE
MORTGAGEE - BANK OF MONTREAL.
340-7TH AVE SW, 2ND FLOOR
CALGARY
ALBERTA T2P0X4
ORIGINAL PRINCIPAL AMOUNT: \$13,000,000

171 013 719 17/01/2017 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - BANK OF MONTREAL.
C/O MILLER THOMSON LLP
3000,700-9TH AVENUE SW
CALGARY
ALBERTA T2P3V4
AGENT - GREG S WALTER

171 026 413 30/01/2017 POSTPONEMENT
OF CAVE 121131767
TO MORT 171013718 CAVE 171013719

191 209 296 15/10/2019 MORTGAGE
MORTGAGEE - PROVIDA FINANCIAL CORPORATION.
SUITE 1600 DOME TOWER
333-7 AVE SW
CALGARY
ALBERTA
ORIGINAL PRINCIPAL AMOUNT: \$900,000

221 099 064 12/05/2022 AMENDING AGREEMENT
AMOUNT: \$3,100,000
AFFECTS INSTRUMENT: 191209296

TOTAL INSTRUMENTS: 009

(CONTINUED)

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 23 DAY OF
SEPTEMBER, 2024 AT 11:08 A.M.

ORDER NUMBER: 51689774

CUSTOMER FILE NUMBER: 1253712/5374



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
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OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

APPENDIX E

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

121131767

ORDER NUMBER: 50751423

ADVISORY

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Caveat Forbidding Registration

Electric Service Agreement FortisAlberta Inc.

To The Registrar Of the South Alberta Land Registration District

Take Notice that FortisAlberta Inc. a body corporate having its registered office at the City of Calgary, in the Province of Alberta claims an estate and interest in the hereinafter mentioned lands under and by virtue of a Electric Service Agreement in writing, which charges the land in the amount of which is not ascertainable but will not exceed \$28,027.00 in writing and dated the 30th day of March, 2012, and made by as Grantor Lyncorp International Ltd. in favour of the said FortisAlberta Inc., as Grantee, which aforesaid lands are described as follows:

PLAN 9910968

BLOCK A

LOT 3

EXCEPTING THEREOUT ALL MINES AND MINERALS

As more particularly described in certificate of title standing registered in the name of Lyncorp International Ltd. and the said FortisAlberta Inc forbids the registration of any person as transferee or owner of, or of any instrument affecting the said estate or interest, unless the instrument or certificate of title, as the case may be, is expressed to be subject to its claim, and it appoints 320 17TH Ave. SW City of Calgary, in the Province of Alberta T2S 2V1 the place at which notices and proceedings relating hereto may be served.

DATED this 23rd day of May, 2012.

FortisAlberta Inc BY: _____

Garry Simpson

Land Agent

CANADA
PROVINCE OF ALBERTA
TO WIT:

I, Garry Simpson

} of the City of Calgary
in the Province of Alberta,

Land Agent
(Occupation)

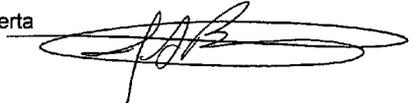
MAKE OATH AND SAY

1. THAT I am the agent for FortisAlberta Inc the above-named Caveator.
2. THAT I believe that the said Caveator has a good and valid claim upon the said land and I say that this Caveat is not being filed for the purpose of delaying or embarrassing any person interested in or proposing to deal therewith.

SWORN before me at the City
of Calgary
in the Province of Alberta , this 23rd
day of May
, A.D. 2012

} 

A COMMISSIONER FOR OATHS
in and for the Province of Alberta



JASWANT S. BRAR
COMMISSIONER FOR OATHS
APPOINTMENT EXPIRES
JANUARY 12, 2014



121131767 REGISTERED 2012 05 31
CAVE - CAVEAT
DOC 1 OF 1 DRP#: F03185E ADR/CTSU
LINC/S: 0027903400