

COURT FILE NUMBER 2101-02280  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF ROYAL BANK OF CANADA  
DEFENDANT PEOPLE EXPRESS TRANSPORT LTD.  
DOCUMENT **ORDER**



ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT  
Torys LLP  
4600 Eighth Avenue Place East  
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File No. 39108-2009

DATE UPON WHICH ORDER WAS PRONOUNCED: Tuesday, July 6, 2021  
NAME OF JUSTICE WHO MADE THIS ORDER Madam Justice B.E.C. Romaine  
LOCATION OF HEARING: Calgary, Alberta

**UPON THE APPLICATION** by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties (collectively, the “**Property**”) of People Express Transport Ltd. (“**People Express**” or the “**Debtor**”) for an order, *inter alia*: (i) approving the Auction Agreement (as defined in the Second Report (defined below)) between the Receiver, in its capacity as Court-appointed receiver and manager of People Express, and Century Services Corp. (the “**Auctioneer**”), and the transactions contemplated thereby; and (ii) providing for the vesting of People Express’ right, title and interest in and to the Auction Assets, as defined in the Second Report, in any person or persons who purchase any of the Auction Assets pursuant to the Auction Agreement (a “**Purchaser**”); **AND UPON HAVING READ** the Consent Receivership Order filed in this matter on April 22, 2021 (the “**Consent Receivership Order**”), the Application and the Second Report of the Receiver (the “**Second Report**”), both filed June 28,

2021, the First Confidential Supplemental Report of the Receiver, dated June 28, 2021, and the Second Confidential Supplemental Report of the Receiver, to be filed, both supplementing the Second Report, the Affidavit of Service of Rachel Dingman, to be filed, and any other material and evidence filed to date in the within proceedings; **AND UPON HEARING** the submissions of counsel for the Receiver, and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application;

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

***Service***

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

***Sales Process***

2. The sales process (“**Sales Process**”), as described in the Second Report, undertaken by the Receiver and to be instituted going forward, together with the sales advisor, the Century Offer (as defined in the Second Report), and the Auction Agreement, are hereby approved.
3. The Receiver is hereby authorized and empowered to apply to this Court to amend, vary, or seek any advice, directions with regard to the Sales Process or with regard to the approval or vesting of any transactions, in connection with the Sales Process.
4. The Receiver and its affiliates, partners, directors, employees, advisors, agents, shareholders and controlling persons shall have no liability of any nature or kind to any person in connection with or as a result of the Sales Process or the actions taken in respect of the Sales Process, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of any of the foregoing in performing their obligations under the Sales Process (as determined by this Court).
5. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property, and to their advisors, but only to the extent desirable or required to carry out the Sales Process and to attempt to complete a transaction for some or all of the Property. Each prospective purchaser or bidder, and their respective advisors to whom any such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information solely to its evaluation of a transaction for some or all of the Property, and if it does not complete such a transaction, shall return all such information to the Receiver, or in the alternative destroy all such information. A Purchaser of any of the Property shall be entitled to continue to use the personal information provided to it, and related to such property, in a manner that is in all material respects identical to the prior use of such information by People Express, and

shall return all other personal information to the Receiver or People Express, or ensure that all other personal information is destroyed.

### ***Approval of Auction Agreement***

6. The Auction Agreement (including all schedules attached thereto) is hereby approved.
7. Subject to the provisions of this Order and the Consent Receivership Order, the Receiver is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement the Auction Agreement. Without limiting the foregoing, the Receiver is authorized to execute any other agreement, contract, deed or any other document, or take any other action, which could be required or useful to give full and complete effect to the Auction Agreement.

### ***Marketing and Sale of Auction Assets***

8. The Auctioneer is authorized to market and sell the Auction Assets in accordance with the terms of the Auction Agreement (the “**Asset Sales**”). The Asset Sales shall be free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing:
  - a. any encumbrances or charges created by the Consent Receivership Order; and
  - b. all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system,
 collectively, the “**Encumbrances**”.

### ***Asset Sale and Vesting***

9. Upon the Auctioneer completing the sale of any of the Auction Assets to a Purchaser, and upon receipt of the purchase price by the Auctioneer and delivery by the Auctioneer of a bill of sale or similar evidence of purchase to such Purchaser (the “**Purchaser Bill of Sale**”):
  - a. all of the Debtor’s right, title and interest in and to the Auction Assets, as applicable, shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all Claims, and all of the Encumbrances affecting or relating to such Auction Assets shall be expunged and discharged as against such Auction Assets;
  - b. the Debtor and all persons who claim by, through or under the Debtor in respect of the Auction Assets, as applicable, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Auction Assets and, to the

extent that any such persons remain in possession or control of any of the Auction Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee); and

- c. the Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Auction Assets for its own use and benefit without any interference of the Debtor, or any person claiming by or through or against the Debtor.
10. Nothing herein shall discharge the obligations of the Auctioneer pursuant to the Auction Agreement or otherwise, or the rights or claims of the Receiver in respect thereof including, without limitation, the obligations of the Auctioneer to account for and remit the proceeds of the Asset Sales (the “**Sale Proceeds**”) to the Receiver in accordance with the terms of the Auction Agreement.
  11. For the purposes of determining the nature and priority of Claims, the monies payable to the Receiver under the Auction Agreement from the Asset Sales shall stand in the place and stead of the Auction Assets, and from and after the delivery of the Purchaser Bill of Sale, all Claims shall attach to the net Sale Proceeds from the Asset Sales with the same priority as they had with respect to the Auction Assets immediately prior to the sale, as if the Auction 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.
  12. From and after the closing of sale of any of the Auction Assets to a Purchaser, the Receiver is authorized to take all such steps as may be necessary to effect the discharge of any security registration or registrations relating to the Claims registered against the Auction Assets, including Encumbrances, as may be necessary, provided that the Receiver shall not be authorized to effect any discharge that would have the effect of releasing any collateral other than the Auction Assets, and the Receiver shall be authorized to take any further steps by way of further application to this Court.
  13. Notwithstanding: (i) the pendency of these receivership proceedings; (ii) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) in respect of the Debtor and any bankruptcy order issued pursuant to such applications; (iii) any assignment in bankruptcy made in respect of the Debtor; or (iv) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds the Debtor, and notwithstanding any provision to the contrary in any such agreement (a “**Third Party Agreement**”):
    - a. the vesting of the Auction 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 settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, 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; and

- b. the vesting of the Auction Assets in the Purchaser (or its nominee) pursuant to this Order shall not create nor be deemed to constitute a breach by the Debtor of any Third Party Agreement, and the Purchaser shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation, execution, delivery or performance of the transactions contemplated herein.

### ***Limitation of Liability***

- 14. Subject to the Consent Receivership Order, nothing in this Order shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Auction Assets. The Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Auction Assets within the meaning of any applicable environmental legislation or pursuant to the terms of the BIA.
- 15. No action lies against the Receiver by reason of this Order or to the performance of any act authorized by this Order.

### ***Return of Property***

- 16. JDV Trucking Ltd. (“**JDV**”) shall return the 2013 UTILITY 53’ TANDEM Trailer Unit# 1527 (VIN: 1UYVS2533CU389004) (the “**Unit**”), which is currently in its possession, to the Receiver by July 15, 2021. Should JDV fail to return the Unit by July 15, 2021, the Receiver may engage a civil enforcement agency to take steps to obtain possession of the Unit and return same to the Receiver, at the sole cost and expense of JDV.

### ***Actions, Activities and Conduct & Fees and Disbursements of the Receiver***

- 17. The previously undertaken and proposed go-forward actions, activities and conduct of the Receiver as described in the Second Report are hereby approved.
- 18. The professional fees and disbursements of the Receiver and the Receiver’s legal counsel, Torys LLP, for the period of May 8, 2021 to June 18, 2021 and as summarized in the Second Report, are fair and reasonable and are hereby approved and ratified.

### ***Miscellaneous***

- 19. Service of this Order shall be deemed good and sufficient by:
  - a. serving the same on the persons listed on the service list created in these proceedings; and
  - b. posting a copy of this Order on the Receiver’s website at <https://www.alvarezandmarsal.com/content/people-express-transport-ltd-court-order>
 and service on any other person is hereby dispensed with.

20. Subject to Rules 11.25 and 11.26, this Order shall constitute an order for substituted service pursuant to Rule 11.28 of the *Alberta Rules of Court*.
21. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
22. The Receiver, the Auctioneer (or its nominee) and any other interested party shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Asset Sales.
23. Upon the closing of the transactions contemplated in the Auction Agreement, the Receiver shall file with the Clerk of the Court a Receiver's Certificate substantially in the form attached hereto as Schedule "A".



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Justice of the Alberta Court of Queen's Bench

**SCHEDULE “B”**  
**(Form of Receiver’s Certificate)**

COURT FILE NUMBER	2101-02280
COURT	COURT OF QUEEN’S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANT	PEOPLE EXPRESS TRANSPORT LTD.

Clerk’s Stamp

DOCUMENT **RECEIVER’S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<p>Torys LLP  4600 Eighth Avenue Place East  525 - Eighth Ave SW  Calgary, AB T2P 1G1</p> <p>Attention: Kyle Kashuba  Telephone: +1 403.776.3744  Fax: +1 403.776.3800  Email: <a href="mailto:kkashuba@torys.com">kkashuba@torys.com</a>  File No. 39108-2009</p>
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**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice L.B. Ho of the Court of Queen’s Bench of Alberta, Judicial District of Calgary (the “**Court**”) dated April 22, 2021, Alvarez & Marsal Canada Inc. was appointed receiver and manager (the “**Receiver**”) of the undertaking, property and assets of People Express Transport Ltd. (the “**Debtor**”).
- B. Pursuant to an Order of the Court dated July 6, 2021, the Court approved the auction agreement noted therein (the “**Auction Agreement**”) between the Receiver and Century Services Corp.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out and ascribed to them in the Auction Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Auction occurred and the Auctioneer has paid and the Receiver has received all amounts payable to the Receiver pursuant to the Auction Agreement; and
2. This Certificate was delivered by the Receiver at \_\_\_\_\_ on \_\_\_\_\_, 2021.

**ALVAREZ & MARSAL CANADA INC.,  
in its capacity as Court-appointed Receiver and Manager of  
People Express Transport Ltd.  
and not in its personal or corporate capacity**

Per: \_\_\_\_\_

Name: Orest Konowalchuk, CPA, CA, CIRP, LIT

Title: Senior Vice President