COURT FILE NUMBER	2001-05949
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PROCEEDINGS	IN THE MATTER OF THE RECEIVERSHIP OF BOS SOLUTIONS LTD., BOS SOLUTIONS INC., BOS LEASECO LLC, BOS SOLUTIONS REAL ESTATE INC., and BOS USHOLDCO INC.
APPLICANT	ERNST & YOUNG INC., in its capacity as Court-appointed Receiver of the current and future assets, undertakings and properties of BOS Solutions Ltd., BOS Solutions Inc., BOS LeaseCo LLC, BOS Solutions Real Estate Inc., and BOS USHoldCo Inc.
DOCUMENT	**ORDER** **(Sale Solicitation Process)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	BLAKE, CASSELS & GRAYDON LLP 3500, 855 – 2nd Street SW Calgary, Alberta T2P 4J8 Attention: Kelly J. Bourassa / Amanda G. Manasterski Telephone: 403-260-9697 / 403-260-9756 Facsimile: 403-260-9700 Email: kelly.bourassa@blakes.com / amanda.manasterski@blakes.com File Ref.: 8431/1363

JUDICIAL CENTRE OF CALGARY
FILED
JUL 02 2020
CLERK OF THE COURT

DATE ON WHICH ORDER WAS PRONOUNCED:	July 2, 2020
LOCATION WHERE ORDER WAS PRONOUNCED:	CALGARY
JUSTICE WHO MADE THIS ORDER:	The Honourable Madam Justice B.E. Romaine

I hereby certify this to be a true copy of the original Order dated this 2 day of July 2020

for Clerk of the Court

UPON THE APPLICATION of Ernst & Young Inc., in its capacity as Court-appointed Receiver (the "**Receiver**") of the current and future assets, undertakings and properties of BOS Solutions

Ltd., BOS Solutions Inc., BOS LeaseCo LLC, BOS Solutions Real Estate Inc., and BOS USHoldCo Inc. (the "**Companies**"); **AND UPON** having read the Receivership Order granted by the Honourable Justice P.R. Jeffrey dated May 4, 2020, filed; **AND UPON** having read the First Report of the Receiver dated June 22, 2020 (the "**First Report**"), filed; **AND UPON** hearing from counsel for the Receiver and any other parties present;

IT IS HEREBY ORDERED THAT:

1. The time for service of this Application and all supporting materials is hereby abridged, if necessary.

2. The appointment of Ernst & Young Orenda Corporate Finance Inc. (the "**Sale Agent**") as Sale Agent for the Receiver is hereby approved and the Sale Agent is authorized to act as the exclusive sale agent and to market the properties and assets of the Companies on behalf of the Receiver in accordance with the terms of the Sale Solicitation Process (the "**Sale Process**") which is attached as Appendix 1 to this Order.

3. The fees and expenses payable to the Sale Agent are hereby approved.

4. The Receiver's statement of receipts and disbursements for the period of May 4, 2020 to June 18, 2020 are hereby approved.

5. The actions, conduct, and activities of the Receiver to date as outlined in the First Report are hereby authorized and approved.

6. The Sale Agent shall incur no liability or obligation as a result of its engagement or the carrying out of its mandate, save and except for gross negligence or willful misconduct on its part.

7. The Sale Process is hereby approved and the Receiver and the Sale Agent are authorized and directed to implement the Sale Process and to perform all steps and actions required of them pursuant to the Sale Process.

8. The Receiver is at liberty to reapply for further advice and direction as may be necessary to give full force and effect to the terms of this Order.

9. Service of this Order by e-mail, facsimile, courier, regular mail or personal delivery shall constitute good and sufficient service of this Order.

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J.C.Q.B.A

Appendix 1

Sale Solicitation Process

BOS Solutions Ltd., BOS Solutions Inc., BOS LeaseCo LLC, BOS Solutions Real Estate Inc., and BOS USHoldCo Inc. - Sale Solicitation Process

1. On May 4, 2020, the Alberta Court of Queen's Bench (the "**Court**") made an order (the "**Receivership Order**") appointing Ernst & Young Inc. ("**E&Y**") as Receiver and Manager (the "**Receiver**") of the property, assets, and undertakings (the "**Property**") of BOS Solutions Ltd. ("**BSL**"), BOS Solutions Inc. ("**BSI**"), BOS LeaseCo LLC ("**BOS LeaseCo**"), BOS Solutions Real Estate Inc. ("**BOS Real Estate**"), and BOS USHoldCo Inc. ("**BOS USHoldco**") (collectively, the "**BOS Debtors**").

2. On May 5, 2020, the Receiver obtained a temporary restraining order in the United States Bankruptcy Court for the Southern District of Texas (Houston Division) (the "**US Court**") in Case No. 20-32465 (DRJ), granting a stay of proceedings concerning the BOS Debtors and the Receiver, in its capacity as a foreign representative of the BOS Debtors.

3. On May 19, 2020, the US Court also granted the Receiver's Expedited Petition for Recognition as a Foreign Main Proceeding and recognized the Receiver as the Foreign Representative.

4. The Receiver is requesting the Court's approval of the engagement of Ernst & Young Orenda Corporate Finance Inc. as the sale advisor for the assets of the BOS Debtors and approval of the sale solicitation process (the "**Sale Process**") set forth herein at an application before the Court scheduled on July 2, 2020 (the "**Sale Process Order**").

5. The Receiver will apply for an order of the US Court recognizing the Sale Process Order at an application before the US Court.

6. Set forth below are the procedures (the "**Sale Process Procedure**") to be followed with respect to the Sale Process to be undertaken to seek a Successful Bid, and if there is a Successful Bid, to complete the transactions contemplated by the Successful Bid.

Defined Terms

7. All capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Receivership Order. In addition, in these Sale Process Procedures:

"**Business**" means the business being carried on by the BOS Debtors;

"**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Calgary;

"**Court**" means the Court of Queen's Bench of Alberta;

"**Lenders**" means National Bank of Canada and those other banks and financial institutions from time to time party to the Amended and Restated Credit Agreement, dated as of September 14, 2018;

"**Offer**" means a credible, reasonably certain and financially viable offer for acquisition of the Property;

"**Process Letter**" means the letter addressed to prospective bidders from the Sale Advisor setting out timing and instructions with respect to the process to solicit a binding bid for the acquisition of the Property;

"**Property**" means the undertakings, property and assets of the BOS Debtors or any portion thereof;

"**Receivership Charges**" means the charges created by the Receivership Order, including a charge to the maximum aggregate amount of CDN$1,000,000 as security for the fees and disbursements of the Receiver and counsel to the Receiver, and a charge to secure the Receiver's borrowings up to a maximum principal amount of CDN$2,500,000, in each case except as may be increased by further order of the Court;

"**Receivership Obligations**" means the indebtedness, liabilities and obligations secured by the Receivership Charges;

"**Sale Advisor**" means Ernst & Young Orenda Corporate Finance Inc.

"**US Court**" means the United States Bankruptcy Court for the Southern District of Texas (Houston Division).

Sale Process Procedure

8. The Sale Process Procedure set forth herein describes, among other things, the Property and the Business available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Property and the Business, the manner in which bidders and bids become Qualified Bidders and Qualified Bids (each as defined below), respectively, the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder (as defined below) and the approval thereof by the Court and the US Court. The Receiver intends to use the Sale Advisor to administer the Sale Process Procedure. In the event that there is disagreement as to the interpretation or application of this Sale Process Procedure, the Court will have jurisdiction to hear and resolve such dispute.

9. The Receiver will use its reasonable efforts to complete the Sale Process Procedure in accordance with the timelines as set out herein. The Sale Advisor, upon receiving instruction from the Receiver, in consultation with the Lenders, shall be permitted to make such adjustments to the timeline that it determines are reasonably necessary.

10. The Receiver shall provide the Lenders and their respective legal and financial advisors, on a confidential basis, with such additional information and disclosures regarding the Sale Process (such as Qualified Bidders, Qualified Bids, Successful Bids, and Successful Bidders) as they may request.

Timeline

11. The following table sets out key milestones and anticipated deadlines for the Sale Process.

Milestone	Date
Provide Confidential Information Summary and launch Virtual Data Room	June 17, 2020
Management Meetings and Site Visits	June 18-July 10, 2020
Sale Process Order Application – Court of Queen's Bench of Alberta	July 2, 2020

Sale Process Recognition Order Hearing – Bankruptcy Court for the Southern District of Texas	July 7, 2020
Serve Notice of Potential Assumption and Assignment of Contracts with Associated Cure Amounts	July 7, 2020
Binding Bid Deadline	July 17, 2020
Deadline to File Notice of Selection of Successful Bidder	August 3, 2020
Deadline to Object to Assumption and Assignment of Contracts, Including Proposed Cure Amounts and Adequate Assurance of Buyer's Future Performance of Contract	August 5, 2020
Sale Approval and Vesting Order Application – Canada	August 14, 2020
Sale Approval and Vesting Order Recognition Hearing – US	August 18, 2020
Targeted Transaction Closing	August 21, 2020

Purchase Opportunity

12. A non-confidential teaser letter in a form satisfactory to the Receiver and prepared by the Sale Advisor (the "**Teaser**") describing the opportunity to acquire the Property and the Business will be made available by the Sale Advisor to prospective purchasers and will be posted on the Receiver's website as soon as practicable following the issuance of the order of the Court approving the Sale Process.

13. A Confidential Information Summary describing the opportunity to acquire the Property will be made available by the Sale Advisor to prospective purchasers that have executed a non-disclosure agreement with the Receiver, in a form satisfactory to the Receiver.

14. The Sale Advisor, with the assistance of the Receiver, will also populate an electronic data room with information that may include detailed financial information, asset listings, photographs, and other information deemed appropriate for prospective purchasers to perform due diligence on the Property and the Business.

"As Is, Where Is"

15. The sale of the Property and the Business will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Receiver or any of its agents, including the Sale Advisor, except to the extent set forth in the relevant final sale agreement with a Successful Bidder.

Free of Any and All Claims and Interests

16. In the event of a sale, all of the right, title and interests of the BOS Debtors in and to the Property and the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there

against (collectively the "**Claims and Interests**"), such Claims and Interests will attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), pursuant to an approval and vesting order made by the Court and recognized by the US Court, upon the application of the Receiver, except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder.

Publication of Notice and Teaser

17. As soon as reasonably practicable, the Sale Advisor shall cause a notice of the Sale Process contemplated by these Sale Process Procedures, and such other relevant information which the Sale Advisor, in consultation with the Receiver and the Lenders, considers appropriate, to be published in the *Daily Oil Bulletin, Calgary Herald*, and the *Houston Chronicle*.

18. At the same time, the Receiver shall issue a press release setting out the notice and such other relevant information which the Receiver, in consultation with the Lenders, considers appropriate with Canada Newswire, designating dissemination in Canada and major financial centers in the United States, and the Sale Advisor shall invite, pursuant to the Teaser, bids from interested parties.

Participation Requirements

19. Unless otherwise determined by the Receiver, in order to participate in the Sale Process, each person interested in bidding on the Property and the Business (a "**Potential Bidder**") must deliver to the Sale Advisor, with a copy to the Receiver, at the address specified in **Schedule "A"** hereto (the "**Notice Schedule**") (including by email or fax transmission), and prior to the distribution of any confidential information by the Sale Advisor to a Potential Bidder (including the Confidential Information Summary), an executed non-disclosure agreement in form and substance satisfactory to the Receiver, which shall inure to the benefit of any purchaser of the Property.

20. A Potential Bidder that has executed a non-disclosure agreement, as described above and who the Receiver determines, in consultation with the Lenders, acting reasonably, has a reasonable prospect of completing a transaction contemplated herein, will be deemed a "**Qualified Bidder**" and will be promptly notified of such classification by the Sale Advisor.

Due Diligence

21. The Sale Advisor shall provide any person deemed to be a Qualified Bidder with a copy of the Confidential Information Summary and access to the electronic data room and the Sale Advisor shall provide to Qualified Bidders further access to such reasonably required due diligence materials and information relating to the Property and the Business as the Receiver deems appropriate, including on-site presentations by management of the BOS Debtors, facilitated by the Sale Advisor, and access to further information in the electronic data room. The Receiver makes no representation or warranty as to the information contained in the Confidential Information Summary or the information to be provided through the due diligence process or otherwise, except to the extent otherwise contemplated under any definitive sale agreement with a Successful Bidder executed and delivered by the Receiver and approved by the Court and the US Court.

Seeking Qualified Bids from Qualified Bidders

22. A Qualified Bidder that desires to make a bid for the Property must deliver written copies of a final, binding proposal (the "**Final Bid**") in the form of a fully executed purchase and sale agreement together with a blackline to the template form of asset purchase and sale agreement to be provided by the Sale Advisor (the "**Template APA**"), with a copy to the Receiver, at the address specified in the schedule attached hereto (including by email or fax transmission) so as to be received no later than 12:00 p.m. prevailing Mountain Time on July 17, 2020 (the "**Final Bid Deadline**"), or such other date or time as may be agreed by the Receiver in consultation with the Lenders.

Qualified Bids

23. A Final Bid will be considered a Qualified Bid only if it is submitted by a Qualified Bidder and the Final Bid complies with, among other things, the following (a "**Qualified Bid**"):

(a) it contains

(i) a duly executed purchase and sale agreement;

(ii) a blackline of the executed purchase and sale agreement to the Template APA; and

(iii) a supplemental letter (as described in the Process Letter) outlining additional detail with respect to the proposed transaction not fully captured within the Template APA.

(b) it includes a letter stating that the Final Bid is irrevocable until there is a Selected Superior Offer (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder, its Final Bid shall remain an irrevocable offer until the proposed transaction set out in the Successful Bid is approved of by the Court and the US Court and the transaction is closed;

(c) it includes key economic terms and duly authorized and executed transaction documents as listed in the purchase and sale agreement. Such key economic terms shall include, but be not limited to, the purchase price, the identity of the party that will be entering into the transaction, or that is participating or benefiting from such transaction, and the name or names of the ultimate direct or indirect beneficial owner(s) of the Qualified Bidder, including their respective percentage interests;

(d) it provides written evidence of a firm, irrevocable financial commitment for all required funding or financing and the expected structure and financing of the proposed transaction;

(e) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;

(f) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the Receiver), or such other form of payment acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount equal to 10% of the total consideration in the Qualified Bid to be held and dealt with in accordance with these Sale Process Procedures;

(g) it is not conditional upon:

(i) the outcome of unperformed due diligence by the Qualified Bidder, and/or

(ii) obtaining financing;

(h) it contains evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body);

(i) it includes acknowledgements and representations of the Qualified Bidder that:

(i) it has had an opportunity to conduct any and all due diligence regarding the Property and the Business prior to making its offer;

(ii) it understands that the Property includes only the BOS Debtors' rights, interest and obligations in relation to the Property;

(iii) it has relied solely on its own independent review, investigations or inspection of any documents and/or assets in making its bid; and

(iv) it did not rely upon any written or oral statements, representations, warranties, or guarantees made whatsoever by the Sale Advisors, the BOS Debtors, or the Receiver, whether express or implied, statutory or otherwise, regarding the Property or the Business or the accuracy or completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction document(s) signed by the Receiver;

(j) it shall identify any material conditions in favour of the Qualified Bidder to be resolved prior to closing the transaction;

(k) it contains other information reasonably requested by the Receiver; and

(l) it is received by the Final Bid Deadline.

Acceptance of Best Qualified Bid

24. The Qualified Bids will be evaluated based on several factors, including, without limitation, the net value and form of consideration to be paid, the ability of the Qualified Bidder to successfully complete the transaction, including any conditions attached to the bid and the feasibility of such conditions, the proposed transaction documents, factors affecting the certainty and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, compliance, eligibility or other matters with respect to regulatory authority requirements and/or approvals, the likelihood and timing of closing such transactions, and the ability of the bidder to finance and close the proposed transaction within the timelines established by the Receiver.

25. The Receiver will review and evaluate each Qualified Bid and identify the best bid (the "**Successful Bid**") and the Qualified Bidder making such Successful Bid (the "**Successful Bidder**").

26. The Receiver shall have no obligation to select a Successful Bid, and the Receiver reserves the right to reject any or all Qualified Bids.

Approval Motion and US Court Recognition

27. The Receiver shall apply to the Court (the "**Approval Motion**") for an order (the "**Sale Approval and Vesting Order**") approving the Successful Bid and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bidder, as well as an order vesting title to the Property in the name of the Successful Bidder.

28. The Approval Motion will be held on a date to be scheduled by the Court upon application by the Receiver. The Approval Motion may be adjourned or rescheduled by the Receiver, in consultation with the Lenders, without further notice by an announcement of the adjourned date at the Approval Motion.

29. Following issuance of the Sale Approval and Vesting Order by the Court, the Receiver shall forthwith apply to the US Court for an order recognizing the Sale Approval and Vesting Order in the United States.

30. All Qualified Bids and Subsequent Bids (other than the Successful Bid) shall be deemed rejected on and as of the date and of approval of the Successful Bid by the Court and the US Court, but not before, and shall remain open for acceptance until that time.

Deposits

31. All Deposits shall be retained by the Receiver and invested in a non-interest bearing trust account. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose bid is approved at the Approval Motion shall be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits of Qualified Bidders not selected as the Successful Bidder shall be returned to such bidders within five (5) Business Days of the date upon which the Sale Approval and Vesting Order is recognized by the US Court. If there is no Successful Bid, all Deposits shall be returned to the bidders within five (5) Business Days of the date upon which the Sale Process is terminated in accordance with these procedures.

Approvals

32. For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the applicable law in order to implement a Successful Bid.

Confidentiality and Access to Information

33. Unless otherwise set out herein, participants and prospective participants in the Sale Process shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Qualified Bidders, Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the Receiver and such other bidders or Potential Bidders in connection with the Sale Process. The Receiver may, however, disclose such information to other bidders for the purpose of seeking to combine separate bids. Further, the Receiver may disclose such information to the Lenders in accordance with the terms of this Sale Process.

Supervision of Sale Process

34. The Receiver will participate in the Sale Process in the manner set out in this Sale Process and is entitled to receive all information related to the Sale Process.

35. This Sale Process does not, and will not be interpreted to create, any contractual or other legal relationship between the Receiver, the Sale Advisor, and any Potential Bidder, Qualified Bidder or any other party, except as specifically set forth in a definitive agreement among such parties as agreed to by the Receiver and approved by the Court.

36. Neither the Receiver nor the Sale Advisor shall have any liability whatsoever to any person or party, including any bidders described in this Sale Process, or any other creditor or stakeholder of the BOS Debtors, for any act or omission related to the Sale Process. By submitting a bid, each bidder shall be deemed to have agreed that it has no claim against the Receiver or Sale Advisor for any reason whatsoever.

37. Participants in the Sale Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

No Amendment

38. Subject to paragraph 9, there shall be no amendments to these Sale Process Procedures, including, for greater certainty, the process and procedures set out herein, without the consent of the Receiver, in consultation with the Lenders.

39. The Receiver, in consultation with the Lenders, is authorized and empowered at any time to amend these Sale Process Procedures, including, for greater certainty, the process and procedures set out herein.

Further Orders

40. At any time during the Sale Process, the Receiver may apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.

SCHEDULE "A"

NOTICE SCHEDULE

TO THE RECEIVER:

Ernst & Young Inc.
Calgary City Centre
2200 – 215 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Peter Chisholm, Partner & Senior Vice President / Christopher Keliher, Manager

Telephone: (403) 206-5061 / (403) 206-5661
Fax: (403) 290-4265
Email: peter.chisholm@ca.ey.com / christopher.keliher@ca.ey.com

TO THE SALE ADVISOR:

Ernst & Young Orenda Corporate Finance Inc.
Calgary City Centre
2200 – 215 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Shane Dunn, Senior Vice President / Alixandra Paris, Vice President

Telephone: (403) 206-5011 / (403) 206-5228
Fax: (403) 206-5075
Email: shane.dunn@ca.ey.com / alixandra.e.paris@ca.ey.com

WITH COPY TO:

Blake, Cassels & Graydon LLP
3500-855 2nd Street SW
Calgary, Alberta T2P 4J8

Attention: Kelly J. Bourassa / Amanda G. Manasterski

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