



ENTERED
10/07/2020

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: BOS SOLUTIONS LTD., et al.,¹ Debtors in a foreign proceeding.	§ § § § § §	Case No. 20-32465 Chapter 15 Jointly Administered
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**ORDER GRANTING RECEIVER'S EMERGENCY MOTION FOR ENTRY OF AN
ORDER (I) GRANTING COMITY TO THE CANADIAN DISTRIBUTION ORDER AND
(II) GRANTING RELATED RELIEF**

Related to Doc. No. 145

Ernst & Young Inc. ("EY") solely in its capacity as court-appointed receiver (the "Receiver") of (1) BOS Solutions Ltd., (2) BOS Solutions Inc., (3) BOS Leaseco LLC, (4) BOS Solutions Real Estate Inc., and (5) BOS USHoldco Inc. (collectively, "BOS" or the "Debtors") based upon the Receivership Order dated May 4, 2020, entered by the Court of Queen's Bench of Alberta in the Judicial Centre of Calgary, Canada, Court File No. 2001-05949 (the "Canadian Court" and the "Canadian Proceedings"), and as authorized foreign representative of the above-captioned Debtors, by and through its undersigned counsel, filed its *Receiver's Emergency Motion for Entry of an Order (I) Granting Comity to the Canadian Distribution Order and (II) Granting Related Relief*² for recognition of the Canadian Distribution Order and other related relief. This Court finds that notice was proper and that no party in interest made any response in opposition to the Motion, or, if so, the relief requested in any such response was denied for the reasons stated on the record, and further finds that the relief requested in the Motion should be GRANTED. This Court finds the following:

¹ The Debtors are: (1) BOS Solutions Ltd., (2) BOS Solutions Inc., (3) BOS Leaseco LLC, (4) BOS Solutions Real Estate Inc., and (5) BOS USHoldco Inc.

² Capitalized terms used in this order but not otherwise defined shall have the meanings given to them in the Motion.

A. On May 4, 2020, the Canadian Court, Honorable Justice P. R. Jeffrey, entered the Receivership Order pursuant to section 243 of the BIA and section 13(2) of the Judicature Act, RSA 2000 c J-2, appointing EY as the Receiver of the Debtors.

B. On May 4, 2020, the Receiver filed Official Form No. 401 Chapter 15 petitions for each of the Debtors pursuant to 11 U.S.C. § 1504, 1509(a) and 1515(a) to commence these chapter 15 cases.

C. On May 5, 2020, the U.S. Court entered the *Order Granting Receiver's Emergency Ex Parte Application for Temporary Restraining Order and Relief Pursuant to Sections 105(a) and 1519 of the Bankruptcy Code* [Doc. No. 17], which was extended on a final basis pursuant to the *Order Granting Emergency Petition for Recognition as Foreign Main Proceeding Pursuant to Sections 1515 and 1517 of the United States Bankruptcy Code and Related Relief* [Doc. No. 41] (the "Recognition Order"). The Recognition Order gives the Receivership Order full force and effect in the U.S.

D. On September 28, 2020, the Receiver submitted the *Application (Interim Distribution)* to the Canadian Court (the "Canadian Distribution Application") for approval of the distribution of the Sale Proceeds to the Agent and authority to reserve the Holdback Amounts, among other relief as described therein.

E. On October 6, 2020, the Canadian Court entered an order approving the Canadian Distribution Application (the "Canadian Distribution Order").

F. It is appropriate to extend comity to the Canadian Distribution Order.

In view of the foregoing, it is therefore **ORDERED** that:

1. The Canadian Distribution Order, attached hereto as **Exhibit 1**, is hereby granted comity and given full force and effect in the United States. Accordingly, the Receiver is

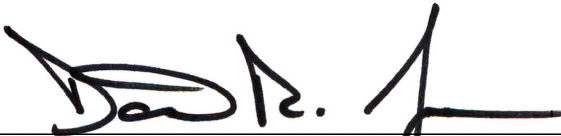
authorized: (i) to make an interim distribution or interim distributions from available funds now or in the future held or received by the Receiver to the Agent, for an on behalf of the Lending Syndicate, up to the full amount of the Syndicate Indebtedness and subject to the retention of the reserves and holdbacks described in the Third Report and the Canadian Distribution Order (the “Reserves”); (ii) to maintain the Reserves, including a holdback in the amount of \$1,664,091 in respect of the RSI Claims; (iii) to make future distributions to the Agent from time to time, subject to the Reserves, without further order of this Court; and (iv) to make future distributions out of the Reserves from time to time, thereby reducing the amount of the Reserves, without further order of this Court.

2. The Receiver is hereby authorized to take all actions necessary to effectuate the relief granted in this Order.

3. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

4. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Signed: October 07, 2020.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Canadian Distribution Order



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
(Interim Distribution)

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

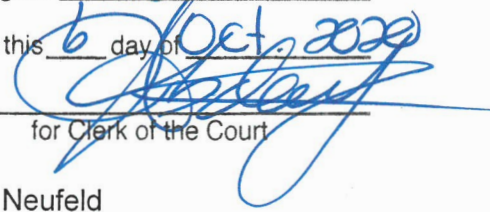
File Ref.: 8431/1363

DATE ON WHICH ORDER WAS PRONOUNCED: October 6, 2020

I hereby certify this to be a true copy of the original Order

LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY

Dated this 6 day of Oct. 2020


for Clerk of the Court

JUSTICE WHO MADE THIS ORDER: The Honourable Justice R.A. Neufeld

UPON THE APPLICATION by 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. (collectively, the "**Debtors**") for an order approving an interim distribution of the net sale proceeds (the "**Sale Proceeds**") of the property of the Debtors, less certain reserves and holdbacks of funds, as described in the third report of the Receiver dated September 28, 2020 (the "**Third Report**"), filed; **AND UPON** having read the Third Report and the confidential appendix to the Third Report; **AND UPON** having read the Affidavit of Service of Breanne Mezei, filed; **AND UPON** hearing from counsel for the Receiver and any other parties present;

IT IS HEREBY ORDERED 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.

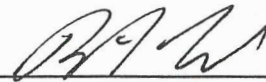
INTERIM DISTRIBUTION

2. The Receiver is hereby authorized and directed, without further order of this Court, and at such time as it determines appropriate, to make an interim distribution or interim distributions from available funds now or in the future held or received by the Receiver, to the National Bank of Canada, for and on behalf of a syndicate of secured lenders of the Debtors, up to the full amount of the Debtors' indebtedness thereto and subject to the retention of certain reserves and holdbacks, as set out in the Third Report and this Order.
3. The Receiver is hereby authorized and directed to maintain the reserves and holdbacks as set out and described in the Third Report, including a holdback in the amount of US\$1,664,091 in respect of certain claims advanced by Rotating Solutions Inc., as more specifically described in the Third Report, and the Receiver is authorized to make payments out of the reserves and holdbacks from time to time, as it deems appropriate, thereby reducing the total amount held in the reserves and holdbacks.

GENERAL

4. The actions, conduct, and activities of the Receiver and its legal counsel, as outlined in the Third Report, are hereby approved.

5. The Receiver's statement of receipts and disbursements for the period from May 4, 2020 to September 22, 2020, as outlined in the Third Report, are hereby approved.
6. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in any of its provinces or territories, in the United States, 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.



J.C.Q.B.A