

COURT FILE NUMBER 1803 22289

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF ATB FINANCIAL

DEFENDANT D.L.M. OILFIELD ENTERPRISES LTD.

APPLICANT ERNST & YOUNG INC. in its capacity as the Court-appointed Receiver of D.L.M. OILFIELD ENTERPRISES LTD.

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MLT AIKINS LLP
Barristers and Solicitors
10235 101 Street NW, Suite 2200
Edmonton, Alberta T5J 3G1
Phone: 780.969.3506
Fax: 780.969.3549
Attention: Dana M. Nowak
File: 7230-35
Counsel for the Receiver, Ernst & Young Inc.

DATE ON WHICH ORDER WAS PRONOUNCED: May 13, 2021

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUDGE WHO MADE THIS ORDER: Justice M.J. Lema

UPON THE APPLICATION of Ernst & Young Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of D.L.M. Oilfield Enterprises Ltd. ("**DLM**") for an Order approving, *inter alia*, a distribution of funds to ATB Financial ("**ATB**"), which application was filed on November 25, 2019 (the "**Application**"); **AND UPON THE CROSS-APPLICATION** of Bond Mezzanine Capital III Limited Partnership ("**Bond**") for an Order seeking direction from the Court with respect to Bond's priority to proceeds under two inter-creditor agreements between Bond and ATB (the "**Priority Dispute**"), both of which agreements are appended to the Affidavit of Trina Holland sworn on December 10, 2018 as Exhibits "M" and "N" (the "**Holland Affidavit**"), which cross-application was filed on March 11, 2020 (the "**Cross-Application**"); **AND UPON BEING ADVISED** by counsel for the Receiver that it has withheld a distribution to ATB in an amount totalling \$1,324,967.70 (the "**Holdback**") pending this Court's determination of the Priority Dispute; **AND UPON HAVING READ** the (i) Holland Affidavit and the supplement to the Holland Affidavit sworn

on February 5, 2019, (ii) the Affidavit of Corry Silbernagel sworn December 6, 2019, (iii) the Affidavit of Ian Mark Philip sworn March 10, 2020, (iv) the Receiver's third report, dated November 25, 2019, and all relevant supplements thereto, and (v) the Bench Briefs of the Receiver, Bond, and ATB; **AND UPON HEARING** counsel for the Receiver, Bond, and ATB regarding the Priority Dispute; **AND UPON THIS** Court's issuance of written reasons dated May 13, 2021 regarding the Priority Dispute and the Holdback; **AND UPON BEING SATISFIED** that it is appropriate to do so,

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The Receiver's Application for a distribution of the Holdback to ATB is hereby granted.
2. Bond's Cross-Application in respect of the Holdback is hereby dismissed.
3. The Receiver is authorized and directed to make a distribution of the Holdback to ATB.

COSTS

4. ATB is entitled to costs of the application in an amount to be determined by agreement or further order of the Court.



Mr. Justice M.J. Lema

Confirmed as the Order Granted:

McCarthy Tétrault LLP



Pantelis Kyriakakis, counsel for
ATB Financial

Duncan Craig LLP

Darren R. Bieganek, Q.C., counsel
for Bond Mezzanine Capital III
Limited Partnership

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