

3COURT FILE NUMBER 2303 01855
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF BANK OF MONTREAL
DEFENDANTS 1194038 ALBERTA LTD. and ALAN
DOBISH also known as ALLAN DOBISH
DOCUMENT **APPROVAL AND VESTING ORDER**
(Sale by Receiver)



ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Witten LLP
Barristers & Solicitors
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Edmonton, AB T5J 3N6
Solicitors for Ernst & Young Inc. in its
capacity as Receiver of 1194038 Alberta Ltd.

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DATE ORDER WAS PRONOUNCED: June 12, 2023
LOCATION ORDER WAS PRONOUNCED: Law Courts, 1A Sir Winston Churchill Square,
Edmonton, AB
NAME OF JUSTICE WHO MADE THIS ORDER: Justice J.S. Little

UPON THE APPLICATION by Ernst & Young Inc. in its capacity as the Court-appointed receiver and manager (the "Receiver") of the undertakings, property and assets of **1194038 Alberta Ltd.** (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by a binding term sheet between the Receiver and **2262576 Alberta Ltd.** (the "Purchaser") dated **June 5, 2023** (the "**Term Sheet**"), a copy of which is appended to the First Report of the Receiver dated **June 5, 2023** (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 Term Sheet (the "Purchased Assets");

AND UPON HAVING READ the Receivership Order dated **March 14, 2023, and Order Declining Stay and Amendment to Receivership Order** (collectively the “Receivership Order”), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Plaintiff, the Defendants and the Purchaser, 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 Term Sheet 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. Notwithstanding any other provisions in this Order: (a) this Order shall only be effective and come into force upon the filing of a Certificate by the Receiver (the “**Receiver’s SSP Certificate**”) substantially in the form attached as Schedule “B” to the Order (Approval of Sales Solicitation Process and Approval of Stalking Horse Term Sheet), granted concurrently to the within Order by this Honourable Court on June 12, 2023 (the “**SSP Order**”); and (b) this Order may be set aside by this Honourable Court on further application by the Receiver if the Receiver’s SSP Certificate is not filed as a result of one or more Superior Offers being received within the SH Process as defined in Schedule “A” to the proposed SSP Approval Order.
4. 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 described in the Term Sheet and 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), *Prompt Payment and Construction Lien Act* (Alberta), *Garage Keepers’ Lien Act* (Alberta) or *Warehousemen’s 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 “D” (collectively, “Permitted Encumbrances”))

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

5. 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. 052 462 605 for those lands and premises municipally described as 10103 175 Street NW, Edmonton, Alberta T5S 1L9, and legally described as:

PLAN 7722579
 BLOCK 2
 LOT 7
 EXCEPTING THEREOUT ALL MINES AND MINERALS
 AREA: 0.543 HECTARES (1.34 ACRES) MORE OR LESS
 (the "Lands")

- (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, 2262576 Alberta Ltd.;
 - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; 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;
- (b) the Registrar of the Alberta Personal Property Registry (the "PPR Registrar") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
6. 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.
7. 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.

8. 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.
9. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets 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.
10. Except as expressly provided for in the Term Sheet 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.
11. 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).

12. 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.
13. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
14. 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).
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtor was entitled.

MISCELLANEOUS MATTERS

16. 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.

17. 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.
18. 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.
19. 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:
<https://documentcentre.ey.com/#!/detail-engmt?eid=518>

and service on any other person is hereby dispensed with.
20. 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 King's Bench of Alberta

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER	2303 01855
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	1194038 ALBERTA LTD. and ALAN DOBISH also known as ALLAN DOBISH
DOCUMENT	RECEIVER'S CERTIFICATE

Clerk's Stamp

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Witten LLP
Barristers & Solicitors
Suite 2500, Canadian Western Bank Place
10303 Jasper Avenue
Edmonton, AB T5J 3N6
Solicitors for Ernst & Young Inc. in its
capacity as Receiver of 1194038 Alberta Ltd.

ATTN: Bren R. Cargill
FILE: 133281-2/BRC
PHONE: (780) 428-0501
FAX: (780) 429-2559

RECITALS

- A. Pursuant to an Order of the Honourable Justice **J. Fagnan** of the Court of King's Bench of Alberta, Judicial District of Edmonton (the "Court") dated **March 14, 2023**, **Ernst & Young Inc.** was appointed as the receiver (the "Receiver") of the undertakings, property and assets of **1194038 Alberta Ltd.** (the "Debtor").
- B. Pursuant to an Order of the Court dated **June 12, 2023**, the Court approved a binding term sheet between the Receiver and **2262576 Alberta Ltd.** (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 Term Sheet 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 pursuant to the Term Sheet;
2. The conditions to Closing as set out in the Term Sheet 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 _____, 2023.

**Ernst & Young Inc., in its capacity as
Receiver of the undertakings,
property and assets of 1194038
Alberta Ltd., and not in its personal
capacity.**

Per; _____

Name:

Title:

SCHEDULE "B"

Purchased Assets

All of 1194038 Alberta Ltd.'s right, title and interest in and to the lands legally described as:

PLAN 7722579

BLOCK 2

LOT 7

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 0.543 HECTARES (1.34 ACRES) MORE OR LESS

-and-

All of 1194038 Alberta Ltd.'s present and after acquired personal property.

-and-

All of 1194038 Alberta Ltd.'s right, title and interest in and to the lease agreement with Canadian Tire Real Estate Limited dated June 1, 2008, as amended and extended.

SCHEDULE “C”***Non-Permitted Encumbrances***

All pledges, liens, charges, security interest, mortgages, or adverse claims or encumbrances of any kind or character including the following:

Registration Number	Date	Particulars
162 289 182	17/10/2016	Mortgage Mortgagee – Bank of Montreal
162 289 183	17/10/2016	Caveat Re: Assignment of Rents and Leases Caveator – Bank of Montreal
172 013 417	14/01/2017	Mortgage Mortgagee – Joginder Sunner Mortgagee – Guggendeeep Jawanda
182 010 575	13/01/2018	Mortgage Mortgagee – Guggendeeep Jawanda
DRR# E003UFY	Date Received 04/24/2023	Receivership Order Receiver – Ernst & Young Inc.

SCHEDULE "D"***Permitted Encumbrances***

Registration Number	Date	Particulars
092 096 831	31/03/2009	Caveat, Re: Lease Interest Caveator – Canadian Tire Real Estate Limited